

DEFENSE ATOMIC SUPPORT AGENCY

PRICE NEGOTIATION MEMORANDUMContract/~~XXXXXXXXXX~~ No. DASA01-69-C 01311. Introductory Summary

This is a CPFF CR contract negotiated on a single-source informal competitive formal competitive (RFP) basis. Over-all comparative prices are as follows:

	<u>Proposed</u>	<u>Objective</u>	<u>Negotiated</u>
Estimated cost	<u>\$ 71,369</u>	<u>\$ 71,369</u>	<u>\$ 71,369</u>
Fee/Profit	<u>** -0-</u>	<u>** -0-</u>	<u>** -0-</u>
Total Price	<u>\$ 71,369</u>	<u>\$ 71,369</u>	<u>\$ 71,369</u>
Fee/Profit, percent	<u>** %</u>	<u>** %</u>	<u>** %</u>

2. Particularsa. Contractor's name and address: University of CincinnatiCollege of MedicineCincinnati, Ohio 45229b. Contract for: A Study of Radiation Effects in Man: Manifestations and Therapeutic Efforts.c. Contractor's Proposal Letter dated19 February 1969, as revised by _____

dated _____, was used as basis for negotiations.

DASA FL 125
24 Sep 68File under:
Contract/~~XXXX~~ 69-C-0131
Section: Negotiation

d. Negotiations were completed between Dr. Eugene L. Saenger
(Contractor's Negotiator)
Board of Directors and Miss D. Jeanne Ryder, Contract
(Title)
Negotiator, LGCM, on 30 April 1969.

e. DD Form 633-4 and cost or pricing data ~~were~~ were not required because:

- Proposal was for \$100,000 or over
- Proposal was for less than \$100,000
- Competitive prices were received
- Prices were based on established catalog or market prices of commercial items sold in substantial quantities
- Proposal price was for less than \$100,000, but cost information was considered necessary

3. Procurement Situation: See Purchase Request dated STMD DF
28 February 1969 and
General Negotiation Memorandum dated 30 April 1969 filed in Contract
file under tabs "Purchase Request" and "Negotiation".

4. Negotiation Summary

a. Following individual cost elements were considered:

(1) Direct Labor

(a) Proposed \$ 43,198 Objective \$ 43,198
Negotiated \$ 43,198

(b) Basis for acceptance STMD P.R., 28 Feb 69, as to extent of
labor effort required, and consistent with labor expended under Contract No.
DA-49-146-XZ-315.

(c) Reliance on Contractor data Full reliance on Contractor's data

(5) Consultant

(a) Proposed \$ 1,000 Objective \$ 1,000
Negotiated \$ 1,000

(b) Basis for acceptance STMD P.R. 28 Feb 69, as to requirement
for consultant in the internal medicine field.

(c) Reliance on Contractor data Full reliance on Contractor's
data.

(6) Travel

(a) Proposed \$ 2,000 Objective \$ 2,000
Negotiated \$ 2,000

(b) Basis for acceptance STMD P.R., 28 Feb 69, as to extent of
travel required.

(c) Reliance on Contractor data Full reliance on Contractor's
data.

(a) Proposed \$ _____ Objective \$ _____
Negotiated \$ _____

(b) Basis for acceptance _____

(c) Reliance on Contractor data _____

(2) Staff Benefits

(a) Proposed \$ 5,616 Objective \$ 5,616

Negotiated \$ 5,616

(b) Basis for acceptance ONM Advisory Letter that Staff

Benefit rate is 13% of salaries. (See CG File)

(c) Reliance on Contractor data None

(3) Overhead

(a) Proposed \$ 14,255 Objective \$ 14,255

Negotiated \$ 14,255

(b) Basis for acceptance ONM Audit Report that Overhead Rate

is 33%, applicable to Direct salaries for FY 69. (See CG File) ONM Negotiation Report, 17 Mar 69, gave new overhead rate at 42.78%, but Contractor agreed to stay with the proposed rate of 33% since his proposal was prepared prior to issuance of the ONM Report and to keep the Contract within available FY 69 funding.

(c) Reliance on Contractor data None

(4) Materials

(a) Proposed \$ 5,300 Objective \$ 5,300

Negotiated \$ 5,300

(b) Basis for acceptance STMD P.R., 28 Feb 69, as to requirement for proposed materials and equipment in performance of the Contract work.

(c) Reliance on Contractor data Full reliance on Contractor's

data.

(7) Fixed-Fee/Profit NOT APPLICABLE

(a) Proposed \$ _____ Objective \$ _____
Negotiated \$ _____

(b) For development of fee/profit objective, see DD Form
1547 dated _____, with attachment thereto, Incl 1 to this W/R.

(c) Negotiation of fee/profit: Not applicable, since Contractor
is a non-profit educational institution.

b. Reasonableness of Final Price

Based on the above information, the agreed final price is
considered to be fair and reasonable.

The concession made in the awarded price, without change
in the Government's ideas about cost, was considered necessary to obtain
an award, and is considered to be in the best interest of the Government.

5. Miscellaneous

a. DCAA Proposal Audit Review was requested from _____
on _____ was not required because
proposal was for less than \$100,000 was waived because there was
current
sufficient/information on file in LGCM to perform a cost analysis of Contractor's
proposal.

b. Audit Report N/A dated _____
is included in the Contract file under tab "Preaward Survey".

c. Informal audit/rate information was obtained from N/A
_____ in phonecon between _____
(Agency) _____ (Audit Repr. Name)
and _____, LGCM, on _____
_____. (See tab "Preaward Survey", Contract file).

D. James R. ...
LGCM Contract Negotiator
Date: 30 April 1969

Reviewed J. ... 06.4/30/69

1-inci N/A
DU Form 1547, w/2 Atchs