

# BUS 315 – Cost and Price Analysis

## Course Description

Covers establishment and administration of equitable pricing arrangements for goods and / or services. Analyzes the total price (cost plus profit) and the individual elements of cost (labor, materials, indirect costs, and profit). Emphasizes techniques for determining proper prices and estimating. Discusses methods of pricing research and development, and the selection of hardware and services.

## Instructional Materials

Murphy, J. E. (2009). *Guide to contract pricing: Cost and price analysis for contractors, subcontractors, and government agencies* (5th ed.). Vienna, VA: Management Concepts.

## Course Learning Outcomes

1. Determine the characteristics of government contracting that affect pricing and what is considered fair and reasonable pricing.
2. Outline the process to forecast the likely price of an acquisition, calculate semi-variable costs, and allocate direct and indirect costs.
3. Examine the various cost classifications, the different allocation bases, and the application of cost-accounting standards.
4. Determine how to validate costs and certify cost and pricing data.
5. Specify the government policies regarding profit and pricing adjustments for contracts.
6. Evaluate the role played by contract auditors.
7. Use technology and information resources to research issues in cost and price analysis.
8. Write clearly and concisely about cost and price analysis using proper writing mechanics.