

Cost Narrative – Template

Template guidance reviewed 9 September 2026. Replace bracketed prompts with verified information. Follow the specific solicitation, amendments and submission instructions; this template does not determine eligibility or compliance.

Solicitation: [number] Proposed contract type: [FFP / T&M / CPFF]

Basis of estimate

[How you built the estimate: labor categories, hours, rates, materials, ODCs]

Required cost / price support

[Provide the cost or price support required by the solicitation and contract type. Explain the basis and consistency with the technical approach. Address realism only where applicable to the evaluation; do not label every fixed-price offer as subject to cost-realism analysis.]

Labor

[Category · hours · rate · escalation assumptions]

Other direct costs

[Travel, materials, subcontracts – with basis]

Assumptions

[Identify and validate pricing assumptions against the solicitation. Disclose permitted qualifications in the required location; an assumption does not obligate the government to accept a changed requirement.]

Reconcile totals to the required pricing schedule, quantities, option periods and technical approach. Include certified cost or pricing data only when required, using the applicable instructions and exceptions.