

## Cost Price Analysis Instructions

Federal regulations require a cost-price analysis to be conducted for every procurement that exceeds the simplified acquisition threshold, more commonly referred to as the small purchase threshold.

At minimum, an independent estimate must be made before receiving bids or proposals. This template may be utilized to document the cost-price analysis conducted prior to procurement. 2 CFR 200.324(a)

***Use the following instructions and descriptions to complete the cost price analysis form that follows.***

### Contract Type

*Select the type of contract being procured.*

- **Standard fixed price:** prices are set for the duration of the contract.
- **Fixed price with an economic price adjustment:** provides for up/down price adjustment based on specified contingencies, such as cost indices. Prices can change weekly, monthly, or annually based on the indicator specified in the contract.
- **Fixed price with a prospective price redetermination:** price is fixed for the initial contract duration and re-determined at stated times during the contract, often during the contract renewal process.
- **Standard cost reimbursable:** vendors are reimbursed for their cost net of all discounts, rebates, and other applicable credits.
- **Cost plus fixed fee:** a contract whose value is based on the cost of goods or services plus a pre-determined fixed-fee where the fixed-fee does not represent cost associated with the item or service being purchased but is related to a specific vendor cost such as storage, distribution, or delivery. As a reminder, cost plus a percentage of cost contracts are prohibited by 2 CFR 200.324(d).

### Description of Goods and Services

*Provide a description of the goods and/or services for which the cost price analysis is being conducted.*

### Method of Obtaining Estimate

*Select the method used to obtain the estimate.*

- **Obtained estimated from \_\_\_\_.** Select this option if the estimate was obtained from reaching out to a brand representative or other source that is not publicly available.
- **Published price list.** Select this option if the estimate was obtained from a publicly available source, such as a website or catalog.
- **Engineering or technical estimate.** Select this option if estimate was obtained by receiving an engineering or technical estimate; this would likely apply when installing or

upgrading equipment.

- **Prior contract pricing.** Select this option if you are basing the contract value on a prior contract.
- **Request for information (RFI).** Select this option if you are basing the contract value on a formally published RFI.
- **Other (specify).** Select this option if a different method was used to obtain a price estimate; provide details on the how the estimate was obtained.

### **Cost of Standard Items**

*State the total estimated contract value based on the cost-price analysis that was conducted and provide any additional information that may be helpful.*

- Consider adding both the anticipated annual price, number of renewals available, and the total contract value with all renewals.

Consider pre-calculating what the estimated material change would be for the contract in question. May want to include an itemized list of items that will be part of the procurement.

### **Document the Name of the Person that Prepared the Cost-Price Analysis**

*Provide the name of who prepared the cost-price analysis and date of completion.*

## Cost-Price Analysis

Federal regulations require a cost-price analysis to be conducted for every procurement that exceeds the simplified acquisition threshold. At minimum, an independent estimate must be made before receiving bids or proposals. This template may be utilized to document the cost-price analysis conducted prior to procurement. 2 CFR 200.324(a)

### Contract Type:

- Standard fixed price
- Fixed price with an economic price adjustment
- Fixed price with a prospective price redetermination
- Standard cost reimbursable
- Cost plus fixed fee

### Description of Goods/Service:

### Method of Obtaining Estimate:

- Obtained an estimate from \_\_\_\_\_
- Published price list
- Engineering or technical estimate
- Prior contract pricing
- Request for information
- Other (specify): \_\_\_\_\_

### Cost of Standard Items:

### This cost price analysis was prepared by:

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Name

Date