



How to Develop and Use an Independent Government Cost Estimate (IGCE)

*A 3-Day Hands on TMS Experience
Delivered in Live or Live Virtual Classrooms!*

Course Description:

This course shows you, step-by-step, how to conduct an IGCE that fully complies with the Federal Acquisition Regulation (FAR). How does one determine that a price is “fair and reasonable?” What factors should be considered? How shall they be documented? What level of independent examination of reasonableness is required? In addition to showing you how to perform thorough IGCEs, we also show you how to determine when to stop collecting data to insure you don’t collect more information than necessary. Our IGCE course details all the requirements of price analysis and the steps used in estimating. In addition to the basics, this course covers specific costing issues related to research and development, commercial acquisitions, systems acquisitions, competitive sourcing, infrastructure acquisitions, and cost estimating for long-term, high priority or high-value acquisitions.

Learning Objectives & Topics Covered in this Workshop:

- Independent Government Cost Estimate/Independent Government Estimate (IGCE/IGE)
 - What It Is, its purpose and importance
 - Major elements of the cost estimate
 - Selecting appropriate cost estimate methods
 - Steps in the cost estimate process
 - How to conduct market research
 - When economic limits come into play
 - Applying the rules for exclusions
 - When a waiver is the best answer
- Risk
 - How to identify the risk areas of an IGCE
 - How to minimize those risks
- Affect
 - Regulatory requirements that affect independent government cost estimate
 - The Importance of the requirements document
 - Factors which affect the IGCE

Audience:

This workshop is designed for acquisition personnel.

Toolkits:

Receive a **Student Handbook** and **Online Toolkit**, containing tools such as checklist, tips, techniques, and numerous other tools to help you use your new skills immediately.

Additional Information

CPE Credits: 24.0

CEU Credits: 2.4

Suggested Program

Prerequisites: None

Advanced Preparation:

None

NASBA Program Level:

Intermediate

NASBA Field of Study:

Specialized Knowledge

Delivery Method: Group Live

– Live Virtual Classroom





- Labor rates
 - Learn how to ensure you determine which labor categories are needed to meet the requirements of the project
 - Make your project managers proficient in how to determine labor rates
 - How to determine the number of hours required for each labor category
- Price analysis
 - What it is and how you do it
- Cost analysis
 - Steps to estimate overall costs & factors affecting cost estimates
 - Recurring and non-recurring costs
 - Allowable and unallowable costs
 - Material costs and other direct costs
 - How to research and document industry standards
 - Burden or indirect expenses
 - Facilities capital cost of money
 - Profit/Fee
 - When and how to use activity-based costing
- Cost realism analysis
 - How to use market cost analysis techniques
 - When modeling an activity makes sense
 - How to conduct price/cost research
 - Developing the cost library
 - Breaking the requirements document into its constituent cost elements
- Technical analysis
 - How to do a technical review for completeness
 - How to conduct a technical estimation of value
 - How to perform a technical approach validation
 - Implementation of technical experts in negotiations
- Legal implications
 - Step-by-step case study reviews
 - When to conduct risk analysis
 - How to find and when to share lessons learned
- An in-depth hands-on exercise to apply the skills learned during the workshop
- Develop an IGCE

Items you will receive in this workshop, and use for the rest of your career:

- IGCE templates for MS Excel
- Legal precedents library
- Acquisition planning guide
- Contract writing handbook
- Market research ground rules
- Strategic sourcing handbook
- Tip sheets
- Forms
- Examples
- Reference documents



Who Should Attend:

Acquisition personnel, project officers, program managers, purchasing office personnel, Strategic Sourcing personnel, Commercial Services Management personnel, and financial personnel will all benefit from this course.

This course is vital for personnel involved in negotiated acquisitions, especially those dealing with R&D, Product, Services, or Systems acquisitions, as well as IT solicitations. In addition, project officers, program managers, Functional Experts, and those involved in source selections will gain valuable insight into the legal and regulatory costing mandated by the FAR through the IGCE process. All personnel involved in the acquisition process will find this class greatly improves their understanding of the cost-estimating process.