**Procurement – Pre-Solicitation Independent Estimate Worksheet (ICE)**

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| **Grantee:** | Click or tap here to enter text. |
| **Completed by:** | Click or tap here to enter text. |
| **Item to Procure:** | Click or tap here to enter text. |
| **Date Completed:** | Click or tap to enter a date. |

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| **Pre-Solicitation Independent Estimate**  (2 CFR §200.324)  Before initiating a procurement process, recipients must develop an Independent Cost Estimate (ICE). The ICE is based on the products and services specifications and requirements, with the goal to determine the appropriate price or cost level. The complexity of the ICE development should align with the complexity of the procurement. The estimate can vary from a straightforward budgetary assessment to a comprehensive evaluation based on product inspections, review of specifications, and analysis of historical cost data from previous procurements. Essentially, the ICE represents the recipient’s projection of what the item or service "should cost." Various resources can be utilized to formulate an ICE, including published price lists, historical pricing data from agency contracts, comparable purchases from other agencies, engineering estimates, and independent third-party estimates such as A/E construction cost estimates.  It's important to understand that the requirement for independence in the ICE doesn't imply that the recipient cannot create the independent estimate themselves. Rather, it indicates that **the estimate should be finalized before receiving any quotes from potential responders to the procurement**. This approach helps avoid price biases from receiving responder’s prices. Additionally, it confirms that responders grasp the project's complexity at the level expected by the recipient.  The ICE must be prepared prior to solicitation and can play a key role in informing the subsequent post-bid cost and price analysis. It aids in assessing the reasonableness or unreasonableness of prices and estimated costs associated with the project. If a breakdown of estimated costs is required, the in-house ICE should be segmented into distinct cost elements. Cost plus percentage of costs type estimates and contracts must not be used.  In cases where there is no price competition, such as in A&E or sole source procurements, responders are required to submit detailed cost proposals. As a result, recipients must evaluate the cost elements and profit outlined in these proposals. This necessitates the recipient to have previously prepared a detailed ICE based on costs, encompassing labor categories, hours, labor rates, travel costs, equipment expenses, overhead, other relevant cost elements, with profit separately considered, as expected in the responder’s proposal. The recipient, however, need not obtain a cost analysis if it can justify price reasonableness of the proposed contract based on a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. | |
| **Price Estimate or Cost Estimate**  Select the method of Independent Estimate.  (2 CFR §200.324) | |
|  | Independent estimate is based on price and only the **price estimate** section is completed. |
|  | Independent estimate requires an estimate based on cost elements, with profit evaluated separately, and only the **cost estimate** section is completed. This is required when there will be no price competition such as for A&E and non-competitive procurement. |
|  | Independent estimate requires an estimate based on cost elements, however price reasonableness can be justified on catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. Only the **price estimate** section is completed. (Not an A&E procurement.) |

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| **PRICE ESTIMATE**  *Explain the sources used to develop the independent estimate and how the estimate was developed.* | | | |
| **Method of Obtaining Independent Price Estimate:** | | | |
|  | **Sources**  Sources of the Independent Estimate Determination | **References**  Name or description of source. Attach documentation of reference for amount | **Price**  Attach documentation of amount |
|  | Choose an item. | Reference | $ Source Price |
|  | Choose an item. | Reference | $ Source Price |
|  | Choose an item. | Reference | $ Source Price |
|  | Choose an item. | Reference | $ Source Price |
|  | Choose an item. | Reference | $ Source Price |
| Provide any additional discussion needed about the development of the Price Estimate. | | | |
| Click or tap here to enter text. | | | |

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|  | **True** | **False** |
| **Estimate Independence**  Quotes from potential responders were not used in determining the estimate? |  |  |
| **Pre-Solicitation**  The estimate was developed prior to receiving any offers from solicitation responders?  (2 CFR §200.324(a)) |  |  |

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| **Date of estimate:** | Click or tap to enter a date. |
| **Pre-Solicitation Independent Estimate:**  (Based on Price Method) | $ Independent Estimate |

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|  | **True** | **False** |
| **Other Price Estimation Worksheet**  A different price estimation worksheet or document was used to develop the independent estimate?  (If true, attach documentation.) |  |  |

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| **COST ESTIMATE**  *Required for A&E and Sole Source Procurements and Single Response Procurements* | | | | |
| **Method of Obtaining Independent Cost Estimate:**  Note that using a Cost Analysis requires the recipient to negotiate profit as a separate element of cost. (4220.1F VI.6.a(2)) | | | | |
|  | **Element of Cost** | **Estimated** | | **Total Element**  **Cost** |
| **Hours or Count**  (If Applicable) | **Unit Cost**  (If Applicable) |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Element | Hours/Count | $ Unit | $ Element Total |
|  | Profit (2 CFR §200.324(b)) | | | $ Element Total |
|  | Total | | | $ Grand Total |
| Provide any additional discussion needed about the development of the Cost Estimate. | | | | |
| Click or tap here to enter text. | | | | |

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|  | **True** | **False** |
| **Estimate Independence**  Quotes from potential responders were not used in determining the estimate? |  |  |
| **Pre-Solicitation**  The estimate was developed prior to receiving any offers from solicitation responders?  (2 CFR §200.324(a)) |  |  |
| **Profit as a Separate Item**  The estimate was developed with profit as a separate cost element for future analysis and cost negotiation?  (2 CFR §200.324(b)) |  |  |

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| **Date of estimate:** | Click or tap to enter a date. |
| **Pre-Solicitation Independent Estimate:**  (Based on Cost Method) | $ Independent Estimate |

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|  | **True** | **False** |
| **Other Cost Estimation Worksheet**  A different cost estimation worksheet or document was used to develop the independent estimate?  (If true, attach documentation.) |  |  |