# COST ANALYSIS CHECKLIST

**PURPOSE:** To establish cost reasonableness through comparison to recognized standards.

## 1. BACKGROUND OF PROJECT:

- Date prepared.
- Prepared by.
- FEMA disaster number.
- Subrecipient (Applicant).
- Project title and name of facility.
- Facility address.
- Category of work and Project Worksheet (PW) number.
- Vendor’s cost analyzed.
- Attachments (references, supporting documentation, etc.).

## 2. DESCRIBE THE KEY POINTS OF YOUR COST ANALYSIS:

- Project history (focus on vendor(s) Scope of Work (SOW)).
- Issue: State the reason for the cost analysis.
- Cost analysis process.
  - State the SOW as it appears in the PW.
  - Segregate the project’s eligible and ineligible costs. It is important to identify and include both.
  - Identify the costs expended by the Subrecipient (Applicant) that require cost analysis.
  - Identify the methods to justify the comparable cost estimation:
    - Use like and in-kind comparisons from various resources (i.e., RSMeans, BNI Costbooks, Marshal & Swift, internet, catalogues, historical data, average market prices, etc.)
  - Adjust those comparables to account for any relevant differences such as:
    - Inflation (time value of money).
    - Price volatility in raw materials.
- Explain the ways in which your selected comparables are alike.

## 3. CONCLUSION + RECOMMENDATION (IF APPLICABLE):

- Is the cost reasonable or not?
Date Prepared: mm/dd/yy
Prepared By: Name of Preparer
FEMA Disaster Number: DR1603 – LA Hurricane Katrina
Subrecipient (Applicant): Owner
FIPS: 999-9999-999
Project Title/Facility: Town of Owner/Soil boring and geotechnical study
Facility Address: Various locations
Category of Work + PW Number(s): Category E + 9999 v2
Analyzed: Cost for soil boring and geotechnical study
Purpose: Determine cost reasonableness for soil boring invoiced by contractor
Attachment(s): 1. Contract amendment
2. Invoice

Project History:

Issues:

Costs Analysis:

<p>| CostWorks 2011 - [Owner - Soil Investigation] |
|----------------|----------------|----------------|----------------|----------------|</p>
<table>
<thead>
<tr>
<th>Qty</th>
<th>CSI Number</th>
<th>Description</th>
<th>Unit</th>
<th>Bare Labor</th>
<th>Bare Equip.</th>
<th>Total Incl. O&amp;P</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>02 210 120 0300</td>
<td>Subsurface investigation, boring and exploratory drilling, mobilization and demobilization, minimum</td>
<td>Total</td>
<td>180.00</td>
<td>206.00</td>
<td>500.00</td>
</tr>
<tr>
<td>1.0</td>
<td>02 210 120 1400</td>
<td>Subsurface investigation, boring and exploratory drilling, drill rig and crew with truck mounted auger, includes bit, layout and set up</td>
<td>Day</td>
<td>715.00</td>
<td>825.00</td>
<td>2,025.00</td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td></td>
<td></td>
<td>$895.00</td>
<td>$1,031.00</td>
<td>$2,525.00</td>
</tr>
</tbody>
</table>

Variance(s):

Conclusion(s)/Recommendation(s):

10-21-2015