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215.404-74 Fee requirements for cost-plus-award-fee contracts.

In developing a fee objective for cost-plus-award-fee contracts, the contracting officer shall—

- (a) Follow the guidance in FAR 16.405-2 and [216.405-2](#) ;
- (b) Not use the weighted guidelines method or alternate structured approach;
- (c) Apply the offset policy in [215.404-73](#) (b)(2) for facilities capital cost of money, i.e., reduce the base fee by the amount of facilities capital cost of money; and
- (d) Not complete a DD Form 1547.

Parent topic: [215.404 Proposal analysis.](#)