SUBCONTRACT COST ANALYSIS
(ISSSUED UNDER PROCUREMENT AWARDS)

If the item of cost is included in the Subcontractor’s budget, check and complete the analysis and/or verification.

☐ Salaries and Wages: The basis for proposed labor costs or percent of effort are based on:
☐ actual costs ☐ historical costs ☐ engineering estimates ☐ experience

The escalation rate used is ______% and is in compliance with sponsor guidelines. (If not, explain.)

☐ Employee Benefits: A copy of the rate agreement and/or itemization of components is attached and rates are applied accordingly:
☐ yes ☐ no, explain

☐ Equipment: Amounts proposed are based on:
☐ vendor quotes ☐ historical costs ☐ engineering estimates ☐ experience

☐ Travel: The proposed travel is necessary for the proper conduct of the effort. The destination and purpose are identified. The individual elements are reasonable and in accordance with the Subcontractor’s policies and are based on:
☐ vendor quotes ☐ historical costs ☐ experience

☐ Material and Supplies: Proposed items are expendable and are based on:
☐ vendor quotes ☐ invoice prices ☐ market prices ☐ experience
Consultants: Costs show number of days, daily rate and estimated travel/per diem costs. Costs are in compliance with sponsors maximum allowable rates. The need for consultants is justified.

Other Direct Costs: Proposed items are based on:
- [ ] vendor quotes
- [ ] invoice prices
- [ ] market prices
- [ ] experience

Facilities and Administrative Costs: A copy of the rate(s) agreement and/or itemization of components is attached and rates are applied accordingly.
- [ ] yes
- [ ] no, explain

Rates are fixed for the life of the agreement at ________________.

Fixed Fee: The Subcontractor is a for profit organization and the profit factor is ______. The factor has been approved by the Prime Sponsor or is in accordance with FAR 15.903.

Cost Sharing: The amount proposed is in accordance with the Subcontractor’s cost principles.

Negotiation notes:

Negotiations were conducted with:

Name: ___________________________________________
Title: ___________________________________________
Phone: ___________________________ Date: ________________