Council Business Meeting

July 3, 2018

Contract with Pathway Enterprises (QRF) to provide janitorial services

Maintenance & Safety Supervisor
wes.hoadley@ashland.or.us
Recreation Supervisor
rachel.dials@ashland.or.us

Summary:
This request for approval is for individual **City and Parks contracts** with **Pathway Enterprises, Inc.** to provide **janitorial services** for **City and Parks facilities**. Pathway Enterprises, Inc. is a local Qualified Rehabilitation Facility (QRF) that provides janitorial services and in accordance with ORS 279.850, public agencies are required by law to contract with a QRF if the QRF can provide the product or service as specified and required by the public agency. The term for these two janitorial service contracts will be July 1, 2018 to June 30, 2019.

Actions, Options, or Potential Motions:
The Council, acting as the Local Contract Review Board, moves to approve the award of the contracts for janitorial services to Pathway Enterprises, Inc.

Staff Recommendation:
City and Parks staff recommend the contracts for janitorial services be awarded to Pathway Enterprises, Inc.

Resource Requirements:
City and Parks staff budget each fiscal year for janitorial services. The proposed costs for janitorial services (FY 2019) are as follows:

City facilities - $128,627.55
Parks facilities - $67,212.50

Policies, Plans and Goals Supported:
N/A

Background and Additional Information:
The previous City and Parks contracts with Pathway Enterprises, Inc. (QRF) expired June 30, 2018.

How to do business with a QRF:
https://www.oregon.gov/das/Procurement/Pages/QRFhow.aspx

CITY OF ASHLAND

Costing workbooks are prepared by Pathway Enterprises, Inc. after the COA Living Wage is reviewed and updated in June every year and they are attached to the contracts as exhibits.

Request for Price Approval forms have been submitted with costing workbooks to State of Oregon, Department of Administrative Services (DAS) for pricing approval.

City standard contracts have been prepared and approved as to form by Legal and are attached hereto as attachments.

Here is screen shot that shows **Pathway Enterprises, Inc.** is an **approved QRF authorized to provide Janitorial Services in Jackson County**, Oregon.

Attachments:
Contract between City of Ashland and Pathway Enterprises, Inc. for Janitorial Services
Contract between Ashland Parks Commission and Pathway Enterprises, Inc. for Janitorial Services

GOODS & SERVICES AGREEMENT

CITY OF ASHLAND 20 East Main Street Ashland, Oregon 97520 Telephone: 541/488-5587 Fax: 541/488-6006	PROVIDER: PATHWAY ENTERPRISES, INC. CONTACT: RICHARD SIMPSON ADDRESS: 1600 SKY PARK DRIVE, SUITE NO. 101 MEDFORD, OR 97504 PHONE: 541-973-2728 FAX: 541-973-2729 EMAIL: rpspei@gmail.com

This Goods and Services Agreement (hereinafter "Agreement") is entered into by and between the City of Ashland, an Oregon municipal corporation (hereinafter "City") and **Pathway Enterprises, Inc.**, a domestic business corporation ("hereinafter "Provider"), for **Janitorial Services.**

1. PROVIDER'S OBLIGATIONS

1.1 Provide **Janitorial Services** as set forth in the "SUPPORTING DOCUMENTS" attached hereto and, by this reference, incorporated herein. Provider expressly acknowledges that time is of the essence of any completion date set forth in the SUPPORTING DOCUMENTS, and that no waiver or extension of such deadline may be authorized except in the same manner as herein provided for authority to exceed the maximum compensation. The goods and services defined and described in the "SUPPORTING DOCUMENTS" shall hereinafter be collectively referred to as "Work."

1.2 Provider shall obtain and maintain during the term of this Agreement and until City's final acceptance of all Work received hereunder, a policy or policies of liability insurance including commercial general liability insurance with a combined single limit, or the equivalent, of not less than $2,000,000 (two million dollars) per occurrence for Bodily Injury and Property Damage.

1.2.1 The insurance required in this Article shall include the following coverages:

- Comprehensive General or Commercial General Liability, including personal injury, contractual liability, and products/completed operations coverage; and
- Automobile Liability
- Workers' Compensation

1.2.2 Each policy of such insurance shall be on an "occurrence" and not a "claims made" form, and shall:

- Name as additional insured "the City of Ashland, Oregon, its officers, agents and employees" with respect to claims arising out of the provision of Work under this Agreement;
- Apply to each named and additional named insured as though a separate policy had been issued to each, provided that the policy limits shall not be increased thereby;
- Apply as primary coverage for each additional named insured except to the extent that two or more such policies are intended to "layer" coverage and, taken together, they provide total coverage from the first dollar of liability;
- Provider shall immediately notify the City of any change in insurance coverage
- Provider shall supply an endorsement naming the City, its officers, employees and agents as additional insureds by the Effective Date of this Agreement; and
- Be evidenced by a certificate or certificates of such insurance approved by the City.

1.3 All subject employers working under this Agreement are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126. As evidence of the insurance required by this Agreement, the Provider shall furnish an acceptable insurance certificate prior to commencing any Work under this Agreement.

1.4 Provider agrees that no person shall, on the grounds of race, color, religion, creed, sex, marital status, familial status or domestic partnership, national origin, age, mental or physical disability, sexual orientation, gender identity or source of income, suffer discrimination in the performance of this Agreement when employed by Provider. Provider agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. Further, Provider agrees not to discriminate against a disadvantaged business enterprise, minority-owned business, woman-owned business, a business that a service-disabled veteran owns or an emerging small business enterprise certified under ORS 200.055, in awarding subcontracts as required by ORS 279A.110.

1.5 In all solicitations either by competitive bidding or negotiation made by Provider for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Providers of the Provider's obligations under this Agreement and Title VI of the Civil Rights Act of 1964 and other federal nondiscrimination laws.

2. CITY'S OBLIGATIONS

2.1 City shall pay Provider the sum of **$128,627.55** as provided herein as full compensation for the Work as specified in the SUPPORTING DOCUMENTS.

2.2 In no event shall Provider's total of all compensation and reimbursement under this Agreement exceed the sum of **$128,627.55** without express, written approval from the City official whose signature appears below, or such official's successor in office. Provider expressly acknowledges that no other person has authority to order or authorize additional Work which would cause this maximum sum to be exceeded and that any authorization from the responsible official must be in writing. Provider further acknowledges that any Work delivered or expenses incurred without authorization as provided herein is done at Provider's own risk and as a volunteer without expectation of compensation or reimbursement.

3. GENERAL PROVISIONS

3.1 This is a non-exclusive Agreement. City is not obligated to procure any specific amount of Work from Provider and is free to procure similar types of goods and services from other providers in its sole discretion.

3.2 Provider is an independent contractor and not an employee or agent of the City for any purpose.

3.3 Provider is not entitled to, and expressly waives all claims to City benefits such as health and disability insurance, paid leave, and retirement.

3.4 This Agreement embodies the full and complete understanding of the parties respecting the subject matter hereof. It supersedes all prior agreements, negotiations, and representations between the parties, whether written or oral.

3.5 This Agreement may be amended only by written instrument executed with the same formalities as this Agreement.

3.6 The following laws of the State of Oregon are hereby incorporated by reference into this Agreement: ORS 279B.220, 279B.230 and 279B.235.

3.7 This Agreement shall be governed by the laws of the State of Oregon without regard to conflict of laws principles. Exclusive venue for litigation of any action arising under this Agreement shall be in the Circuit Court of the State of Oregon for Jackson County unless exclusive jurisdiction is in federal court, in which case exclusive venue shall be in the federal district court for the district of Oregon. Each party expressly waives any and all rights to maintain an action under this Agreement in any other venue, and expressly consents that, upon motion of the other party, any case may be dismissed or its venue transferred, as appropriate, so as to effectuate this choice of venue.

3.8 Provider shall defend, save, hold harmless and indemnify the City and its officers, employees and agents from and against any and all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature resulting from, arising out of, or relating to the activities of Provider or its officers, employees, contractors, or agents under this Agreement.

3.9 Neither party to this Agreement shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's officers, employees or agents.

3.10 If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permitted the intent of Provider and the City set forth in this Agreement.

4. SUPPORTING DOCUMENTS

The following documents are, by this reference, expressly incorporated in this Agreement, and are collectively referred to in this Agreement as the "SUPPORTING DOCUMENTS:"

- The Provider's letter dated June 19, 2018 attached hereto as "**Exhibit A**", Custodial Service Minimum Standards (Service Requirements and Frequency of Service) attached hereto as "**Exhibit B**" and the Costing Workbooks (City Hall, Community Development, Municipal Court, Police Department, Police Substation, Service Center, Street/Shop Building, and Floors in City Buildings) attached hereto as "**Exhibit C**".

5. REMEDIES

5.1 In the event Provider is in default of this Agreement, City may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including, but not limited to:

5.1.1 Termination of this Agreement;

5.1.2 Withholding all monies due for the Work that Provider has failed to deliver within any scheduled completion dates or any Work that have been delivered inadequately or defectively;

5.1.3 Initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief;

5.1.4 These remedies are cumulative to the extent the remedies are not inconsistent, and City may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.

5.2 In no event shall City be liable to Provider for any expenses related to termination of this Agreement or for anticipated profits. If previous amounts paid to Provider exceed the amount due, Provider shall pay immediately any excess to City upon written demand provided.

6. TERM AND TERMINATION

6.1 Term

This Agreement shall be effective from **July 1, 2018**, and shall continue in full force and effect until **June 30, 2019**, unless sooner terminated as provided in Subsection 6.2.

6.2 Termination

6.2.1 The City and Provider may terminate this Agreement by mutual agreement at any time.

6.2.2 The City may, upon not less than thirty (30) days' prior written notice, terminate this Agreement for any reason deemed appropriate in its sole discretion.

6.2.3 Either party may terminate this Agreement, with cause, by not less than fourteen (14) days' prior written notice if the cause is not cured within that fourteen (14) day period after written notice. Such termination is in addition to and not in lieu of any other remedy at law or equity.

7. NOTICE

Whenever notice is required or permitted to be given under this Agreement, such notice shall be given in writing to the other party by personal delivery, by sending via a reputable commercial overnight courier, or by mailing using registered or certified United States mail, return receipt requested, postage prepaid, to the address set forth below:

If to the City:
City of Ashland
Public Works Department
Attention: **Wes Hoadley**
90 N. Mountain Avenue
Ashland, Oregon 97520
Phone: (541) 552-2355

With a copy to:
City of Ashland
Legal Department
20 E. Main Street
Ashland, OR 97520
Phone: (541) 488-5350

If to Provider:
Pathway Enterprises, Inc.
Attention: **Richard Simpson**
1600 Sky Park Drive, Suite 101
Medford, OR 97504
Phone: 541-973-2728

8. WAIVER OF BREACH

One or more waivers or failures to object by either party to the other's breach of any provision, term, condition, or covenant contained in this Agreement shall not be construed as a waiver of any subsequent breach, whether or not of the same nature.

9. PROVIDER'S COMPLIANCE WITH TAX LAWS

9.1 Provider represents and warrants to the City that:

9.1.1 Provider shall, throughout the term of this Agreement, including any extensions hereof, comply with:

(i) All tax laws of the State of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
(ii) Any tax provisions imposed by a political subdivision of the State of Oregon applicable to Provider; and
(iii) Any rules, regulations, charter provisions, or ordinances that implement or enforce any of the foregoing tax laws or provisions.

9.1.2 Provider, for a period of no fewer than six (6) calendar years preceding the Effective Date of this Agreement, has faithfully complied with:
(i) All tax laws of the State of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
(ii) Any tax provisions imposed by a political subdivision of the State of Oregon applicable to Provider; and
(iii) Any rules, regulations, charter provisions, or ordinances that implement or enforce any of the foregoing tax laws or provisions.

9.2 Provider's failure to comply with the tax laws of the State of Oregon and all applicable tax laws of any political subdivision of the State of Oregon shall constitute a material breach of this Agreement. Further, any violation of Provider's warranty, as set forth in this Article 9, shall constitute a material breach of this Agreement. Any material breach of this Agreement shall entitle the City to terminate this Agreement and to seek damages and any other relief available under this Agreement, at law, or in equity.

IN WITNESS WHEREOF the parties have caused this Agreement to be signed in their respective names by their duly authorized representatives as of the dates set forth below.

CITY OF ASHLAND:

By: _____
City Administrator

_____
Printed Name

_____
Date

PATHWAY ENTERPRISES, INC.:

By: _____
Signature

_____
Printed Name

_____
Title

_____
Date

Purchase Order No. _____

(**W-9** is to be submitted with this signed Agreement)

APPROVED AS TO FORM:

Kat L/Bn
Assistant City Attorney

6-25-18
Date

EXHIBIT A

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

Office: (541) 973-2728 Fax: (541) 973-2729

Property Service License #40205 *CCB License #218417*

June 19, 2018

Kari Olson
Purchasing Representative
City of Ashland
90 N. Mountain Ave.
Ashland, OR 97520

Dear Ms. Olson,
Pathway Enterprises is requesting a pricing adjustment for services for the City of Ashland. The reason for the changes are as follows:

- The Department of Labor Wage Survey Data for Jackson County indicate that the average wage paid to janitors in Jackson County in data dated May 2017 was $14.26 per hour and $20.61 per hour for janitorial supervisors. We are requesting an adjustment to 2017 established levels.

- Pathway has incorporated the cost of health and life insurances as well as retirement for our employees. In the past Living Wage levels were adequate to compensate these employee benefits but at this time Living Wage is no longer at an adequate level to do this.

The impact of the State Minimum Wage law is creating high wage inflation on entry level positions. In our area the wage for janitors increase by $1.00 per hour for every $0.50 increase in minimum wage. A three-year wage history for Jackson County is as follows:

2015 – $12.25 / Hour

2016 – $13.08 / Hour

2017 – $14.26 / Hour

In total we are requesting an increase from $115,077.07 to $128,627.55 Annually. This equates to an additional $13,550.48 for a 11.78% increase. I have attached the minimum cleaning standards, and the Janitorial survey used to determine wages in Jackson County.

The breakdown of this increase is as follows:

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

ISSA MEMBER

Office: (541) 973-2728 Fax: (541) 973-2729

Annual	2017 - 2018	2018 - 2019
City Hall	15,749.34	17,644.67
Community Development	24,075.62	27,345.36
Municipal Court	12,251.32	13,830.53
Municipal Court Offices	1,537.20	1,676.07
Police Department	22,794.65	25,326.67
Police Sub Station	1,790.50	1,991.38
Service Center	18,951.75	20,825.51
Street and Shop	6,655.73	8,029.57
Carpet and Hard Floors	11,270.96	11,957.79
Total	115,077.07	128,627.55
Increase Amount		13,550.48
Increase %		11.78%

I appreciate your consideration and look forward to continued services at the City of Ashland.

Sincerely,

Richard Simpson

Richard Simpson
Commercial Contracts Director
Pathway Enterprises, Inc.

Custodial Service Minimum Standards

EXHIBIT B

Customer: City of Ashland
Facilities: City Hall, Community Development, Municipal Court, Police Department, Police Sub Station, Service Center, Street and Shop

Service Requirements	Frequency of Service							
A. General, Private Offices, Lobby, etc.	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Empty wastebaskets and recycle bins. Wash or change liners as needed. (Contractor to supply liners)	X							
2. Wipe down furniture, including chair arms and legs, side tables, desktops, conference tables, reception base, etc.	X							
3. Dust exposed filing cabinets, bookcases, shelves and lamps		X						
6. Low dust horizontal surfaces to hand height (70") including sills, ledges, moldings, window frames, shelves, picture frames, ducts, radiators, etc.		X						
7. High dust above hand height horizontal surfaces, including shelves, moldings, ledges, vents, ducts, etc.			X					
8. Spot clean desk tops when personal items are removed	X							
9. Sweep and damp mop all resilient and hard surfaces	X							
10. Clean reception lobby glass including front door and any other partition or glass door	X							
11. Vacuum carpeted floors in their entirety, including under all floor mats		X						
12. Remove all paper and debris on floors	X							
13. Remove fingerprints from doors and frames	X							
14. Dust blinds					X			
15. Remove dust and cobwebs from ceiling area			X					
16. Spot clean spills on carpeted floors	X							
17. Remove scuff marks from hard floors	X							
18. Wipe down walls, as needed for large spots	X							
19. Damp Clean baseboards					X			
20. Empty outside trash, spot clean cans, replace liner	X							

Service Requirements	Frequency of Service							
B. Restrooms & Showers	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Clean, sanitize and polish all fixtures incl. toilet bowls, toilet seats, urinals, hand basins, chrome fittings.	X							
2. Remove spots/stains from wall areas adjacent to hand basins	X							
3. Clean and polish all glass and mirrors.	X							
4. Empty all containers and disposals. Clean and change liners as needed (Contractor to supply liners).	X							
5. Empty and sanitize interior of sanitary container	X							
6. Spot clean walls, doors, light switches, dispensers, metal partitions and lockers.	X							
7. Clean and sanitize metal partitions and lockers.	X							
8. Wash restroom walls & ceilings.					X			
9. Remove fingerprints from doors, frames, light switches, kick/push plates, handles, etc.	X							
10. Refill all dispensers to normal limits - napkins, soap, tissue, hand sanitizer, towel, cups, liners, etc. (Supplies furnished by County).	X							
11. Dust all horizontal surfaces to hand height incl. sills, ledges, molding, shelves, frames, ducts, heating outlets.		X						
12. Dust all horizontal surfaces above hand height incl. shelves, ledges, moldings, lights, lockers.		X						
13. Vacuum diffuser outlets.			X					
14. Clean area adjacent to diffuser outlets.			X					
15. Clean and sanitize shower areas. Remove all soil and soap scum.		X						
16. Sweep, damp mop and sanitize all hard and resilient floors.	X							
NOTE – ALL WATER FIXTURES WILL BE KEPT CLEAN OF ALL STAINS AND MINERAL BUILD-UP.								

Service Requirements	Frequency of Service							
C. Lunchrooms (Vending)	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Clean and sanitize tables & chairs, incl. pedestals or legs.	X							
2. Clean and change liners in all containers and disposals (sanitize interior).	X							
3. Clean sink area and fixtures to remove hard water build up and coffee staining.	X							
4. Clean all cabinet facings and exteriors of appliances and equipment.	X							
5. Remove fingerprints from doors, frames, light switches, kick/push plates, handles.	X							
6. Sweep and mop floor.	X							
7. Dust all horizontal surfaces to hand height incl. sills, moldings, ledges, shelves, frames, ducts, heating outlets, etc.		X						
8. Dust all horizontal surfaces above hand height incl. shelves, ledges, moldings, pipes, ducts, heating outlets, etc.		X						

Service Requirements	Frequency of Service							
D. Floors 1. Resilient and Hard	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (budgeted)
1. Dust, damp mop or sweep.	X							
2. Damp mop and sanitize restrooms, labs and exam rooms.	X							
3. Machine scrub textured non finish floors to remove build up.						X		
D. Floors 2. Carpet	**D**	**W**	**M**	**S-M**	**Q**	**S-A**	**A**	**AD**
1. Vacuum open areas.	X							
2. Vacuum entire carpet areas.		X						
3. Remove spots or stains.	X							
4. Machine extraction entire open areas.								
5. Clean door mats.	X							

Service Requirements	Frequency of Service							
E. Furniture 1. Fabric	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Vacuum.					X			
2. Shampoo.						X		
E. Furniture 2. Plastic	**D**	**W**	**M**	**S-M**	**Q**	**S-A**	**A**	**AD**
1. Damp wipe.					X			
2. Complete clean.								X
E. Furniture 3. Leather	**D**	**W**	**M**	**S-M**	**Q**	**S-A**	**A**	**AD**
1. Damp clean.						X		
2. Clean, reseal and polish.								X

Service Requirements	Frequency of Service							
F. Windows	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Clean Exterior - Outside.								X
2. Clean exterior - inside.								X

Service Requirements	Frequency of Service							
G. Special Requirements	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Gather recycled paper.	X							
2. Lock all exterior doors at designated time	X							
3. Clean exterior of front entry.	X							
4. Empty exterior trash receptacles.	X							
5. Clean & sanitize trash receptacles.	X							

GENERAL REQUIREMENTS:

- Leave notice on any observed irregularities (i.e. defective plumbing, unlocked doors, lights left on, inventory requirements, restroom supplies required, etc.).
- Turn off all lights except those to be left on. Close windows and lock all doors.
- Cleaning to be completed between 5:00PM and 4:00AM.
- All custodial staff will comply with Additional Specifications, as stated below.

- Material Safety Data Sheets must be provided to the Customer for all cleaning materials and chemicals.

Security

1. All employees will have an acceptable security clearance check prior to working in the building.
2. Employees working in law enforcement areas will be CJIS trained and approved.
3. All entrance doors must be locked after hours and kept that way. When dumping trash, lock the door when you leave and let yourself in upon completion of dumping. All interior doors that are locked must be relocked upon completion of cleaning. Note any discrepancies of unlocked doors that are normally locked.

EXHIBIT C

Costing Workbook For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2018-2019 City Hall

Executive Director Signature:

Raw Materials				
Per Time Use - Supplies	(from supplies worksheet)		$	1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$	235.75
		Subtotal 1	$	1,244.03
Labor				
Direct Labor	(from labor daily worksheet)		$	11,989.47
Overhead				
See Overhead Worksheet			$	3,352.49
Delivery				
Transportation	(from Trans & Reserve worksheet)		$	-
		Total Before Margin	$	16,585.99
Reserve				
Margin Held in Reserve	(from Trans & Reserve worksheet)		$	1,058.68
		Total Bid Yearly	$	17,644.67
		Monthly	$	1,470.39

LABOR

Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2018-2019 City Hall

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	2.50	$ 14.26	100%	$ 35.65	0.0765	$ 2.73	2.60%	$ 0.93	1.42%	$ 0.51	29.60%		$ 10.55	$ 50.36	208	$ 10,475.45	520.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	29.60%		$ 6.10	$ 29.12	52	$ 1,514.02	52.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 79.48	Total	$ 11,989.47	572.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
HEALTH+LIFE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contractl Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2018-2019 City Hall

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.1250	$ 11.00	$ 132.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2018-2019 City Hall

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs — 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	572
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

This category covers any costs associated with delivering your product or service to the buyer. A service contract, for example, will likely include the costs associated with getting the individuals who will perform the service to the place where the service will be performed. Gas, oil, vehicle maintenance and repair are all part of Delivery costs. Most often these costs can be recovered by charging a certain amount per mile. The State of Oregon reimburses 36 cents per mile for its employees who use their own vehicles on State business. That's not to say your costs may be less or more. The labor required (the driver and the workers if they are on the clock), should be captured in Direct Labor. If your costs are greater than the state allowed cost, please provide a detailed schedule on how you arrived at your cost per mile.

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1	caravan			$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2017-2018 Community Development

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 19,264.99
Overhead			
See Overhead Worksheet			$ 5,195.62
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 25,704.64
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,640.72
		Total Bid Yearly	$ 27,345.36
		Monthly	$ 2,278.78

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2017-2018 Community Development

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
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A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.
Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2017-2018 Community Development

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2017-2018 Community Development

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 2x	3.25	$ 14.26	100%	$ 46.35	0.0765	$ 3.55	2.60%	$ 1.20	1.42%	$ 0.66	29.60%		$ 13.72	$ 65.47	104	$ 6,809.04	338.00
2	Janitor 3x	3.00	$ 14.26	100%	$ 42.78	0.0765	$ 3.27	2.60%	$ 1.11	1.42%	$ 0.61	29.60%		$ 12.66	$ 60.44	156	$ 9,427.91	468.00
3	Supervisor	2.00	$ 20.61	100%	$ 41.22	0.0765	$ 3.15	2.60%	$ 1.07	1.42%	$ 0.59	29.60%		$ 12.20	$ 58.23	52	$ 3,028.04	104.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 184.14	Total	$ 19,264.99	910.00

Areas in green are formula driven.

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64	29.60%

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	910
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

This category covers any costs associated with delivering your product or service to the buyer. A service contract, for example, will likely include the costs associated with getting the individuals who will perform the service to the place where the service will be performed. Gas, oil, vehicle maintenance and repair are all part of Delivery costs. Most often these costs can be recovered by charging a certain amount per mile. The State of Oregon reimburses 36 cents per mile for its employees who use their own vehicles on State business. That's not to say your costs may be less or more. The labor required (the driver and the workers if they are on the clock), should be captured in Direct Labor. If your costs are greater than the state allowed cost, please provide a detailed schedule on how you arrived at your cost per mile.

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1	caravan			$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2018-2019 Municipal Court

Executive Director Signature: _____

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 9,128.87
Overhead			
See Overhead Worksheet			$ 2,627.80
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 13,000.70
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 829.83
		Total Bid Yearly	$ 13,830.53
		Monthly	$ 1,152.54

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Municipal Court

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.1250	$ 11.00	$ 132.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Municipal Court

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Municipal Court

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 2x	2.00	$ 14.26	100%	$ 28.52	0.0765	$ 2.18	2.60%	$ 0.74	1.42%	$ 0.40	29.60%		$ 8.44	$ 40.29	104	$ 4,190.18	208.00
2	Janitor 3x	1.00	$ 14.26	100%	$ 14.26	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.60%		$ 4.22	$ 20.15	156	$ 3,142.64	156.00
3	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	29.60%		$ 6.10	$ 29.12	52	$ 1,514.02	52.00
4	Add Carpet	7.00	$ 14.26	100%	$ 99.82	0.0765	$ 7.64	2.60%	$ 2.60	1.42%	$ 1.42	29.60%		$ 29.55	$ 141.02	2	$ 282.03	14.00
5	Office Additions	0.00	$ 14.26	100%	$ -	0.0765	$ -	2.60%	$ -	1.42%	$ -	29.60%		$ -	$ -	208	$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 230.57	Total	$ 9,128.87	430.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

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Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contractl Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	430
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

This category covers any costs associated with delivering your product or service to the buyer. A service contract, for example, will likely include the costs associated with getting the individuals who will perform the service to the place where the service will be performed. Gas, oil, vehicle maintenance and repair are all part of Delivery costs. Most often these costs can be recovered by charging a certain amount per mile. The State of Oregon reimburses 36 cents per mile for its employees who use their own vehicles on State business. That's not to say your costs may be less or more. The labor required (the driver and the workers if they are on the clock), should be captured in Direct Labor. If your costs are greater than the state allowed cost, please provide a detailed schedule on how you arrived at your cost per mile.

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1	caravan			$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2018-2019 Municipal Court Extra Rooms

Executive Director Signature: _____

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ -
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ -
		Subtotal 1	$ -
Labor			
Direct Labor	(from labor daily worksheet)		$ 1,257.05
Overhead			
See Overhead Worksheet			$ 318.45
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 1,575.51
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 100.56
		Total Bid Yearly	$ 1,676.07
		Monthly	$ 139.67

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Municipal Court Extra Rooms

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	-	$ -	$ -
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	-	$ -	$ -
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	-	$ -	$ -
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	-	$ -	$ -
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	-	$ -	$ -
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	-	$ -	$ -
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	-	$ -	$ -
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	-	$ -	$ -
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	-	$ -	$ -
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	-	$ -	$ -
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	-	$ -	$ -
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	-	$ -	$ -
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	-	$ -	$ -
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	-	$ -	$ -
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	-	$ -	$ -
16	LAMBSWOOL DUSTER 28" 312FH	4.93	-	$ -	$ -
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	-	$ -	$ -
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	-	$ -	$ -
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	-	$ -	$ -
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	-	$ -	$ -
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	-	$ -	$ -
22	36" JUMBO DUST MOP FRAME	7.69	-	$ -	$ -
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	-	$ -	$ -
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	-	$ -	$ -
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	-	$ -	$ -
26	BARKEEPERS FRIEND 20OZ BTL	2.65	-	$ -	$ -
27	24 OZ BTL	1.25	-	$ -	$ -
28	CLEANING TOWELS (60)	19.95	-	$ -	$ -
29	DUSTPAN	2.65	-	$ -	$ -
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ -	$ -

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Municipal Court Extra Rooms

Oregon Department of Administrative Services
Project Costing Worksheet

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	0	$ -
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	0	$ -
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	0	$ -
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ -

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Municipal Court Extra Rooms

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 2x		$ 14.26	100%	$ -	0.0765	$ -	2.60%	$ -	1.42%	$ -	29.60%		$ -	$ -	104	$ -	0.00
2	Janitor 3x		$ 14.26	100%	$ -	0.0765	$ -	2.60%	$ -	1.42%	$ -	29.60%		$ -	$ -	156	$ -	0.00
3	Supervisor		$ 20.61	100%	$ -	0.0765	$ -	2.60%	$ -	1.42%	$ -	29.60%		$ -	$ -	52	$ -	0.00
4	Add Carpet		$ 14.26	100%	$ -	0.0765	$ -	2.60%	$ -	1.42%	$ -	29.60%		$ -	$ -	2	$ -	0.00
5	Office Additions	0.30	$ 14.26	100%	$ 4.28	0.0765	$ 0.33	2.60%	$ 0.11	1.42%	$ 0.06	29.60%		$ 1.27	$ 6.04	208	$ 1,257.05	62.40
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 6.04	Total	$ 1,257.05	62.40

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	62
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

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Services Contract

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1	caravan			$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

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QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2018-2019 Ashland Police Department

Executive Director Signature:

Raw Materials				
Per Time Use - Supplies	(from supplies worksheet)		$	1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$	235.75
		Subtotal 1	$	1,244.03
Labor				
Direct Labor	(from labor daily worksheet)		$	17,750.97
Overhead				
See Overhead Worksheet			$	4,812.07
Delivery				
Transportation	(from Trans & Reserve worksheet)		$	-
		Total Before Margin	$	23,807.07
Reserve				
Margin Held in Reserve	(from Trans & Reserve worksheet)		$	1,519.60
		Total Bid Yearly	$	25,326.67
		Monthly	$	2,110.56

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Ashland Police Department

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.1250	$ 11.00	$ 132.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Ashland Police Department

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Ashland Police Department

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Productivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemployment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 4x	3.50	$ 14.26	100%	$ 49.91	0.0765	$ 3.82	2.60%	$ 1.30	1.42%	$ 0.71	29.60%		$ 14.77	$ 70.51	208	$ 14,665.63	728.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	29.60%		$ 6.10	$ 29.12	52	$ 1,514.02	52.00
3	Janitor Wed	1.50	$ 14.26	100%	$ 21.39	0.0765	$ 1.64	2.60%	$ 0.56	1.42%	$ 0.30	29.60%		$ 6.33	$ 30.22	52	$ 1,571.32	78.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 129.84	Total	$ 17,750.97	858.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs: 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum:

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	858
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
Other: *	$ 18,981.00	
Other: *	$ 20,021.00	
Other: *	$ 15,807.00	
Other: *		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

This category covers any costs associated with delivering your product or service to the buyer. A service contract, for example, will likely include the costs associated with getting the individuals who will perform the service to the place where the service will be performed. Gas, oil, vehicle maintenance and repair are all part of Delivery costs. Most often these costs can be recovered by charging a certain amount per mile. The State of Oregon reimburses 36 cents per mile for its employees who use their own vehicles on State business. That's not to say your costs may be less or more. The labor required (the driver and the workers if they are on the clock), should be captured in Direct Labor. If your costs are greater than the state allowed cost, please provide a detailed schedule on how you arrived at your cost per mile.

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name Pathway Enterprises, Inc.
Project City of Ashland Police Sub Station 18-19

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 271.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ -
		Subtotal 1	$ 271.29
Labor			
Direct Labor	(from labor daily worksheet)		$ 1,222.24
Overhead			
See Overhead Worksheet			$ 378.36
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 1,871.90
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 119.48
		Total Bid Yearly	$ 1,991.38
		Monthly	$ 165.95

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland Police Sub Station 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.0833	$ 1.81	$ 21.71
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.0833	$ 1.71	$ 20.49
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	0.0833	$ 0.07	$ 0.88
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	-	$ -	$ -
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	0.0833	$ 0.17	$ 2.01
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.0833	$ 0.74	$ 8.88
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	0.0833	$ 0.12	$ 1.42
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.0833	$ 0.50	$ 5.99
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	0.0833	$ 0.22	$ 2.70
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	0.0833	$ 0.67	$ 7.99
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.0833	$ 0.41	$ 4.93
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.0833	$ 0.86	$ 10.36
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.0833	$ 0.70	$ 8.42
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.0833	$ 0.46	$ 5.47
20	CLOSED FOR CLEANING HANGING SIGN	25.10	-	$ -	$ -
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	-	$ -	$ -
22	36" JUMBO DUST MOP FRAME	7.69	-	$ -	$ -
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	-	$ -	$ -
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	-	$ -	$ -
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.0833	$ 1.49	$ 17.90
26	BARKEEPERS FRIEND 20OZ BTL	2.65	0.2500	$ 0.66	$ 7.95
27	24 OZ BTL	1.25	0.0833	$ 0.10	$ 1.25
28	CLEANING TOWELS (60)	19.95	-	$ -	$ -
29	DUSTPAN	2.65	0.0833	$ 0.22	$ 2.65
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 22.61	$ 271.29

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland Police Sub Station 18-19

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS			
Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1				12						
2				12						
3				12						
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ -

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland Police Sub Station 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	1.00	$ 14.26	100%	$ 14.26	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.60%		$ 4.22	$ 20.15	52	$ 1,047.55	52.00
2	Supervisor	0.50	$ 20.61	100%	$ 10.31	0.0765	$ 0.79	2.60%	$ 0.27	1.42%	$ 0.15	29.60%		$ 3.05	$ 14.56	12	$ 174.69	6.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 34.70	Total	$ 1,222.24	58.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs — 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	58
Total Assigned Overhead	$ -

Worksheet

INDIRECT COSTS	Total Annual Operations ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
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Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

This category covers any costs associated with delivering your product or service to the buyer. A service contract, for example, will likely include the costs associated with getting the individuals who will perform the service to the place where the service will be performed. Gas, oil, vehicle maintenance and repair are all part of Delivery costs. Most often these costs can be recovered by charging a certain amount per mile. The State of Oregon reimburses 36 cents per mile for its employees who use their own vehicles on State business. That's not to say your costs may be less or more. The labor required (the driver and the workers if they are on the clock), should be captured in Direct Labor. If your costs are greater than the state allowed cost, please provide a detailed schedule on how you arrived at your cost per mile.

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1	caravan			$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises, Inc.
Project	Ashland Service Center 2018-2019

Executive Director Signature:

Raw Materials				
Per Time Use - Supplies	(from supplies worksheet)		$	1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$	235.75
		Subtotal 1	$	1,244.03
Labor				
Direct Labor	(from labor daily worksheet)		$	14,375.10
Overhead				
See Overhead Worksheet			$	3,956.85
Delivery				
Transportation	(from Trans & Reserve worksheet)		$	-
		Total Before Margin	$	19,575.98
Reserve				
Margin Held in Reserve	(from Trans & Reserve worksheet)		$	1,249.53
		Total Bid Yearly	$	20,825.51
		Monthly	$	1,735.46

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
Ashland Service Center 2018-2019

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
Ashland Service Center 2018-2019

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR
Direct Labor
Pathway Enterprises, Inc.
Ashland Service Center 2018-2019

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	3.25	$ 14.26	100%	$ 46.35	0.0765	$ 3.55	2.60%	$ 1.20	1.42%	$ 0.66	29.60%		$ 13.72	$ 65.47	208	$ 13,618.09	676.00
2	Supervisor	0.50	$ 20.61	100%	$ 10.31	0.0765	$ 0.79	2.60%	$ 0.27	1.42%	$ 0.15	29.60%		$ 3.05	$ 14.56	52	$ 757.01	26.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 80.03	Total	$ 14,375.10	702.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	29.60%

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Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

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2. Enter Allocated Overhead as a Dollar-Figure Sum

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3. Overhead as a Percent of Total Direct Labor Hours

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Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	702
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
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2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2018-2019 Street and Shop

Executive Director Signature:

Raw Materials				
Per Time Use - Supplies	(from supplies worksheet)		$	402.78
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$	25.57
		Subtotal 1	$	428.36
Labor				
Direct Labor	(from labor daily worksheet)		$	5,593.83
Overhead				
See Overhead Worksheet			$	1,525.62
Delivery				
Transportation	(from Trans & Reserve worksheet)		$	-
		Total Before Margin	$	7,547.80
Reserve				
Margin Held in Reserve	(from Trans & Reserve worksheet)		$	481.77
		Total Bid Yearly	$	8,029.57
		Monthly	$	669.13

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Street and Shop

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.0833	$ 1.81	$ 21.71
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.0833	$ 1.71	$ 20.49
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	0.0833	$ 0.07	$ 0.88
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	0.0833	$ 0.06	$ 0.72
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.0833	$ 3.53	$ 42.38
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.0833	$ 7.33	$ 87.96
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.0833	$ 8.12	$ 97.40
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	0.0833	$ 0.17	$ 2.01
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.0833	$ 0.74	$ 8.88
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	0.0833	$ 0.12	$ 1.42
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.0833	$ 0.50	$ 5.99
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	0.0833	$ 0.22	$ 2.70
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	0.0833	$ 0.67	$ 7.99
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.0833	$ 0.41	$ 4.93
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.0833	$ 0.86	$ 10.36
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.0833	$ 0.70	$ 8.42
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.0833	$ 0.46	$ 5.47
20	CLOSED FOR CLEANING HANGING SIGN	25.10	-	$ -	$ -
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	-	$ -	$ -
22	36" JUMBO DUST MOP FRAME	7.69	-	$ -	$ -
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.0833	$ 1.37	$ 16.43
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.0833	$ 1.47	$ 17.65
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.0833	$ 1.49	$ 17.90
26	BARKEEPERS FRIEND 20OZ BTL	2.65	0.2500	$ 0.66	$ 7.95
27	24 OZ BTL	1.25	0.0833	$ 0.10	$ 1.25
28	CLEANING TOWELS (60)	19.95	-	$ -	$ -
29	DUSTPAN	2.65	0.0833	$ 0.22	$ 2.65
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 33.57	$ 402.78

Areas in green are formula driven.
Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2018-2019 Street and Shop

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	0	$ -
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	0	$ -
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ 25.57

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor

Pathway Enterprises, Inc.

City of Ashland 2018-2019 Street and Shop

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Productivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemployment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	1.25	$ 14.81	100%	$ 18.51	0.0765	$ 1.42	2.60%	$ 0.48	1.42%	$ 0.26	29.60%		$ 5.48	$ 26.15	156	$ 4,079.81	195.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	29.60%		$ 6.10	$ 29.12	52	$ 1,514.02	52.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 55.27	Total	$ 5,593.83	247.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.

Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.

Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).

Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.

Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.

Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.

Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.

Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.

Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5

Times Per Year = This is the days or shifts worked per year

Annual Total Labor = Times per year multiplied by daily/per item labor

Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs	19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum	

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	247
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

This category covers any costs associated with delivering your product or service to the buyer. A service contract, for example, will likely include the costs associated with getting the individuals who will perform the service to the place where the service will be performed. Gas, oil, vehicle maintenance and repair are all part of Delivery costs. Most often these costs can be recovered by charging a certain amount per mile. The State of Oregon reimburses 36 cents per mile for its employees who use their own vehicles on State business. That's not to say your costs may be less or more. The labor required (the driver and the workers if they are on the clock), should be captured in Direct Labor. If your costs are greater than the state allowed cost, please provide a detailed schedule on how you arrived at your cost per mile.

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1	caravan			$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

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QRF Name	Pathway Enterprises Inc.
Project	City of Ashland Facility Floors 18-19

Executive Director Signature: _____

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,409.47
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 1,353.30
		Subtotal 1	$ 2,762.77
Labor			
Direct Labor	(from labor daily worksheet)		$ 6,205.57
Overhead			
See Overhead Worksheet			$ 2,271.98
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 11,240.32
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 717.47
		Total Bid Yearly	$ 11,957.79
		Monthly	$ 996.48

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Facility Floors 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	20" BL 5300 FLOOR PAD 5/CS	4.64	1	$ 4.64	$ 55.68
2	20" BN 7100 FLOOR PAD 5/CS	6.36	1	$ 6.36	$ 76.32
3	20" RE 5100 FLOOR PAD 5/CS	4.64	0	$ -	$ -
4	20" WH 4100 FLOOR PAD 5/CS	4.64	0.5	$ 2.32	$ 27.84
5	DOODLEBUG PAD BN 20/CS	1.31	1	$ 1.31	$ 15.72
6	SCOTCH BRITE SURF PREP PAD 14X20 10	12.36	0	$ -	$ -
7	SCOTCH BRITE SURF PREP PAD 20" 10/C	8.69	0	$ -	$ -
8	SCOTCH BRITE SPP 4-5/8"X10" 20/CS	2.12	0	$ -	$ -
9	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.5	$ 1.62	$ 19.44
10	DEFOAM IT PREM DEFOAMER 4 GL/CS	16.02	0.25	$ 4.01	$ 48.06
11	DIAMOND FLOOR FINISH 5 GL	52.10	0.5	$ 26.05	$ 312.60
12	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.125	$ 2.56	$ 30.75
13	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	0.125	$ 1.00	$ 11.99
14	TANNIN STAIN REMOVER 6 QTS/CS	16.49	0.25	$ 4.12	$ 49.47
15	DIBS NEUTRALIZER ODOR COUNTER 2-90T	51.73	0.0625	$ 3.23	$ 38.80
16	BRAVO POWER FOAM STRIPPER 12-23 OZ/	7.71	0	$ -	$ -
17	PRO STRIP HVY DTY STRIPPER 5 GL	81.04	0.25	$ 20.26	$ 243.12
18	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.33	$ 5.43	$ 65.10
19	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	1	$ 17.66	$ 211.92
20	DOODLE SCRUB TILE & GROUT PAD (BLUE	7.17	1	$ 7.17	$ 86.04
21	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.0834	$ 1.49	$ 17.92
22	FOLEX GALLON	16.45	0.5	$ 8.23	$ 98.70
23				$ -	$ -
24				$ -	$ -
25				$ -	$ -
26				$ -	$ -
27				$ -	$ -
28				$ -	$ -
29				$ -	$ -
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 117.46	$ 1,409.47

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.

Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Facility Floors 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS			
Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	WAVE BREAK PRESS	$ 76.72	36	12	33%	$ 25.57	20%	$ 5.11	3	$ 15.34
2	WINDSOR SENSOR VAC	$ 551.46	36	12	33%	$ 183.82	20%	$ 36.76	1	$ 36.76
3	WET DRY VACUUM	$ 780.00	24	12	50%	$ 390.00	20%	$ 78.00	1	$ 78.00
4	PACESETTER BUFFER	$ 1,617.30	36	12	33%	$ 539.10	20%	$ 107.82	1	$ 107.82
5	SC351 SCRUBBER	$2,812.00	48	12	25%	$ 703.00	20%	$ 140.60	1	$ 140.60
6	NAUTILUS EXTRACTOR	$3,928.00	48	12	25%	$ 982.00	20%	$ 196.40	1	$ 196.40
7	HOSS 700	$2,590.00	48	12	25%	$ 647.50	20%	$ 129.50	1	$ 129.50
8	CRB PRO 45	$2,738.00	48	12	25%	$ 684.50	20%	$ 136.90	1	$ 136.90
9	HIGH PERFORMANCE FAN	$ 225.00	36	12	33%	$ 75.00	20%	$ 15.00	2	$ 30.00
10	CLIPPER DUO	$ 4,116.31	48	12	25%	$ 1,029.08	20%	$ 205.82	1	$ 205.82
11	DOODLE SCRUB	$ 674.10	24	12	50%	$ 337.05	20%	$ 67.41	1	$ 67.41
12	SQUARE SCRUB	$4,175.00	48	12	25%	$ 1,043.75	20%	$ 208.75	1	$ 208.75
13				12						
14				12						
15				12						
16				12						
17				12						
18				12						
19				12						
20				12						
									Total	$ 1,353.30

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor
Pathway Enterprises Inc.
City of Ashland Facility Floors 18-19

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	City Hall Carpet	11.00	$ 14.26	100%	$ 156.86	0.0765	$ 12.00	2.60%	$ 4.08	1.42%	$ 2.23	29.62%		$ 46.46	$ 221.63	2	$ 443.25	22.00
2	City Hall Hard FL	2.00	$ 14.26	100%	$ 28.52	0.0765	$ 2.18	2.60%	$ 0.74	1.42%	$ 0.40	29.62%		$ 8.45	$ 40.30	2	$ 80.59	4.00
3	Comm Dev Carpet	22.00	$ 14.26	100%	$ 313.72	0.0765	$ 24.00	2.60%	$ 8.16	1.42%	$ 4.45	29.62%		$ 92.92	$ 443.25	2	$ 886.51	44.00
4	Comm Dev Hard FL	4.00	$ 14.26	100%	$ 57.04	0.0765	$ 4.36	2.60%	$ 1.48	1.42%	$ 0.81	29.62%		$ 16.90	$ 80.59	2	$ 161.18	8.00
5	Courts Carpet	8.00	$ 14.26	100%	$ 114.08	0.0765	$ 8.73	2.60%	$ 2.97	1.42%	$ 1.62	29.62%		$ 33.79	$ 161.18	2	$ 322.37	16.00
6	Courts Hard FL	2.00	$ 14.26	100%	$ 28.52	0.0765	$ 2.18	2.60%	$ 0.74	1.42%	$ 0.40	29.62%		$ 8.45	$ 40.30	2	$ 80.59	4.00
7	Police Carpet	12.00	$ 14.26	100%	$ 171.12	0.0765	$ 13.09	2.60%	$ 4.45	1.42%	$ 2.43	29.62%		$ 50.69	$ 241.78	2	$ 483.55	24.00
8	Police Hard FL	32.00	$ 14.26	100%	$ 456.32	0.0765	$ 34.91	2.60%	$ 11.86	1.42%	$ 6.48	29.62%		$ 135.16	$ 644.73	2	$ 1,289.47	64.00
9	Police High Speed	1.00	$ 14.26	100%	$ 14.26	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.62%		$ 4.22	$ 20.15	24	$ 483.55	24.00
10	Service Ctr Carpet	8.00	$ 14.26	100%	$ 114.08	0.0765	$ 8.73	2.60%	$ 2.97	1.42%	$ 1.62	29.62%		$ 33.79	$ 161.18	2	$ 322.37	16.00
11	Service Ctr Hard FL	20.00	$ 14.26	100%	$ 285.20	0.0765	$ 21.82	2.60%	$ 7.42	1.42%	$ 4.05	29.62%		$ 84.48	$ 402.96	2	$ 805.92	40.00
12	Streets Carpet	1.00	$ 14.26	100%	$ 14.26	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.62%		$ 4.22	$ 20.15	2	$ 40.30	2.00
13	Streets Hard FL	10.00	$ 14.26	100%	$ 142.60	0.0765	$ 10.91	2.60%	$ 3.71	1.42%	$ 2.02	29.62%		$ 42.24	$ 201.48	2	$ 402.96	20.00
14	Grove Carpets	8.00	$ 14.26	100%	$ 114.08	0.0765	$ 8.73	2.60%	$ 2.97	1.42%	$ 1.62	29.62%		$ 33.79	$ 161.18	2	$ 322.37	16.00
15	Grove Hard FL	2.00	$ 14.26	100%	$ 28.52	0.0765	$ 2.18	2.60%	$ 0.74	1.42%	$ 0.40	29.62%		$ 8.45	$ 40.30	2	$ 80.59	4.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 2,881.16	Total	$ 6,205.57	308.00

Areas in green are formula driven.

List "Other Benefits" Provided	
PTO + HOLIDAY	11.53%
401K + LIFE + HEALTH	18.09%
	29.62%

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g. Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs — 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	308
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	3.15%	3.15%
http://www.bls.gov/ro9/mostregu.htm		
Total	$	1,140,133.40

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

The State of Oregon reimburses employee use of their own vehicles on State business by the mile . The amount reimbursed per mile is based on a federal guideline which can be retrieved by following the link below to the GSA web site. This standard reimbursement is the standard for QRF cost calculation. Gas, oil, vehicle maintenance and repair are considered part of Delivery costs. The labor required (the driver and the workers if they are on the clock), should be captured in the Direct Labor worksheet. Vehicle costs may only be captured in the "Equipment, Tools & Subcontracts" spreadsheet or "Trans & Reserve" spreadsheet within this workbook. It is not permissable to capture costs in both spreadsheets.

It is permisible to use this spreadsheet to capture vehicle costs for the following situations:
(a) Transporting the individuals who will perform the service to the location where the service will be provided.
(b) Services dependent on vehicle in the provision of that service.

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve". The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of total cost of contract 6.0%

GOODS & SERVICES AGREEMENT

ASHLAND PARKS COMMISSION 340 S. Pioneer Street Ashland, Oregon 97520 Telephone: 541/488-5340 Fax: 541/488-5314	PROVIDER: PATHWAY ENTERPRISES, INC. CONTACT: RICHARD SIMPSON ADDRESS: 1600 SKY PARK DRIVE, SUITE NO. 101 MEDFORD, OR 97504 PHONE: 541-973-2728 FAX: 541-973-2729 EMAIL: rpspei@gmail.com

This Goods and Services Agreement (hereinafter "Agreement") is entered into by and between the City of Ashland, an Oregon municipal corporation (hereinafter "City") and **Pathway Enterprises, Inc.**, a domestic business corporation ("hereinafter "Provider"), for **Janitorial Services**.

1. PROVIDER'S OBLIGATIONS

1.1 Provide **Janitorial Services** as set forth in the "SUPPORTING DOCUMENTS" attached hereto and, by this reference, incorporated herein. Provider expressly acknowledges that time is of the essence of any completion date set forth in the SUPPORTING DOCUMENTS, and that no waiver or extension of such deadline may be authorized except in the same manner as herein provided for authority to exceed the maximum compensation. The goods and services defined and described in the "SUPPORTING DOCUMENTS" shall hereinafter be collectively referred to as "Work."

1.2 Provider shall obtain and maintain during the term of this Agreement and until City's final acceptance of all Work received hereunder, a policy or policies of liability insurance including commercial general liability insurance with a combined single limit, or the equivalent, of not less than $2,000,000 (two million dollars) per occurrence for Bodily Injury and Property Damage.

1.2.1 The insurance required in this Article shall include the following coverages:

- Comprehensive General or Commercial General Liability, including personal injury, contractual liability, and products/completed operations coverage; and
- Automobile Liability
- Workers' Compensation

1.2.2 Each policy of such insurance shall be on an "occurrence" and not a "claims made" form, and shall:

- Name as additional insured "the City of Ashland, Oregon, its officers, agents and employees" with respect to claims arising out of the provision of Work under this Agreement;
- Apply to each named and additional named insured as though a separate policy had been issued to each, provided that the policy limits shall not be increased thereby;
- Apply as primary coverage for each additional named insured except to the extent that two or more such policies are intended to "layer" coverage and, taken together, they provide total coverage from the first dollar of liability;
- Provider shall immediately notify the City of any change in insurance coverage
- Provider shall supply an endorsement naming the City, its officers, employees and agents as additional insureds by the Effective Date of this Agreement; and
- Be evidenced by a certificate or certificates of such insurance approved by the City.

1.3 All subject employers working under this Agreement are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126. As evidence of the insurance required by this Agreement, the Provider shall furnish an acceptable insurance certificate prior to commencing any Work under this Agreement.

1.4 Provider agrees that no person shall, on the grounds of race, color, religion, creed, sex, marital status, familial status or domestic partnership, national origin, age, mental or physical disability, sexual orientation, gender identity or source of income, suffer discrimination in the performance of this Agreement when employed by Provider. Provider agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. Further, Provider agrees not to discriminate against a disadvantaged business enterprise, minority-owned business, woman-owned business, a business that a service-disabled veteran owns or an emerging small business enterprise certified under ORS 200.055, in awarding subcontracts as required by ORS 279A.110.

1.5 In all solicitations either by competitive bidding or negotiation made by Provider for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Providers of the Provider's obligations under this Agreement and Title VI of the Civil Rights Act of 1964 and other federal nondiscrimination laws.

2. CITY'S OBLIGATIONS

2.1 City shall pay Provider the sum of **$67,212.50** as provided herein as full compensation for the Work as specified in the SUPPORTING DOCUMENTS.

2.2 In no event shall Provider's total of all compensation and reimbursement under this Agreement exceed the sum of **$67,212.50** without express, written approval from the City official whose signature appears below, or such official's successor in office. Provider expressly acknowledges that no other person has authority to order or authorize additional Work which would cause this maximum sum to be exceeded and that any authorization from the responsible official must be in writing. Provider further acknowledges that any Work delivered or expenses incurred without authorization as provided herein is done at Provider's own risk and as a volunteer without expectation of compensation or reimbursement.

3. GENERAL PROVISIONS

3.1 This is a non-exclusive Agreement. City is not obligated to procure any specific amount of Work from Provider and is free to procure similar types of goods and services from other providers in its sole discretion.

3.2 Provider is an independent contractor and not an employee or agent of the City for any purpose.

3.3 Provider is not entitled to, and expressly waives all claims to City benefits such as health and disability insurance, paid leave, and retirement.

3.4 This Agreement embodies the full and complete understanding of the parties respecting the subject matter hereof. It supersedes all prior agreements, negotiations, and representations between the parties, whether written or oral.

3.5 This Agreement may be amended only by written instrument executed with the same formalities as this Agreement.

3.6 The following laws of the State of Oregon are hereby incorporated by reference into this Agreement: ORS 279B.220, 279B.230 and 279B.235.

3.7 This Agreement shall be governed by the laws of the State of Oregon without regard to conflict of laws principles. Exclusive venue for litigation of any action arising under this Agreement shall be in the Circuit Court of the State of Oregon for Jackson County unless exclusive jurisdiction is in federal court, in which case exclusive venue shall be in the federal district court for the district of Oregon. Each party expressly waives any and all rights to maintain an action under this Agreement in any other venue, and expressly consents that, upon motion of the other party, any case may be dismissed or its venue transferred, as appropriate, so as to effectuate this choice of venue.

3.8 Provider shall defend, save, hold harmless and indemnify the City and its officers, employees and agents from and against any and all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature resulting from, arising out of, or relating to the activities of Provider or its officers, employees, contractors, or agents under this Agreement.

3.9 Neither party to this Agreement shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's officers, employees or agents.

3.10 If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permitted the intent of Provider and the City set forth in this Agreement.

4. SUPPORTING DOCUMENTS

The following documents are, by this reference, expressly incorporated in this Agreement, and are collectively referred to in this Agreement as the "SUPPORTING DOCUMENTS:"

- The Provider's letter dated June 19, 2018 attached hereto as "**Exhibit A**", Custodial Service Minimum Standards (Service Requirements and Frequency of Service) attached hereto as "**Exhibit B**" and the Costing Workbooks (Nature Center, Oak Knoll Pro Shop, Pioneer Hall and Community Center, Senior Center, The Grove, and Carpet and Hard Floors in Parks Buildings) attached hereto as "**Exhibit C**".

5. REMEDIES

5.1 In the event Provider is in default of this Agreement, City may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including, but not limited to:

5.1.1 Termination of this Agreement;

5.1.2 Withholding all monies due for the Work that Provider has failed to deliver within any scheduled completion dates or any Work that have been delivered inadequately or defectively;

5.1.3 Initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief;

5.1.4 These remedies are cumulative to the extent the remedies are not inconsistent, and City may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.

5.2 In no event shall City be liable to Provider for any expenses related to termination of this Agreement or for anticipated profits. If previous amounts paid to Provider exceed the amount due, Provider shall pay immediately any excess to City upon written demand provided.

6. TERM AND TERMINATION

6.1 Term

This Agreement shall be effective from **July 1, 2018**, and shall continue in full force and effect until **June 30, 2019**, unless sooner terminated as provided in Subsection 6.2.

6.2 Termination

6.2.1 The City and Provider may terminate this Agreement by mutual agreement at any time.

6.2.2 The City may, upon not less than thirty (30) days' prior written notice, terminate this Agreement for any reason deemed appropriate in its sole discretion.

6.2.3 Either party may terminate this Agreement, with cause, by not less than fourteen (14) days' prior written notice if the cause is not cured within that fourteen (14) day period after written notice. Such termination is in addition to and not in lieu of any other remedy at law or equity.

7. NOTICE

Whenever notice is required or permitted to be given under this Agreement, such notice shall be given in writing to the other party by personal delivery, by sending via a reputable commercial overnight courier, or by mailing using registered or certified United States mail, return receipt requested, postage prepaid, to the address set forth below:

If to the City:
Ashland Parks Commission
Attention: **Rachel Dials**
340 S. Pioneer Street
Ashland, Oregon 97520
Phone: (541) 488-5340

With a copy to:
City of Ashland
Legal Department
20 E. Main Street
Ashland, OR 97520
Phone: (541) 488-5350

If to Provider:
Pathway Enterprises, Inc.
Attention: **Richard Simpson**
1600 Sky Park Drive, Suite 101
Medford, OR 97504
Phone: 541-973-2728

8. WAIVER OF BREACH

One or more waivers or failures to object by either party to the other's breach of any provision, term, condition, or covenant contained in this Agreement shall not be construed as a waiver of any subsequent breach, whether or not of the same nature.

9. PROVIDER'S COMPLIANCE WITH TAX LAWS

9.1 Provider represents and warrants to the City that:

9.1.1 Provider shall, throughout the term of this Agreement, including any extensions hereof, comply with:

(i) All tax laws of the State of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;

(ii) Any tax provisions imposed by a political subdivision of the State of Oregon applicable to Provider; and

(iii) Any rules, regulations, charter provisions, or ordinances that implement or enforce any of the foregoing tax laws or provisions.

9.1.2 Provider, for a period of no fewer than six (6) calendar years preceding the Effective Date of this Agreement, has faithfully complied with:

(i) All tax laws of the State of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;

(ii) Any tax provisions imposed by a political subdivision of the State of Oregon applicable to Provider; and

(iii) Any rules, regulations, charter provisions, or ordinances that implement or enforce any of the foregoing tax laws or provisions.

9.2 Provider's failure to comply with the tax laws of the State of Oregon and all applicable tax laws of any political subdivision of the State of Oregon shall constitute a material breach of this Agreement. Further, any violation of Provider's warranty, as set forth in this Article 9, shall constitute a material breach of this Agreement. Any material breach of this Agreement shall entitle the City to terminate this Agreement and to seek damages and any other relief available under this Agreement, at law, or in equity.

IN WITNESS WHEREOF the parties have caused this Agreement to be signed in their respective names by their duly authorized representatives as of the dates set forth below.

CITY OF ASHLAND:

By: _____
City Administrator

_____
Printed Name

_____
Date

PATHWAY ENTERPRISES, INC.:

By: _____
Signature

_____
Printed Name

_____
Title

_____
Date

Purchase Order No. _____

(**W-9** is to be submitted with this signed Agreement)

APPROVED AS TO FORM:

_____
Assistant City Attorney

6-25-18
Date

EXHIBIT A

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

Office: (541) 973-2728 Fax: (541) 973-2729

Property Service License #40205 *CCB License #218417*

June 19, 2018

Rachel Dials
Recreation Superintendent
City of Ashland
340 S. Pioneer Street
Ashland, OR 97520

Dear Ms. Dials,
Pathway Enterprises is requesting a pricing adjustment for services for the City of Ashland Parks Department. The reason for the changes are as follows:

- The Department of Labor Wage Survey Data for Jackson County indicate that the average wage paid to janitors in Jackson County in data dated May 2017 was $14.26 per hour and $20.61 per hour for janitorial supervisors. We are requesting an adjustment to 2017 established levels.

- Pathway has incorporated the cost of health and life insurances as well as retirement for our employees. In the past Living Wage levels were adequate to compensate these employee benefits but at this time Living Wage is no longer at an adequate level to do this.

The impact of the State Minimum Wage law is creating high wage inflation on entry level positions. In our area the wage for janitors increase by $1.00 per hour for every $0.50 increase in minimum wage. A three-year wage history for Jackson County is as follows:

2015 – $12.25 / Hour

2016 – $13.08 / Hour

2017 – $14.26 / Hour

In total we are requesting an increase from $59,761.04 to $67,212.50 Annually. This equates to an additional $7,451.46 for a 12.47% increase. I have attached the minimum cleaning standards, and the Janitorial survey used to determine wages in Jackson County.

The breakdown of this increase is as follows:

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

ISSA MEMBER

Office: (541) 973-2728 Fax: (541) 973-2729

Annual	2017 - 2018	2018 - 2019
Pioneer Hall & Community Ctr	23,806.91	27,317.46
The Grove	7,373.79	8,177.32
Nature Center	6,064.19	6,807.05
Senior Center	16,981.04	18,987.68
Oak Knoll Pro Shop	2,247.21	2,492.61
Carpet and Hard Floors	3,287.90	3,430.38
Total	59,761.04	67,212.50
Increase Amount		7,451.46
Change Percentage		12.47%

The Breakdown of the "Carpet and Hard Floors" cleaning costs are as follows:

Location	Hours	Freq	TTL	% Price	Cost
Community Ctr	4.00	2	8	12.50%	428.81
Nature Center	7.00	2	14	21.88%	750.42
Senior Ctr	18.00	2	36	56.25%	1,929.65
Oak Knoll	3.00	2	6	9.38%	321.61
			64	100.00%	$3,430.48

I appreciate your consideration and look forward to continued services at the City of Ashland Parks Department.

Sincerely,

Richard Simpson

Richard Simpson
Commercial Contracts Director
Pathway Enterprises, Inc.

EXHIBIT B

Custodial Service Minimum Standards

Customer: City of Ashland Parks Department
Facilities: The Grove, Nature Center, Oak Knoll Pro Shop, Parks and Recreation Office, Pioneer Hall and Community Center, Senior Center

Service Requirements	**Frequency of Service**							
A. General, Private Offices, Lobby, etc.	**Regular Service**	**Weekly**	**Monthly**	**Semi-Monthly**	**Quarterly**	**Semi-Annually**	**Annually**	**As Directed (extra cost)**
1. Empty wastebaskets and recycle bins. Wash or change liners as needed. (Contractor to supply liners)	X							
2. Wipe down furniture, including chair arms and legs, side tables, desktops, conference tables, reception base, etc.	X							
3. Dust exposed filing cabinets, bookcases, shelves and lamps		X						
6. Low dust horizontal surfaces to hand height (70") including sills, ledges, moldings, window frames, shelves, picture frames, ducts, radiators, etc.		X						
7. High dust above hand height horizontal surfaces, including shelves, moldings, ledges, vents, ducts, etc.			X					
8. Spot clean desk tops when personal items are removed	X							
9. Sweep and damp mop all resilient and hard surfaces	X							
10. Clean reception lobby glass including front door and any other partition or glass door	X							
11. Vacuum carpeted floors in their entirety, including under all floor mats		X						
12. Remove all paper and debris on floors	X							
13. Remove fingerprints from doors and frames	X							
14. Dust blinds					X			
15. Remove dust and cobwebs from ceiling area			X					
16. Spot clean spills on carpeted floors	X							
17. Remove scuff marks from hard floors	X							
18. Wipe down walls, as needed for large spots	X							
19. Damp Clean baseboards					X			
20. Empty outside trash, spot clean cans, replace liner	X							

Service Requirements	Frequency of Service							
B. Restrooms & Showers	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Clean, sanitize and polish all fixtures incl. toilet bowls, toilet seats, urinals, hand basins, chrome fittings.	X							
2. Remove spots/stains from wall areas adjacent to hand basins	X							
3. Clean and polish all glass and mirrors.	X							
4. Empty all containers and disposals. Clean and change liners as needed (Contractor to supply liners).	X							
5. Empty and sanitize interior of sanitary container	X							
6. Spot clean walls, doors, light switches, dispensers, metal partitions and lockers.	X							
7. Clean and sanitize metal partitions and lockers.	X							
8. Wash restroom walls & ceilings.					X			
9. Remove fingerprints from doors, frames, light switches, kick/push plates, handles, etc.	X							
10. Refill all dispensers to normal limits - napkins, soap, tissue, hand sanitizer, towel, cups, liners, etc. (Supplies furnished by County).	X							
11. Dust all horizontal surfaces to hand height incl. sills, ledges, molding, shelves, frames, ducts, heating outlets.		X						
12. Dust all horizontal surfaces above hand height incl. shelves, ledges, moldings, lights, lockers.		X						
13. Vacuum diffuser outlets.			X					
14. Clean area adjacent to diffuser outlets.			X					
15. Clean and sanitize shower areas. Remove all soil and soap scum.		X						
16. Sweep, damp mop and sanitize all hard and resilient floors.	X							
NOTE – ALL WATER FIXTURES WILL BE KEPT CLEAN OF ALL STAINS AND MINERAL BUILD-UP.								

Service Requirements	Frequency of Service							
C. Lunchrooms (Vending)	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Clean and sanitize tables & chairs, incl. pedestals or legs.	X							
2. Clean and change liners in all containers and disposals (sanitize interior).	X							
3. Clean sink area and fixtures to remove hard water build up and coffee staining.	X							
4. Clean all cabinet facings and exteriors of appliances and equipment.	X							
5. Remove fingerprints from doors, frames, light switches, kick/push plates, handles.	X							
6. Sweep and mop floor.	X							
7. Dust all horizontal surfaces to hand height incl. sills, moldings, ledges, shelves, frames, ducts, heating outlets, etc.		X						
8. Dust all horizontal surfaces above hand height incl. shelves, ledges, moldings, pipes, ducts, heating outlets, etc.		X						

Service Requirements	Frequency of Service							
D. Floors 1. Resilient and Hard	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (budgeted)
1. Dust, damp mop or sweep.	X							
2. Damp mop and sanitize restrooms, labs and exam rooms.	X							
3. Machine scrub textured non finish floors to remove build up.						X		
D. Floors 2. Carpet	**D**	**W**	**M**	**S-M**	**Q**	**S-A**	**A**	**AD**
1. Vacuum open areas.	X							
2. Vacuum entire carpet areas.		X						
3. Remove spots or stains.	X							
4. Machine extraction entire open areas.								
5. Clean door mats.	X							

Service Requirements	Frequency of Service							
E. Furniture 1. Fabric	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Vacuum.					X			
2. Shampoo.						X		
E. Furniture 2. Plastic	**D**	**W**	**M**	**S-M**	**Q**	**S-A**	**A**	**AD**
1. Damp wipe.					X			
2. Complete clean.								X
E. Furniture 3. Leather	**D**	**W**	**M**	**S-M**	**Q**	**S-A**	**A**	**AD**
1. Damp clean.						X		
2. Clean, reseal and polish.								X

Service Requirements	Frequency of Service							
F. Windows	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Clean Exterior - Outside.								X
2. Clean exterior - inside.								X

Service Requirements	Frequency of Service							
G. Special Requirements	Regular Service	Weekly	Monthly	Semi-Monthly	Quarterly	Semi-Annually	Annually	As Directed (extra cost)
1. Gather recycled paper.	X							
2. Lock all exterior doors at designated time	X							
3. Clean exterior of front entry.	X							
4. Empty exterior trash receptacles.	X							
5. Clean & sanitize trash receptacles.	X							

GENERAL REQUIREMENTS:

- Leave notice on any observed irregularities (i.e. defective plumbing, unlocked doors, lights left on, inventory requirements, restroom supplies required, etc.).
- Turn off all lights except those to be left on. Close windows and lock all doors.
- Cleaning to be completed between 5:00PM and 4:00AM.
- All custodial staff will comply with Additional Specifications, as stated below.

- Material Safety Data Sheets must be provided to the Customer for all cleaning materials and chemicals.

Security

1. All employees will have an acceptable security clearance check prior to working in the building.
2. All entrance doors must be locked after hours and kept that way. When dumping trash, lock the door when you leave and let yourself in upon completion of dumping. All interior doors that are locked must be relocked upon completion of cleaning. Note any discrepancies of unlocked doors that are normally locked.

Costing Workbook For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises Inc.
Project	City of Ashland Parks and Recreation Nature Center 18-19

Executive Director Signature:

Raw Materials				
Per Time Use - Supplies	(from supplies worksheet)		$	728.15
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$	235.75
		Subtotal 1	$	963.90
Labor				
Direct Labor	(from labor daily worksheet)		$	4,141.39
Overhead				
See Overhead Worksheet			$	1,293.34
Delivery				
Transportation	(from Trans & Reserve worksheet)		$	-
		Total Before Margin	$	6,398.62
Reserve				
Margin Held in Reserve	(from Trans & Reserve worksheet)		$	408.42
		Total Bid Yearly	$	6,807.05
		Monthly	$	567.25

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Nature Center 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.1250	$ 2.72	$ 32.58
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.0625	$ 1.28	$ 15.38
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.0625	$ 2.65	$ 31.80
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.0625	$ 5.50	$ 66.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANEI	97.44	0.0625	$ 6.09	$ 73.08
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	-	$ -	$ -
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	-	$ -	$ -
22	36" JUMBO DUST MOP FRAME	7.69	-	$ -	$ -
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	0.5000	$ 0.63	$ 7.50
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 60.68	$ 728.15

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Nature Center 18-19

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
16				12						
17				12						
18				12						
19				12						
20				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Nature Center 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 1 Daily	1.50	$ 14.26	100%	$ 21.39	0.0765	$ 1.64	2.60%	$ 0.56	1.42%	$ 0.30	29.60%		$ 6.33	$ 30.22	104	$ 3,142.64	156.00
2	Supervisor	0.50	$ 20.61	100%	$ 10.31	0.0765	$ 0.79	2.60%	$ 0.27	1.42%	$ 0.15	29.60%		$ 3.05	$ 14.56	52	$ 757.01	26.00
3	Janitor 1 Monthly	1.00	$ 14.26	100%	$ 14.26	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.60%		$ 4.22	$ 20.15	12	$ 241.74	12.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 64.92	Total	$ 4,141.39	194.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs — 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	194
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	3.15%	3.15%
http://www.bls.gov/ro9/mostrequ.htm		
Total	$	1,140,133.40

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

The State of Oregon reimburses employee use of their own vehicles on State business by the mile . The amount reimbursed per mile is based on a federal guideline which can be retrieved by following the link below to the GSA web site. This standard reimbursement is the standard for QRF cost calculation. Gas, oil, vehicle maintenance and repair are considered part of Delivery costs. The labor required (the driver and the workers if they are on the clock), should be captured in the Direct Labor worksheet. Vehicle costs may only be captured in the "Equipment, Tools & Subcontracts" spreadsheet or "Trans & Reserve" spreadsheet within this workbook. It is not permissable to capture costs in both spreadsheets.

It is permisible to use this spreadsheet to capture vehicle costs for the following situations:
(a) Transporting the individuals who will perform the service to the location where the service will be provided.
(b) Services dependent on vehicle in the provision of that service.

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve". The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of total cost of contract 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name Pathway Enterprises Inc.
Project City of Ashland Parks and Rec Oak Knoll Restrooms 18-19

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 532.83
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 25.57
		Subtotal 1	$ 558.40
Labor			
Direct Labor	(from labor daily worksheet)		$ 1,311.06
Overhead			
See Overhead Worksheet			$ 473.60
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 2,343.05
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 149.56
		Total Bid Yearly	$ 2,492.61
		Monthly	$ 207.72

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Parks and Rec Oak Knoll Restrooms 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	-	$ -	$ -
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.1250	$ 2.72	$ 32.58
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.0625	$ 1.28	$ 15.38
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.0625	$ 2.65	$ 31.80
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.0625	$ 5.50	$ 66.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANEI	97.44	0.0625	$ 6.09	$ 73.08
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0625	$ 0.38	$ 4.51
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	0.5000	$ 1.01	$ 12.06
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	0.5000	$ 1.35	$ 16.20
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	0.2500	$ 2.00	$ 23.97
16	LAMBSWOOL DUSTER 28" 312FH	4.93	-	$ -	$ -
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	-	$ -	$ -
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	-	$ -	$ -
22	36" JUMBO DUST MOP FRAME	7.69	-	$ -	$ -
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	-	$ -	$ -
26	BARKEEPERS FRIEND 20OZ BTL	2.65	0.5000	$ 1.33	$ 15.90
27	24 OZ BTL	1.25	0.5000	$ 0.63	$ 7.50
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 44.40	$ 532.83

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Parks and Rec Oak Knoll Restrooms 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS			
Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	0	$ -
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	0	$ -
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
16				12						
17				12						
18				12						
19				12						
20				12						
									Total	$ 25.57

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor

Pathway Enterprises Inc.

City of Ashland Parks and Rec Oak Knoll Restrooms 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor Daily	1.00	$ 14.28	100%	$ 14.28	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.60%		$ 4.23	$ 20.17	52	$ 1,049.01	52.00
2	Supervisor	0.75	$ 20.61	100%	$ 15.46	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	29.60%		$ 4.58	$ 21.84	12	$ 262.04	9.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 42.01	Total	$ 1,311.06	61.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.

Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.

Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).

Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.

Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.

Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.

Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g. Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.

Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.

Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5

Times Per Year = This is the days or shifts worked per year

Annual Total Labor = Times per year multiplied by daily/per item labor

Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs	19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum	

OR

3. Overhead as a Percent of Total Direct Labor Hours

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Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	61
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
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Depreciation-office equipment	$ 14,893.00	
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Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	3.15%	3.15%
http://www.bls.gov/ro9/mostregu.htm		
Total	$	1,140,133.40

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

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It is permisible to use this spreadsheet to capture vehicle costs for the following situations:
(a) Transporting the individuals who will perform the service to the location where the service will be provided.
(b) Services dependent on vehicle in the provision of that service.

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve". The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of total cost of contract 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name Pathway Enterprises Inc.
Project Parks and Recreation Pioneer Hall & Community Center 18-19

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 954.55
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,190.30
Labor			
Direct Labor	(from labor daily worksheet)		$ 19,297.79
Overhead			
See Overhead Worksheet			$ 5,190.32
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 25,678.41
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,639.05
		Total Bid Yearly	$ 27,317.46
		Monthly	$ 2,276.46

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
Parks and Recreation Pioneer Hall & Community Center 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.1250	$ 11.00	$ 132.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANEI	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	-	$ -	$ -
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 79.55	$ 954.55

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
Parks and Recreation Pioneer Hall & Community Center 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS			
Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
16				12						
17				12						
18				12						
19				12						
20				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor

Pathway Enterprises Inc.

Parks and Recreation Pioneer Hall & Community Center 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Productivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemployment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 1 Daily	2.00	$ 14.81	100%	$ 29.62	0.0765	$ 2.27	2.60%	$ 0.77	1.42%	$ 0.42	29.60%		$ 8.77	$ 41.84	365	$ 15,273.12	730.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	29.60%		$ 6.10	$ 29.12	52	$ 1,514.02	52.00
3	Janitor 1 Monthly	4.00	$ 14.81	100%	$ 59.24	0.0765	$ 4.53	2.60%	$ 1.54	1.42%	$ 0.84	29.60%		$ 17.54	$ 83.69	12	$ 1,004.26	48.00
4	High Speed Burnish	3.00	$ 14.81	100%	$ 44.43	0.0765	$ 3.40	2.60%	$ 1.16	1.42%	$ 0.63	29.60%		$ 13.15	$ 62.77	24	$ 1,506.39	72.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 217.41	Total	$ 19,297.79	902.00

Areas in green are formula driven.

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.

Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.

Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).

Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.

Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.

Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.

Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.

Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.

Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5

Times Per Year = This is the days or shifts worked per year

Annual Total Labor = Times per year multiplied by daily/per item labor

Annual Labor Hours = Work hours multiplied by times per year

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	902
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	3.15%	3.15%
http://www.bls.gov/ro9/mostrequ.htm		
Total	$	1,140,133.40

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

The State of Oregon reimburses employee use of their own vehicles on State business by the mile . The amount reimbursed per mile is based on a federal guideline which can be retrieved by following the link below to the GSA web site. This standard reimbursement is the standard for QRF cost calculation. Gas, oil, vehicle maintenance and repair are considered part of Delivery costs. The labor required (the driver and the workers if they are on the clock), should be captured in the Direct Labor worksheet. Vehicle costs may only be captured in the "Equipment, Tools & Subcontracts" spreadsheet or "Trans & Reserve" spreadsheet within this workbook. It is not permissable to capture costs in both spreadsheets.

It is permisible to use this spreadsheet to capture vehicle costs for the following situations:
(a) Transporting the individuals who will perform the service to the location where the service will be provided.
(b) Services dependent on vehicle in the provision of that service.

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve". The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of total cost of contract 6.0%

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07302007

Oregon Department of Administrative Services
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QRF Name	Pathway Enterprises Inc.
Project	City of Ashland Parks and Recreation Senior Center 18-19

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 12,996.73
Overhead			
See Overhead Worksheet			$ 3,607.66
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 17,848.42
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,139.26
		Total Bid Yearly	$ 18,987.68
		Monthly	$ 1,582.31

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Senior Center 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
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3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.1250	$ 11.00	$ 132.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Senior Center 18-19

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
16				12						
17				12						
18				12						
19				12						
20				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor

Pathway Enterprises Inc.

City of Ashland Parks and Recreation Senior Center 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor Daily	1.75	$ 14.26	100%	$ 24.96	0.0765	$ 1.91	2.60%	$ 0.65	1.42%	$ 0.35	29.60%		$ 7.39	$ 35.25	312	$ 10,999.23	546.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	29.60%		$ 6.10	$ 29.12	52	$ 1,514.02	52.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5	Janitor Burnish	1.00	$ 14.26	100%	$ 14.26	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.60%		$ 4.22	$ 20.15	24	$ 483.48	24.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 84.51	Total	$ 12,996.73	622.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.

Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.

Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).

Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.

Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.

Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.

Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.

Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.

Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5

Times Per Year = This is the days or shifts worked per year

Annual Total Labor = Times per year multiplied by daily/per item labor

Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs: 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	622
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	3.15%	3.15%
http://www.bls.gov/ro9/mostrequ.htm		
Total	$	1,140,133.40

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

The State of Oregon reimburses employee use of their own vehicles on State business by the mile . The amount reimbursed per mile is based on a federal guideline which can be retrieved by following the link below to the GSA web site. This standard reimbursement is the standard for QRF cost calculation. Gas, oil, vehicle maintenance and repair are considered part of Delivery costs. The labor required (the driver and the workers if they are on the clock), should be captured in the Direct Labor worksheet. Vehicle costs may only be captured in the "Equipment, Tools & Subcontracts" spreadsheet or "Trans & Reserve" spreadsheet within this workbook. It is not permissable to capture costs in both spreadsheets.

It is permisible to use this spreadsheet to capture vehicle costs for the following situations:
(a) Transporting the individuals who will perform the service to the location where the service will be provided.
(b) Services dependent on vehicle in the provision of that service.

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve". The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of total cost of contract 6.0%

Costing Workbook
For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland The Grove 2018-2019

Executive Director Signature: _____

Raw Materials				
Per Time Use - Supplies	(from supplies worksheet)		$	1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$	235.75
		Subtotal 1	$	1,244.03
Labor				
Direct Labor	(from labor daily worksheet)		$	4,888.96
Overhead				
See Overhead Worksheet			$	1,553.69
Delivery				
Transportation	(from Trans & Reserve worksheet)		$	-
		Total Before Margin	$	7,686.68
Reserve				
Margin Held in Reserve	(from Trans & Reserve worksheet)		$	490.64
		Total Bid Yearly	$	8,177.32
		Monthly	$	681.44

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland The Grove 2018-2019

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
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23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
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25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.

Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland The Grove 2018-2019

The following Equipment & Tools are examples which may be required to do the job:

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Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

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Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS

Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	Sensor Vacuum	$ 551.46	36	12	33%	$ 183.82	100%	$ 183.82	1	$ 183.82
2	Wave Break Busket & Press	$ 76.72	36	12	33%	$ 25.57	100%	$ 25.57	1	$ 25.57
3	Brute 44 Gal w Apron	$ 79.07	36	12	33%	$ 26.36	100%	$ 26.36	1	$ 26.36
4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
									Total	$ 235.75

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor
Pathway Enterprises, Inc.
City of Ashland The Grove 2018-2019

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	4.00	$ 14.26	100%	$ 57.04	0.0765	$ 4.36	2.60%	$ 1.48	1.42%	$ 0.81	29.60%		$ 16.88	$ 80.58	52	$ 4,190.18	208.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	29.60%		$ 6.10	$ 29.12	24	$ 698.78	24.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 109.70	Total	$ 4,888.96	232.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.
Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.
Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).
Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.
Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.
Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.
Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contractl Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs 19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	232
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	**$ 1,123,553.66**	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

This category covers any costs associated with delivering your product or service to the buyer. A service contract, for example, will likely include the costs associated with getting the individuals who will perform the service to the place where the service will be performed. Gas, oil, vehicle maintenance and repair are all part of Delivery costs. Most often these costs can be recovered by charging a certain amount per mile. The State of Oregon reimburses 36 cents per mile for its employees who use their own vehicles on State business. That's not to say your costs may be less or more. The labor required (the driver and the workers if they are on the clock), should be captured in Direct Labor. If your costs are greater than the state allowed cost, please provide a detailed schedule on how you arrived at your cost per mile.

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1	caravan			$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve" This is usually added as a percentage after all other costs have been calculated. The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of "Total Before Margin" 6.0%

Costing Workbook For Janitorial & Grounds Maintenance Contracts Under the Qualified Rehabilitation Facilities Program

Oregon State Department of Administrative Services
Procurement, Fleet, and Surplus Services
1225 Ferry Street SE, U140
Salem, Oregon 97301
(503) 378-4642

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

The summary sheet is linked to the other sheets in this workbook. Any area shaded in light green is either a formula or linked to another work sheet. The only manual input to this sheet will be to input the QRF name. The costs are to be divided into five categories: Raw Materials, Labor, Overhead, Delivery and Reserve Costs. Raw materials consist of supplies, small equipment & tools, and large or special equipment. Each category is detailed on the following sheets. Labor costs is direct labor used to produce or service the contract. Overhead costs is a line item charge which is computed on the overhead sheet. Transportation or delivery and reserve computations are also completed on the following sheets. All these costs will vary depending upon your organization and the specifications for the project. Each sheet will have an example calculation and further instructions for completion.

QRF Name	Pathway Enterprises Inc.
Project	Parks Buildings Floors 18-19

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 742.18
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 541.32
		Subtotal 1	$ 1,283.50
Labor			
Direct Labor	(from labor daily worksheet)		$ 1,289.29
Overhead			
See Overhead Worksheet			$ 651.77
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 3,224.56
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 205.82
		Total Bid Yearly	$ 3,430.38
		Monthly	$ 285.86

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
Parks Buildings Floors 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
This category is often spelled out in the Request for Offer (RFO). Language such as "Items to be provided by Contractor" will usually reflect Supplies or Raw Materials. In the case of a Service Contract this will likely include not only supplies required to perform the service each month, but also Equipment & Tools. In the case of a commodity contract the Raw Materials will be figured on a Per Item Manufactured basis.

A custodial contract, for example, may require the following for month - Supplies:

Paper products and soap
Cleaning chemicals or products
Spray bottles
Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	20" BL 5300 FLOOR PAD 5/CS	4.64	0.5	$ 2.32	$ 27.84
2	20" BN 7100 FLOOR PAD 5/CS	6.36	0.5	$ 3.18	$ 38.16
3	20" RE 5100 FLOOR PAD 5/CS	4.64	0	$ -	$ -
4	20" WH 4100 FLOOR PAD 5/CS	4.64	0.25	$ 1.16	$ 13.92
5	DOODLEBUG PAD BN 20/CS	1.31	0.5	$ 0.66	$ 7.86
6	SCOTCH BRITE SURF PREP PAD 14X20 10	12.36	0	$ -	$ -
7	SCOTCH BRITE SURF PREP PAD 20" 10/C	8.69	0	$ -	$ -
8	SCOTCH BRITE SPP 4-5/8"X10" 20/CS	2.12	0	$ -	$ -
9	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.25	$ 0.81	$ 9.72
10	DEFOAM IT PREM DEFOAMER 4 GL/CS	16.02	0.125	$ 2.00	$ 24.03
11	DIAMOND FLOOR FINISH 5 GL	52.10	0.25	$ 13.03	$ 156.30
12	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.125	$ 2.56	$ 30.75
13	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	0.125	$ 1.00	$ 11.99
14	TANNIN STAIN REMOVER 6 QTS/CS	16.49	0.125	$ 2.06	$ 24.74
15	DIBS NEUTRALIZER ODOR COUNTER 2-90T	51.73	0.0625	$ 3.23	$ 38.80
16	BRAVO POWER FOAM STRIPPER 12-23 OZ/	7.71	0	$ -	$ -
17	PRO STRIP HVY DTY STRIPPER 5 GL	81.04	0.125	$ 10.13	$ 121.56
18	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.15	$ 2.47	$ 29.59
19	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.5	$ 8.83	$ 105.96
20	DOODLE SCRUB TILE & GROUT PAD (BLUE	7.17	0.5	$ 3.59	$ 43.02
21	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.04	$ 0.72	$ 8.60
22	FOLEX GALLON	16.45	0.25	$ 4.11	$ 49.35
23				$ -	$ -
24				$ -	$ -
25				$ -	$ -
26				$ -	$ -
27				$ -	$ -
28				$ -	$ -
29				$ -	$ -
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 61.85	$ 742.18

Areas in green are formula driven.
Monthly Cost = Monthly cost is computed by multiplying the total unit cost by the units needed per month.
Annual Cost = Annual cost is computed by monthly cost times 12 months.

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
Parks Buildings Floors 18-19

The following Equipment & Tools are examples which may be required to do the job:

Burnishing/Floor machines	Carpet extractors
Blind cleaning machines	Auto scrubbers
Sweepers	Mop buckets and presses

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

SUBCONTRACTORS			
Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1	WAVE BREAK PRESS	$ 76.72	36	12	33%	$ 25.57	8%	$ 2.05	3	$ 6.14
2	WINDSOR SENSOR VAC	$ 551.46	36	12	33%	$ 183.82	8%	$ 14.71	1	$ 14.71
3	WET DRY VACUUM	$ 780.00	24	12	50%	$ 390.00	8%	$ 31.20	1	$ 31.20
4	PACESETTER BUFFER	$ 1,617.30	36	12	33%	$ 539.10	8%	$ 43.13	1	$ 43.13
5	SC351 SCRUBBER	$2,812.00	48	12	25%	$ 703.00	8%	$ 56.24	1	$ 56.24
6	NAUTILUS EXTRACTOR	$3,928.00	48	12	25%	$ 982.00	8%	$ 78.56	1	$ 78.56
7	HOSS 700	$2,590.00	48	12	25%	$ 647.50	8%	$ 51.80	1	$ 51.80
8	CRB PRO 45	$2,738.00	48	12	25%	$ 684.50	8%	$ 54.76	1	$ 54.76
9	HIGH PERFORMANCE FAN	$ 225.00	36	12	33%	$ 75.00	8%	$ 6.00	2	$ 12.00
10	CLIPPER DUO	$ 4,116.31	48	12	25%	$ 1,029.08	8%	$ 82.33	1	$ 82.33
11	DOODLE SCRUB	$ 674.10	24	12	50%	$ 337.05	8%	$ 26.96	1	$ 26.96
12	SQUARE SCRUB	$4,175.00	48	12	25%	$ 1,043.75	8%	$ 83.50	1	$ 83.50
13				12						
14				12						
15				12						
16				12						
17				12						
18				12						
19				12						
20				12						
									Total	$ 541.32

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
Annual Cost = Computed by project unit cost times the number of units.

LABOR

Direct Labor

Pathway Enterprises Inc.

Parks Buildings Floors 18-19

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	CC Hard FL	4.00	$ 14.26	100%	$ 57.04	0.0765	$ 4.36	2.60%	$ 1.48	1.42%	$ 0.81	29.60%		$ 16.88	$ 80.58	2	$ 161.16	8.00
2	Nature Carpet	6.00	$ 14.26	100%	$ 85.56	0.0765	$ 6.55	2.60%	$ 2.22	1.42%	$ 1.21	29.60%		$ 25.33	$ 120.87	2	$ 241.74	12.00
3	Nature Hard FL	1.00	$ 14.26	100%	$ 14.26	0.0765	$ 1.09	2.60%	$ 0.37	1.42%	$ 0.20	29.60%		$ 4.22	$ 20.15	2	$ 40.29	2.00
4	Senior Ctr Carpet	8.00	$ 14.26	100%	$ 114.08	0.0765	$ 8.73	2.60%	$ 2.97	1.42%	$ 1.62	29.60%		$ 33.77	$ 161.16	2	$ 322.32	16.00
5	Senior Ctr Hard FL	10.00	$ 14.26	100%	$ 142.60	0.0765	$ 10.91	2.60%	$ 3.71	1.42%	$ 2.02	29.60%		$ 42.21	$ 201.45	2	$ 402.90	20.00
6	Oak Knoll RR FL	3.00	$ 14.26	100%	$ 42.78	0.0765	$ 3.27	2.60%	$ 1.11	1.42%	$ 0.61	29.60%		$ 12.66	$ 60.44	2	$ 120.87	6.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 644.64	Total	$ 1,289.29	64.00

Areas in green are formula driven.

Work Hours = Breakdown total "work hours" (see Overview) into hours or partial hours required per time or per item.

Subtotal 1 = Computed by multiplying hours in work hours by hourly rate (prevailing wage if required) and then multiply by % productivity.

Subtotal 2 = Computed by multiplying subtotal 1 by FICA % (as of July 2002 7.65%).

Subtotal 3 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.

Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.

Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.

Other Benefits Mo. $ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated time to this contract. (e.g, Employee works 50% of their time on this contract, and 50% of their time on a different contract. If their monthly benefit is $100, then only $50 would be allocated to this column.

Subtotal 5 = This column may be a combination of both Other Benefits % and Other Benefits Monthly $.

Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5

Times Per Year = This is the days or shifts worked per year

Annual Total Labor = Times per year multiplied by daily/per item labor

Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	11.53%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	29.60%

For purposes of costing a project, it's important to distinguish between direct and indirect labor. Indirect labor (supervision, administration, inspection etc.) may be captured as Overhead, and will be discussed later. Direct labor is that which is specifically identifiable as a part of the contract requirements. It should be noted that working supervisors could spend a percentage of their time in direct labor functions. The percentage may vary depending on the project or organization. For example, a supervisor may spend 50% of his/her time in direct labor functions and the other 50% supervising. In that case you would include 50% of that person's time as direct labor and capture the other 50%, as well as any other supervisory costs, in the indirect labor portion of Overhead.

Direct labor is best expressed as "work hours". That is, the total number of hours that will be required to complete a task or project. The first and perhaps most critical step is to identify the work and break it down into its component tasks. The description of work or specifications in the contract is the place to start. Once the component tasks are identified, the next step is to estimate the time that will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, the times must be compiled into a Per-Time or Per-Item direct labor cost estimate. For example, in a custodial contract, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash and recycle containers, vacuuming, sweeping, cleaning sinks, waxing floors, etc. (be sure to account for time between jobs also). Next, estimate the time required for each component task. Then, compile those estimates into a figure that represents the total number of hours per service. That figure is the required "work hours." This number will stay the same regardless of how many people are working. For example, 8 "work hours" can be accomplished by I person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 100% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.

- Matching FICA
- Workers' Comp at your cost
- Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

After you've established the direct labor cost per time or per item, you can extend the time frame to come up with the annual requirement. On a service contract multiply the daily cost by the number of days per year that you will provide the service. For example, a service with direct labor cost of $80.00 per time, required 5 days per week and 52 weeks per year, would give you an annual direct labor cost of $20,800.00 per year. (80 x 5 = 400, 400 x 52 = 20,800). For monthly cost divide the annual cost by 12 (in this case you get $1733.33/month).

There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

1. Enter Overhead as a Percent of Total Costs	19.00%

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum	

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar is required for overhead. To calculate the overhead percentage, it is best to have financial records for your organization that go back a year or more. Add together the expenditures that make up the overhead cost (see worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. Divide the figure for overhead by the figure for total costs. The result is a percent that represents overhead as a percentage of the total cost. If financial records are not available estimate the overhead expenses as best you can, estimate other costs as best you can, and use the same formula to get a percentage.

Dollar-Figure Sum Method:

You can enter the dollar amount you are allocating to overhead in the box if you are confident that you can allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed)

Percent of Total Direct Labor Method:

To identify overhead costs, you need the financial records for your organization or division for the past year. Input all the costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked "other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the expenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid out by your entire organization for the same period. These figures should be found on the year end payroll report. Do not include hours which can be classified as management or administrative costs. (Including these costs into the direct labor hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total projected labor hours for the contract into the total projected labor hours for the current year.

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	64
Total Assigned Overhead	$ -

Worksheet

	Total Annual Operations	
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		$ 44,500.00
Management Payroll Tax Expense		$ 11,440.95
Management Medical Insurance		$ 10,920.00
Management Pension Plan Expense		$ 4,150.00
Sales & Administrative Salaries	$ 415,594.00	
Sales & Administrative Payroll Tax Expense	$ 64,354.00	
Sales & Administrative Medical Insurance	$ 40,055.00	
Sales & Administrative Pension Plan Expense	$ 10,200.00	
Office Rent		
Advertising and Public Education	$ 14,855.00	
Background Checks & Urinalysis	$ 3,189.00	
Professional & Accounting / Audit Fees	$ 81,708.00	
Training & Worker Safety		
Insurance	$ 38,192.00	
Telephone	$ 7,185.00	
Utilities	$ 20,452.00	
Property Taxes/Licenses/Fees	$ 8,270.00	
Dues & Subscriptions		
Depreciation-office building	$ 15,061.00	
Depreciation-office equipment	$ 14,893.00	
Repairs & Maintenance-office	$ 22,744.00	
Cleaning and Maintenance	$ 21,346.00	
Office Equipment Rental	$ 7,886.00	
Office Supplies	$ 19,033.00	
Postage & Freight	$ -	
Rehab	$ 25,023.00	
Miscellaneous Expense	$ 12,999.00	
Bad Debts	$ -	
INTEREST EXPENSE	$ 18,981.00	
EMPLOYEE ACTIVITIES	$ 20,021.00	
AUTO REPAIRS	$ 15,807.00	
MANAGEMENT CONTRACT		$ 136,457.00
TOTAL INDIRECT COSTS	$ 897,848.00	$ 207,467.95
CPI Factor from BLS (see link below)	3.15%	3.15%
http://www.bls.gov/ro9/mostrequ.htm		
Total	$	1,140,133.40

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,105,315.95
OVERHEAD % = 19%

The State of Oregon reimburses employee use of their own vehicles on State business by the mile . The amount reimbursed per mile is based on a federal guideline which can be retrieved by following the link below to the GSA web site. This standard reimbursement is the standard for QRF cost calculation. Gas, oil, vehicle maintenance and repair are considered part of Delivery costs. The labor required (the driver and the workers if they are on the clock), should be captured in the Direct Labor worksheet. Vehicle costs may only be captured in the "Equipment, Tools & Subcontracts" spreadsheet or "Trans & Reserve" spreadsheet within this workbook. It is not permissable to capture costs in both spreadsheets.

It is permisible to use this spreadsheet to capture vehicle costs for the following situations:
(a) Transporting the individuals who will perform the service to the location where the service will be provided.
(b) Services dependent on vehicle in the provision of that service.

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				$ -		$ -
2				$ -		$ -
3				$ -		$ -
4				$ -		$ -
				$ -		$ -

Margin

The law allows a "margin held in reserve". The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment replacement, but is in alignment with industry standards and fair market value. Any percentage higher than six percent (6%) will have to be justified to DAS.

Enter as a % of total cost of contract 6.0%