Part 5315 - Contracting by Negotiation

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DAF Contracting Compass Part 15

DAF Contracting Compass Part 15 - Pricing

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Subpart 5315.3 — SOURCE SELECTION

5315.300 Scope of Subpart

See MP5315.3 for required Department of the Air Force Source Selection responsibilities and procedures.

5315.371-4 Exceptions

(a)(2) See MP5301.601(a)(i).

5315.371-5 Waiver

(a) When a waiver to the requirement at DFARS 215.371-2 is sought, the contracting officer should provide the following documentation to support the waiver request:

(1) Summary of market research that documents that competition was anticipated, process used to maximize competition pre-solicitation, and description of solicitation method;

(2) Rationale why re-advertising for an additional 30 days will likely not obtain two or more offers.

(3) Rationale for how the price/cost will be determined fair and reasonable with only one offeror.

See MP5301.601(a)(i).

Subpart 5315.4 — CONTRACT PRICING

5315.400 (S-90)

See MP5315.4 for required Department of the Air Force contract pricing procedures. See the DoD Sole Source Streamlining Tool Box for techniques to increase efficiency throughout the acquisition process.

5315.403-1 Prohibition on Obtaining Certified Cost or Pricing Data (10 U.S.C Chapter 271 and 41 U.S.C., Chapter 35)

(b) See MP5301.601 (a)(i) Department of the Air Force Approval Authority Matrices(a)(i).

(c) *Standards for exceptions from certified cost or pricing data requirements.*

(4) *Waivers.*

(A) *Exceptional case TINA waiver.* See MP5301.601 (a)(i) Department of the Air Force Approval Authority Matrices(a)(i). When the waiver is for a subcontractor who has refused to provide cost or pricing data to a prime contractor, the information required must cover both the prime contract and the subcontract. Contracting Officers shall submit waiver requests to the cognizant HCA Workflow . Contracting officers must submit a copy of all signed TINA waivers to the SAF/AQC Workflow (if HCA is other than DAS(C) or ADAS(C)) within 30 days of approval. Submit the request for OUSD(A&S)/DPCAP approval to use the exceptional circumstances waiver pursuant to Class Deviation 2024-O0007 *Section 890 Pilot Program to Accelerate Contracting and Pricing Processes*, to the SAF/AQC Workflow with the Subject: "DAFFARS 5315.403-1(c)(4)(A) – Section 890 Pilot Program to Accelerate Contracting and Pricing Processes." For Space Force, follow internal coordination and approval procedures prior to submission to SAF/AQC Workflow for submission by SAF/AQC to DPCAP.

5315.403-3 Requiring Data Other Than Certified Cost or Pricing Data

(a)(4) See MP5301.601(a)(i).

(a)(6)(ii) See MP5301.601(a)(i). SCOs must ensure the required information has been uploaded into the Contractor Denials of Data Requests information within 25 days following the end of the quarter. Negative reports are required.

5315.403-4 Requiring Certified Cost or Pricing Data (10 U.S.C. Chapter 271 and 41 U.S.C., Chapter 35)

(a)(2) See MP5301.601(a)(i).

5315.404-1-90 Pricing Assistance or Pricing Assistance Waiver

(a) Required thresholds for requesting pricing assistance:

Sole Source		**Competitive**
PEO (Systems)	**All Other**	**All**
$25M or more	$10M or more	$100M or more

(b) See MP5315.404-1-90(b) for procedures for requesting pricing assistance.

(c) See MP5315.404-1-90(c) for procedures for requesting a pricing assistance waiver for actions that meet or exceed the required thresholds identified in 5315.404-1-90 Pricing Assistance or Pricing Assistance Waiver(a) above.

5315.404-2 Data to Support Proposal Analysis

See MP5301.601(a)(i).

5315.404-4 Profit

(c)(2)(C)*(2)* See MP5301.601(a)(i).

5315.404-70-90 DD Form 1547, Record of Weighted Guidelines Method Application, Report Control Symbol: DD-AT&L(Q)1751

HQ AFMC/PK is the designated Department of the Air Force focal point for weighted guidelines reporting. DD Form 1547s shall be prepared and reported using the web-based Weighted Guidelines (WGL) Application. The SCO shall appoint a WGL Administrator at each geographic location. The responsibilities of the WGL Administrator are outlined in the WGL Administrator's Guide. Refer to the web-enabled version of the Profit WGL Application and User Application Guides (Users and Administrators).

5315.405 Price Negotiation

(d) In situations where a contractor inadequately supports the proposed price as fair and reasonable despite all attempts by the contracting officer to secure adequate justification through negotiations, these situations should be elevated and documented as described herein. When the contractor insists on a cost/price or demands a profit or fee that the contracting officer considers unreasonable, the contracting officer shall notify the authority one level above the contracting officer and using the instructions in the link immediately submit an Egregious Pricing Incident Report to SAF/AQC Workflow , and the cognizant HCA Workflow (if HCA is other than DAS(C) or ADAS(C)). The contracting officer shall also inform the contractor that such action has been taken and continue to attempt to negotiate a fair and reasonable cost/price.

(1) If the Egregious Pricing situation is not resolved through negotiations, the offeror is ineligible for award unless the cognizant HCA determines, in writing, that it is in the best interest of the Government to make award to that offeror, based on consideration of the following:

(i) The program or mission partner need for the item(s) or service(s) in terms of the specific mission contribution;

(ii) The challenges to reaching and efforts made to reach a fair and reasonable cost/price; and

(iii) Increased cost or harm to the Government if award is not made.

(2) The PEO or Wing Commander (or other corresponding authority) and SCO shall certify to the cognizant HCA that the conditions listed in (d)(1) exist and award should be made. DAFFARS 5301.7 provides instructions for the submission of the Determination and Findings (D&F).

(3) Contracting officers, with coordination from the cognizant SCO, must report price negotiation situations, where (d)(1) applies, to the SAF/AQC Workflow and the cognizant HCA Workflow (if HCA

is other than DAS(C) or ADAS(C)) no later than 30 days after negotiations have concluded. Update the Egregious Pricing Incident Report completed under paragraph (d) with post-negotiation information and submit a copy of the final negotiation memorandum and D&F as attachments.

(4) The procedures specified in (d)(1-3) above apply to situations where certified cost and pricing data are required and to situations when certified cost and pricing data are not required. If used in situations where other than certified cost or pricing data is required and FAR 15.403-3(a)(4) applies, contracting officers should also complete reporting requirements required under DAFFARS 5315.403-3(a)(6)(ii) above.

5315.406-1 Prenegotiation Objectives

(b)(ii) *Adjudication Procedures.* The contracting officer must forward DCAA requests for Air Force management review through their management chain and provide the SCO name and contact information to the cognizant DCAA representative. If disagreements remain, the SCO must elevate the issue to the cognizant HCA Workflow to support any request from DCAA for further elevation of the issue(s).

(b)(90) A Preliminary Price Negotiation Memorandum (PPNM) is required for all actions of $10M or more. The DAF PPNM template may be tailored for use.

5315.406-2 Certificate of Current Cost or Pricing Data

To aid contractors in submitting properly executed Certificates of Current Cost or Pricing Data, contracting officers may provide the fillable Certificate of Current Cost or Pricing Data template to use as a guide.

5315.406-3 Documenting the Negotiation

(a) See the Price Negotiation Memorandum (PNM) Checklist that may be used to ensure PNMs contain all required information. For contract actions valued below the Truthful Cost or Pricing Data threshold, the DAF Streamlined PNM Format for supplies or services is available for use. If the value of the contract action exceeds the Truthful Cost or Pricing Data threshold and no exception to the Truthful Cost or Pricing Data threshold applies, pricing documentation is expected to address the cost element composition of the proposed, objective, and negotiated positions at an appropriate level of detail based on the value and complexity of the pricing action. The final PNM template and streamlined PNM templates for supplies or services may be tailored for use.

5315.407-3 Forward Pricing Rate Agreements

(b)(i) See MP5301.601(a)(i).

5315.407-4 Should-cost Review

(b) *Program should-cost review*.

(4) The contracting office organizes and manages the program should-cost review. The team chief is responsible for the completion of the should-cost review team report.

(c)(2)(B) See MP5301.601(a)(i).

5315.407-90 Contract Audit Follow-Up (CAFU)

Follow MP5315.407-90 for conducting CAFU activities.

5315.408 Solicitation Provisions and Contract Clauses

(2)(i)(A)(*2*) See MP5301.601(a)(i).

(ii)(A)(*2*) See MP5301.601(a)(i).

Subpart 5315.6 — UNSOLICITED PROPOSALS

5315.606 Agency Procedures

See MP5315.606-90 for points of contact and procedures for controlling the receipt, handling, evaluation, and timely disposition of unsolicited proposals.