COURSE SYLLABUS

CON 7310: Cost Analysis for Federal Contracting Course

This course equips federal contracting professionals with the analytical skills and regulatory knowledge needed to evaluate contractor cost proposals and determine fair and reasonable prices under FAR Part 15 and TINA requirements. Participants develop proficiency in cost and price analysis techniques, profit and fee determination, and the documentation practices that support defensible pricing decisions across a wide range of federal contract types.

> Group classes (Washington, DC) and onsite training are available for this course.
> For more information, email onsite@graduateschool.edu or visit: https://www.graduateschool.edu/courses/con-7310-cost-analysis-course



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Course Outline

Module 1: Regulatory Framework — FAR Part 15, TINA, and the Cost/Pricing Landscape

- Identify the regulatory foundation governing cost and pricing data requirements under the FAR.
- Explain the purpose and applicability of the Truth in Negotiations Act (TINA).
- Distinguish between certified cost or pricing data and other than certified cost or pricing data.
- Recognize the thresholds and exceptions that trigger cost or pricing data requirements.

Module 2: Price Analysis Techniques and Applications

- Identify price analysis techniques appropriate for evaluating contractor proposals.
- Apply catalog and market price comparisons to assess price reasonableness.
- Use historical pricing data and competitive pricing benchmarks effectively.
- Determine when price analysis alone is sufficient to establish fair and reasonable pricing.

Module 3: Cost Analysis — Direct and Indirect Cost Elements

- Distinguish between direct and indirect costs in contractor proposals.
- Analyze direct cost elements including labor, materials, and subcontract costs.
- Evaluate indirect cost pools, allocation bases, and overhead rates.
- Identify inconsistencies and unsupported costs within a proposal.

Module 4: Labor, Material, and Subcontract Cost Analysis

- Evaluate proposed labor rates and labor mix for reasonableness and realism.
- Analyze material costs using purchasing records, vendor quotes, and market data.
- Apply subcontract review requirements and flow-down obligations.

- Identify risks associated with inadequately supported labor and material estimates.

Module 5: Overhead, G&A, and Other Indirect Costs

- Analyze overhead, general and administrative (G&A), and other indirect cost pools.
- Evaluate the reasonableness of proposed indirect cost rates.
- Understand the relationship between indirect rates and contract cost impact.
- Identify allocation methodology concerns that may affect proposal accuracy.

Module 6: Cost Realism Analysis for Cost-Reimbursement Contracts

- Explain the purpose and application of cost realism analysis.
- Distinguish between cost realism and cost reasonableness determinations.
- Apply cost realism techniques to evaluate proposed costs on cost-reimbursement contracts.
- Document cost realism findings in support of the source selection decision.

Module 7: Profit and Fee Analysis — Policy, Techniques, and Weighted Guidelines

- Explain the regulatory policies governing profit and fee objectives under FAR Part 15.
- Apply the weighted guidelines method to develop a pre-negotiation profit objective.
- Distinguish between fixed-fee, incentive-fee, and award-fee structures.
- Negotiate profit objectives consistent with contractor risk and performance expectations.

Module 8: Cost Accounting Standards (CAS) Overview and Application

- Identify the purpose and scope of the Cost Accounting Standards (CAS).
- Distinguish between CAS-covered and non-CAS-covered contracts.
- Recognize the impact of CAS requirements on contractor cost proposals.
- Apply CAS compliance considerations during proposal evaluation.

Module 9: Defective Pricing and TINA Compliance

- Identify circumstances that may constitute defective pricing under TINA.
- Explain government remedies available when defective pricing is identified.
- Apply procedures for reviewing contractor disclosure obligations.
- Recognize audit and oversight roles in TINA compliance and enforcement.

Module 10: Unbalanced and Unrealistic Pricing Identification

- Define unbalanced pricing and explain its risks to the government.
- Identify indicators of mathematically and materially unbalanced proposals.
- Distinguish between unrealistic pricing and unbalanced pricing concerns.
- Determine appropriate government responses to identified unbalanced proposals.

Module 11: Forward Pricing Rate Agreements and Recommendations

- Explain the purpose and use of Forward Pricing Rate Agreements (FPRAs) and Recommendations (FPRRs).
- Identify how FPRAs and FPRRs are established and applied in proposal evaluation.
- Assess the reliability of forward pricing rates when evaluating contractor proposals.
- Recognize the role of DCAA in supporting forward pricing rate negotiations.

Module 12: Should-Cost Analysis and Independent Government Cost Estimates

- Explain the purpose of should-cost analysis and when it is appropriate.
- Distinguish between should-cost review and Independent Government Cost Estimates (IGCEs).
- Apply should-cost principles to identify cost reduction opportunities.
- Develop and document IGCEs in support of pre-award pricing decisions.

Module 13: Documenting the Pricing Decision — Pre-Negotiation Memorandum

- Identify the components and purpose of the pre-negotiation memorandum.
- Document the government's cost and price analysis findings in the pre-negotiation memorandum.
- Establish pre-negotiation objectives for price, cost elements, and profit.
- Apply FAR documentation requirements for pre-award pricing actions.

Module 14: Price Negotiation Memorandum (PNM) Preparation

- Explain the purpose and required content of the Price Negotiation Memorandum.
- Document negotiation results and the basis for the final negotiated price.
- Prepare a complete and compliant PNM in accordance with FAR Part 15 requirements.
- Recognize common deficiencies in PNM documentation and how to avoid them.

Module 15: Cost/Price Analysis for Contract Modifications

- Apply cost and price analysis principles to contract modifications and change orders.
- Identify when certified cost or pricing data is required for contract modifications.
- Evaluate the cost impact of proposed modifications on contract value and terms.
- Document modification pricing decisions consistent with applicable FAR requirements.

Module 16: Advanced Cost Analysis Case Studies and Exercises

- Apply cost analysis techniques to complex, multi-element contractor proposals.
- Integrate price analysis, cost analysis, and profit objectives in a unified evaluation.
- Identify and address analytical challenges common in advanced cost analysis scenarios.
- Document analysis findings and develop negotiation positions from case study results.

Module 17: Multi-Year and Long-Term Contract Pricing Considerations

- Identify pricing challenges unique to multi-year and long-term contracts.
- Apply economic price adjustment and escalation techniques to long-term proposals.
- Evaluate contractor proposed escalation factors for reasonableness.
- Recognize the impact of contract type selection on pricing risk in long-term agreements.

Module 18: Cost Analysis in a Competitive Environment

- Distinguish between price analysis and cost analysis in competitive acquisitions.
- Apply cost analysis techniques when adequate price competition is absent.
- Evaluate proposals in sole-source and limited-competition environments.
- Identify when additional cost data is needed despite a competitive acquisition setting.

Module 19: Audit Support and DCAA Coordination

- Explain the role of the Defense Contract Audit Agency (DCAA) in the pricing process.
- Identify when and how to request DCAA audit assistance during proposal evaluation.
- Interpret DCAA audit reports and apply findings to the cost analysis.
- Coordinate effectively with audit agencies to support pre-award and post-award pricing actions.

Module 20: Capstone Pricing Scenario and Practical Application

- Apply cost and price analysis skills developed throughout the course to a comprehensive pricing scenario.
- Integrate regulatory requirements, cost element analysis, and profit objectives in a complete evaluation.
- Prepare documentation supporting the pricing decision and negotiation outcome.
- Demonstrate proficiency in the analytical and documentation skills required of federal cost analysts.