## COST OR PRICE SUMMARY
(see accompanying instructions before completing this form)

### FORM APPROVED
OMB No. 2030-0011
Approval expires 10-31-86

### PART I - GENERAL

#### 1. RECIPIENT

#### 2. ASSISTANCE IDENTIFICATION NO.

#### 3. NAME CONTRACTOR OR SUBCONTRACTOR

#### 4. DATE OF PROPOSAL

#### 5. ADDRESS OF CONTRACTOR OR SUBCONTRACTOR (Include ZIP Code)

#### 6. TYPE OF SERVICE TO BE FURNISHED

#### TELEPHONE NUMBER (Include Area Code)

### PART II - COST SUMMARY

#### 7. DIRECT LABOR (specify labor categories)

<table>
<thead>
<tr>
<th>ESTIMATED HOURS</th>
<th>HOURLY RATE</th>
<th>ESTIMATED COST</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

DIRECT LABOR TOTAL: $ 

#### 8. INDIRECT COSTS (Specify indirect cost pool)

<table>
<thead>
<tr>
<th>RATE</th>
<th>BASE</th>
<th>ESTIMATED COST</th>
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INDIRECT COSTS TOTAL: $ 

#### 9. OTHER DIRECT COSTS

- **a. TRAVEL**
  - (1) TRANSPORTATION $ 
  - (2) PER DIEM $ 

TRAVEL SUBTOTAL: $ 

- **b. EQUIPMENT, MATERIALS, SUPPLIES (Specify categories)**

<table>
<thead>
<tr>
<th>QTY</th>
<th>COST</th>
<th>ESTIMATED COST</th>
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EQUIPMENT SUBTOTAL: $ 

- **c. SUBCONTRACTS**

SUBCONTRACTS SUBTOTAL: $ 

- **d. OTHER (Specify categories)**

OTHER SUBTOTAL: $ 

- **e. OTHER DIRECT COSTS TOTAL:** $ 

#### 10. TOTAL ESTIMATED COST $ 

#### 11. PROFIT $ 

#### 12. TOTAL PRICE $ 

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EPA FORM 5700-41 (REV. 4-84) PREVIOUS EDITIONS MAY BE USED UNTIL SUPPLIES ARE EXHAUSTED.
### PART III - PRICE SUMMARY

13. COMPETITOR'S CATALOG LISTINGS, IN-HOUSE ESTIMATES, PRIOR QUOTES  
(Indicate basis for price comparison)

<table>
<thead>
<tr>
<th>MARKET PRICE(S)</th>
<th>PROPOSED PRICE</th>
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### PART IV - CERTIFICATIONS

14. CONTRACTOR

14a. HAS A FEDERAL AGENCY OR FEDERALLY CERTIFIED STATE OR LOCAL AGENCY PERFORMED ANY REVIEW OF YOUR ACCOUNTS OR RECORDS IN CONNECTION WITH ANY OTHER FEDERAL ASSISTANCE AGREEMENT OR CONTRACT WITHIN THE PAST 12 MONTHS?  
- [ ] YES  
- [ ] NO  
(If "Yes" give name, address, and telephone number of reviewing office)

14b. THIS SUMMARY CONFORMS WITH THE FOLLOWING COST PRINCIPLES

14c. This proposal is submitted for use in connection with and in response to:

- (1)

This is to certify to the best of my knowledge and belief that the cost and pricing data summarized herein are complete, current, and accurate as of:

- (2) DATE

I further certify that a financial management capability exists to fully accurately account for the financial transactions under this project. I further certify that I understand that the subagreement price may be subject to downward renegotiation and/or recoupment where the above cost and pricing data have been determined, as a result of audit, not to have been complete, current, and accurate as of the date above.

- (3) TITLE OF PROPOSER  
- SIGNATURE OF REVIEWER  
- DATE OF EXECUTION

15. RECIPIENT REVIEWER

I certify that I have reviewed the cost/price summary set forth herein and the proposed cost/price appear acceptable for subagreement award.

- TITLE OF PROPOSER  
- SIGNATURE OF REVIEWER  
- DATE OF EXECUTION

16. EPA REVIEWER

- TITLE OF PROPOSER  
- SIGNATURE OF REVIEWER  
- DATE OF EXECUTION
The purpose of this form is to provide a simple form for the display of cost and price data. 40 CFR 33.290 requires the recipient to perform cost or price analysis for every procurement action, including subagreement modifications. This form is not required by EPA, but may be used at the recipient's option. If the recipient currently uses a cost and price analysis form which accomplishes the same objectives as this form, the recipient may use its own form.

**INSTRUCTIONS**

If this form is used, CAREFULLY READ AND FOLLOW ALL INSTRUCTIONS. Many items are not self-explanatory. Attach additional sheets if necessary.

Use only the applicable portion of this form:

- Part I is applicable to all subagreements.
- Part II is applicable to all subagreements requiring a cost analysis pursuant to EPA procurement regulations.
- Part III is applicable to all subagreements where review is based on price comparison (i.e., price analysis).
- Part IV certification will be executed as required by the instructions for each block.

**PART I - GENERAL**

**Item 1** - Enter the name of the of the recipient as shown on the assistance agreement.

**Item 2** - Enter the assistance identification number shown on the assistance agreement (or assigned to the project, if no assistance agreement has yet been executed).

**Item 3** - Enter the name of the contractor or subcontractor with whom the subagreement is proposed to be executed.

**Item 4** - Enter the date of the contractor's or subcontractor's proposal to the recipient.

**Item 5** - Enter the full mailing address of the contractor or subcontractor.

**Item 6** - Give a brief description of the work to be performed under the proposed subagreement.

**PART II - COST SUMMARY**

This portion of the form is to be completed by the contractor (or his/her subcontractor) with whom a subagreement is a formally advertised, competitively bid, fixed price subagreement.

Nothing in the following discussion should be interpreted as recommending the inclusion as direct costs any items normally treated as subcontractor) with whom a subagreement is a formally advertised, pursuant to EPA procurement regulations.

In the case of multibranch firms, joint ventures, or affiliates, it is expected that overhead costs applicable to specific location(s) where some circumstances other bases produce more equitable results.  As in some accounting systems, the first grouping would be included instead under the subagreement period. They should be based upon recent experience and be adjusted for known factors which will influence experienced trends.

**Item 7 - Direct Labor**

Direct labor costs normally include salaries at a regular time rate. Overtime premiums should be identified separately on an attachment. Incurrence of unanticipated overtime costs requires the approval of the recipient at the time of incurrence. If significant overtime is known to be needed at the time of completion of the cost review form, the reasons therefore, labor categories, rates and hours should be identified on the attachment. Also included is the cost of partners' or principals' time when they are directly engaged in services to be rendered under the subagreement. In case the full time of any employee is not to be devoted to work to be performed under the subagreement, only the cost of actual time to be applied should be included. The compensation of a partner or principal shall be included as direct cost only for the time that she/he is expected to be engaged directly in the performance of work under the subagreement and only if it is the firm's normal practice to charge such time directly to all jobs. The rate of compensation of a partner or principal shall be commensurate with the cost of employing another qualified person to do such work, but the salary portion shall not exceed the actual salary rate of the individual concerned. Distribution of profits shall not be included in the rate of compensation.

Enter in block 7 the categories of professional or technical personnel necessary to perform each major element of work under the subagreement scope of services. Estimate hours worked for each category and extend them by the wage rates to be paid during the actual performance of the work. Current rates, adjusted for projected increases, if any should be useful for the actual categories of labor contemplated. All projected increases should be supported by recent experience or established personnel policy. Enter in the far right column the total estimated direct labor cost.

Supporting records to be maintained by the contractor and which must be submitted or made available to the recipient or EPA upon request include:

a. The method of estimating proposed hours worked.

b. The computation techniques used in arriving at proposed labor rates.

c. The specific documents, books or other records used as factual source material to develop proposed hours worked and labor rates.

d. Detailed rate computations which were used in computing the information submitted on the form.

If in block 14a, the contractor has checked “No,” a brief narrative description of the methods used in arriving at items a though d above shall be included on an attached sheet.

**Item 8 - Indirect Costs**

Indirect cost may consist of one or more pools of expenses which are grouped on the basis of the benefits accruing to the cost objectives represented by the distribution base or bases to which they are allocated. Since accounting practices vary, the use of particular groupings is not required. Neither is the use of any particular allocation base mandatory. However, it is mandatory that the method used results in an equitable allocation of indirect costs objectives which they support.

Normally, the firm's accounting system and estimating practices will determine the method used to allocate overhead costs. The firm's established practices, if in accord with generally accepted accounting principles and PROVIDED THEY PRODUCE EQUITABLE RESULTS IN THE CIRCUMSTANCES, will generally be accepted. Proposed overhead rates should represent the firm's best estimate of the rates to be experienced during the subagreement period. They should be based upon recent experience and be adjusted for known factors which will influence experienced trends.

Common overhead groupings are overhead on direct labor and general and administrative expenses. The first groupings usually include employment taxes, fringe benefits, holidays, vacation idle time, bonuses, applicable and direct labor, etc. The second generally includes the remaining costs, which, because of their incidence for common or joint objectives, are not readily subject to treatment as direct costs. It is expected, however, that proposal groupings will correspond with the firm's normal method for accumulating indirect costs. (Under some accounting systems, the first grouping would be included instead under item 7.) No special categorization is required, provided the results are realistic and equitable.

Direct salaries are the normal distribution base for overhead cost but in some circumstances other bases produce more equitable results. As in the case of overhead cost groupings, the method to be used will depend upon the firm's normal practices and the equity of the results produced in the circumstances.

In the case of multibranch firms, joint ventures, or affiliates, it is expected that overhead costs applicable to specific location(s) where
work is to be based on cost data from the most recent fiscal periods updated to reflect changes in volume of business or operations.

Enter in block 8 the indirect cost pools normally used by the firm for allocation of indirect costs. Enter indirect cost rate for each pool and extend each one by the rate base to which it applies to arrive at the estimated indirect costs to be incurred during the actual performance of the work. If the indirect labor total from block 7 is not used as the rate base for any of the indirect cost pools, the rate base used must be explained on an attached sheet.

A brief narrative statement outlining the firm's policies and practices for accumulating indirect costs. Enter the indirect cost rate costs and the method used to compute the proposed rate or rates shall accompany the form. Include comment on the firm's policies regarding the pricing and costing of principals' time. The normal accounting treatment of principals' salaries, the annual amounts, and the hourly charge rate, if used, should be discussed.

Enter in the far right column the total estimated indirect costs.

Supporting records to be maintained by the contractor and which must be submitted or made available to the recipient or EPA upon request include:

a. Detailed cost data showing overhead accounts, allocation bases, and rate computations for the preceding fiscal period. If more than six months of the current fiscal period have elapsed, cost data for this period should be included as one of the three period(s).

b. Company budgets, budgetary cost data and overhead rates computations for future period(s).

Item 9 - Other Direct Costs

The following items are illustrative of costs normally included in this category of costs:

a. Travel cost, including transportation, lodging, subsistence, and incidental expenses incurred by personnel or consultants while in travel status in connection with the performance of services required by the contract. The cost principles generally require the use of less than first class air accommodations and also limit the cost of private aircraft.

b. Equipment, Materials, and Supplies

(1) Long distance telephone calls, telegraph and cable expenses to be incurred in connection with the performance of services required in connection the subagreement.

(2) Reproduction costs, including blueprints, black and white prints, ozalid prints, photographs, photostats, negatives; and express charges.

(3) Commercial printing, binding, artwork, and models.

(4) Special equipment.

c. Subcontractors

d. Other Direct costs, if any, not included above.

Enter in blocks 9a-d all other direct costs proposed. Travel costs entered must be supported by an attachment which identifies the number of staff trips proposed and the estimated cost per staff trip for both local and long distance transportation. The number of days and the rate per day must be provided to support the per diem shown. Each subcontract and consultant agreement must be identified separately in block 9c.

Enter in the far right column on line 9e the total of all other direct costs (9a-d).

Supporting data to be maintained by the contractor and which must be submitted or made available to the recipient or EPA upon request include:

a. basis for other direct costs proposed.

b. factual sources of costs, rates, etc., used in computing proposed amount of each cost element.

Item 10 - Total Estimated Cost

Enter the total of all direct labor, indirect costs and other direct costs from items 7, 8, and 9.

Item 11 - Profit

A fair and reasonable provision for profit cannot be made by simply applying a certain predetermined percentage to the total estimated cost. Rather, profit will be estimated as a dollar amount after considering:

a. degree of risk.

b. nature of the work to be performed.

c. extent of firm's investment.

d. subcontracting of work, and
e. other criteria.

The Federal Acquisition Regulation cost principles applicable to subagreements with profit-making organizations (40 CFR 31.2 and 31.105) disallow certain types of costs which are sometimes incurred by firms in the normal conduct of their business. Examples of costs which are not allowable under these costs principles include, but are not limited to, entertainment, interest on borrowed capital, and bad debts. Because the Government considers “profit” to be the excess of price over allowable costs, such computation can indicate a higher profit estimate that the firm's experienced profit as it customarily computes it. The contractor may separately disclose to the recipient its customary computations.

Enter the dollar amount of profit in block 11.

Item 12 - Total Price

Enter the total of items 10 and 11.

Part III - PRICE SUMMARY

This portion of the form is for use by a recipient when price comparison, i.e., price analysis, is used subagreement review. It may also be used by a contractor when price comparison is used as a basis for award of a subcontract.

Item 13 - Competitor's Catalog Listings, In-House Estimates, Price Quotes

Enter sources of all competitive bids or quotes received, or catalogs used and their prices, or in-house estimates made, if appropriate, for comparison. Attach additional sheets if necessary, particularly for purchases of several different items.

Enter in the far right column the proposed price for the subagreement.

Part IV - CERTIFICATIONS

Item 14 - Contractor - FOR USE BY CONTRACTOR OR SUBCONTRACTOR ONLY.

Complete this block only if part II has been completed.
Enter the specific cost principles with which the costs summary of Part II conforms. Cost principles applicable to subagreements with various types or organizations are identified in 40 CFR Part 30.4010. Cost principles applicable to subagreements with profit-making organizations are those at 48 CFR 31.2 and, for architect-engineer or construction contracts, 48 CFR 31.105.

c. (1) **Describe** the proposal, quotation, request for price adjustment, or other submission involved, giving appropriate identifying number (e.g., RFP No. ______).

(2) **Enter** the date when the price negotiations were concluded and the contract price was agreed to. The responsibility of the subagreement is not limited by the personal knowledge of the contractor's negotiator if the time of agreement, showing that the negotiated price is not based on complete, current, and accurate data.

(3) **Enter** the date of signature. This date should be as close as practicable to the date when the price negotiations were concluded and the subagreement price was agreed to (not to exceed 30 days).

**Item 15 - Recipient Reviewer** - FOR USE BY RECIPIENT ONLY.

If required by applicable assistance regulations, the recipient must submit the signed form for EPA review prior to execution of the subagreement.

**Item 16 - EPA Reviewer** - FOR USE BY EPA ONLY.