

Instructions for Using the Contract Cost Analysis Template For Federal Disaster Assistance Grants (PUR-3)

This Excel worksheet is a sample tool to provide cost/price analysis in compliance with Title 2 of the Code of Federal Regulations §200.323, which requires a cost or price analysis for all purchases made with Federal grant funds, particularly, in this case, grant funds from FEMA under the Public Assistance program.

Failure to conduct a cost/price analysis is frequently cited in adverse findings in audits made by the Department of Homeland Security Office of the Inspector General.

Local agency purchasing or procurement personnel should be familiar with the cost/price analysis process. This worksheet provides a sample for documentation to demonstrate that this part of the agency purchasing process complies with Federal regulations. However, additional documentation may be required to support the cost/price analysis in some cases.

The spreadsheet is protected, but does not require a password to open the sheet to make modifications to suit local needs.

Users enter the appropriate data in the yellow shaded boxes and the calculations are automatic. The spreadsheet can be unlocked when it is necessary to add additional rows to accommodate large projects. However, the user must check all calculations when such changes are made.

Once the data entry is completed, each sheet should be signed and dated and then a copy placed in the Project Worksheet file as part of the permanent record.

The notes sections should be used to justify all unusual costs which may exist because of the extraordinary circumstances which often follow a disaster. Failure to fully document such conditions may result in adverse audit findings and additional documentation beyond the worksheet may be required to fully support extraordinary costs.

Once all cost/price analysis is complete, then fill out the Price Analysis Worksheet (PUR-2) to complete the documentation process.