

Preparing an Independent Government Estimate (1 day)

COURSE PERSPECTIVE

This course addresses a major gap in carrying out the “pricing” aspects of the procurement process. CORs recognize that “an independent government estimate must be prepared, but how?” This 1-day course explains how to prepare an estimate for fixed-price and reimbursable contracts. It covers price and cost approaches to pricing, cost drivers, principle estimating methods, techniques for gathering cost and pricing data, and generating realistic estimates.

This course is "hands-on," using examples and application exercises to show how estimates should be generated and supported.

FAC-COR COMPETENCIES

This course addresses FAC-COR technical competencies listed in the FAI Competency Model dated October 1, 2022 for *Acquisition Planning* [Indicator 2.2] and *Market Research* [Indicator 3.1].

COURSE CONTENT

- Basic pricing terminology
- Price, cost, and profit relationships.
- Buyer, seller, and market relationships in shaping estimates.
- Price versus cost approach to estimating.
- The statement of work: the key to effective estimating and analysis.
- The impact of contract type.
- Identifying/applying numerical and categorical drivers to estimating costs and prices.
- Analogous, parametric, 3-point, and detailed estimating: when and how to use each technique.
- Preparing estimates for fixed-price contracts.
- Preparing estimates for reimbursable contracts.
- Obtaining adequate cost or pricing data – how much should be requested?
- Comparing offeror estimates to the independent government estimate.
- Adjusting for performance variables and estimating assumptions.
- Recommending price or cost adjustments to the contracting officer.
- Preparing a technical analysis report.

COURSE MATERIALS

Attendees receive a student guide comprise of 3 chapters. It includes an IGE format, estimating guidelines and examples, and best practices. It serves as an excellent desktop reference for later use.

COURSE COMPLETION REQUIREMENTS/CLPs

Sixteen (16) continuous learning points (CLPs) are issued for successful course completion based on 100% attendance. The instructor may grant up to 30 minutes of excused absence.