

FEDERAL FUNDS - COST JUSTIFICATION WORKSHEET

GENERAL INFORMATION / THE UNIVERSITY OF TEXAS AT AUSTIN CONTACT

Today's Date:		Contact Name:	
Document ID #:		Campus Phone:	
CSU:		Email Address:	

SUPPLIER INFORMATION

Supplier Name:	
Contact Name:	
Phone:	
Email Address:	

COST REASONABLENESS BASED ON:

Cost justification is required for any purchase using federal funds that is greater than \$15,000 and has not been competitively bid (i.e. exclusive acquisition justification orders). If only one quote has been obtained, the requesting college, school or unit (CSU) must provide additional information documenting how the price quoted by the selected supplier was determined to be fair and reasonable.

The following are suggestions for determining cost reasonableness for a product or service. Check one and include a descriptive explanation in the box provided on page two of this worksheet. Submit the requested supporting documentation along with the completed form to the [Purchasing Office](#).

Check One:

Published Catalog/Online Price:

- Attach applicable supplier catalog or online page(s) showing pricing for the requested items or service.
- Is the price quoted by the supplier as good as or better than the catalog or online price? If "no," provide an explanation about why it is not.
- If the price quoted by the supplier matches their catalog or online price, the supplier must still be contacted to confirm that the price quoted is their best offer. Document supplier name and contact date.

Established Market Price:

- Attach a price list or quote for a similar item or service from a competing supplier, or attach a copy of a supplier invoice to, or a purchase order from, another organization.
- Explain the similarity of the items.

Comparison with Prior Purchases of Same or Similar Item:

Supplier: _____
 Purchase Order Number: _____ Date Purchased: _____
 Quantity: _____ Unit of Measure: _____ Unit Price: _____

- Attach a copy of the previous purchase order.
- If not the same item, explain the similarity to the prior purchase and how your CSU determined that the previous price paid was fair and reasonable.

Make-or-Buy Analysis by Primary End-User/Technical Personnel:

- Review technical data and attach an internal analysis/estimate of the cost to make the item "in house" (considering materials/parts, equipment, labor, etc.).
- Explain how your CSU's "in house" estimate compares to the price quoted by the selected supplier.

DESCRIPTION / RATIONALE FOR DETERMINING COST REASONABLENESS (REQUIRED)

CSU APPROVAL

By signing below, the CSU certifies that the information submitted with this form has been reviewed and the supplier has been contacted to confirm that the pricing offered is their best price.

Signature: _____
(Principal Investigator)

Date: _____

Printed Name: _____
(Principal Investigator)

PROCUREMENT APPROVAL – TO BE FILLED OUT BY THE PURCHASING OFFICE

Cost justification provided by the requesting CSU is complete and appropriate:

Approved

Not Approved

Signature: _____
(Buyer)

Date: _____