

# TMA Price Negotiation Memorandum (PNM) Policy Briefing

**April 2012** 





# Agenda

- PNM Background
- Current TMA PNM Policy Overview
- Key elements of TRICARE Acquisition Directive (TAD) 15-02, PNM and Guide
- Summary
- PNM References and Tools
- Questions

## **PNM** Background

As required in FAR Subpart 15.406 – "Documentation", the PNM must contain all the information necessary to explain the government's position and formally document the objectives (pre-negotiation) and results (post-negotiation) of a *negotiated* procurement in the contract file.

## **Current TMA PNM Policy Overview**

TMA recently developed a revised PNM policy that includes:

- TRICARE Acquisition Directive (TAD)
   15-02 rescinds TRICARE Acquisition
   Practice 15-01, Rev 004, "Pre/Post Negotiation Memorandum," and
   establishes TMA policy for the
   development of PNMs.
- PNM Guide details procedures and guidance for developing PNMs, and includes templates for both Pre- and Post-negotiation PNMs as Appendices 1 and 2, respectively.



## Key elements of TAD 15-02, PNM and Guide

#### **Key TAD Elements-**

- Establishes the Contracting Officer as responsible for documenting contractor negotiations for all negotiated awards using Pre- and Post-negotiation PNMs, or a combined Pre-/Post-negotiation PNM if appropriate.
- Mandates the use of the Pre- and Post-negotiation PNM templates to ensure all FAR- and DoD-required content is addressed.
   Templates are included as Appendices 1 and 2 of the PNM Guide.

#### Key Guide Elements-

- Appendix 1: Pre-Negotiation PNM Template is intended to document TMA's pre-negotiation objectives.
- Appendix 2: Post-Negotiation PNM Template is intended to capture the rationale behind the final negotiated positions, prices, etc.

## **Summary**

- Documentation of negotiations is required for negotiated procurements and must be included in the contract file.
- As of 03/12, TMA has implemented the new policy governing the development of Price Negotiation Memorandums.
- TAD 15-02 and a PNM Guide were published to provide enterprisewide policy, guidance, and templates.

### **PNM References and Tools**

The following references are located on the AM&S Acquisition Policy website:

- Federal Acquisition Regulation (FAR) Part 15
   <a href="http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/far/15.htm#P2\_67">http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/far/15.htm#P2\_67</a>
- Defense FAR Supplement (DFARS) Part 215
   <a href="http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/dfars/PGI%20215\_4.ht">http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/dfars/PGI%20215\_4.ht</a>
   <a href="mailto:m#P376\_37039">m#P376\_37039</a>
- TAD 15-02, "Price Negotiation Memorandum," March 12, 2012 <a href="http://tricare.mil/tma/ams/downloads/TAD15-02.pdf">http://tricare.mil/tma/ams/downloads/TAD15-02.pdf</a>
- TMA PNM Guide <a href="http://tricare.mil/tma/ams/downloads/PNMGuideTemplates.doc">http://tricare.mil/tma/ams/downloads/PNMGuideTemplates.doc</a>

## **Questions**

 For questions related to PNMs or documentation of negotiations, please contact the TMA AM&S Contract Policy and Pricing Branch:

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