

**"FAIR AND REASONABLE" PRICE DOCUMENTATION
FOR MICRO PURCHASES (\$0 TO \$3,000)**

IFB OR RFP NUMBER: _____ **PROJECT TITLE:** _____

I hereby determine that the price of the product to be purchased is "fair and reasonable," based upon the methodology indicated below.

A. Telephone Quotes (Name of Offeror 1 and price) _____ \$ _____

(Name of Offeror 2 and price) _____ \$ _____

(Name of Offeror 3 and price) _____ \$ _____

B. Used a Rotating List of Qualified Suppliers:

Name of vendor selected for this procurement _____

Name of vendor selected for previous procurement _____

C. Competitor's Catalogs (Sears, Home Depot, Office Depot, etc. -- Compare catalogs for the **same time frame**. The following 4 criteria must be met. 1. Established Catalog prices exist. 2. The items are commercial in nature. 3. Items are sold in substantial quantities. 4. Items are sold to the general public.) (Attach copy of the catalog pages to this form.)

D. Newspaper Advertisements (Current advertisement only -- attach copy of ad to this form.)

E. Industrial Catalogues (The National Mechanical Contractor Estimator (NMCE) is an excellent source for pricing mechanical items.)

F. Established Market Prices (The current price established in the usual or ordinary course of business between buyers and sellers free to bargain. Verify prices by buyers and sellers who are independent of the offeror. If you do not know the names of other commercial buyers and sellers, you may obtain this information from the offeror. Provide documentation.)

G. Comparison to Previous Recent Purchase (Changes in quantity, quality, delivery schedules, and the economy cause price variations. Make sure previous price was fair and reasonable based on physical review of documentation contained in previous files. Analyze each differing situation through trend analysis. Provide Documentation.)

H. Comparison to a Valid Independent Estimate (Attach estimator's methodology and data used in developing the estimate, and verify the facts and assumptions.)

I. Value Analysis (Review the item and its function in order to determine its worth. The decision of price reasonableness remains with the contracting officer. Provide methodology.)

J. Government Catalogs (Federal Supply Schedules may be used for price comparison even though they may not be able to fulfill the requirement.) (Attach catalog page.)

K. Government Price Index (Use to compare or analyze historical prices to predict current prices. Search [Http://stats.bls.gov](http://stats.bls.gov) under Data, Series Report. For code numbers for the Series Report, go to <ftp://ftp.bls.gov/pub/time.series/wp/wp.contacts> and call the contact listed.

L. Prices Established by Law or Regulation (Prices determined through a rate schedule and verified that the prices apply to the situation, e.g., utilities.)

M. Personal knowledge of item procured (Explain)

N. Other (e.g., Sole Source):

(Attach copies of catalog pages, advertisements, purchase order, etc.)

Buyer's Signature

Date