

## SBIR Phase I Cost & Pricing Proposal Instructions

### **Overview**

The Offeror is responsible for estimating the types, quantities, and prices of all resources required to perform the activities described in the statement of work. Schedules A through H are provided to facilitate cost and pricing proposal preparation. Please note:

- Schedules A through H are linked and contain formulas to facilitate preparation.
- Offeror input is required in the grayed cells on all applicable schedules.
- No entries can be made in the white cells, which are populated from other cells or contain formulas.
- The **Cost and Pricing Proposal Checklist** is provided under Appendix C.1 which must be completed and submitted as part of the proposal package. The Offeror must indicate which sections in the checklist are complete by marking it with an "X" in the right column.

In addition to completing Schedules A-H where applicable, the Offeror must prepare a narrative describing its approach to estimating each cost element in Schedule I, Narrative.

### **Schedule A- Summary of Cost & Pricing:**

Schedule A summarizes the direct costs from Schedules B through H. All direct costs from Schedules B-H automatically populate Schedule A. The Offeror must enter fringe benefit, overhead, General & Administrative expense (G&A), and profit rates in the format specified on Schedule A.

### **Schedule B- Direct Labor:**

The Offeror shall populate Labor Category/Employee, Direct Labor Hours, and Labor Rate in the appropriate columns.

- The Offeror should explain its approach to estimating labor resources required and the rates used in a narrative in Schedule I of the Workbook, so the Government can understand and evaluate its rationale.
- The Offeror shall provide supporting documentation in the form of payroll records, salary documentation, or job posting salary information.

Labor cost is typically based on company categories, individuals, averages or weighted averages of individuals. Less frequently, signed letters of employment intent with new hires, labor surveys, internet job salary data, or job posting salary information is used. The Offeror shall provide a narrative explanation in Schedule I of the Workbook, explaining how the proposed labor categories, hours and rates were developed.

## **Other Direct Costs except Subcontracts and Consultants**

The attached schedules provide for the inclusion of many typical other direct costs, though most proposals may use only a few of them. The following types of costs are accommodated:

Schedule C - Materials

Schedule D - Standard Commercial Items and Royalties

Schedule E – Special Testing and Equipment

Schedule F – Subcontracts and Consultants

Schedule G – Travel

Schedule H – Other Direct Costs for any other type of direct costs an Offeror needs aside from those listed above.

For most schedules, the Offeror enters the description, unit price, and quantity, and the worksheet calculates the total. The total is then automatically populated to the correct line on Schedule A.

### **Schedule F- Subcontracts and Consultants:**

The Offeror enters Vendor Names and Descriptions, hourly rates, and number of hours. The Offeror shall provide supporting documentation for each item proposed in the form, such as a subcontract/consultant quote or proposal. The quotes/proposal must contain the proposed hourly rates and the number of hours. The Offeror shall also provide a justification for the rates proposed. The Federal Acquisition Regulation (FAR) Part 16 provides guidance on subcontracts. The Offeror must show cost details: hours, rates, other costs.

### **Schedule G- Travel:**

The Offeror enters the number of people and unit airfare cost, and the worksheet calculates the total airfare. The Offeror then enters the per diem, number of people, number of days, and the worksheet calculates the total per diem costs. There is a miscellaneous travel expense item where the Offeror provides a description and amount. The worksheet then calculates the total trip cost. When all trips are entered, the worksheet calculates the total travel cost, and that automatically populates the travel cost on Schedule A.

The Offeror is responsible for estimating the units required (number of people, number of days, number of trips, type of special testing, type of materials, etc.)

The Offeror shall provide supporting documentation for each item description proposed under Schedules C, D, E and H. Supporting documentation consists of vendor quotes, invoices for recent purchases, internet quotes, etc.

## **Other Resources**

In addition to the Federal Acquisition Regulations, Transportation Acquisition Regulations, and Transportation Acquisition Manual, the Defense Contract Audit Agency (DCAA) website has useful information ([www.dcaa.mil](http://www.dcaa.mil)). There are a number of useful topical areas under the Guidance and Checklists & Tools tabs including the Contract Audit Manual, audit programs for various audit types, audit office locator instructions, and FAQs. The DCAA website is a valuable resource for prospective contractors.

## **How to Save Appendix C as a PDF**

Please fill out the spreadsheets as directed and then save the entire workbook as a PDF. (To do this click on the 'Acrobat' tab in the main ribbon of Excel, then choose "entire Workbook" from Conversion Range option at top of window.) You will then need to add that PDF file to your proposal after the proposal is saved as a PDF. You must submit the entire proposal (including all of the appendices) as one document to DOT SBIR's automated proposal site. If you have any trouble accessing the Appendix C spreadsheet or saving it as a PDF please contact the U.S. DOT SBIR Program Office at 617-494-2051 between the hours of 8:00 am and 5:00 pm EST no later than March 28, 2014.