

## Brown University Price Analysis Form

### Instructions:

This form is intended to provide a format for documenting the Price Reasonableness on purchases greater than \$25,000.

The purpose of the form is to document that the source of the product or service best meets University needs and that the price to be paid is fair and reasonable. This is intended to ensure that both University and external funds are utilized in a cost effective manner. The need to perform a price analysis to demonstrate price reasonableness is both a good business practice and, is a requirement of Uniform Guidance, whenever a non-competitive method of purchasing is used.

The **ten most common methods to determine price reasonableness** through price analysis are listed below.

<b>Section 1 - Method of Price Analysis Used to Determine Price Reasonableness (Please check method used)</b>					
<i>When using a comparison method (1–6 below) complete the Price Analysis table in Section 2; if selecting other than lowest price complete Section 3</i>					
<input type="checkbox"/>	<b>1. Price Competition:</b> when two or more acceptable offers are received the price of the lowest offer can be concluded to be fair and reasonable  <b>(Preferred method)</b>	<input type="checkbox"/>	<b>2. Price Based on Prior Competition:</b> the item was previously purchased based on competition within the previous twelve (12) months	<input type="checkbox"/>	<b>3. Comparison to Substantially Similar Item:</b> Item is similar to a commercially available one but has added features; the cost of the base item and additional features are needed for comparison purposes
<input type="checkbox"/>	<b>4. Sales of the Same Items to Other Purchasers:</b> If the Supplier has no catalog but has sold the same item to others in the previous six (6) months, verify with other purchasers the price they paid	<input type="checkbox"/>	<b>5. Comparison to Prices with Other Similar Items:</b> For generic items, such as a computer, compare the price for a similarly configured device from a different supplier	<input type="checkbox"/>	<b>6. Historical Prices:</b> Compare current price to prices paid in the past, taking into account factor(s) such as inflation to determine the price is fair and reasonable
<i>When using an established pricing method (7–9 below) complete the Pricing Reference table in Section 4</i>					
<input type="checkbox"/>	<b>7. Catalog or Established Price List:</b> When only one offer is received and the Supplier has a published or established price list or catalog; the catalog should be current (within one year)	<input type="checkbox"/>	<b>8. Group Purchasing Consortium Contracts or Pricing Agreements:</b> Contracts or pricing agreements executed by the Federal Government or purchasing consortiums (e.g. , E&I, MHEC, US Communities etc)	<input type="checkbox"/>	<b>9. Market Prices:</b> Where an item has an established market price (examples: purchase of metals – gold, lead, silver or commodities)
<i>When using method 10 provide information in Section 5 “Independent University Estimate”</i>					
<input type="checkbox"/>	<b>10. Independent University Estimate:</b> An independent estimate prepared by the University; Unbiased cost estimate based upon the specifications and without the influence of potential Supplier’s marketing effort or input				

<b>Section 2 – Price Analysis Based on Comparison to Other Pricing</b>								
Supplier A				Supplier B		Supplier C		
Name:				Name:		Name:		
Quote #				Quote #		Quote #		
Quote Date:				Quote Date:		Quote Date:		
Phone:				Phone:		Phone:		
Contact Name:				Contact Name:		Contact Name:		
MBE	SBE	WBE				MBE	SBE	WBE
		Supplier A		Supplier B				
Item No.	Qty	Unit Cost	Unit Sub-Total	Unit Cost	Unit Sub-Total	Unit Cost	Unit Sub-Total	
1.								

2.							
3.							
4.							
5.							
6.							
7.							
		Installation Cost		Installation Cost		Installation Cost	
		Delivery Cost		Delivery Cost		Delivery Cost	
		<b>Total Cost</b>		<b>Total Cost</b>		<b>Total Cost</b>	

**Section 3 – Justification for Selection of Other than Lowest Price Available (explain in space below)**


**Section 4 – Pricing Reference(s) for Published, Catalog, GSA, or Market Pricing**

<b>Source of Pricing</b>	<b>Date Price Was Found</b>	<b>Notes</b>
Website - URL, Catalog (date and page number), purchasing consortium contract #, or market (for example lead, gold, silver, commodity)		Include notes if the actual price is lower than the established price due to discounts

**Section 5 – Independent University Estimate (Please explain the basis of the estimate below)**


**Instructions:**

If using this form to provide the price analysis for a Sole Source/Single Source purchase, submit the completed form along with the Sole Source/Single Source Justification form with the Workday purchase requisition.

If using this form to demonstrate that competitive bids were obtained, submit the completed form with the Workday requisition as an attachment. If applicable, attach quotes/bids received from suppliers as attachments to the Workday requisition.