19.807 Estimating fair market price.

(a) The *contracting officer shall* estimate the *fair market price* of the work to be performed by the 8(a) contractor.

(b) In estimating the *fair market price* for an *acquisition* other than those covered in paragraph (c) of this section, the *contracting officer shall* use cost or price analysis and consider commercial prices for similar *products* and services, available in-house cost estimates, data (including *certified cost or pricing data*) submitted by the SBA or the 8(a) contractor, and data obtained from any other Government agency.

(c) In estimating a *fair market price* for a repeat purchase, the *contracting officer shall* consider recent award prices for the same items or work if there is comparability in quantities, conditions, terms, and performance times. The estimated price *should* be adjusted to reflect differences in specifications, plans, transportation costs, packaging and packing costs, and other circumstances. Price indices *may* be used as guides to determine the changes in labor and material costs. Comparison of commercial prices for similar items *may* also be used.

Parent topic: Subpart 19.8 - Contracting with the Small Business Administration (The 8(a) Program)