15.405 Price negotiation.

(a)(S-90) For every price reasonableness determination, the contracting officer shall accomplish price or cost analysis, as appropriate, to determine the price to be either reasonable or unreasonable. The offeror's refusal to provide and/or certify cost or pricing data or information other than cost or pricing data does not relieve the contracting officer from the requirement to perform a proposal analysis; and such refusal does not provide a sufficient basis for determining the price unfair or unreasonable.

(d)(S-90).When award is still necessary, even though the contracting officer determines a price, profit, or fee is unreasonable, or when the contracting officer cannot determine if a price, profit, or fee is reasonable, the contracting officer shall refer the contract action to a level above the contracting officer in accordance with FAR 15.405(d). The cognizant authority above the contracting officer shall document any actions they completed or directed others to take in response to the referral and include this documentation, if applicable, when they provide the approval to the contracting officer. The cognizant authority at a level above the contracting officer shall include a statement for the contract file that they have reviewed the circumstances and approve of the award by the contracting officer. The contracting officer shall not make award without documented approval at a level above the contracting officer. The contracting officer shall forward a detailed memorandum to the CCO documenting the results of the negotiations and the reason the award is necessary. The contracting officer shall append a copy of this memorandum to the Price Negotiation Memorandum (PNM) in the contract file, if a PNM is applicable. If the contracting officer uses the SAAD format, in accordance with 13.106-313.106-3 Award and documentation. (b)13.106-3 Award and documentation., the contracting officer shall append the memorandum to the SAAD.

Parent topic: SUBPART 15.4 – CONTRACT PRICING