**Procurement – Price Analysis or Cost Analysis Worksheet**

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

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| **Price Analysis or Cost Analysis** |
|[ ]  Price Analysis section is completed. |
|[ ]  Cost Analysis section is completed. |

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| **Price Analysis** |
| If the recipient determines that competition was adequate, a price analysis, rather than a cost analysis, is required to determine the reasonableness of the proposed contract price.(4220.1F Chapter VI Section 6.b.) |
| **Selected Offer Amount:** | **$** |
| **Pre-Solicitation Independent Estimate:**(from Independent Estimate worksheet) | **$** |

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| **Reference** | **Notes** |
| **Offer Amount to Independent Estimate Variance $:**Selected Offer – Independent Estimate | **$** |
| **Offer Amount to Independent Estimate Variance %:** (Selected Offer – Independent Estimate) /  Independent Estimate | **%** |
| **Explanation of Variance:**Is the variance within reason and if not, is there a reasonable explanation of the difference? |
| Click or tap here to enter text. |
| **Other Price Analysis Documentation**If the above worksheet is not used for price analysis attached alternative method documentation. |

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| **Price Determined to be Fair and Reasonable**The price is determined to be fair and reasonable based on at least one of the following criteria (please check all that apply). |
|[ ]  Price is fair and reasonable based on comparison to independent estimate. |
|[ ]  Price is fair and reasonable based on bids received (bid tabulation attached). |
|[ ]  Price is fair and reasonable based on recent purchase (attach documentation). |
|[ ]  Price is fair and reasonable based on catalog or market prices offered in substantial quantities to the general public. |
|[ ]  Price is fair and reasonable based on prices are regulated. |
|[ ]  Price is fair and reasonable based on other reasons. Attach documentation as needed.Describe: |
|  | Click or tap here to enter text. |

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| **Cost Analysis** |
| The recipient must obtain a cost analysis when a price analysis will not provide sufficient information to determine the reasonableness of the contract cost. The recipient must obtain a cost analysis when the offeror submits elements (that is, labor hours, overhead, materials, and so forth) of the estimated cost, (such as professional consulting and A&E contracts, and so forth). The recipient is also expected to obtain a cost analysis when price competition is inadequate, when only a sole source is available, even if the procurement is a contract modification, or in the event of a change order. 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.(4220.1F Chapter VI Section 6.a.) |
| **Cost Analysis - Rational**Check all that apply. |
|[ ]  Cost analysis prepared due to a price analysis will not provide sufficient information to determine the reasonableness of the contract. |
|[ ]  Cost analysis prepared due to the offeror submitted elements of the estimated cost. (For Example, A&E type contracts) |
|[ ]  Cost analysis prepared due to a single response from a procurement offer which resulted in an adequate competition determination |
|[ ]  Cost analysis prepared due to a single response from a procurement offer which resulted in an inadequate competition determination and a sole source procurement |
|[ ]  Cost analysis prepared due to a sole source procurement. |
| **Selected Offer Amount:** | **$** |
| **Pre-Solicitation Independent Estimate:**(from Independent Estimate worksheet) | **$** |

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| **Elements of cost** |
| **Element** | **Offer** | **Estimate** | **Variance** | **Explanation** |
|  |  |  | **$** | **%** |  |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| Element | $ | $ | $ | % | Click or tap here to enter text. |
| **Profit** | $ | $ | $ | % | Click or tap here to enter text. |
| **Total** | $ | $ | $ | % |  |
| **Explanation of Variance:**Is the variance within reason and if not, is there a reasonable explanation of the difference? |
| Click or tap here to enter text. |
| **Other Cost Analysis Documentation**If the above worksheet is not used for cost analysis attached alternative method documentation. For example, the FTA has advised in FAQs issuing the supplier a formal written request for a cost proposal in a format that the recipient’s technical personnel could effectively evaluate. |

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| **Cost Analysis – Profit**FTA expects the recipient to negotiate profit as a separate element of the cost for each contract in which there has been no price competition, and in all acquisitions in which the recipient performs or acquires a cost analysis. To establish a fair and reasonable profit, the recipient needs to consider the complexity of the work to be performed, the risk undertaken by the contractor, the contractor’s investment, the amount of subcontracting, the quality of the contractor’s record of past performance, and industry profit rates in the surrounding geographical area for similar work.(4220.1F Chapter VI Section 6.a(2)) |
|  | **True** | **False** |
| **Cost Analysis – Profit**A cost analysis was completed, and profit was considered in negotiations? |[ ] [ ]
| **Cost Analysis – Fair and Reasonable**The cost is determined to be fair and reasonable based on the cost analysis? |[ ] [ ]