



CON 170: Fundamentals of Cost and Price Analysis

The course reviews market research and contractor pricing strategies, then goes on to explain calculating an objective using simple quantitative analysis. The course delivers an overview of the regulations and processes for cost analysis and requiring certified cost and pricing data. Contract financing techniques are discussed. Finally, after learning the basic elements of price and cost analysis, students will build and defend a pre-negotiation objective. Application of cost analysis techniques will be demonstrated during a week two proposal analysis capstone case, including writing a Price Negotiation Memorandum.

Learning Objectives

- Given an acquisition situation, successfully distinguish various seller pricing strategies.
- Describe the Truth in Negotiations Act, including its purpose in mitigating government cost risk.
- Identify the policies and procedures for applying the Cost Accounting Standards Board (CASB) rules and regulations to negotiated contracts and subcontracts. (FAR Part 30, DFARS Part 230 and 48 CFR 9903.3).
- Identify the contract cost principles and procedures. (FAR Part 31 and DFARS Part 231).
- Given a contracting requirement and market research tools, recognize the essential elements of a market research report.
- Demonstrate ability to execute fundamental quantitative pricing skills.
- Given acquisition situations, determine an appropriate contracting strategy, including the contract type and other incentives.
- Given a contracting scenario, differentiate among financing arrangements, their order of preference, and the situations for use.
- Accurately differentiate between price analysis, cost analysis, and cost realism analysis
- Pursuant to FAR 15.4, accurately differentiate the price analysis techniques.
- Given a contracting scenario examine price-related factors.
- Pursuant to FAR 15.4, accurately perform proposal analysis.
- Summarize the cost analysis process, including the purpose, key players, and necessity for compliant contractor business systems
- In executing a cost analysis, explain the evaluation of direct costs to include direct materials, direct labor, other direct costs, and subcontract costs



- In executing a cost analysis, explain the evaluation of indirect costs
- Given a proposal evaluation scenario, calculate a Government total cost objective.
- Given a proposal evaluation scenario, calculate Facilities Capital Cost of Money (FCCOM) in order to support a negotiation objective.
- Given a proposal evaluation scenario, calculate a negotiation profit objective using the Weighted Guidelines (WGL) method.
- Given a scenario, demonstrate how to complete a settlement action relating to Defective Pricing.

Course Details

- ***Course Length*** – 10 Days
- ***Continuous Learning Points*** (CLPs) – 76
- ***Graded Materials Include:*** Attendance of all Instructional Hours, Course Exercises, Homework, and Course Exams/Quizzes



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