



Memorandum of Negotiation: Assistance Template

A Mandatory Reference for ADS Chapter 300

New Edition Date: 04/02/2013
Responsible Office: M
File Name: 300maj_040213



USAID
FROM THE AMERICAN PEOPLE

MEMORANDUM OF NEGOTIATION
ASSISTANCE TEMPLATE

BUREAU FOR MANAGEMENT (M)
OFFICE OF ACQUISITIONS AND ASSISTANCE
TEMPLATES SERIES

MAY 2012

Introduction

A Memorandum of Negotiation (often referred to simply as “neg memo”) is a comprehensive document that records the key elements of an assistance award decision. It is a complete history of the award process and is a permanent record of events. It serves as the document that any person working in an official capacity can read and know the history of how and why the award was made. It establishes the fairness and reasonableness of the award. This document should be clear, concise, complete and accurate. Attached to this guidance is a template you can use to create your negotiation memorandum.

Audience

- | | |
|--|--|
| <input checked="" type="checkbox"/> Agreement Officer | <input checked="" type="checkbox"/> Agreement Officer’s Representative |
| <input type="checkbox"/> Contracting Officer | <input type="checkbox"/> Contracting Officer’s Representative |
| <input type="checkbox"/> Contract Specialist | <input checked="" type="checkbox"/> Program Analyst/Activity Manager |
| <input checked="" type="checkbox"/> Agreement Specialist | <input type="checkbox"/> Budget Officer |

Acronyms

ADS	Automated Directive System
AO	Agreement Officer
AOR	Agreement Officer Representative
APS	Annual Program Statement
JEC	Justification for Exceptions to Competition*
RCO	Regional Contracting Officer
RFA	Request for Application
TEC	Technical Evaluation Committee

Key Roles and Responsibilities

Agreement Officer (AO) is responsible for coordinating with the Activity Manager the assistance requirements, awarding and administering USAID assistance awards in accordance with the limitations of their delegated authority, policy directives, and required procedures.

Agreement Officer’s Representative (AOR) is designated in writing by the AO to administer technical aspects of the assistance instrument. The AOR ensures that USAID exercises prudent

management over assistance awards and ensures the achievement of program objectives by monitoring and evaluating recipient performance.

Definitions

Automated Directives System (ADS) is a source of agency policy guidance [see www.usaid.gov/policy/ads]

Annual Program Statement (APS) is a solicitation, a broad announcement of the intent to support a variety of creative approaches towards developing methodologies to assess and implement development objective activities. When used, it is published at least once a year, either with an open-ended response time or a closing date of at least six months after issuance.

Justification for Exceptions to Competition (JEC) is a document that explains why there is an exception to the normal full and open competition.

Request for Application (RFA) is a solicitation used when the intent is to provide assistance for an activity or methodology that supports or is in keeping with USAID's program objectives. The RFA usually has a response time of 30 days or more, depending on the complexity of the program.

Recipient is a term used interchangeably with Grantee

(Template)
MEMORANDUM OF NEGOTIATIONS

I. AGREEMENT SUMMARY:

TITLE OF REQUIREMENT:

TECHNICAL OFFICE:

REQUISITION NUMBER:

RFA NUMBER:

AGREEMENT NUMBER:

AGREEMENT TYPE:

RECIPIENT NAME & ADDRESS:

DUNS NUMBER:

RECIPIENT REPRESENTATIVE NAME, PHONE, EMAIL:

PERIOD OF PERFORMANCE:

TOTAL ESTIMATED AMOUNT:

PLACE OF PERFORMANCE:

AOR NAME:

AGREEMENT OFFICER NAME:

II. AUTHORITY TO ENTER INTO AGREEMENT

The Foreign Assistance Act of 1961, as amended and Executive Order 11223, and the Federal Grant and Cooperative Agreement Act. Other authorities could be JEC, Waivers to Competition or Congressional earmarks

III. PURPOSE OF THIS MEMORANDUM

As an example:

The purpose of this Memorandum is to provide a record of events leading to the AO award decision. It includes the Technical Evaluation Committee (TEC) findings and recommendations related to their review of the APPLICATIONS, and the results of the AO’s cost evaluation, including a detailed cost analysis and cost realism analysis for each application received.

IV. RATIONALE FOR CHOICE OF INSTRUMENT

Specific guidance on determining the use of an award instrument can be found in ADS 304.3.1a. In accordance with ADS 304, this documentation must be completed prior to issuing a solicitation or initiating communications with a potential sole source awardee. The decision to use a grant or cooperative agreement is made when the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the recipient (grantee) in order to carry out a public purpose of support or stimulation authorized by Federal statute. In this section you must include a brief but specific rationale that supports the principal purpose of the relationship. .

V. AGREEMENT BACKGROUND

Your goal is to provide sufficient information about the project so that the reader has a basic understanding of what it involves. You should always strive to make the narrative brief and concise. An example of the opening of the narrative is:

The objective of this cooperative agreement/grant is to support the recipient’s program, which supports/contributes to the development of a educational environment more conducive to producing more employable youth in Yemen. ...

VI. CHRONOLOGY OF EVENTS

*Include under this entry the action events: ((NOTE: The following events are the standard PALT events used by GLAAS for an Assistance Action). **The Customer Service Guidelines stipulate 180 days for competitive RFAs. The agreed dates result from detailed discussion and agreement between the AO and the AOR/TEC Chair.***

Event Description	Event Date
Requisition Released	MM/DD/YYYY
Buyer Assigned	MM/DD/YYYY
Accepted Request	MM/DD/YYYY
Obtained OSDDBU Clearance	MM/DD/YYYY
Issued Advertisement	MM/DD/YYYY
Reviewed Comments	MM/DD/YYYY
Finalized SOW	MM/DD/YYYY
Solicitation Creation Date	MM/DD/YYYY
Prepared Solicitation	MM/DD/YYYY

Obtained Necessary Reviews	MM/DD/YYYY
Solicitation Released	MM/DD/YYYY
Solicitation Issued	MM/DD/YYYY
Solicitation Conference held	MM/DD/YYYY
Amended Solicitation	MM/DD/YYYY
Received Proposal(s)	MM/DD/YYYY
Cost Proposal Review/Request Technical Evaluation	MM/DD/YYYY
Requested Audit(s)	MM/DD/YYYY
Performed Cost Analysis/Receive Technical Evaluation	MM/DD/YYYY
Determined Competitive Range	MM/DD/YYYY
Obtained Necessary Reviews	MM/DD/YYYY
Issued Unsuccessful Letters	MM/DD/YYYY
Began Clarification/Discussion	MM/DD/YYYY
Completed Clarification/Discuss	MM/DD/YYYY
Requested Revised Proposals	MM/DD/YYYY
Conducted Debriefing(s)	MM/DD/YYYY
Received Revised Proposals	MM/DD/YYYY
Requested Revised Prop Tech Evaluation	MM/DD/YYYY
Received Revised Prop Tech Evaluation	MM/DD/YYYY
Determined Apparent Winners	MM/DD/YYYY
Requested EEO Clearance	MM/DD/YYYY
Received EEO Clearance/Audit Results	MM/DD/YYYY
Prepared Award	MM/DD/YYYY
Completed Contract File Doc	Projected MM/DD/YYYY
Obtained Contract Officer Review	Projected MM/DD/YYYY
Obtained Necessary Reviews	Projected MM/DD/YYYY
LEG Notice	Projected MM/DD/YYYY
Secured Vendor Signature	Projected MM/DD/YYYY
Resolved Issues	Projected MM/DD/YYYY
Executed CO Signature/Award Approved	Projected MM/DD/YYYY
Award Synopsized	Projected MM/DD/YYYY
Award Date	Projected MM/DD/YYYY
Award Released	Projected MM/DD/YYYY

VII. DISCUSSION

A. Overview of the Assistance Process

Enter the basic facts. For example:

On MM/DD/YYYY, USAID/XXXX issued the Request for Application # xxx on www.grants.gov, requesting applications for the required program description.

Subsequently, USAID/XXXX issued two amendments to the RFA:

Amendment No. 1 was issued on MM/DD/YYYY, as follows:

- a. Modify Section I – Funding Opportunity Description*
- b. Modify Section II – Award Information*
- e. Modify Section III – Eligibility Information*
- f. Modify Section IV – Application and Submission Information*
- h. Modify Section V – Application Review Information*
- i. Modify Section VI – Award and Administration Information*
- j. Modify Section VII – Agency Contacts*
- k. Modify Section VIII – Other Information*

Applications were due on MM/DD/YYYY. A total of XX applications were received, from the following applicants:

- 1. xxx*
- 2. xxx*
- 3. xxx*

Applications were reviewed to assure compliance with the terms and conditions of the RFA. The applicants certifications and representations were reviewed and were accurate, complete, and applicant is eligible for award.

B. Technical Evaluation Committee Methodology and Scoring

An example of what to include in this entry:

The TEC used a standardized approach to evaluate the technical applications. First, TEC members independently reviewed each application in accordance with the evaluation criteria stated in Section V of the RFA, “Application Review Information”.

Each member prepared written comments noting strengths, weaknesses, significant weaknesses, and deficiencies and provided questions and points of clarification for each applicant.

The TEC met XXX times to discuss the applications. During the discussion, TEC members shared their individual ratings and narratives, and determined a consensus score for each criterion, the strengths, weaknesses, significant weaknesses, deficiencies and clarifications for each criterion, and the consensus overall rating for each applicant. At the end of the discussion of each criterion, participants recorded any adjustments made to their original scores and documented the reasons for the changes.

C. Summary Technical Scores and Rankings: Pre-Competitive Range

Create a list or table that shows for each applicant: the technical evaluation criteria; the consensus score assigned for each criterion; and the total technical score for the

applicants. An Excel spreadsheet is the preferred tool for this. The initial technical evaluation report should be included as an attachment to this Memorandum. The final TEC Memo must be attached to the Neg Memo.

For example:

Prior to convening the Technical Evaluation Committee (TEC) to review applications, the Agreement Officer (AO) provided instructions to chair and members in advance of meeting with clear and specific guidance. The TEC consisted of 3 USAID members:

1. xxx
2. xxx
3. xxx

On MM/DD/YYYY, the AO organized an introductory meeting with the TEC to explain all elements of the evaluation process (rules and best practices). At the end of the meeting, all TEC members signed the requisite Conflict of Interest Statements and non-disclosure forms. AO provided each panel member with the electronic copy of evaluation sheets (1 set for each application). The Negotiator and/or the AO participated in the entire technical review process, including in all group discussions (as observing, non-voting members). Individual TEC members read the applications in the order agreed during the period from {insert dates - MM/DD/YYYY through MM/DD/YYYY }.

D. Summary of Cost Proposal Evaluation

A comprehensive cost analysis of each application must be performed. As the Agreement Officer, you will decide the format, extent and content of the cost analysis. As a minimum, you will want to address the necessity, reasonableness and allowability of each individual cost element in accordance with the applicable cost principles. Cost sharing must be addressed as a measure of cost effectiveness, when required.

Summarize the cost application of each applicant. Insert a table for this purpose using the cost elements in SF 424A.

The cost analysis can be included as part of the Negotiation Memorandum, as an attachment to the Memorandum, or filed elsewhere in the Pre-award file. If they are filed elsewhere, be sure to identify their location. See ADS 303.3.12a for more specific guidance on conducting cost analysis. [see the Cost Analysis Template]

VII. COMPETITIVE RANGE DETERMINATION

Summarize the results of your competitive range determination. Some of this information can be extracted from the TEC Memorandum.

VIII. EVALUATION OF FINAL TECHNICAL APPLICATION REVISIONS

Example of an introductory paragraph for this entry:

On MM/DD/YYYY, the TEC members were provided the final applications. TEC members were briefed by the Agreement Officer about the procedures for the review of the final applications and for the next XXX days, the technical committee evaluated, discussed and rescored, as appropriate, the final applications. On MM/DD/YYYY, the TEC Chair submitted to the Agreement Officer the final Technical Evaluation Report.

Include here a list or table to show for each applicant: the technical evaluation criteria; the final consensus score assigned for each criterion; and the final total technical score for the applicant. Identify those scores that changed from the initial technical evaluation. [see the Technical Evaluation Template]

State that the Agreement Officer agrees with and accepts the findings of the Final TEC Report, and indicate where the Report is located (either as an attachment to the Memorandum or elsewhere in the Pre-award file.)

IX. EVALUATION OF FINAL COST APPLICATION REVISIONS

Perform a cost analysis of each revised application. It is to include a cost realism analysis. The cost analysis can be included as part of the Memorandum of Negotiations, as an attachment to the Memorandum, or filed elsewhere in the Pre-award file. If they are filed elsewhere, be sure to identify their location. [see Cost Analysis and Cost Realism Templates]

This applies to contracts, however AO, in discussion with AOR/TEC Chair, will make tradeoffs/consideration of the relative technical merits and costs of the applicants.

X. RESPONSIBILITY DETERMINATION AND APPLICATION OF STANDARDS

For Assistance Awards, the Agreement Officer must make a pre-award Responsibility Determination in accordance with ADS 303.3.9 - Pre-Award Responsibility Determination. This must include a check of the intended awardee and significant subawardees against the OFAC and other required lists and databases to be sure award is not prohibited

XI. AWARD RECOMMENDATION

The cost proposal submitted by XXX is fair, reasonable, and realistic. Considering cost and technical merit, XXX's proposal represents the best value to the Government, and I recommend that an agreement be awarded to XXX.

RECOMMENDED BY: {Negotiator}

Name

Title

Date

[OPTIONAL as needed basis] REVIEWED BY: {Division Chief or Supervisory AO}

Name

Title

Date

APPROVED BY: {Signatory AO with sufficient warrant authority}

Name

Title

Date