**UCOP Sole Sourced Federal Grant Purchases ≥$250,000, Suppliers Profit**

As required by Uniform Guidance 2 CFR § 200.323 Supplier to describe the cost/price analysis and profit for the sole sourced Goods and/or Services for the following UC Agreement# or PO#. Please itemize costs and expenses separately from their labor and estimated hours.

**Itemized cost breakdown**

Direct material costs = $

Overhead expenses = $

Estimated labor rates = $

Estimated number of labor hours =

Supplier Name:
Contact Name:
Title:
Date:

**Uniform Guidance 2 CFR § 200.323 - Cost and price analysis**

1. The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals
2. The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
3. Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.
4. The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.