

# Council Communication August 4, 2015, Business Meeting

# Contract with Pathway Enterprises (QRF) to provide janitorial services

# **FROM**

Mike Morrison, Public Works Superintendent, <u>mike.morrison@ashland.or.us</u> Rachel Dials, Recreation Superintendent, <u>rachel.dials@ashland.or.us</u>

# **SUMMARY**

This is a contract with Pathway Enterprises to provide janitorial services for City and Parks facilities. Pathway Enterprises is a local Qualified Rehabilitation Facility (QRF) in Ashland and in accordance with ORS 279.850, the City is required by law to contract with a QRF if it can provide the product or service as specified and required by the City. The term for these janitorial service contracts will be July 1, 2015, to June 30, 2016. Contracts are processed annually because Pathway Enterprises is required to pay its employees the City's living wage and the living wage is adjusted annually every June 30 by the Consumer Price Index.

# BACKGROUND AND POLICY IMPLICATIONS:

The existing contracts with Pathway Enterprises expired on June 30, 2015. As stated above and in the attached information on how to do business with a QRF, the City is required by law to contract with a QRF if the QRF can provide the product or services as required and specified by the City.

# **COUNCIL GOALS SUPPORTED:**

None.

# FISCAL IMPLICATIONS:

Funds are budgeted each fiscal year by the City and Ashland Parks Commission for janitorial services.

Janitorial pricing proposals for FY 2015-2016 City of Ashland - \$107,631.27 Ashland Parks Commission - \$55,392.24

# **STAFF RECOMMENDATION AND REQUESTED ACTION:**

Staff recommends the public contracts for janitorial services be awarded to Pathway Enterprises, Inc.

# **SUGGESTED MOTION:**

The Council, acting as the Local Contract Review Board, moves to approve the award of public contracts for janitorial services to Pathway Enterprises, a local qualified rehabilitation facility (QRF).

# **ATTACHMENTS:**

How to do Business with a QRF Pricing Proposal and Costing Workbook for City of Ashland Pricing Proposal and Costing Workbook for Ashland Park Commission Page 1 of 1

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# **Qualified Rehabilitation Facilities**

# How to do Business with QRF

# Q: What is a Qualified Rehabilitation Facility "QRF" and what do they do?

A: A Qualified Rehabilitation Facility "QRF" is a non-profit rehabilitation organization qualified by the Oregon Department of Administrative Services employing Individuals with qualifying disabilities for not less than 75 percent of the total work hours of direct labor required for providing products and services their business customers. The mission of a QRF must be providing or facilitating employment related services to individuals with disabilities, enabling them to maximize their opportunities for employment.

# Q: What are the reasons to do business with a QRF?

A: As a purchasing agent or buyer for a taxpayer-supported political subdivision, such as a city, county, school district, or an agency of the state of Oregon, there are several reasons to do business with a QRF:

- It is the right thing to do. People who work in a QRF business need your help; jobs depend on business orders. There are thousands of Oregonians who are out of work because of a disability. As a public purchasing agent, you can make a difference. Your cooperation and willingness to buy goods and services from QRF businesses puts disabled people to work.
- 2. It is the smart thing to do. Oregonians with a disability who earn a wage require less taxpayer money. Your participation makes a difference to all Oregontaxpayers.
- 3. It puts you in the driver's seat. A negotiated contract process can allow you to tailor specifications to get exactly the product/service or performance you want. The long-term relationship with a QRF makes contract renewals a breeze. It also reduces the time to establish a contract.
- 4. It is the necessary thing to do. In 1977, the Oregon legislature passed the "Products of Disabled Individuals" act. This resulting statute, ORS 279.835 through 279.850 law obliges all state and local governments, school districts, and other tax-supported political bodies in Oregonto purchase goods and services from QRFs when the product or service is listed on the DAS Procurement List and meets the agency's requirements.

The details of this act are contained in Chapter 279.835-855 of the <u>Oregon</u> <u>Revised Statutes (ORS 279)</u>. This Chapter, "Public Contracts and Purchasing," spells out to all tax-supported state and local agencies how they are to spend the taxpayers' money on needed goods and services.

# Q: When should you do business with a QRF?

A: Anytime you plan to make a purchase of the types of goods or services listed in the DAS Directory of Qualified Rehabilitation Facilities (<u>Procurement List</u>), you are obliged to procure it from the listed QRF if it meets your specifications and is available when you need to have it.

# Q: Who's in charge of this program?

A: The Oregon Department of Administrative Services (DAS) manages the Products of the Disabled program. DAS qualifies each QRF in Oregon, and manages the list of those goods and services determined suitable for procurement by state and local governments, school districts and other taxpayer-supported agencies. It is DAS's duty to work cooperatively with the QRFs and Public Agencies to develop and maintain contracting opportunities for Oregonians with disabilities.

# **Q:** Why doesn't a QRF have to compete with other businesses for Government Contracts?

A: Taxpayer-supported state and local political subdivisions do business with QRFs on a non-competitive basis. This means a QRF is not required to bid for your purchases in competition with for-profit contractors. Some of the reasons for this special treatment of QRF business enterprises are:

- 1. QRFs are non-profit enterprises. They have a mission to provide employment services to disabled members of the community.
- 2. QRFs provide special employment support to people with disabilities that cost time and money. Workers with disabilities require accommodations such as special training and job modifications that go far beyond what a commercial business could be required to provide.
- 3. The investment in the disabled worker is high, but in terms of public benefit it is returned many times over when long-term employment can be provided. Stable employment is critical to the success of these programs.
- 4. QRF businesses are self-supporting. Their prices for goods and services have to recover all the costs necessary to train, equip and supervise their workers. They are required by law to pay the prevailing wage in their area for the type and quality of work being done. Plus, the QRF pays for liability and workers' compensation insurance, and all the other overhead expenses any business has.

The purpose of the state "Products of Disabled Individuals" law is to encourage and assist disabled people to work, and to achieve gainful employment. Employment enhances the ability to be as self-supporting as they can be. They will be less dependent on welfare and costly institutionalization.

# Q: How to get started?

A: Once you have established the need to procure a product or service go to the <u>Procurement List</u>, published on SPO's website, to see if the product or service is provided by a QRF. If there is a QRF on the Procurement List, contact the QRF to see if they can meet your specifications and delivery timelines. If they are able to meet your specifications and timelines you can begin negotiating a contract.

When looking to procure a product, ask the QRF representative to provide you with samples so you can make sure the products are right for you. Talk with the QRF representative if you need some minor adjustment or changes to suit your particular use of the product.

When looking to procure a service you may find more than one QRF available. Contact as many of those QRFs as you wish. Inquire which QRF is interested in servicing your needs. Invite those interested QRFs to meet with you and tour your facility. Provide them with your specification draft. You may narrow down your candidates through references, training they provide their employees, and/or by an interview process with the QRF representatives.

If no source is located on the Procurement List for your specific needs, you may move forward with your agency's procurement process.

## **Q:** How to negotiate the deal?

A: If you are purchasing a product and you are an ORCPP member you may simply make your purchase from the DAS Price Agreement. If you are purchasing a product or service from a QRF and DAS does not have an established contract for that product or service you may work directly with the QRF to negotiate your own contract. DAS must determine the price of that contract before the contract is initiated.

If the initial price exceeds your budget estimate, let the QRF know and give them a chance to work through the numbers with you a second time. There could be a misunderstanding about your requirements or a mistake somewhere in the figures. It could be that your specifications exceed your budget. When the price submitted by the QRF meets the agency's budget the QRF and the Agency may submit that price to DAS on an approved form for final determination. To simplify the process, DAS has developed a form for this purpose. <u>Price Approval Form.doc</u>

It is sometimes not possible to develop a contract with a QRF contractor. Usually, it will be price or specification that will get in the way. As the public purchasing agent, you should know what the limits of the program budget or specification tolerances. The QRF can drop the project or perhaps try again later. In the past agencies have been able was able to split up the work into smaller pieces in order to have partial QRF participation.

It is necessary to make a good faith effort to establish a QRF contract. QRFs are looking for long-term business partnerships, not advantages.

## **Q:** How to deal with quality assurance and performance problems?

A: One of the biggest advantages of doing business with a QRF is that it is a relationship, not just a one-time competitive bidding arrangement. QRF businesses are there to provide permanent jobs for disabled Oregonians, not to make money by cutting corners. You should expect quality services and products.

As a purchasing agent, you have the capability to make your agency's QRF contract successful. It just takes communication and cooperation. Talk to your QRF counterpart. Make sure your program people are introduced to the QRF representative and that everyone involved in the contract administration process knows what's expected of them. For example, if you have a QRF doing custodial services, plan a joint walk-through on a weekly basis from the beginning of the contract. Spend time talking about performance expectations at the beginning of your relationship and you will each get to know and understand the other.

As your contract relationship settles into a routine, you can cut down on the frequency with which you meet with the QRF contractor. But still plan on regular meetings with the QRF representative to talk about their performance and to make adjustments in the contract as needed. Together, write down any changes you and the QRF agree to make. Amend your contract to reflect the mutually agreed upon changes. This bit of routine "housekeeping" will keep your mutual understanding of what's to be done fresh and current.

If a problem does surface, however, you must tell the QRF management immediately. Don't wait, hoping things will get better. They can't fix the problem if they don't know about it. If you have taken the time to get to know each other at the start of the contract, any issue will be easier to solve.

Again, document any needed changes or complaints and share them with the QRF. Remember the old adage is true; take care of the little things before they get to be big things!

If, after making these efforts, you cannot resolve your problems, remember that you have authority to terminate the contract just as you would with any commercial business. If there seems to be no other way, talk candidly with the QRF about termination. It may be in the best interests of everyone involved.

# Q:What is the process for contract renewal with a QRF?

A: Here are a few points to consider when preparing for the renewal process:

- Plan your annual renewal process well in advance of the ending date of the contract period. For a large custodial contract, for example, three or four months is not too early to start working with the QRF on the renewal process.
- Revise and update your specifications to show any changes made during the contract period. At renewal, the QRF will review its pricing structure, which is to your advantage. Often, they are able to work with the agency to cut prices or costs as they gain experience with you and understand the fine points of the work to be performed.
- A quality service or product can potentially be provided to your agency for many years to come, resulting in long-term benefits for disabled Oregonians and taxpayers alike.
- Remember that DAS must approve any price changes in the renewal process.

# **Q:** Who can you call for more information or help? A: **QRF Coordinator**

Darvin Pierce

Tel: (503) 378-4690

E-mail: <u>darvin.pierce@state.or.us</u>

Procurement Policy Group Chief Financial Office Department of Administrative Services 155 Cottage St. NE Salem, OR 97031 FAX: (503) 373-7643





Rebecca Simpson; CEO

July 13, 2015

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

Ms. Olson,

I have prepared our janitorial service pricing proposal for the City of Ashland based on the unchanged living wage of \$14.42 per hour. The updated changes for 2015 -2016 services is as follows –

Monthly	14 -15	15-16	
City Hall	1,138.09	1,138.09	
Community Development	1,785.05	1,785.05	
Municipal Court	640.43	640.43	
Police Department	1,536.22	1,536.22	
Police Sub Station	115.06	115.06	
Service Center	1,348.64	1,348.64	
Street and Shop	430.64	430.64	
The Grove	939.02	939.02	
Carpet and Hard Floors	1,036.12	1,036.12	Difference
Total	8,969.27	8,969.27	0.00

Annual	14 -15	15-16	
City Hall	13,657.08	13,657.08	
Community Development	21,420.60	21,420.60	
Municipal Court	7,685.16	7,685.16	
Police Department	18,434.64	18,434.64	
Police Sub Station	1,380.75	1,380.75	
Service Center	16,183.68	16,183.68	
Street and Shop	5,167.68	5,167.68	
The Grove	11,268.24	11,268.24	
Carpet and Hard Floors	12,433.44	12,433.44	Difference
Total	107,631.27	107,631.27	0.00





Rebecca Simpson; CEO

In total we are requesting no change in price to provide current services. Pathway Enterprises, Inc. truly appreciates the partnership we have with the City of Ashland and we look forward to another year of services.

Sincerely,

Richard Simson

Richard Simpson Contract Services Director Pathway Enterprises, Inc. 1600 Skypark Drive, Suite 101 Medford, OR 97504 Office (541) 973-2728 Cell (541) 601-4550 Fax (541) 973-2729

# 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 P Project C	athway Enterprises Inc. ity of Ashland Facility Floors 15-16			
Executive Dire	ector Signature:			
Paw Matorials				
Per Time I Ise .	Supplies	(from supplies worksheet)	\$	1 382 14
Fauinment To	ols & Subcontracting	(from small equipment worksheet)	\$	533 53
	olo a Cabcontracting	(nom sindir equipment worksheet)	φ	1 915 67
labor		Subtotal	Ψ	1,313.07
Direct Labor		(from labor daily worksheet)	\$	7,658.09
Overhead				
See Overhead	Worksheet		\$	2,113.69
Dolivory				
Transportation		(from Trans & Reserve worksheet)	\$	-
		Total Before Margin	\$	11,687.45
<b>.</b>				
<b>Reserve</b> Margin Held in	Reserve	(from Trans & Reserve worksheet)	\$	746.01
-		. ,		
		Total Bid Yearly	\$	12,433.46
		Monthly	\$	1,036.12
		-		

#### **RAW MATERIALS**

Pathway Enterprises Inc. City of Ashland Facility Floors 15-16

#### Raw Materials:

Supplies

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	Units Needed		Monthly		Annual
		Price	Per Month		Cost		Cost
1	Pro Strip	74.22	0.3333	\$	24.74	\$	296.85
2	Optimum Finish	10.2	3	\$	30.60	\$	367.20
3	Grease Lightning	8.64	0.08333	\$	0.72	\$	8.64
4	Via Fresh Lemon Drop	15.81	0.08333	\$	1.32	\$	15.81
5	Defoamer	16	0.1667	\$	2.67	\$	32.01
6	Black Pads 20"	4.45	0.5	\$	2.23	\$	26.70
7	Green Pads 20"	4.45	0.5	\$	2.23	\$	26.70
8	Doodle Bug Pads	1.8	0.5	\$	0.90	\$	10.80
9	Nuetral Cleaner SE#64	22.81	0.1667	\$	3.80	\$	45.63
10	Blue Tape	8.26	1	\$	8.26	\$	99.12
11	Rags	19.99	0.0833	\$	1.67	\$	19.98
12	Carpet Cleaning Solution SE#62	19.05	0.25	\$	4.76	\$	57.15
13	Nitrile Gloves Large	7.85	0.25	\$	1.96	\$	23.55
14	Finish Mon Heads	7 21	0.5	\$	3.61	\$	43.26
15	Mon Heads	13.11	0.0	\$	6.56	\$	78.66
16	Mop Handles	7 50	0.33	\$	2.50	ŝ	30.06
17	Broom	11.67	0.00	\$	1 95	\$	23.34
18	Dust Pan	6.20	0.1667	¢ ¢	1.00	¢	12.58
10	White Pade 20	0.23	0.1007	Ф Ф	1.05	Ψ Ψ	53.40
20	One Step	19.45	0.5	φ Φ	4.45	φ Φ	110 70
20	One Step	10.45	0.5	ф Ф	9.23	9 e	110.70
21				φ ¢		ф Ф	-
22				φ ¢		ф Ф	-
23				ф Ф		ф Ф	-
24				¢		¢	-
25				Ð		¢	-
20				¢	-	<del>у</del> С	-
21				ð	-	Э ¢	-
28				\$ ¢	-	Э Ф	-
29				\$	-	\$	-
30				\$	-	\$	-
31				\$	-	\$	-
32				\$	-	\$	-
33				\$	-	\$	-
34				\$	-	\$	-
35				\$	-	\$	-
36				\$	-	\$	-
37				\$	-	\$	-
38				\$	-	\$	-
39				\$	-	\$	-
40				\$	-	\$	-
41				\$	-	\$	-
42				\$	-	\$	-
43				\$	-	\$	-
44				\$	-	\$	-
45				\$	-	\$	-
46				\$	-	\$	-
47				\$	-	\$	-
48				\$	-	\$	-
49				\$	-	\$	-
50				\$	-	\$	-
			Total	\$	115.18	\$	1.382.14

#### 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 15-16

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.

SU			
	Cost per	Times per	
Description	Time	Year	
•			\$ -
			\$ -

1	Equipment	Unit	Useful life	Contract	Depreciation	Units Cost	Project	Project	# of	Annual
	Description	Price	of Asset	life	Percentage	Per Year	% Üse	Unit Cost	Units	Cost
1	MOP BUCKET WITH WRINGER	\$ 85.79	36	12	33%	\$ 28.60	25%	\$ 7.15	3	\$ 21.45
2	VACUUM CLEANER	\$ 520.00	24	12	50%	\$ 260.00	25%	\$ 65.00	1	\$ 65.00
3	WET DRY VACUUM	\$ 780.00	24	12	50%	\$ 390.00	25%	\$ 97.50	1	\$ 97.50
4	PACESETTER BUFFER	\$ 850.00	36	12	33%	\$ 283.33	25%	\$ 70.83	1	\$ 70.83
5	CARPET BRUSH	\$ 230.00	24	12	50%	\$ 115.00	25%	\$ 28.75	1	\$ 28.75
6	EXTRACTOR	\$ 2,550.00	36	12	33%	\$ 850.00	25%	\$ 212.50	1	\$ 212.50
7	HIGH PERFORMANCE FAN	\$ 225.00	36	12	33%	\$ 75.00	25%	\$ 18.75	2	\$ 37.50
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	\$ 533 53

#### 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 15-16

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 City Hall Carpet	11.00	\$ 14.42	100%	\$ 158.62	0.0765	\$ 12.13	6.00%	\$ 9.52	3.00%	\$ 4.76	6.00%		\$ 9.52	\$ 194.55	2	\$ 389.09	22.00
2 City Hall Hard FL	7.00	\$ 14.42	100%	\$ 100.94	0.0765	\$ 7.72	6.00%	\$ 6.06	3.00%	\$ 3.03	6.00%		\$ 6.06	\$ 123.80	2	\$ 247.61	14.00
3 Comm Dev Carpet	13.50	\$ 14.42	100%	\$ 194.67	0.0765	\$ 14.89	6.00%	\$ 11.68	3.00%	\$ 5.84	6.00%		\$ 11.68	\$ 238.76	2	\$ 477.53	27.00
4 Comm Dev Hard FL	18.00	\$ 14.42	100%	\$ 259.56	0.0765	\$ 19.86	6.00%	\$ 15.57	3.00%	\$ 7.79	6.00%		\$ 15.57	\$ 318.35	2	\$ 636.70	36.00
5 Courts Carpet	3.00	\$ 14.42	100%	\$ 43.26	0.0765	\$ 3.31	6.00%	\$ 2.60	3.00%	\$ 1.30	6.00%		\$ 2.60	\$ 53.06	2	\$ 106.12	6.00
6 Courts Hard FL	35.00	\$ 14.42	100%	\$ 504.70	0.0765	\$ 38.61	6.00%	\$ 30.28	3.00%	\$ 15.14	6.00%		\$ 30.28	\$ 619.01	2	\$ 1,238.03	70.00
7 Police Carpet	11.00	\$ 14.42	100%	\$ 158.62	0.0765	\$ 12.13	6.00%	\$ 9.52	3.00%	\$ 4.76	6.00%		\$ 9.52	\$ 194.55	2	\$ 389.09	22.00
8 Police Hard FL	13.50	\$ 14.42	100%	\$ 194.67	0.0765	\$ 14.89	6.00%	\$ 11.68	3.00%	\$ 5.84	6.00%		\$ 11.68	\$ 238.76	2	\$ 477.53	27.00
9 Police High Speed	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	\$ 0.43	6.00%	I	\$ 0.87	\$ 17.69	24	\$ 424.47	24.00
10 Service Ctr Carpet	15.00	\$ 14.42	100%	\$ 216.30	0.0765	\$ 16.55	6.00%	\$ 12.98	3.00%	\$ 6.49	6.00%		\$ 12.98	\$ 265.29	2	\$ 530.58	30.00
11 Service Ctr Hard FL	13.50	\$ 14.42	100%	\$ 194.67	0.0765	\$ 14.89	6.00%	\$ 11.68	3.00%	\$ 5.84	6.00%		\$ 11.68	\$ 238.76	2	\$ 477.53	27.00
12 Streets Carpet	0.00	\$ 14.42	100%	\$ -	0.0765	\$-	6.00%	\$ -	3.00%	\$-	6.00%	I	\$ -	\$ -	2	\$-	0.00
13 Streets Hard FL	18.00	\$ 14.42	100%	\$ 259.56	0.0765	\$ 19.86	6.00%	\$ 15.57	3.00%	\$ 7.79	6.00%		\$ 15.57	\$ 318.35	2	\$ 636.70	36.00
14 Grove Carpets	11.00	\$ 14.42	100%	\$ 158.62	0.0765	\$ 12.13	6.00%	\$ 9.52	3.00%	\$ 4.76	6.00%	I	\$ 9.52	\$ 194.55	2	\$ 389.09	22.00
15 Grove Hard FL	35.00	\$ 14.42	100%	\$ 504.70	0.0765	\$ 38.61	6.00%	\$ 30.28	3.00%	\$ 15.14	6.00%		\$ 30.28	\$ 619.01	2	\$ 1,238.03	70.00
16				\$ -		\$-		\$ -		\$-			\$ -	\$ -		\$-	0.00
17				\$ -		\$-		\$ -	1	\$-		I	\$ -	\$ -		\$-	0.00
18				\$ -		\$-		\$ -		\$-			\$ -	\$ -		\$	0.00
19				\$ -		\$ -		\$ -	1	\$ -		I	\$ -	\$ -	1	\$-	0.00
20				\$ -		\$-		\$ -		\$-			\$ -	\$ -		\$ -	0.00
													Total	\$ 3,634,50	Total	\$ 7.658.09	433.00

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

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% 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 tasks. 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 A hrs. each (2X+4=8). It could also be done by 8 people working at 50% productivity for A hrs. each.

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 \$733.33/month).

DAS Form #12 J	
Revision 10-03	

Oregon Department of Administrative Services

List "Other Benefits" Provided

6%

eave

Project Costing Worksheet

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland Fac	ility Floors 15-16	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate ove In the space provided below, indicate how your organizatio overhead a	rhead internall on allocates ove amount is (whe	y (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). erhead to this particular contract, what items go into your overhead, and what that ther as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHOD	S DETAILI	ED BELOW!
1. Enter Overhead as a Percent of Total Costs OR	17.00%	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum		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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	Percen To identify costs of th "other"; pl expenses out by you include ho hour total projected	A construct of the past year. Input all the past year. Input all the past year. Input all the past year is the past year is the past year. Input all the past year entry is the past year is the past year. Input all the past past year is the past year is the past year is the past year. Input all the past past year is the past year is the past year is the past year. Input all the past past year is the past year is the past year is the past year. Input all the past past year is the past year is the past year is the past year. Input all the past past year is the past year is the past year is the past year. Input all the past past year is the past year is the past year is the past year. The past year is the past year. The past year is the past year year is the past year year. The worksheet will compute the overhead as a line item cost by dividing the total labor hours for the contract into the total projected labor hours for the current year.
	Тс Іп; О Тіг Тс	tal Annual Direct Labor Hours put Total from Worksheet on Below verhead per labor hour me required to complete contract
Workshoot	ן ו	
	U	se the area below to show how you arrived at the final figure

Total Annual Operation           INDIRECT COSTS         ORGANIZATION         DEPARTMEN           Management Salaries	
INDIRECT COSTS         ORGANIZATION         DEPARTMEN           Management Salaries	IS
Management Salaries	<b>ITAL</b>
Management Payroll Tax Expense	
Management Medical Insurance	
Management Pension Plan Expense         Sales & Administrative Salaries         Sales & Administrative Payroll Tax Expense         Sales & Administrative Pension Plan Expense         Office Rent         Background Checks & Urinalysis         Professional & Accounting / Audit Fees         Training & Worker Safety         Insurance         Insurance         Depreciation-office soliding         Depreciation-office equipment         Repairs & Maintenance-office         Cleaning and Maintenance         Office Supplies         Postage & Freight         Rehab         Miscellaneous Expense         Bad Debts	
Sales & Administrative Salaries	
Sales & Administrative Persion Plan Expense	
Sales & Administrative Medical Insurance	
Sales & Administrative Pension Plan Expense	
Office Rent	
Advertising and Public Education	
Background Checks & Urinalysis Professional & Accounting / Audit Fees Insurance Isurance Ielephone Uilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Supplies Cleaning and Maintenance Office Repairs Prostage & Freight Rehab Miscellaneous Expense Bad Debts Other:*	
Professional & Accounting / Audit Fees Training & Worker Safety Insurance Telephone Utilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Equipment Rental Office Supplies Office Supplies Office Supplies Office Supplies Dostage & Freight Rehab Miscellaneous Expense Bad Debts Other:* Other:* Other:*	
Training & Worker Safety Insurance Insurance Insurance Idephone Utilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Supplies Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other:*	
Insurance Telephone Teleph	
Telephone Utilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Cleaning and Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Equipment Rental Office Supplies Ostage & Freight Rehab Miscellaneous Expense Bad Debts Destage Action Cleaning and	
Utilities	
Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office building Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Supplies Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other:*	
Dues & Subscriptions	
Depreciation-office building Depreciation-office equipment Repairs & Maintenance-office Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other: * Other	
Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other:*	
Repairs & Maintenance-office	
Cleaning and Maintenance Office Equipment Rental Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other:* Chere:* Chere	
Office Equipment Rental Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other:* Other:*	
Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other:	
Postage & Freight Rehab Miscellaneous Expense Bad Debts Other:*	
Rehab	
Miscellaneous Expense Bad Debts Other: *	
Bad Debts Other: * Ot	
Other: *	
Other: *	
Other: *	
TOTAL INDIRECT COSTS \$ - \$	-
CPI Factor from BLS (see link below) 3.15%	3.159
http://www.bls.gov/ro9/mostrequ.htm	
Total \$	-

at you show as your total Overhead

### **Delivery & Reserve**

### Oregon Department of Administrative Services Project Costing Worksheet

Pathway Enterprises Inc. City of Ashland Facility Floors 15-16

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	Ann Trans	ual 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

# 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.		
Executive Director Signature:		
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 233.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 166.17
	Subtotal 1	\$ 399.46
Labor		
Direct Labor	(from labor daily worksheet)	\$ 10,116.47
Overhead		
See Overhead Worksheet		\$ 2,321.70
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before Margin	\$ 12.837.62
		. ,
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 819.42
	Total Bid Yearly	\$ 13,657.04
	Monthly	\$ 1,138.09

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### City of Ashland 2015-2016 City Hall

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor	2.50	\$ 14.42	100%	\$ 36.05	0.0765	\$ 2.76	6.00%	\$ 2.16	3.00%	5 1.08	6.00%		\$ 2.16	\$ 44.22	208	\$ 9,196.79	520.00
2 Supervisor	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00% \$	6 0.43	6.00%		\$ 0.87	\$ 17.69	52	\$ 919.68	52.00
3				\$ -		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
4				\$ -		\$-		\$ -		<b>;</b> -			\$-	\$-		\$ -	0.00
5				\$ -		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
6				\$ -		\$ -		\$ -		; -			\$-	\$ -		\$ -	0.00
7				\$ -		\$ -		\$ -	40	- i			\$-	\$ -		\$ -	0.00
8				\$ -		\$ -		\$-	0,	<b>;</b> -			\$-	\$-		\$ -	0.00
9				\$ -		\$ -		\$ -		; -			\$-	\$ -		\$ -	0.00
.0				\$ -		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
1				\$ -		\$ -		\$ -		; -			\$-	\$ -		\$ -	0.00
.2				\$ -		\$-		\$ -	40	<b>;</b> -			\$-	\$-		\$ -	0.00
3				\$ -		\$-		ş -	9	; -			\$-	\$-		\$ -	0.00
4				\$ -		\$-		\$ -		<b>;</b> -			\$-	\$-		\$ -	0.00
5				\$ -		\$-		ş -	9	; -			\$-	\$-		\$ -	0.00
													Total	\$ 61.90	Total	\$ 10,116.47	572.00

PTO

#### 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

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% supervisory could 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 completed 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 tasks. 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 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 4 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).

Pathway Enterprises, Inc. City of Ashland 2015-2016 City Hall

#### 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	Units Needed	Monthly	Annual
			Price	Per Month	Cost	Cost
1	Pine Q Disinfectant	\$	4.80	0.1666	\$ 0.80	\$ 9.60
2	Cream Cleanser	\$	2.91	0.1666	\$ 0.48	\$ 5.82
3	Glass Cleaner	\$	6.29	0.1666	\$ 1.05	\$ 12.57
4	Heavy Duty Cleanser	\$	4.80	0.1666	\$ 0.80	\$ 9.60
5					\$ -	\$ -
6					\$ -	\$ -
7					\$ -	\$ -
8	24 oz Bottle & trigger	\$	2.27	0.1666	\$ 0.38	\$ 4.54
9	Acrylic Bowl Mops	\$	1.71	0.5000	\$ 0.86	\$ 10.26
10	Scrapper W/blades	\$	6.51	0.1666	\$ 1.08	\$ 13.01
11	! OZ Pumps	\$	2.31	0.1666	\$ 0.38	\$ 4.62
12	Paper Filter	\$	21.10	0.3332	\$ 7.03	\$ 84.37
13	Std Loop end Mop	\$	5.65	0.3332	\$ 1.88	\$ 22.59
14	24" Dust mop	\$	4.26	0.1666	\$ 0.71	\$ 8.52
15	Doodlebug BN Pads	\$	1.18	0.1666	\$ 0.20	\$ 2.36
16	Duster - expandable	\$	5.75	0.1666	\$ 0.96	\$ 11.50
17	Spot Away	\$	2.74	0.3332	\$ 0.91	\$ 10.96
18	Cleaning Pads	\$	4.70	0.1666	\$ 0.78	\$ 9.40
19	Wax Mop	\$	6.80	0.1666	\$ 1.13	\$ 13.59
20		-			\$ -	\$ -
21					\$ -	\$ -
22					\$ -	\$ -
23					\$ -	\$ -
24		-			\$ -	\$ -
25					\$ -	\$ -
26					\$ -	\$ -
27		-			\$ -	\$ -
28					\$ -	\$ -
29		-			\$ -	\$ -
30					\$ -	\$ -
31					\$ -	\$ -
32					\$ -	\$ -
33					\$ -	\$ -
34					\$ -	\$ -
35					\$ -	\$ -
36					\$ -	\$ -
37					\$ -	\$ -
38					\$ -	\$ -
39					\$ -	\$ -
40					\$ -	\$ -
				Total	\$ 19.44	\$ 233.29

#### 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 2015-2016 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.

SU	BCONTRACT	ORS	
	Cost per	Times per	
Description	Time	Year	
			\$ -

**Oregon Department of Administrative Services** 

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	ι	Jnits Cost Per Year	Project % Use	U	Project nit Cost	# of Units		Ar C	inual Cost
1	Windsor Vacuum	\$ 401.00	36	12	33%	\$	133.67	100%	\$	133.67		1 \$	6	133.67
2				12										
3				12										
4	Mopbuckets and presses	\$ 65.00	24	12	50%	⇔	32.50	100%	\$	32.50		1 \$	5	32.50
5				12										
6				12										
7				12										
8				12										
9				12										
10				12										
11				12										
12				12										
13				12										
14				12										
15				12										
											Total	4	\$	166 17

#### 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.

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland 2015-201	Oregon Department of Administrative Service: Project Costing Workshee	'S et
There are many different ways organizations allocate overhea In the space provided below, indicate how your organization al overhead amou	ternally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, et tes overhead to this particular contract, what items go into your overhead, and what is (whether as a percent or exact amount)	tc). that
FILL IN ONLY ONE OF THE THREE METHODS D	TAILED BELOW!	
1. Enter Overhead as a Percent of Total Costs	Percent of Total Cost Method: For every dollar spent producing a final product, or providing a service, a certain percentage of the required for overhead. To calculate the overhead percentage, it is best to have financial records f organization that go back a year or more. Add together the expenditures that make up the overhe worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total of the figure for overhead by the figure for total costs. The result is a percent that represents overhe percentage of the total cost. If financial records are not available estimate the overhead expense can, estimate other costs as best you can, and use the same formula to get a percentage.	at dollar is for your ead cost (see cost. Divide ead as a s as best you
2. Enter Allocated Overhead as a Dollar-Figure Sum	Dollar-Figure Sum Method: You can enter the dollar amount you are allocating to overhead in the box if you are confident tha allocate overhead items to this particular project. You can use the Worksheet as a tool (if needec to identify your costs.	at you can d)
3. Overhead as a Percent of Total Direct Labor Hours	Percent of Total Direct Labor Method: To identify overhead costs, you need the financial records for your organization or division for the past year. In costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cell other"; please include a description. What you are trying to determine is a percentage, therefore, do not gross sypenses for inflation or to conform to the current year budget. Next, input into the cell below the total direct lat ut by your entire organization for the same period. These figures should be found on the year end payroll repu- nclude hours which can be classified as management or administrative costs. (Including these costs into the do our total will deflate the actual costs.). The worksheet will compute the overhead as a line item cost by dividing projected labor hours for the contract into the total projected labor hours for the current year.	put all the Ils marked ; up the bor hours paid ort. Do not firect labor g the total
	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	WORK AREA: Use the area below to show how you arrived at the final figure	

	Total Annu	al Operations
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		
Management Payroll Tax Expense		
Management Medical Insurance		
Management Pension Plan Expense		
Sales & Administrative Salaries		
Sales & Administrative Payroll Tax Expense		
Sales & Administrative Medical Insurance		
Sales & Administrative Pension Plan Expense		
Office Rent		
Advertising and Public Education		
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees		
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees		
Dues & Subscriptions		
Depreciation-office building		
Depreciation-office equipment		
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies		
Postage & Freight		
Rehab		
Miscellaneous Expense		
Bad Debts		
Other: *		
TOTAL INDIRECT COSTS	\$ -	\$ -
CPI Factor from BLS (see link below)	1.65%	1.65%
http://www.bls.gov/ro9/mostrequ.htm		
Total	\$ -	

that you show as your total Overhead

Page 5

City of Ashland 2015-2016 City Hall

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.

Project       City of Ashland 2015-2016 Community Development         Executive Director Signature:         Raw Materials       Subscript (from supplies worksheet)       \$ 233.29         Per Time Use - Supplies       (from supplies worksheet)       \$ 166.17         Equipment, Tools & Subcontracting       (from small equipment worksheet)       \$ 166.17         Labor       Subtotal 1       \$ 399.46         Direct Labor       (from labor daily worksheet)       \$ 16,094.38         Overhead       \$ 3,641.50       \$ 3,641.50         Delivery       (from Trans & Reserve worksheet)       \$ -
Executive Director Signature:         Raw Materials         Per Time Use - Supplies       (from supplies worksheet)         Equipment, Tools & Subcontracting       (from small equipment worksheet)         Labor       Subtotal 1         Direct Labor       (from labor daily worksheet)         Overhead       \$ 16,094.38         See Overhead Worksheet       \$ 3,641.50         Delivery       (from Trans & Reserve worksheet)       \$ -
Raw Materials       Per Time Use - Supplies       (from supplies worksheet)       \$ 233.29         Equipment, Tools & Subcontracting       (from small equipment worksheet)       \$ 166.17         Labor       Subtotal 1       \$ 399.46         Direct Labor       (from labor daily worksheet)       \$ 16,094.38         Overhead       \$ 3,641.50         See Overhead Worksheet       \$ 3,641.50         Delivery       Transportation       (from Trans & Reserve worksheet)       \$ -
Per Time Use - Supplies       (from supplies worksheet)       \$ 233.29         Equipment, Tools & Subcontracting       (from small equipment worksheet)       \$ 166.17         Labor       Subtotal 1       \$ 399.46         Direct Labor       (from labor daily worksheet)       \$ 16,094.38         Overhead       \$ 3,641.50         See Overhead Worksheet       \$ 3,641.50         Delivery       Transportation       (from Trans & Reserve worksheet)       \$ -
Equipment, Tools & Subcontracting     (from small equipment worksheet)     \$ 166.17       Labor     Subtotal 1     \$ 399.46       Direct Labor     (from labor daily worksheet)     \$ 16,094.38       Overhead     \$ 3,641.50       Delivery     Transportation     (from Trans & Reserve worksheet)
Labor       Subtotal 1 \$ 399.46         Direct Labor       (from labor daily worksheet)         Overhead       \$ 16,094.38         See Overhead Worksheet       \$ 3,641.50         Delivery       Transportation         Transportation       (from Trans & Reserve worksheet)
Labor       (from labor daily worksheet)       \$ 16,094.38         Overhead       \$ 3,641.50         See Overhead Worksheet       \$ 3,641.50         Delivery       Transportation       (from Trans & Reserve worksheet)
Direct Labor     (from labor daily worksheet)     \$ 16,094.38       Overhead     \$     \$ 3,641.50       Delivery     \$     -       Transportation     (from Trans & Reserve worksheet)     \$ -
Overhead       \$ 3,641.50         See Overhead Worksheet       \$ 3,641.50         Delivery       Transportation         Transportation       (from Trans & Reserve worksheet)
See Overhead Worksheet     \$ 3,641.50       Delivery     Transportation     (from Trans & Reserve worksheet)
Delivery         Transportation       (from Trans & Reserve worksheet)         \$
Transportation (from Trans & Reserve worksheet) \$
Total Before Margin\$20,135.33
Reserve
Margin Held in Reserve (from Trans & Reserve worksheet) \$ 1,285.23
Total Bid Yearly \$ 21,420.57
Monthly \$ 1,785.05

#### **RAW MATERIALS**

#### Supplies

Pathway Enterprises, Inc.

City of Ashland 2015-2016 Community Development

#### 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	Units Needed	Monthly	Annual
		Price	Per Month	Cost	Cost
1	Pine Q Disinfectant	\$ 4.80	0.1666	\$ 0.80	\$ 9.60
2	Cream Cleanser	\$ 2.91	0.1666	\$ 0.48	\$ 5.82
3	Glass Cleaner	\$ 6.29	0.1666	\$ 1.05	\$ 12.57
4	Heavy Duty Cleanser	\$ 4.80	0.1666	\$ 0.80	\$ 9.60
8	24 oz Bottle & trigger	\$ 2.27	0.1666	\$ 0.38	\$ 4.54
9	Acrylic Bowl Mops	\$ 1.71	0.5000	\$ 0.86	\$ 10.26
10	Scrapper W/blades	\$ 6.51	0.1666	\$ 1.08	\$ 13.01
11	! OZ Pumps	\$ 2.31	0.1666	\$ 0.38	\$ 4.62
12	Paper Filter	\$ 21.10	0.3332	\$ 7.03	\$ 84.37
13	Std Loop end Mop	\$ 5.65	0.3332	\$ 1.88	\$ 22.59
14	24" Dust mop	\$ 4.26	0.1666	\$ 0.71	\$ 8.52
15	Doodlebug BN Pads	\$ 1.18	0.1666	\$ 0.20	\$ 2.36
16	Duster - expandable	\$ 5.75	0.1666	\$ 0.96	\$ 11.50
17	Spot Away	\$ 2.74	0.3332	\$ 0.91	\$ 10.96
18	Cleaning Pads	\$ 4.70	0.1666	\$ 0.78	\$ 9.40
19	Wax Mop	\$ 6.80	0.1666	\$ 1.13	\$ 13.59
20				\$ -	\$ -
21				\$ -	\$ -
22				\$ -	\$ -
23				\$ -	\$ -
24				\$ -	\$ -
25				\$ -	\$ -
26				\$ -	\$ -
27				\$ -	\$ -
28				\$ -	\$ -
29				\$ -	\$ -
30				\$ -	\$ -
31				\$ -	\$ -
32				\$ -	\$ -
33				\$ -	\$ -
34				\$ -	\$ -
35				\$ -	\$ -
36				\$ -	\$ -
37				\$ -	\$ -
38				\$ -	\$ -
39				\$ -	\$ -
40				\$ -	\$ -
			Total	\$ 19.44	\$ 233.29

#### 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 2015-2016 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.

SU	BCONTRACT	ORS	
	Cost per	Times per	
Description	Time	Year	
			\$ -

Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	A	nnual Cost
1 Windsor Vacuum	\$ 401.00	36	12	33%	\$ 133.67	100%	\$ 133.67	1	\$	133.67
2 Floor Machine	\$ 1,200.00	36	12	33%	\$ 400.00	20%	\$ 80.00	0	\$	-
3 Extractor	\$ 2,400.00	36	12	33%	\$ 800.00	20%	\$ 160.00	0	\$	-
4 Mopbuckets and presses	\$ 65.00	24	12	50%	\$ 32.50	100%	\$ 32.50	1	\$	32.50
5 Burnisher	\$ 1,200.00	36	12	33%	\$ 400.00	20%	\$ 80.00	0	\$	-
6			12							
7			12							
8			12							
9			12							
10			12							
11			12							
12			12							
13			12							
14			12							
15			12							
								Total	\$	166.17

#### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

PTO

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### City of Ashland 2015-2016 Community Development

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor 2x	3.25	\$ 14.42	100%	\$ 46.87	0.0765	\$ 3.59	6.00%	\$ 2.81	3.00% \$	5 1.41	6.00%		\$ 2.81	\$ 57.48	104	\$ 5,977.91	338.00
2 Janitor 3x	3.00	\$ 14.42	100%	\$ 43.26	0.0765	\$ 3.31	6.00%	\$ 2.60	3.00% \$	1.30	6.00%		\$ 2.60	\$ 53.06	156	\$ 8,277.11	468.00
3 Supervisor	2.00	\$ 14.42	100%	\$ 28.84	0.0765	\$ 2.21	6.00%	\$ 1.73	3.00%	0.87	6.00%		\$ 1.73	\$ 35.37	52	\$ 1,839.36	104.00
4				\$ -		\$ -		\$ -	49	-			\$-	\$ -		\$-	0.00
5				\$ -		\$ -		\$ -	43	-			\$-	\$-		\$ -	0.00
6				\$ -		\$ -		\$ -	49	-			\$-	\$ -		\$-	0.00
7				\$ -		\$ -		\$ -	9	-			\$-	\$-		\$-	0.00
8				\$ -		\$ -		\$ -	43	-			\$-	\$-		\$ -	0.00
9				\$ -		\$ -		\$ -	49	i -			\$-	\$-		\$ -	0.00
10				\$ -		\$ -		\$ -	43	-			\$-	\$-		\$ -	0.00
11				\$ -		\$ -		\$ -	49	i -			\$-	\$-		\$ -	0.00
12				\$ -		\$ -		\$ -	4	-			\$-	\$-		\$ -	0.00
13				\$ -		\$ -		\$ -	4	-			\$-	\$-		\$ -	0.00
14				\$ -		\$ -		\$ -	4	-			\$-	\$-		\$ -	0.00
15				\$ -		\$ -		\$ -	9				\$-	\$-		\$ -	0.00
													Total	\$ 145.91	Total	\$ 16,094,38	910.00

#### 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

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% 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 completed 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 tasks. 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 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 4 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).

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland 2015-20	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhe In the space provided below, indicate how your organization a overhead amo	ead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). allocates overhead to this particular contract, what items go into your overhead, and what that iount 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	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
OR	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum	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)
OR 3. Overhead as a Percent of Total Direct Labor Hours	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
	To learning voltation 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 beta which can be classified as management or administrative costs.) The worksheet will compute the overhead as a line item costs 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 Tume required to complete contract
	Total Assigned Overhead \$ -
Worksheet	WORK AREA:
Total Annual Operations           INDIRECT COSTS         ORGANIZATION         DEPARTMENTAL           Management Salaries	Use the area below to show how you arrived at the final figure that you show as your total Overhead

Repairs & Maintenance-offic Cleaning and Maintenance Office Equipment Rental Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other: \* Other: \*

Other: \* TOTAL INDIRECT COSTS

CPI Factor from BLS (see link below)

http://www.bls.gov/ro9/mostrequ.htm Total \$

\$

- \$

-

1.65%

Sales & Administrative Medical Insurance Sales & Administrative Pension Plan Expense Office Rent Advertising and Public Education Background Checks & Urinalysis Professional & Accounting / Audit Fees Training & Worker Safety Insurance Telephone Utilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance

#### **Delivery & Reserve** Pathway Enterprises, Inc.

City of Ashland 2015-2016 Community Development

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**

	Dolivory Description	Miles Per	Rate Per	Daily Cost	Services per	Annual Trans Cost
	Delivery Description	Service	INITE	COSI	i eai	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

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QRF Name         Pathway Enterprises, Inc.           Project         City of Ashland 2015-2016 Municipal Cou	rt	
Executive Director Signature:		
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 233.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 166.17
	Subtotal 1	\$ 399.46
Labor		
Direct Labor	(from labor daily worksheet)	\$ 5,518.07
Overhead See Overhead Worksheet		\$ 1,306.47
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before Margin	\$ 7,224.00
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 461.11
	Total Bid Yearly	\$ 7,685.10
	Monthly	\$ 640.43

Pathway Enterprises, Inc. City of Ashland 2015-2016 Municipal Court

#### 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

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		Price	Per Month	Cost	Cost
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2	Cream Cleanser	\$ 2.91	0.1666	\$ 0.48	\$ 5.82
3	Glass Cleaner	\$ 6.29	0.1666	\$ 1.05	\$ 12.57
4	Heavy Duty Cleanser	\$ 4.80	0.1666	\$ 0.80	\$ 9.60
5	Oder Counteractant	\$ 30.65		\$ -	\$ -
6	Carpet Lane	\$ 5.00		\$ -	\$ -
7	Carpet Shampoo	\$ 13.01		\$ -	\$ -
8	24 oz Bottle & trigger	\$ 2.27	0.1666	\$ 0.38	\$ 4.54
9	Acrylic Bowl Mops	\$ 1.71	0.5000	\$ 0.86	\$ 10.26
10	Scrapper W/blades	\$ 6.51	0.1666	\$ 1.08	\$ 13.01
11	! OZ Pumps	\$ 2.31	0.1666	\$ 0.38	\$ 4.62
12	Paper Filter	\$ 21.10	0.3332	\$ 7.03	\$ 84.37
13	Std Loop end Mop	\$ 5.65	0.3332	\$ 1.88	\$ 22.59
14	24" Dust mop	\$ 4.26	0.1666	\$ 0.71	\$ 8.52
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18	Cleaning Pads	\$ 4.70	0.1666	\$ 0.78	\$ 9.40
19	Wax Mop	\$ 6.80	0.1666	\$ 1.13	\$ 13.59
20				\$ -	\$ -
21				\$ -	\$ -
22				\$ -	\$ -
23				\$ -	\$ -
24				\$ -	\$ -
25				\$ -	\$ -
26				\$ -	\$ -
27				\$ -	\$ -
28				\$ -	\$ -
29				\$ -	\$ -
30				\$ -	\$ -
31				\$ -	\$ -
32				\$ -	\$ -
33				\$ -	\$ -
34				\$ -	\$ -
35				\$ -	\$ -
36				\$ -	\$ -
37				\$ -	\$ -
38				\$ -	\$ -
39				\$ -	\$ -
40				\$ -	\$ -
			Total	\$ 19.44	\$ 233.29

#### 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 2015-2016 Municipal Court

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.

SL	<b>JBCONTRACT</b>	ORS	
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	ו U	Project nit Cost	# of Units	6	A	nnual Cost
1	Windsor Vacuum	\$	401.00	36	12	33%	\$	133.67	100%	\$	133.67		1	\$	133.67
2					12										
3					12										
4	Mopbuckets and presses	\$	65.00	24	12	50%	\$	32.50	100%	\$	32.50		1	\$	32.50
5					12										
6					12										
7					12										
8					12										
9					12										
10					12										
11					12										
12					12										
13					12										
14					12										
15		1			12										
				•								Tota	I	\$	166 17

#### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

PTO

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### City of Ashland 2015-2016 Municipal Court

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor 2x	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	6 0.43	6.00%		\$ 0.87	\$ 17.69	104	\$ 1,839.36	104.00
2 Janitor 3x	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	0.43	6.00%		\$ 0.87	\$ 17.69	156	\$ 2,759.04	156.00
3 Supervisor	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	6 0.43	6.00%		\$ 0.87	\$ 17.69	52	\$ 919.68	52.00
4				\$ -		\$ -		\$ -	1	s -			\$-	\$ -		\$ -	0.00
5				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
6				\$ -		\$ -		\$ -	1	s -			\$-	\$ -		\$ -	0.00
7				\$ -		\$ -		\$ -		s -			\$ -	\$ -		\$ -	0.00
8				\$-		\$-		\$ -	1	ş -			\$-	\$-		\$ -	0.00
9				\$ -		\$ -		\$ -	1	s -			\$-	\$ -		\$ -	0.00
10				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
11				\$ -		\$ -		\$ -	1	s -			\$-	\$ -		\$ -	0.00
12				\$-		\$-		\$ -	1	s -			\$-	\$-		\$ -	0.00
13				\$-		\$-		\$ -	:	s -			\$-	\$-		\$ -	0.00
14				\$-		\$-		\$ -	:	s -			\$-	\$-		\$ -	0.00
15				\$-		\$-		\$ -	:	s -			\$-	\$-		\$ -	0.00
													Total	\$ 53.06	Total	\$ 5,518,07	312.00

#### 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

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% 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 tasks. 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 4 hrs. each (2X+2)

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).

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland 2015-2016	6 Municipal Cou	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhea In the space provided below, indicate how your organization all overhead amou	id internally locates over int is (wheth	(e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). head to this particular contract, what items go into your overhead, and what that er as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS D	ETAILE	D BELOW!
1. Enter Overhead as a Percent of Total Costs	17.00%	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum		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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	Percent To identify c costs of the "other"; plea expenses fc out by your include hour hour total w projected la	of Total Direct Labor Method: werhead costs, you need the financial records for your organization or division for the past year. Input all the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked se include a description. What you are trying to determine is a percentage, therefore, do not gross up the r inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid entire organization for the same period. These figures should be found on the year end payroll report. Do not 's which can be classified as management or administrative costs. (Including these costs into the direct labor lideflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total oor hours for the contract into the total projected labor hours for the current year.
	Tota Inpu Ove Time <b>Tot</b> :	I Annual Direct Labor Hours t Total from Worksheet on Below rhead per labor hour e required to complete contract I Assigned Overhead
Worksheet Total Annual Operations	<b>N</b> Usi	ORK AREA: the area below to show how you arrived at the final figure

	Total Annual Operations		
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL	
Management Salaries			
Management Payroll Tax Expense			
Management Medical Insurance			
Management Pension Plan Expense			
Sales & Administrative Salaries			
Sales & Administrative Payroll Tax Expense			
Sales & Administrative Medical Insurance			
Sales & Administrative Pension Plan Expense			
Office Rent			
Advertising and Public Education			
Background Checks & Urinalysis			
Professional & Accounting / Audit Fees			
Training & Worker Safety			
Insurance			
Telephone			
Utilities			
Property Taxes/Licenses/Fees			
Dues & Subscriptions			
Depreciation-office building			
Depreciation-office equipment			
Repairs & Maintenance-office			
Cleaning and Maintenance			
Office Equipment Rental			
Office Supplies			
Postage & Freight			
Rehab			
Miscellaneous Expense			
Bad Debts			
Other: *			
TOTAL INDIRECT COSTS	\$ -	\$ -	
CPI Factor from BLS (see link below)	1.65% 1.65%		
http://www.bls.gov/ro9/mostrequ.htm			
Total	\$ -		

that you show as your total Overhead

#### **Delivery & Reserve** Pathway Enterprises, Inc.

City of Ashland 2015-2016 Municipal Court

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 2015-2016 Ashland Polic	e Department	
Executive Director Signature:		
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 233.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 166.17
	Subtotal 1	\$ 399.46
Labor		
Direct Labor	(from labor daily worksheet)	\$ 13,795.18
Overhead See Overhead Worksheet		\$ 3 133 88
		• 0,100.00
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before Margin	\$ 17,328.52
	Ũ	<u> </u>
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 1,106.08
		·
	Total Bid Yearly	\$ 18,434.60
	Monthly	\$ 1,536.22

### **RAW MATERIALS**

### Supplies

Pathway Enterprises, Inc.

City of Ashland 2015-2016 Ashland Police Department

### 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

	ltem	Unit	Units Needed		Monthly	Annual		
		Price	Per Month		Cost		Cost	
1	Pine Q Disinfectant	\$ 4.80	0.1666	\$	0.80	\$	9.60	
2	Cream Cleanser	\$ 2.91	0.1666	\$	0.48	\$	5.82	
3	Glass Cleaner	\$ 6.29	0.1666	\$	1.05	\$	12.57	
4	Heavy Duty Cleanser	\$ 4.80	0.1666	\$	0.80	\$	9.60	
5	Oder Counteractant	\$ 30.65		\$	-	\$	-	
6	Carpet Lane	\$ 5.00		\$	-	\$	-	
7	Carpet Shampoo	\$ 13.01		\$	-	\$	-	
8	24 oz Bottle & trigger	\$ 2.27	0.1666	\$	0.38	\$	4.54	
9	Acrylic Bowl Mops	\$ 1.71	0.5000	\$	0.86	\$	10.26	
10	Scrapper W/blades	\$ 6.51	0.1666	\$	1.08	\$	13.01	
11	! OZ Pumps	\$ 2.31	0.1666	\$	0.38	\$	4.62	
12	Paper Filter	\$ 21.10	0.3332	\$	7.03	\$	84.37	
13	Std Loop end Mop	\$ 5.65	0.3332	\$	1.88	\$	22.59	
14	24" Dust mop	\$ 4.26	0.1666	\$	0.71	\$	8.52	
15	Doodlebug BN Pads	\$ 1.18	0.1666	\$	0.20	\$	2.36	
16	Duster - expandable	\$ 5.75	0.1666	\$	0.96	\$	11.50	
17	Spot Away	\$ 2.74	0.3332	\$	0.91	\$	10.96	
18	Cleaning Pads	\$ 4.70	0.1666	\$	0.78	\$	9.40	
19	Wax Mop	\$ 6.80	0.1666	\$	1.13	\$	13.59	
20				\$	-	\$	-	
21				\$	-	\$	-	
22				\$	-	\$	-	
23				\$	-	\$	-	
24				\$	-	\$	-	
25				\$	-	\$	-	
26				\$	-	\$	-	
27				\$	-	\$	-	
28				\$	-	\$	-	
29				\$	-	\$	-	
30				\$	-	\$	-	
31				\$	-	\$	-	
32				\$	-	\$	-	
33				\$	-	\$	-	
34				\$	-	\$	-	
35				\$	-	\$	-	
36				\$	-	\$	-	
37				\$	-	\$	-	
38				\$	-	\$	-	
39				\$	-	\$	-	
40				\$	-	\$	-	
		 	Total	\$	19.44	\$	233.29	

### 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 2015-2016 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.

S	ORS		
Description	Cost per Time	Times per Year	
			\$ -

Equi Desci	oment iption	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	A	nnual Cost
1 Windsor Vacuum	\$	401.00	36	12	33%	\$ 133.67	100%	\$ 133.67	1	\$	133.67
2				12							
3				12							
4 Mopbuckets and p	resses \$	65.00	) 24	12	50%	\$ 32.50	100%	\$ 32.50	1	\$	32.50
5				12							
6				12							
7				12							
8				12							
9				12							
10				12							
11				12							
12				12							
13				12							
14				12							
15				12							
				•	•	-	•		Total	\$	166 17

#### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

PTO

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### City of Ashland 2015-2016 Ashland Police Department

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor 4x	3.50	\$ 14.42	100%	\$ 50.47	0.0765	\$ 3.86	6.00%	\$ 3.03	3.00%	§ 1.51	6.00%		\$ 3.03	\$ 61.90	208	\$ 12,875.50	728.00
2 Supervisor	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	0.43	6.00%		\$ 0.87	\$ 17.69	52	\$ 919.68	52.00
3				\$ -		\$ -		\$ -		s -			\$-	\$-		\$-	0.00
4				\$ -		\$-		\$ -		s -			\$-	\$-		\$-	0.00
5				\$ -		\$ -		\$ -		s -			\$-	\$-		\$-	0.00
6				\$ -		\$ -		\$ -		ş -			\$ -	\$-		\$-	0.00
7				\$ -		\$ -		\$ -		s -			\$ -	\$-		\$-	0.00
8				\$ -		\$ -		\$ -		s -			\$-	\$-		\$-	0.00
9				\$ -		\$-		\$ -		s -			\$-	\$-		\$-	0.00
0				\$ -		\$ -		\$ -		s -			\$-	\$-		\$-	0.00
1				\$ -		\$-		\$ -		s -			\$-	\$-		\$-	0.00
2				\$ -		\$ -		\$ -	1	s -			\$-	\$-		\$-	0.00
3				\$ -		\$ -		\$ -		s -			\$-	\$-		\$-	0.00
4				\$ -		\$-		\$ -	:	s -			\$-	\$-		\$-	0.00
5				\$ -		\$ -		\$ -		s -			\$-	\$-		\$-	0.00
	Total \$ 79.59 Total \$ 13.795.18												780.00				

#### 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

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% supervisory costs, in the indirect labor option 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 completed 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 tasks. 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 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 4 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).

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland 2015-20	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhe In the space provided below, indicate how your organization a overhead amo	ead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). allocates overhead to this particular contract, what items go into your overhead, and what that nount 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	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 foure to the Raw materials. Direct labor and Delivery for a total cost. Divide
OR	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum	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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	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.
	Time required to complete contract 780 Total Assigned Overhead \$ -
Worksheet	WORK AREA:
Total Annual Operations           INDIRECT COSTS         ORGANIZATION         DEPARTMENTAL           Management Salaries	Use the area below to show how you arrived at the final figure that you show as your total Overhead

Repairs & Maintenance-offic Cleaning and Maintenance Office Equipment Rental Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other: \* Other: \*

Other: \* TOTAL INDIRECT COSTS

CPI Factor from BLS (see link below)

http://www.bls.gov/ro9/mostrequ.htm Total \$

\$

- \$

-

1.65%

Sales & Administrative Medical Insurance Sales & Administrative Pension Plan Expense Office Rent Advertising and Public Education Background Checks & Urinalysis Professional & Accounting / Audit Fees Training & Worker Safety Insurance Telephone Utilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance

# **Delivery & Reserve** Pathway Enterprises, Inc.

City of Ashland 2015-2016 Ashland Police Department

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 2015-2016		
Executive Director Signature:		
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 233.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 166.17
	Subtotal 1	\$ 399.46
Labor		
Direct Labor	(from labor daily worksheet)	\$ 12,061.94
Overhead		
See Overhead Worksheet		\$ 2,751.22
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before Margin	\$ 15,212.62
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 971.02
	Total Bid Yearly	\$ 16,183.63
	Monthly	\$ 1,348.64

Pathway Enterprises, Inc. Ashland Service Center 2015-2016

### 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	Units Needed		Monthly	Annual Cost		
	Dia a O Disinfactorat	¢	Price		¢	Cost	¢	Cost	
1	Pine Q Disinfectant	\$	4.80	0.1666	<del>,</del> ⊅ €	0.80	<del>у</del> с	9.60	
2	Clean Cleanser	Ъ Ф	2.91	0.1000	Э С	0.48	9 6	0.62	
3	Glass Cleaner	\$	6.29	0.1666	<b>⊅</b> €	1.05	⊅ ¢	12.57	
4	Heavy Duty Cleanser	\$	4.80	0.1666	≯ ¢	0.80	≯ €	9.60	
8	24 oz Bottle & trigger	\$	2.27	0.1666	≯ ¢	0.38	≯ €	4.54	
9		\$	1.71	0.5000	≯ ¢	0.86	≯ €	10.26	
10	Scrapper vv/blades	\$	6.51	0.1666	\$	1.08	\$	13.01	
11	! OZ Pumps	\$	2.31	0.1666	\$	0.38	\$	4.62	
12	Paper Filter	\$	21.10	0.3332	\$	7.03	\$	84.37	
13	Std Loop end Mop	\$	5.65	0.3332	\$	1.88	\$	22.59	
14	24" Dust mop	\$	4.26	0.1666	\$	0.71	\$	8.52	
15	Doodlebug BN Pads	\$	1.18	0.1666	\$	0.20	\$	2.36	
16	Duster - expandable	\$	5.75	0.1666	\$	0.96	\$	11.50	
17	Spot Away	\$	2.74	0.3332	\$	0.91	\$	10.96	
18	Cleaning Pads	\$	4.70	0.1666	\$	0.78	\$	9.40	
19	Wax Mop	\$	6.80	0.1666	\$	1.13	\$	13.59	
20					\$	-	\$	-	
21					\$	-	\$	-	
22					\$	-	\$	-	
23					\$	-	\$	-	
24					\$	-	\$	-	
25					\$	-	\$	-	
26					\$	-	\$	-	
27					\$	-	\$	-	
28					\$	-	\$	-	
29					\$	-	\$	-	
30					\$	-	\$	-	
31					\$	-	\$	-	
32					\$	-	\$	-	
33					\$	_	\$	-	
34		-			\$	-	\$	-	
35		-			\$	-	\$	-	
36					\$	_	\$	_	
37					\$	_	\$	_	
38					\$	-	\$	-	
30					\$	_	\$	-	
40					¢ ¢		φ \$		
-10				Total	\$	19.44	φ \$	233.20	

### 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 2015-2016

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.

SU			
Description	Cost per Time	Times per Year	
			\$ -

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	U	nits Cost Per Year	Project % Use	l U	Project nit Cost	# of Units	;	A	nnual Cost
1 Wind	dsor Vacuum	\$ 401.00	36	12	33%	\$	133.67	100%	\$	133.67		1	\$	133.67
2				12										
3				12										
4 Mop	buckets and presses	\$ 65.00	24	12	50%	\$	32.50	100%	\$	32.50		1	\$	32.50
5				12										
6				12										
7				12										
8				12										
9				12										
10				12										
11				12										
12				12										
13				12										
14				12										
15				12										
_											Total		\$	166 17

#### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### Ashland Service Center 2015-2016

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor	3.25	\$ 14.42	100%	\$ 46.87	0.0765	\$ 3.59	6.00%	\$ 2.81	3.00%	5 1.41	6.00%		\$ 2.81	\$ 57.48	208	\$ 11,955.82	676.00
2 Supervisor	0.50	\$ 14.42	100%	\$ 7.21	0.0765	\$ 0.55	6.00%	\$ 0.43	3.00%	0.22	6.00%		\$ 0.43	\$ 8.84	12	\$ 106.12	6.00
3				\$ -		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
4				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
5				\$ -		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
6				\$-		\$-		\$ -	:	s -			\$-	\$-		\$ -	0.00
7				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
8				\$-		\$-		\$ -	:	s -			\$-	\$-		\$ -	0.00
9				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
0				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
1				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
2				\$-		\$-		\$ -		s -			\$-	\$-		\$ -	0.00
3				\$-		\$-		\$ -	:	s -			\$-	\$-		\$ -	0.00
4				\$ -		\$ -		\$ -		s -			\$-	\$-		\$ -	0.00
5				\$-		\$-		\$ -	:	s -			\$-	\$-		\$ -	0.00
													Total	\$ 66.32	Total	\$ 12.061.94	682.00

PTO

#### 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

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% supervisory could 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. (abs.9). To 2 people working at 100% productivity for 2 hrs. each. (2x-42)

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).

OVERHEAD Overhead Costs Pathway Enterpris Ashland Service Ce	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate ove In the space provided below, indicate how your organizatio overhead a	head internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). a allocates overhead to this particular contract, what items go into your overhead, and what that nount is (whether as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHOD	S DETAILED BELOW!
1. Enter Overhead as a Percent of Total Costs OR	Percent of Total Cost Method:           For every dollar spent producing a final product, or providing a service, a certain percentage of that dollar required for overhead. To calculate the overhead percentage, it is best to have financial records for you organization that go back a year or more. Add together the expenditures that make up the overhead core worksheet below). Now add this figure to the Raw materials, Direct labor and Delivery for a total cost. The result is a percent that represents overhead as percentage of the total cost. If financial records are not available estimate the overhead expenses as be can, estimate other costs as best you can, and use the same formula to get a percentage.
2. Enter Allocated Overhead as a Dollar-Figure Sum	Dollar-Figure Sum Method:     You can enter the dollar amount you are allocating to overhead in the box if you are confident that you or allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	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 costs of the entire entity as detailed below. Line items which are not detailed below should be input into the cells mar "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 hoo out by your entire organization for the same period. These figures should be found on the year end payroll report. Do include hours which can be classified as management or administrative costs. (Including these costs into the direct lab hour total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the to 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         682         Total Assigned Overhead         \$
Worksheet Total Annual Operations	WORK AREA: Use the area below to show how you arrived at the final figure
INDIRECT COSTS ORGANIZATION DEPARTMENTAL	that you show as your total Overhead

	Total Annua	al Operations
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL
Management Salaries		
Management Pavroll Tax Expense		
Management Medical Insurance		
Management Pension Plan Expense		
Sales & Administrative Salaries		
Sales & Administrative Payroll Tax Expense		
Sales & Administrative Medical Insurance		
Sales & Administrative Pension Plan Expense		
Office Rent		
Advertising and Public Education		
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees		
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees		
Dues & Subscriptions		
Depreciation-office building		
Depreciation-office equipment		
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies		
Postage & Freight		
Rehab		
Miscellaneous Expense		
Bad Debts		
Other: *		
TOTAL INDIRECT COSTS	\$ -	\$ -
CPI Factor from BLS (see link below)	1.65%	1.65
http://www.bls.gov/ro9/mostrequ.htm		
Total	\$ -	

at you show as your total Overhead

Ashland Service Center 2015-2016

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 2015-2016 Street	t and Shop	
Executive Director Signature:		
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 134.25
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 166.17
	Sub	total 1 \$ 300.41
Labor		
Direct Labor	(from labor daily worksheet)	\$ 3,678.72
Overhead See Overhead Worksheet		\$ 878.51
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before M	Margin \$ 4,857.64
<b>Reserve</b> Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 310.06
	Total Bid	Vearly \$ 5 167 70
	n otar Biu M	onthly \$ 3,107.70
	III.	400.04

Pathway Enterprises, Inc. City of Ashland 2015-2016 Street and Shop

### 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	Units Needed	Monthly	Annual
		Price	Per Month	Cost	Cost
1	Pine Q Disinfectant	\$ 4.80	0.0833	\$ 0.40	\$ 4.80
2	Cream Cleanser	\$ 2.91	0.0833	\$ 0.24	\$ 2.91
3	Glass Cleaner	\$ 6.29	0.0833	\$ 0.52	\$ 6.29
4	Heavy Duty Cleanser	\$ 4.80	0.0833	\$ 0.40	\$ 4.80
5	Oder Counteractant	\$ 30.65		\$ -	\$ -
6	Carpet Lane	\$ 5.00		\$ -	\$ -
7	Carpet Shampoo	\$ 13.01		\$ -	\$ -
8	Emulsifier Extract	\$ 2.27		\$ -	\$ -
9	Acrylic Bowl Mops	\$ 1.71	0.1666	\$ 0.28	\$ 3.42
10	Scrapper W/blades	\$ 6.51	0.0833	\$ 0.54	\$ 6.51
11	! OZ Pumps	\$ 2.31	0.0833	\$ 0.19	\$ 2.31
12	Paper Filter	\$ 21.10	0.1666	\$ 3.52	\$ 42.18
13	Std Loop end Mop	\$ 5.65	0.1666	\$ 0.94	\$ 11.30
14	24" Dust mop	\$ 4.26	0.0833	\$ 0.35	\$ 4.26
15	Doodlebug BN Pads	\$ 1.18	0.1666	\$ 0.20	\$ 2.36
16	Duster - expandable	\$ 5.75	0.1666	\$ 0.96	\$ 11.50
17	Spot Away	\$ 2.74	0.3332	\$ 0.91	\$ 10.96
18	24 oz bottle/w trigger	\$ 4.70	0.0833	\$ 0.39	\$ 4.70
19	Wax mop	\$ 6.80	0.0833	\$ 0.57	\$ 6.80
20	Cleaning Pads	\$ 4.59	0.1666	\$ 0.76	\$ 9.18
21				\$ -	\$ -
22				\$ -	\$ -
23				\$ -	\$ -
24				\$ -	\$ -
25				\$ -	\$ -
26				\$ -	\$ -
27				\$ -	\$ -
28				\$ -	\$ -
29				\$ -	\$ -
30				\$ -	\$ -
31				\$ -	\$ -
32				\$ -	\$ -
33				\$ -	\$ -
34				\$ -	\$ -
35				\$ -	\$ -
36				\$ -	\$ -
37				\$ -	\$ -
38				\$ -	\$ -
39				\$ -	\$ -
40				\$ -	\$ -
		 	Total	\$ 11.19	\$ 134.25

### 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 2015-2016 Street and Shop

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 Per	s Cost Year	Project % Use	F	Project nit Cost	# of Unit	f :s	A	nnual Cost
1 Windsor Vacuum	\$ 401.00	36	12	33%	\$	133.67	100%	\$	133.67		1	\$	133.67
2			12										
3			12										
4 Mopbuckets and presses	\$ 65.00	24	12	50%	\$	32.50	100%	\$	32.50		1	\$	32.50
5			12										
6			12										
7			12										
8			12										
9			12										
10			12										
1			12										
12			12										
3			12										
4			12										
15			12										
										Tota	al	\$	166 17

#### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

PTO

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### City of Ashland 2015-2016 Street and Shop

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor x 5	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00% \$	6 0.43	6.00%		\$ 0.87	\$ 17.69	156	\$ 2,759.04	156.00
2 Supervisor	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00% \$	6 0.43	6.00%		\$ 0.87	\$ 17.69	52	\$ 919.68	52.00
3				\$-		\$-		\$ -		- í			\$-	\$-		\$ -	0.00
4				\$-		\$-		\$ -		- S			\$ -	\$-		\$-	0.00
5				\$ -		\$-		\$ -	0,	5 -			\$-	\$ -		\$ -	0.00
6				\$ -		\$-		\$ -	9	S -			\$ -	\$-		\$-	0.00
7				\$ -		\$-		\$-	0,	5 -			\$-	\$-		\$ -	0.00
8				\$ -		\$-		\$ -		S -			\$ -	\$-		\$-	0.00
9				\$-		\$-		\$ -		- S			\$ -	\$-		\$-	0.00
10				\$ -		\$-		\$ -	0,	S -			\$ -	\$-		\$-	0.00
11				\$-		\$-		\$ -		- S			\$ -	\$-		\$-	0.00
12				\$-		\$-		\$ -		S -			\$ -	\$-		\$-	0.00
13				\$-		\$-		\$ -		- í			\$-	\$-		\$ -	0.00
14				\$ -		\$ -		\$ -	5	; -			\$ -	\$ -		\$ -	0.00
15				\$-		\$-		\$ -		- í			\$-	\$-		\$ -	0.00
													Total	\$ 35.37	Total	\$ 367872	208.00

#### 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

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% 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 tasks. 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 4 hrs. each (2X+2)

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.)

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland 2015-201	6 Street and S	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhee In the space provided below, indicate how your organization al overhead amou	ad internall llocates ove unt is (whet	y (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). wrhead to this particular contract, what items go into your overhead, and what that her as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS [	DETAILE	ED BELOW!
1. Enter Overhead as a Percent of Total Costs	17.00%	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum		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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	Percen To identify costs of the "other"; ple expenses out by you include ho hour total y projected I	t of Total Direct Labor Method: overhead costs, you need the financial records for your organization or division for the past year. Input all the e entire entity as detailed below. Line items which are not detailed below should be input into the cells marked ase include a description. What you are trying to determine is a percentage, therefore, do not gross up the for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid r entire organization for the same period. These figures should be found on the year end payroll report. Do not urs which can be classified as management or administrative costs. (Including these costs into the direct labor will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total abor hours for the contract into the total projected labor hours for the current year.
	To Inp Ov Tin <b>To</b>	tal Annual Direct Labor Hours  Dut Total from Worksheet on Below erhead per labor hour  ne required to complete contract  tal Assigned Overhead  \$ -
Worksheet	V	VORK AREA: se the area below to show how you arrived at the final figure

	Total Annual Operations					
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL				
Management Salaries						
Management Payroll Tax Expense						
Management Medical Insurance						
Management Pension Plan Expense						
Sales & Administrative Salaries						
Sales & Administrative Payroll Tax Expense						
Sales & Administrative Medical Insurance						
Sales & Administrative Pension Plan Expense						
Office Rent						
Advertising and Public Education						
Background Checks & Urinalysis						
Professional & Accounting / Audit Fees						
Training & Worker Safety						
Insurance						
Telephone						
Utilities						
Property Taxes/Licenses/Fees						
Dues & Subscriptions						
Depreciation-office building						
Depreciation-office equipment						
Repairs & Maintenance-office						
Cleaning and Maintenance						
Office Equipment Rental						
Office Supplies						
Postage & Freight						
Rehab						
Miscellaneous Expense						
Bad Debts						
Other: *						
Other: *						
Other: *						
Other: *						
TOTAL INDIRECT COSTS	\$ -	\$ -				
CPI Factor from BLS (see link below)	1.65%	1.65%				
http://www.bls.gov/ro9/mostrequ.htm						
Total	\$ -					

that you show as your total Overhead

# **Delivery & Reserve** Pathway Enterprises, Inc.

City of Ashland 2015-2016 Street and Shop

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.		
Executive Director Signature:		
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 233.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 166.17
	Subtotal 1	\$ 399.46
Labor		
Direct Labor	(from labor daily worksheet)	\$ 8,277.11
Overhead		
See Overhead Worksheet		\$ 1,915.61
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before Margin	\$ 10,592.17
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 676.10
	Total Pid Voorly	¢ 11.260.27
	Monthly	φ 11,208.27 \$ 939.02
	wontiny	ψ 555.02

Pathway Enterprises, Inc. City of Ashland The Grove 2015-2016

### 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	Pine Q Disinfectant	\$ 4.80	0.1666	\$ 0.80	\$ 9.60
2	Cream Cleanser	\$ 2.91	0.1666	\$ 0.48	\$ 5.82
3	Glass Cleaner	\$ 6.29	0.1666	\$ 1.05	\$ 12.57
4	Heavy Duty Cleanser	\$ 4.80	0.1666	\$ 0.80	\$ 9.60
8	24 oz Bottle & trigger	\$ 2.27	0.1666	\$ 0.38	\$ 4.54
9	Acrylic Bowl Mops	\$ 1.71	0.5000	\$ 0.86	\$ 10.26
10	Scrapper W/blades	\$ 6.51	0.1666	\$ 1.08	\$ 13.01
11	! OZ Pumps	\$ 2.31	0.1666	\$ 0.38	\$ 4.62
12	Paper Filter	\$ 21.10	0.3332	\$ 7.03	\$ 84.37
13	Std Loop end Mop	\$ 5.65	0.3332	\$ 1.88	\$ 22.59
14	24" Dust mop	\$ 4.26	0.1666	\$ 0.71	\$ 8.52
15	Doodlebug BN Pads	\$ 1.18	0.1666	\$ 0.20	\$ 2.36
16	Duster - expandable	\$ 5.75	0.1666	\$ 0.96	\$ 11.50
17	Spot Away	\$ 2.74	0.3332	\$ 0.91	\$ 10.96
18	Cleaning Pads	\$ 4.70	0.1666	\$ 0.78	\$ 9.40
19	Wax Mop	\$ 6.80	0.1666	\$ 1.13	\$ 13.59
20				\$ -	\$ -
21				\$ -	\$ -
22				\$ -	\$ -
23				\$ -	\$ -
24				\$ -	\$ -
25				\$ -	\$ -
26				\$ -	\$ -
27				\$ -	\$ -
28				\$ -	\$ -
29				\$ -	\$ -
30				\$ -	\$ -
31				\$ -	\$ -
32				\$ -	\$ -
33				\$ -	\$ -
34				\$ -	\$ -
35				\$ -	\$ -
36				\$ -	\$ -
37				\$ -	\$ -
38				\$ -	\$ -
39				\$ -	\$ -
40				\$ -	\$ -
			Total	\$ 19.44	\$ 233.29

### 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 The Grove 2015-2016

The following Equipment & Tools are examples which may be required to do the jol	D:
--	----

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.

SU			
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 Windsor Vacuum	\$ 401.00	36	12	33%	\$ 133.67	100%	\$ 133.67	1	\$ 133.67
2			12						
3			12						
4 Mopbuckets and presses	\$ 65.00	24	12	50%	\$ 32.50	100%	\$ 32.50	1	\$ 32.50
5			12						
6			12						
7			12						
8			12						
9			12						
0			12						
1			12						
2			12						
3			12						
4			12						
5			12						
		•	•	•	•	•		Total	\$ 166.17

#### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### City of Ashland The Grove 2015-2016

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor	4.00	\$ 14.42	100%	\$ 57.68	0.0765	\$ 4.41	6.00%	\$ 3.46	3.00%	5 1.73	6.00%		\$ 3.46	\$ 70.74	104	\$ 7,357.43	416.00
2 Supervisor	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00% \$	6 0.43	6.00%		\$ 0.87	\$ 17.69	52	\$ 919.68	52.00
3				\$ -		\$-		\$ -	40	; -			\$-	\$-		\$ -	0.00
4				\$ -		\$-		\$ -		i -			\$-	\$-		\$ -	0.00
5				\$ -		\$-		\$ -	40	; -			\$-	\$-		\$ -	0.00
6				\$ -		\$-		\$ -		i -			\$-	\$-		\$ -	0.00
7				\$ -		\$-		\$ -	40	<b>;</b> -			\$-	\$-		\$ -	0.00
8				\$ -		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
9				\$ -		\$ -		\$ -		; -			\$-	\$ -		\$ -	0.00
0				\$ -		\$ -		\$ -	0,	<b>;</b> -			\$-	\$-		\$ -	0.00
1				\$ -		\$-		\$ -		<b>;</b> -			\$-	\$-		\$ -	0.00
2				\$ -		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
3				\$ -		\$-		\$ -	9	; -			\$-	\$-		\$ -	0.00
4				\$ -		\$ -		\$ -		i -			\$ -	\$ -		\$ -	0.00
5				\$ -		\$-		\$ -	9	; -			\$-	\$-		\$ -	0.00
													Total	\$ 88.43	Total	\$ 8,277,11	468.00

PTO

#### 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

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% supervisory could 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 completed 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 tasks. 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 4 hrs. each (2x4=8). It could also be done by 8 people working at 50% productivity for 4 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).

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland The Grov	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhea In the space provided below, indicate how your organization all overhead amou	ad internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). Ilocates overhead to this particular contract, what items go into your overhead, and what that unt is (whether as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS D	DETAILED BELOW!
1. Enter Overhead as a Percent of Total Costs	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum	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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	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" leases 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 468 Total Assigned Overhead \$-
Worksheet Total Annual Operations	WORK AREA: Use the area below to show how you arrived at the final figure

	Total Annual Operations					
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL				
Management Salaries						
Management Payroll Tax Expense						
Management Medical Insurance						
Management Pension Plan Expense						
Sales & Administrative Salaries						
Sales & Administrative Payroll Tax Expense						
Sales & Administrative Medical Insurance						
Sales & Administrative Pension Plan Expense						
Office Rent						
Advertising and Public Education						
Background Checks & Urinalysis						
Professional & Accounting / Audit Fees						
Training & Worker Safety						
Insurance						
Telephone						
Utilities						
Property Taxes/Licenses/Fees						
Dues & Subscriptions						
Depreciation-office building						
Depreciation-office equipment						
Repairs & Maintenance-office						
Cleaning and Maintenance						
Office Equipment Rental						
Office Supplies						
Postage & Freight						
Rehab						
Miscellaneous Expense						
Bad Debts						
Other: *						
Other: *						
Other: *						
Other: *						
TOTAL INDIRECT COSTS	\$ -	\$ -				
CPI Factor from BLS (see link below)	1.65%	1.65%				
http://www.bls.gov/ro9/mostrequ.htm						
Total	\$ -					

hat you show as your total Overhead

Page 5

City of Ashland The Grove 2015-2016

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 Project	Pathway Enterprises, Inc. City of Ashland Police Sub Station 15-16		
Executive Di	rector Signature:		
Raw Materia Per Time Use Equipment, T	Is e - Supplies ools & Subcontracting	(from supplies worksheet) (from small equipment worksheet)	\$ 37.39 \$ -
<b>Labor</b> Direct Labor		(from labor daily worksheet)	\$ 1,025.80
<b>Overhead</b> See Overhea	d Worksheet		\$ 234.73
<b>Delivery</b> Transportatio	n	(from Trans & Reserve worksheet)	\$-
		Total Before	Margin \$ 1,297.91
<b>Reserve</b> Margin Held i	n Reserve	(from Trans & Reserve worksheet)	\$ 82.85
		Total Bid M	Yearly \$ 1,380.75 onthly \$ 115.06

Pathway Enterprises, Inc. City of Ashland Police Sub Station 15-16

### Raw Materials:

Supplies

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	Units Needed	Monthly	Annual
		Price	Per Month	Cost	Cost
1	Pine Q Disinfectant	\$ 4.80	0.1666	\$ 0.80	\$ 9.60
2	Cream Cleanser	\$ 2.91	0.1666	\$ 0.48	\$ 5.82
3	Glass Cleaner	\$ 6.29	0.1666	\$ 1.05	\$ 12.57
4	Heavy Duty Cleanser	\$ 4.80	-	\$ -	\$ -
8	24 oz Bottle & trigger	\$ 2.27	-	\$ -	\$ -
9	Acrylic Bowl Mops	\$ 1.71	-	\$ -	\$ -
10	Scrapper W/blades	\$ 6.51	-	\$ -	\$ -
11	! OZ Pumps	\$ 2.31	-	\$ -	\$ -
12	Paper Filter	\$ 21.10	-	\$ -	\$ -
13	Std Loop end Mop	\$ 5.65	-	\$ -	\$ -
14	24" Dust mop	\$ 4.26	-	\$ -	\$ -
15	Doodlebug BN Pads	\$ 1.18	-	\$ -	\$ -
16	Duster - expandable	\$ 5.75	-	\$ -	\$ -
17	Spot Away	\$ 2.74	-	\$ -	\$ -
18	Cleaning Pads	\$ 4.70	0.1666	\$ 0.78	\$ 9.40
19	Wax Mop	\$ 6.80	-	\$ -	\$ -
20	·			\$ -	\$ -
21				\$ -	\$ -
22				\$ -	\$ -
23				\$ -	\$ -
24				\$ -	\$ -
25				\$ -	\$ -
26				\$ -	\$ -
27				\$ -	\$ -
28				\$ -	\$ -
29				\$ -	\$ -
30				\$ -	\$ -
31				\$ -	\$ -
32				\$ -	\$ -
33				\$ -	\$ -
34				\$ -	\$ -
35				\$ -	\$ -
36				\$ -	\$ -
37				\$ -	\$ -
38				\$ -	\$ -
39				\$ -	\$ -
40				\$ -	\$ -
			Total	\$ 3.12	\$ 37.39

### 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 15-16

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.

SU			
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						
0				12						
1				12						
2				12						
3				12						
4				12						
5				12						
									Total	s -

#### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

6%

PTO

#### LABOR

Direct Labor Pathway Enterprises, Inc.

#### City of Ashland Police Sub Station 15-16

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	6 0.43	6.00%		\$ 0.87	\$ 17.69	52	\$ 919.68	52.00
2 Supervisor	0.50	\$ 14.42	100%	\$ 7.21	0.0765	\$ 0.55	6.00%	\$ 0.43	3.00% \$	6 0.22	6.00%		\$ 0.43	\$ 8.84	12	\$ 106.12	6.00
3				\$-		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
4				\$-		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
5				\$-		\$-		\$ -		· ·			\$-	\$-		\$ -	0.00
6				\$-		•		\$ -	5	; -			\$-	\$-		\$ -	0.00
7				\$-		\$-		\$ -	5	- S			\$-	\$-		\$ -	0.00
8				\$-		\$-		\$ -		· ·			\$-	\$-		\$ -	0.00
9				\$-		•		\$ -	5	; -			\$-	\$-		\$ -	0.00
0				\$-		\$-		\$ -		· ·			\$-	\$-		\$ -	0.00
1				\$-		•		\$ -	5	; -			\$-	\$-		\$ -	0.00
2				\$-		\$-		\$ -	5	- S			\$-	\$-		\$ -	0.00
3				\$-		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
4				\$-		\$-		\$ -		; -			\$-	\$-		\$ -	0.00
5				\$ -		\$-		\$ -	5	<b>)</b> -			\$-	\$-		\$ -	0.00
													Total	\$ 26.53	Total	\$ 1.025.80	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

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% supervisory could 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 tasks. 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 4 hrs. each (2X+2)

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).

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland Police Sub Stat	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhead in In the space provided below, indicate how your organization allocat overhead amount is	ternally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). tes overhead to this particular contract, what items go into your overhead, and what that s (whether as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS DET	AILED BELOW!
1. Enter Overhead as a Percent of Total Costs 17 OR	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum	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)     to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	ercent of Total Direct Labor Method: b) identify overhead costs, you need the financial records for your organization or division for the past year. Input all the sts of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked ther'; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the geneses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid it by your entire organization for the same period. These figures should be found on the year end payroll report. Do not clude hours which can be classified as management or administrative costs. (Including these costs into the direct labor bur total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total rojected 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 Total Annual Operations	WORK AREA: Use the area below to show how you arrived at the final figure

	Total Annual Operations		
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL	
Management Salaries			
Management Payroll Tax Expense			
Management Medical Insurance			
Management Pension Plan Expense			
Sales & Administrative Salaries			
Sales & Administrative Payroll Tax Expense			
Sales & Administrative Medical Insurance			
Sales & Administrative Pension Plan Expense			
Office Rent			
Advertising and Public Education			
Background Checks & Urinalysis			
Professional & Accounting / Audit Fees			
Training & Worker Safety			
Insurance			
Telephone			
Utilities			
Property Taxes/Licenses/Fees			
Dues & Subscriptions			
Depreciation-office building			
Depreciation-office equipment			
Repairs & Maintenance-office			
Cleaning and Maintenance			
Office Equipment Rental			
Office Supplies			
Postage & Freight			
Rehab			
Miscellaneous Expense			
Bad Debts			
Other: *			
TOTAL INDIRECT COSTS	\$-	\$-	
	4.050/	1.050	
CPI Factor from BLS (see link below)	1.65%	1.65%	
nttp://www.bis.gov/ros/mostrequ.htm	¢		
I OTAI	<b>پ</b> -		

that you show as your total Overhead

# **Delivery & Reserve** Pathway Enterprises, Inc.

City of Ashland Police Sub Station 15-16

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%





Rebecca Simpson; CEO

July 13, 2015

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

Ms. Dials,

I have prepared our janitorial service pricing proposal for the City of Ashland Parks based on the unchanged living wage of \$14.42 per hour. I propose that our annual price remain at \$55,392.24. The updated changes for 2015-2016 services are as follows –

Monthly	2014 - 2015	2015 - 2016	
Pioneer Hall & Community Ctr	1662.13	1662.13	
Parks Office	428.58	428.58	
Nature Center	381.57	381.57	
Senior Center	1373.8	1373.8	
Oak Knoll Pro Shop	270.22	270.22	
Carpet and Hard Floors	499.72	499.72	Difference
Total	4,616.02	4,616.02	-

Annual	2013-2014	2013-2014	
Pioneer Hall & Community Ctr	19945.56	19945.56	
Parks Office	5142.96	5142.96	
Nature Center	4578.84	4578.84	
Senior Center	16485.6	16485.6	
Oak Knoll Pro Shop	3242.64	3242.64	
Carpet and Hard Floors	5996.64	5996.64	Difference
Total	55,392.24	55,392.24	-




Rebecca Simpson; CEO

Pathway Enterprises, Inc. truly appreciates the partnership we have with you and we hope to continue providing an expanding variety of services to you and the people of the City of Ashland.

Sincerely,

Richard Simson

Richard Simpson Contract Services Director Pathway Enterprises, Inc. 1600 Skypark Drive, Suite 101 Medford, OR 97504 Office (541) 973-2728 Cell (541) 601-4550 Fax (541) 973-2729

# 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 Facility Floors 15-	16	
Executive Director Signature:		
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 739.40
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 213.41
	Subtotal 1	\$ 952.81
Labor		
Direct Labor	(from labor daily worksheet)	\$ 3,664.57
Overhead		
See Overhead Worksheet		\$ 1,019.42
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before Margin	\$ 5,636.80
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 359.80
	Total Bid Yearly	\$ 5,996.60
	Monthly	\$ 499.72

### RAW MATERIALS Supplies

Pathway Enterprises Inc. City of Ashland Parks Facility Floors 15-16

### 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	Units Needed		Monthly		Annual	
		Price	Per Month		Cost		Cost	
1	Pro Strip	74.22	0.08333	\$	6.18	\$	74.22	
2	Optimum Finish	10.2	0.3333	\$	3.40	\$	40.80	
3	Grease Lightning	8.64	0.08333	\$	0.72	\$	8.64	
4	Via Fresh Lemon Drop	15.81	0.08333	\$	1.32	\$	15.81	
5	Defoamer	16	0.08333	\$	1.33	\$	16.00	
6	Black Pads 20"	4.45	0.3333	\$	1.48	\$	17.80	
7	Green Pads 20"	4.45	0.3333	\$	1.48	\$	17.80	
8	Doodle Bug Pads	1.8	0.5	\$	0.90	\$	10.80	
9	Nuetral Cleaner SE#64	22.81	0.08333	\$	1.90	\$	22.81	
10	Blue Tape	8.26	0.5	\$	4.13	\$	49.56	
11	Rags	19.99	0.0833	\$	1.67	\$	19.98	
12	Carpet Cleaning Solution SE#62	19.05	0.0833	\$	1.59	\$	19.04	
13	Nitrile Gloves Large	7.85	0.08333	\$	0.65	\$	7.85	
14	Finish Mop Heads	7.21	0.25	\$	1.80	\$	21.63	
15	Mop Heads	13.11	0.3333	\$	4.37	\$	52.43	
16	Mop Handles	7.59	0.1667	\$	1.27	\$	15.18	
17	Broom	11.67	0.0833	\$	0.97	\$	11.67	
18	Dust Pan	6.29	0.0833	\$	0.52	\$	6.29	
19	Finish	12.25	1	\$	12.25	\$	147.00	
20	White Pads 20	4.45	1	\$	4.45	\$	53.40	
21	One Step	18.45	0.5	\$	9.23	\$	110.70	
22				\$	-	\$	-	
23				\$	-	\$	-	
24				\$	-	\$	-	
25				\$	-	\$	-	
26				\$	-	\$	-	
27				\$	-	\$	-	
28				\$	-	\$	-	
29				\$	-	\$	-	
30				\$	-	\$	-	
31				\$	-	\$	-	
32				\$	-	\$	-	
33				\$	-	\$	-	
34				\$	-	\$	-	
35				\$	-	\$	-	
36				\$	-	\$	-	
37				\$	_	\$	-	
38				\$	_	\$	-	
39				\$	_	\$	-	
40				\$		¢ \$	-	
11				¢ €		¢	_	
12				Ψ ¢		ф Ф		
42				Ψ \$	_	φ \$	_	
43				Э Ф		ф Ф	-	
-1-4 / 5				ф Ф	_	ф ¢	_	
40				φ Φ	-	φ Φ	-	
40				ф Ф	-	ф Ф	-	
41				ф Ф	-	ф Ф	-	
40				ф Ф	-	ф Ф	-	
49				¢	-	¢	-	
50	ļ		Tetal	ф Ф	-	¢ ¢	-	
			iotai	\$	01.62	\$	739.40	

### 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.

Equipment, Tools & Subcontractors Pathway Enterprises Inc. City of Ashland Parks Facility Floors 15-16

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.

SU			
	Cost per	Times per	
Description	Time	Year	
			\$ -

1 MO			Brico	of Asset	Life	Depreciation		lits Cost	Project % Uso	Р   Пе	roject	# Of		Annual
		¢	95 70	UI ASSEL	10	reicentage	¢		78 <b>USE</b>	6	2.96	Units	¢	0.50
		ф ф	65.79	30	12	33%	ф Ф	28.60	10%	Ф ¢	2.00	3	¢	00.00
		\$	520.00	24	12	50%	\$	260.00	10%	\$	26.00	1	\$	26.00
3 WE		\$	780.00	24	12	50%	\$	390.00	10%	\$	39.00	1	\$	39.00
4 PA	CESETTER BUFFER	\$	850.00	36	12	33%	\$	283.33	10%	\$	28.33	1	\$	28.33
5 CA	RPET BRUSH	\$	230.00	24	12	50%	\$	115.00	10%	\$	11.50	1	\$	11.50
6 EX	TRACTOR	\$	2,550.00	36	12	33%	\$	850.00	10%	\$	85.00	1	\$	85.00
7 HIG	GH PERFORMANCE FAN	\$	225.00	36	12	33%	\$	75.00	10%	\$	7.50	2	\$	15.00
8					12									
9					12									
10					12									
11					12									
12					12									
13					12									
14					12									
15					12									
16					12									
17					12									
10					12									
10					12									
19					12								_	
20					12									

### 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 Facility Floors 15-16

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Pioneer Carpet	0.00	\$ 14.42	100%	\$ -	0.0765 \$	-	6.00%	\$ -	3.00%	\$-	6.00%		\$-	\$-	2	\$-	0.00
2 Pioneer Hard FL	17.60	\$ 14.42	100%	\$ 253.79	0.0765 \$	19.42	6.00%	\$ 15.23	3.00%	\$ 7.61	6.00%		\$ 15.23	\$ 311.28	2	\$ 622.55	35.20
3 CC Carpet	0.00	\$ 14.42	100%	\$-	0.0765 \$	-	6.00%	\$ -	3.00%	\$-	6.00%		\$-	\$-	2	\$-	0.00
4 CC Hard FL	26.40	\$ 14.42	100%	\$ 380.69	0.0765 \$	29.12	6.00%	\$ 22.84	3.00%	\$ 11.42	6.00%		\$ 22.84	\$ 466.91	2	\$ 933.83	52.80
5 Parks Off Carpet	5.50	\$ 14.42	100%	\$ 79.31	0.0765 \$	6.07	6.00%	\$ 4.76	3.00%	\$ 2.38	6.00%		\$ 4.76	\$ 97.27	2	\$ 194.55	11.00
6 Parks Off Hard FL	6.60	\$ 14.42	100%	\$ 95.17	0.0765 \$	7.28	6.00%	\$ 5.71	3.00%	\$ 2.86	6.00%		\$ 5.71	\$ 116.73	2	\$ 233.46	13.20
7 Nature Carpet	5.50	\$ 14.42	100%	\$ 79.31	0.0765 \$	6.07	6.00%	\$ 4.76	3.00%	\$ 2.38	6.00%		\$ 4.76	\$ 97.27	2	\$ 194.55	11.00
8 Nature Hard FL	4.00	\$ 14.42	100%	\$ 57.68	0.0765 \$	4.41	6.00%	\$ 3.46	3.00%	\$ 1.73	6.00%		\$ 3.46	\$ 70.74	2	\$ 141.49	8.00
9 Pioneer Hard FL	1.00	\$ 14.42	100%	\$ 14.42	0.0765 \$	1.10	6.00%	\$ 0.87	3.00%	\$ 0.43	6.00%		\$ 0.87	\$ 17.69	24	\$ 424.47	24.00
10 CC Hard FL	1.00	\$ 14.42	100%	\$ 14.42	0.0765 \$	1.10	6.00%	\$ 0.87	3.00%	\$ 0.43	6.00%		\$ 0.87	\$ 17.69	52	\$ 919.68	52.00
11				\$-	9			\$ -		\$-			\$-	\$-		\$-	0.00
12				\$-	49			\$-		\$-			\$ -	\$-		\$-	0.00
13				\$	44			\$ -		\$-			\$-	\$-		\$-	0.00
14				\$	<b>4</b> 3			\$ -	1	\$-			\$-	\$-		\$-	0.00
15				\$	44			\$ -		\$-			\$-	\$-		\$-	0.00
16				\$	<b>4</b> 3			\$ -	1	\$-			\$-	\$-		\$-	0.00
17				\$-	43	-		\$ -	1	\$-			\$-	\$-		\$-	0.00
18				\$	44			\$ -		\$-			\$-	\$-		\$-	0.00
19				\$	<b>4</b> 3			\$ -	1	\$-			\$-	\$-		\$-	0.00
20				\$	44			\$ -		\$-			\$-	\$-		\$-	0.00
													Total	\$ 1,195.58	Total	\$ 3,664.57	207.20

#### 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

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% 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 tasks. 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 4 hrs. each (2X+2)

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 \$733.33/month).

DAS Form #12 J	
Revision 10-03	

Oregon Department of Administrative Services

List "Other Benefits" Provided

6%

eave

Project Costing Worksheet

<b>OVERHEAD</b> Overhead Costs Pathway Enterpris City of Ashland Park	s Facility Floors 15	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate ove In the space provided below, indicate how your organizatio overhead a	rhead internall n allocates ove mount is (whet	y (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). rhead to this particular contract, what items go into your overhead, and what that ther as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS 1. Enter Overhead as a Percent of Total Costs OR	<u>17.00%</u>	<b>ED BELOW!</b> 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.
2. Enter Allocated Overhead as a Dollar-Figure Sum		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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	Percen To identify costs of th "other"; ple expenses out by you include ho hour total • projected	At of Total Direct Labor Method: overhead costs, you need the financial records for your organization or division for the past year. Input all the e entire entiry as detailed below. Line items which are not detailed below should be input into the cells marked ease include a description. What you are trying to determine is a percentage, therefore, do not gross up the for inflation or to conform to the current year budget. Next, input into the cells below the total direct labor hours paid ir entire organization for the same period. These figures should be found on the year end payroll report. Do not will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total labor hours for the contract into the total projected labor hours for the current year.
	To Ing Ov Tir <b>Tc</b>	Ital Annual Direct Labor Hours
Worksheet Total Annual Operations		NORK AREA: se the area below to show how you arrived at the final figure

	Total Annua	I Annual Operations				
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL				
Management Salaries						
Management Payroll Tax Expense						
Management Medical Insurance						
Management Pension Plan Expense						
Sales & Administrative Salaries						
Sales & Administrative Payroll Tax Expense						
Sales & Administrative Medical Insurance						
Sales & Administrative Pension Plan Expense						
Office Rent						
Advertising and Public Education						
Background Checks & Urinalysis						
Professional & Accounting / Audit Fees						
Training & Worker Safety						
Insurance						
Telephone						
Utilities						
Property Taxes/Licenses/Fees						
Dues & Subscriptions						
Depreciation-office building						
Depreciation-office equipment						
Repairs & Maintenance-office						
Cleaning and Maintenance						
Office Equipment Rental						
Office Supplies						
Postage & Freight						
Rehab						
Miscellaneous Expense						
Bad Debts						
Other: *						
Other: *						
Other:						
Other: ^		<u>^</u>				
TOTAL INDIRECT COSTS	\$ -	\$ -				
CPI Factor from BLS (see link below)	3.15%	3.15%				
http://www.bls.gov/ro9/mostrequ.htm						
Total	\$	-				

that you show as your total Overhead

# **Delivery & Reserve**

# Oregon Department of Administrative Services Project Costing Worksheet

Pathway Enterprises Inc. City of Ashland Parks Facility Floors 15-16

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	Ann Trans	ual 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

# 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

Monthly \$

1,373.80

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 Senior Center 15-16 **Executive Director Signature: Raw Materials** Per Time Use - Supplies 870.96 (from supplies worksheet) Equipment, Tools & Subcontracting (from small equipment worksheet) 44.03 914.99 Subtotal 1 \$ Labor Direct Labor (from labor daily worksheet) 11,778.96 \$ Overhead See Overhead Worksheet 2,802.56 Delivery Transportation (from Trans & Reserve worksheet) \$ Total Before Margin \$ 15,496.51 Reserve Margin Held in Reserve (from Trans & Reserve worksheet) 989.14 \$ Total Bid Yearly \$ 16,485.65

Supplies Pathway Enterprises Inc.

City of Ashland Parks and Recreation Senior Center 15-16

# 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	Units Needed		Monthly		Annual		
			Price	Per Month		Cost		Cost		
1	SCRUBBING SPONGES	\$	1.36	1.0000	\$	1.36	\$	16.32		
2	CREAM CLEANSER	\$	3.06	1.0000	\$	3.06	\$	36.72		
3	#66 DISINFECTANT CLEANER	\$	42.40	0.1000	\$	4.24	\$	50.88		
4	#64 NUETRAL CLEANER	\$	88.00	0.1000	\$	8.80	\$	105.60		
5	#70 WASHROOM CLEANER	\$	97.44	0.0250	\$	2.44	\$	29.23		
6	#61 GLASS CLEANER	\$	85.20	0.0250	\$	2.13	\$	25.56		
7	UTILITY BRUSH	\$	2.74	0.0840	\$	0.23	\$	2.76		
8	ANGLER BROOM	\$	6.27	0.0840	\$	0.53	\$	6.32		
9	TOILET SCRUB BRUSH	\$	4.35	0.0840	\$	0.37	\$	4.38		
10	VINYL GLOVES LARGE	\$	9.89	0.5000	\$	4.95	\$	59.34		
11	LAMBSWOOL DUSTER	\$	4.90	0.0840	\$	0.41	\$	4.94		
12	DUST PAN	\$	2.52	0.0840	\$	0.21	\$	2.54		
13	PRO STRIP	\$	48.26	0.2000	\$	9.65	\$	115.82		
14	OPTIMUM FINISH	\$	52.16	0.3000	\$	15.65	\$	187.78		
15	BLACK PADS 20"	\$	19.24	0.1500	\$	2.89	\$	34.63		
16	FOLEX CARPET CLEANING SOLUTION	\$	16.21	0.1200	\$	1.95	\$	23.34		
17	SPRAY BOTTLES	\$	1.90	0.2500	\$	0.48	\$	5.70		
18	MOP HANDLE	\$	6.29	0.0840	\$	0.53	\$	6.34		
19	LARGE MOP HEADS	\$	5.20	0.5000	\$	2.60	\$	31.20		
20	ORANGE GEL EXTREME	\$	8.27	0.2000	\$	1.65	\$	19.85		
21	14" WINDOW SQUEEJIE	\$	8.95	0.0840	\$	0.75	\$	9.02		
22	14" STRIP WASHER	\$	4.37	0.0840	\$	0.37	\$	4.40		
23	PRO BUCKET	\$	21.98	0.0840	\$	1.85	\$	22.16		
24	MR CLEAN MAGIC ERASER	\$	5.51	1.0000	\$	5.51	\$	66.12		
25					\$	-	\$	-		
26					\$	-	\$	-		
27					\$	-	\$	-		
28					\$	-	\$	-		
29					\$	-	\$	-		
30					\$	-	\$	-		
31					\$	-	\$	-		
32					\$	-	\$	-		
33					\$	-	\$	-		
34					\$	-	\$	-		
35					\$		\$	-		
36					\$		\$	-		
37					¢ \$		\$	-		
38					¢ \$		φ \$	-		
30					¢ ¢		¢ ¢			
10					ф Ф		ф Ф			
40 //1					ф Ф		ф Ф			
41					ф Ф		ф Ф			
12					φ Φ		φ Φ			
40		-			¢	-	¢	-		
44		-			¢	-	¢	-		
40					ф Ф	-	φ Φ	-		
40 17					ф Ф	-	ф Ф	-		
41 10					ф Ф	-	ф Ф	-		
40					¢ ¢	-	¢	-		
49		├			¢	-	¢ D	-		
50		I		Tetal	¢ ¢	-	¢	-		
				iotai	\$	/2.58	\$	870.96		

### 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.

Equipment, Tools & Subcontractors Pathway Enterprises Inc. City of Ashland Parks and Recreation Senior Center 15-16

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.

SU			
Description	Cost per Time	Times per Year	
			\$ -

	Equipment	Unit	Useful life	Contract	Depreciation	Ur	nits Cost	Project	P	roject	# of	Annual
	Description	Price	of Asset	life	Percentage	P	Per Year	% Use	Ur	nit Cost	Units	Cost
1	MOP BUCKET WITH WRINGER	\$ 54.08	36	12	33%	\$	18.03	100%	\$	18.03	1	\$ 18.03
2	VACUUM CLEANER	\$ 520.00	24	12	50%	\$	260.00	10%	\$	26.00	1	\$ 26.00
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								
16				12								
17				12								
18				12								
19				12								
20				12								
											Total	\$ 44.03

### 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 15-16

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor Daily	1.75	\$ 14.42	100%	\$ 25.24	0.0765	\$ 1.93	6.00%	\$ 1.51	3.00%	0.76	6.00%		\$ 1.51	\$ 30.95	312	\$ 9,656.63	546.00
2 Supervisor	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00% \$	0.43	6.00%		\$ 0.87	\$ 17.69	24	\$ 424.47	24.00
3 Janitor Quarterly	16.00	\$ 14.42	100%	\$ 230.72	0.0765	\$ 17.65	6.00%	\$ 13.84	3.00%	6.92	6.00%		\$ 13.84	\$ 282.98	4	\$ 1,131.91	64.00
4 Janitor Semi Annual	4.00	\$ 14.42	100%	\$ 57.68	0.0765	\$ 4.41	6.00%	\$ 3.46	3.00% \$	1.73	6.00%		\$ 3.46	\$ 70.74	2	\$ 141.49	8.00
5 Janitor Burnish	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00% \$	0.43	6.00%		\$ 0.87	\$ 17.69	24	\$ 424.47	24.00
6				\$ -		\$ -		\$ -	97	- 1			\$-	\$-		\$-	0.00
7				\$ -		\$-		\$-	07	-			\$-	\$-		\$-	0.00
8				\$ -		ş -		\$ -	07	-			\$-	\$-		\$-	0.00
9				\$ -	1	ş -		\$ -	97				\$-	\$-		\$-	0.00
10				\$ -	1	ş -		\$ -		-			\$-	\$-		\$-	0.00
11				\$ -		\$ -		\$ -	97				\$-	\$-		\$-	0.00
12				\$ -	1	ş -		\$ -	0,	-			\$-	\$-		\$-	0.00
13				\$ -		\$ -		\$ -	97				\$-	\$-		\$-	0.00
14				\$ -	1	ş -		\$ -	97				\$-	\$-		\$-	0.00
15				\$ -		\$ -		\$ -	97				\$-	\$-		\$-	0.00
16				\$ -	1	ş -		\$ -	97				\$-	\$ -		\$-	0.00
17				\$ -		\$ -		\$-	4				\$-	\$-		\$-	0.00
18				\$ -		ş -		\$ -	07	-			\$-	\$-		\$-	0.00
19				\$ -		\$ -		\$ -	4	-			\$-	\$-		\$-	0.00
20				\$ -		\$-		\$ -		-			\$-	\$ -		\$-	0.00
													Total	\$ 420.05	Total	\$ 11 778 96	666.00

#### 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

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% 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 tasks. 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 4 hrs. each (2X+2)

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 \$733.33/month).

List "(	Other Benefits" Provided
Leave	6%

#### Oregon Department of Administrative Services Project Costing Worksheet

<b>OVERHEAD</b> Overhead Costs Pathway Enterpris City of Ashland Parks a	and Recreation S	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overho In the space provided below, indicate how your organization a overhead amo	ead internall allocates ove ount is (whet	y (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). arhead to this particular contract, what items go into your overhead, and what that ther as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS	DETAIL	ED BELOW!
1. Enter Overhead as a Percent of Total Costs OR	17.00%	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum		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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	Percen To identify costs of th "other"; ple expenses out by you include ho hour total ' projected I	It of Total Direct Labor Method: o vorehead costs, you need the financial records for your organization or division for the past year. Input all the is entire entity as detailed below. Line items which are not detailed below should be input into the cells marked ease include a description. What you are trying to determine is a percentage, therefore, do not gross up the for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid ir entire organization for the same period. These figures should be found on the year end payroll report. Do not purs which can be classified as management or administrative costs. (Including these costs into the direct labor will deflate the actual costs). The worksheet will compute the overhead as a line item cost by dividing the total labor hours for the contract into the total projected labor hours for the current year.
	To Ing Ov Tir <b>To</b>	Ital Annual Direct Labor Hours         put Total from Worksheet on Below         verhead per labor hour         \$         me required to complete contract         666         ptal Assigned Overhead         \$
Worksheet Total Annual Operations	<b>V</b> U:	NORK AREA: se the area below to show how you arrived at the final figure

	Total Annual Operations					
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL				
Management Salaries						
Management Payroll Tax Expense						
Management Medical Insurance						
Management Pension Plan Expense						
Sales & Administrative Salaries						
Sales & Administrative Payroll Tax Expense						
Sales & Administrative Medical Insurance						
Sales & Administrative Pension Plan Expense						
Office Rent						
Advertising and Public Education						
Background Checks & Urinalysis						
Professional & Accounting / Audit Fees						
Training & Worker Safety						
Insurance						
Telephone						
Utilities						
Property Taxes/Licenses/Fees						
Dues & Subscriptions						
Depreciation-office building						
Depreciation-office equipment						
Repairs & Maintenance-office						
Cleaning and Maintenance						
Office Equipment Rental						
Office Supplies						
Postage & Freight						
Rehab						
Miscellaneous Expense						
Bad Debts						
Other: *						
Other: *						
Other: *						
Other: *						
TOTAL INDIRECT COSTS	\$ -	\$ -				
CPI Factor from BLS (see link below)	3.15%	3.15%				
http://www.bls.gov/ro9/mostrequ.htm						
Total	\$					

that you show as your total Overhead

# **Delivery & Reserve**

# **Oregon Department of Administrative Services Project Costing Worksheet**

Pathway Enterprises Inc. City of Ashland Parks and Recreation Senior Center 15-16

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

# 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 15-16 **Executive Director Signature: Raw Materials** Per Time Use - Supplies 1.129.76 (from supplies worksheet) Equipment, Tools & Subcontracting (from small equipment worksheet) 44.03 Subtotal 1 \$ 1,173.79 Labor Direct Labor (from labor daily worksheet) \$ 14,184.28 Overhead See Overhead Worksheet 3,390.74 Delivery Transportation (from Trans & Reserve worksheet) \$ Total Before Margin \$ 18,748.80 Reserve Margin Held in Reserve 1,196.73 (from Trans & Reserve worksheet) \$ Total Bid Yearly \$ 19,945.53 Monthly \$ 1,662.13

Supplies Pathway Enterprises Inc.

Parks and Recreation Pioneer Hall & Community Center 15-16

# 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	Units Needed		Monthly		Annual
			Price	Per Month		Cost		Cost
1	SCRUBBING SPONGES	\$	1.36	3.0000	\$	4.08	\$	48.96
2	CREAM CLEANSER	\$	3.06	1.0000	\$	3.06	\$	36.72
3	#66 DISINFECTANT CLEANER	\$	42.40	0.2500	\$	10.60	\$	127.20
4	#64 NUETRAL CLEANER	\$	88.00	0.5000	\$	44.00	\$	528.00
5	#70 WASHROOM CLEANER	\$	97.44	0.0250	\$	2.44	\$	29.23
6	#61 GLASS CLEANER	\$	85.20	0.0250	\$	2.13	\$	25.56
7	UTILITY BRUSH	\$	2.74	0.0840	\$	0.23	\$	2.76
8	ANGLER BROOM	\$	6.27	0.0840	\$	0.53	\$	6.32
9	TOILET SCRUB BRUSH	\$	4.35	0.0840	\$	0.37	\$	4.38
10	VINYL GLOVES LARGE	\$	9.89	1.2500	\$	12.36	\$	148.35
11	LAMBSWOOL DUSTER	\$	4.90	0.0840	\$	0.41	\$	4.94
12	DUST PAN	\$	2.52	0.0840	\$	0.21	\$	2.54
13					\$	-	\$	-
14					\$	-	\$	-
15					\$	-	\$	-
16					\$	-	\$	-
17	SPRAY BOTTLES	\$	1.90	0.2500	\$	0.48	\$	5.70
18	MOP HANDLE	\$	6.29	0.0840	\$	0.53	\$	6.34
19	LARGE MOP HEADS	\$	5.20	0.5000	\$	2.60	\$	31.20
20	ORANGE GEL EXTREME	\$	8.27	0.2000	\$	1.65	\$	19.85
21	14" WINDOW SQUEEJIE	\$	8.95	0.0840	\$	0.75	\$	9.02
22	14" STRIP WASHER	\$	4.37	0.0840	\$	0.37	\$	4.40
23	PRO BUCKET	\$	21.98	0.0840	\$	1.85	\$	22.16
24	MR CLEAN MAGIC ERASER	\$	5.51	1 0000	\$	5.51	\$	66 12
25		Ψ	0.01		\$	-	\$	-
26					\$	-	\$	-
27					\$	-	\$	-
28					\$	-	\$	-
29					\$	-	\$	-
30					\$	-	\$	-
31					\$	-	\$	-
32				-	\$		\$	
33				-	\$		\$	
34				-	\$		\$	-
35					¢ \$		\$	-
36					Ψ \$		\$	
37					Ψ ¢		¢	
38					Ψ Ψ		Ψ Ψ	
30					Ψ Ψ		Ψ Ψ	
10					φ ¢		φ ¢	
40					ф Ф		ф Ф	
41					ф Ф		ф Ф	
42					φ ¢		φ ¢	
43					ф Ф	-	ф Ф	-
44		<u> </u>			Φ Φ	-	ф Ф	-
40					Ð ¢	-	¢	-
46		L			\$	-	\$	-
47		L			\$	-	\$	-
48					\$	-	\$	-
49		L			\$	-	\$	-
50		L			\$	-	\$	-
				Total	\$	94.15	\$	1,129.76

# 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.

Equipment, Tools & Subcontractors Pathway Enterprises Inc. Parks and Recreation Pioneer Hall & Community Center 15-16 Oregon Department of Administrative Services Project Costing Worksheet

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.

SU			
	Cost per	Times per	
Description	Time	Year	
			\$ -

	Equipment		Unit	Useful life	Contract	Depreciation	Ur	nits Cost	Project	P	Project	# of		Annual
	Description		Price	of Asset	life	Percentage	P	Per Year	% Use	U	nit Cost	Units		Cost
1	MOP BUCKET WITH WRINGER	\$	54.08	36	12	33%	\$	18.03	100%	\$	18.03	1	\$	18.03
2	VACUUM CLEANER	\$	520.00	24	12	50%	\$	260.00	10%	\$	26.00	1	\$	26.00
3		Ŧ			12		Ť			Ť			Ť	
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									
	<b>F</b>											Total	\$	44.03

### 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.

#### Direct Labor Pathway Enterprises Inc.

LABOR

Parks and Recreation Pioneer Hall & Community Center 15-16

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor 1 Daily	2.00	\$ 14.42	100%	\$ 28.84	0.0765 \$	2.21	6.00%	\$ 1.73	3.00% \$	0.87	6.00%		\$ 1.73	\$ 35.37	365	\$ 12,910.87	730.00
2 Supervisor	1.00	\$ 14.42	100%	\$ 14.42	0.0765 \$	1.10	6.00%	\$ 0.87	3.00% \$	0.43	6.00%		\$ 0.87	\$ 17.69	24	\$ 424.47	24.00
3 Janitor 1 Monthly	4.00	\$ 14.42	100%	\$ 57.68	0.0765 \$	4.41	6.00%	\$ 3.46	3.00% \$	1.73	6.00%		\$ 3.46	\$ 70.74	12	\$ 848.93	48.00
4				\$-	44			\$ -	6.9				\$-	\$-		\$ -	0.00
5				\$ -	49			\$-	69	-			\$ -	\$-		\$-	0.00
6				\$-	44			\$ -	6.9				\$-	\$-		\$ -	0.00
7				\$ -	49			- \$	69	-			\$-	\$-		\$ -	0.00
8				\$ -	49			\$-	69	-			\$ -	\$-		\$-	0.00
9				\$-	44			\$ -	6.9				\$-	\$-		\$ -	0.00
10				\$ -	49	-		\$	\$				\$-	\$-		\$-	0.00
11				\$ -	9	-		\$-	\$				\$-	\$-		\$ -	0.00
12				\$ -	\$			\$-	\$	-			\$-	\$-		\$-	0.00
13				\$ -	49	-		\$	\$				\$-	\$-		\$-	0.00
14				\$ -	93			\$ -	\$	-			\$-	\$-		\$-	0.00
15				\$ -	49	-		\$	\$				\$-	\$-		\$-	0.00
16				\$ -	99	-		\$-	\$				\$-	\$-		\$ -	0.00
17				\$ -	49			- \$	69	-			\$-	\$-		\$ -	0.00
18				\$ -	49	-		\$	\$				\$-	\$-		\$-	0.00
19				\$ -	44	-		\$ -	6.9				\$ -	\$-		\$ -	0.00
20				\$ -	49	-		\$	\$				\$-	\$-		\$-	0.00
													Total	\$ 123.80	Total	\$ 14,184,28	802.00

#### 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

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% 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 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 \$733.33/month).

em.	Leave
nultiply by % productivity.	

List "Other Benefits" Provided

6%

#### Oregon Department of Administrative Services Project Costing Worksheet

OVERHEAD Overhead Costs Pathway Enterpris Parks and Recreation Pioneer H	Oregon Department of Administrative Services Project Costing Worksheet Hall & Community Center 15-16
There are many different ways organizations allocate overhead im In the space provided below, indicate how your organization allocat overhead amount is	ternally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). ses overhead to this particular contract, what items go into your overhead, and what that s (whether as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS DET	AILED BELOW!
Enter Overhead as a Percent of Total Costs     17.	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
OR	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum	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
OR	allocate overhead items to this particular project. You can use the Worksheet as a tool (if needed) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	ercent of Total Direct Labor Method: bidentify overhead costs, you need the financial records for your organization or division for the past year. Input all the sts of the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked ther'; please include a description. What you are trying to determine is a percentage, therefore, do not gross up the penses for inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid it by your entire organization for the same period. These figures should be found on the year end payroll report. Do not clude hours which can be classified as management or administrative costs. (Including these costs into the direct labor four total will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total ojected 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     802       Total Assigned Overhead     \$ -
Worksheet	WORK AREA
	Use the area below to show how you arrived at the final figure that you show as your total Overhead

Management Medical Insurance			
Management Pension Plan Expense	<u> </u>		
Sales & Administrative Salaries			
Sales & Administrative Payroll Tax Expense			
Sales & Administrative Medical Insurance			
Sales & Administrative Pension Plan Expense			
Office Rent			
Advertising and Public Education			
Background Checks & Urinalysis			
Professional & Accounting / Audit Fees			
Training & Worker Safety			
Insurance			
Telephone			
Utilities			
Property Taxes/Licenses/Fees			
Dues & Subscriptions			
Depreciation-office building			
Depreciation-office equipment			
Repairs & Maintenance-office			
Cleaning and Maintenance			
Office Equipment Rental			
Office Supplies			
Postage & Freight			
Rehab			
Miscellaneous Expense			
Bad Debts			
Other: *			
TOTAL INDIRECT COSTS	\$	-	\$ -
CPI Factor from BLS (see link below)		3.15%	3.15%
http://www.bls.gov/ro9/mostrequ.htm			
Total	\$		-

# **Delivery & Reserve**

# Oregon Department of Administrative Services Project Costing Worksheet

Pathway Enterprises Inc. Parks and Recreation Pioneer Hall & Community Center 15-16

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.

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(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

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# 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 Off           Executive Director Signature:	ice 15-16	
Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 332.16
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 44.03
	Subtotal 1	\$ 376.19
Labor		
Direct Labor	(from labor daily worksheet)	\$ 3,583.92
Overhead See Overhead Worksheet		\$ 874.31
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
		<u> </u>
	Total Before Margin	\$ 4,834.41
Reserve		¢ 000 50
Margin Heid in Keserve	(from Trans & Reserve worksheet)	ъ <u>308.58</u>
	Total Bid Yearly	\$ 5,142.99
	Monthly	\$ 428.58

### RAW MATERIALS Supplies

Pathway Enterprises Inc. City of Ashland Parks and Recreation Office 15-16

# 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	Units Needed		Monthly		Annual
			Price	Per Month		Cost		Cost
1	SCRUBBING SPONGES	\$	1.36	1.0000	\$	1.36	\$	16.32
2	CREAM CLEANSER	\$	3.06	0.5000	\$	1.53	\$	18.36
3	#66 DISINFECTANT CLEANER	\$	42.40	0.0500	\$	2.12	\$	25.44
4	#64 NUETRAL CLEANER	\$	88.00	0.0500	\$	4.40	\$	52.80
5	#70 WASHROOM CLEANER	\$	97.44	0.0250	\$	2.44	\$	29.23
6	#61 GLASS CLEANER	\$	85.20	0.0250	\$	2.13	\$	25.56
7	UTILITY BRUSH	\$	2.74	0.0840	\$	0.23	\$	2.76
8	ANGLER BROOM	\$	6.27	0.0840	\$	0.53	\$	6.32
9	TOILET SCRUB BRUSH	\$	4.35	0.0840	\$	0.37	\$	4.38
10	VINYL GLOVES LARGE	\$	9.89	0.3000	\$	2.97	\$	35.60
11	LAMBSWOOL DUSTER	\$	4.90	0.0840	\$	0.41	\$	4.94
12	DUST PAN	\$	2.52	0.0840	\$	0.21	\$	2.54
13					\$	-	\$	-
14					\$	-	\$	-
15					\$	-	\$	-
16					\$	-	\$	-
17	SPRAY BOTTLES	\$	1.90	0.2500	\$	0.48	\$	5.70
18	MOP HANDLE	\$	6.29	0.0840	\$	0.53	\$	6.34
19	LARGE MOP HEADS	\$	5.20	0.3300	\$	1.72	\$	20.59
20	ORANGE GEL EXTREME	\$	8.27	0.2000	\$	1.65	\$	19.85
21	14" WINDOW SQUEEJIE	\$	8.95	0.0840	\$	0.75	\$	9.02
22	14" STRIP WASHER	\$	4.37	0.0840	\$	0.37	\$	4.40
23	PRO BUCKET	\$	21.98	0.0840	\$	1.85	\$	22.16
24	MR CLEAN MAGIC ERASER	\$	5.51	0.3000	\$	1.65	\$	19.84
25					\$	-	\$	-
26					\$	-	\$	-
27					\$	-	\$	-
28					\$	-	\$	-
29					\$	-	\$	-
30					\$	-	\$	-
31					\$	-	\$	-
32					\$	-	\$	-
33					\$	-	\$	-
34					\$	-	\$	-
35					\$	-	\$	-
36					\$	-	\$	-
37					\$	-	\$	-
38					\$	-	\$	-
39					\$	-	\$	-
40					\$		\$	-
41					\$		\$	-
42					\$		\$	-
43					¢ \$		¢ \$	-
40					¢ \$		φ \$	-
45		<u> </u>			\$	-	\$	-
46		-			φ \$		φ \$	_
47		-			Ψ \$		\$	_
48		-			Ψ \$		\$	_
10		-			φ Φ	-	φ Φ	-
49		-			ф Ф	-	Ф Ф	-
50		I		Total	ф Ф	-	ф Ф	322.46
				rotar	Ψ	27.08	Ð	332.10

# 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.

Equipment, Tools & Subcontractors Pathway Enterprises Inc. City of Ashland Parks and Recreation Office 15-16

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.

SU	BCONTRACT	ORS	
	Cost per	Times per	
Description	Time	Year	
			\$ -

	Equipment	Unit	Useful life	Contract	Depreciation	U	nits Cost	Project	F	Project	# of	Annual
	Description	Price	of Asset	life	Percentage	F	Per Year	% Use	U	nit Cost	Units	Cost
1	MOP BUCKET WITH WRINGER	\$ 54.08	36	12	33%	\$	18.03	100%	\$	18.03	1	\$ 18.03
2	VACUUM CLEANER	\$ 520.00	24	12	50%	\$	260.00	10%	\$	26.00	1	\$ 26.00
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								
16				12								
17				12								
18				12								
19				12								
20				12								
			•								Total	\$ 44.03

### 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.

#### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

6%

eave

#### LABOR

Direct Labor Pathway Enterprises Inc.

#### City of Ashland Parks and Recreation Office 15-16

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor 1 Daily	1.75	\$ 14.42	100%	\$ 25.24	0.0765	\$ 1.93	6.00%	\$ 1.51	3.00%	\$ 0.76	6.00%		\$ 1.51	\$ 30.95	104	\$ 3,218.88	182.00
2 Supervisor	0.36	\$ 14.42	100%	\$ 5.19	0.0765	\$ 0.40	6.00%	\$ 0.31	3.00%	\$ 0.16	6.00%		\$ 0.31	\$ 6.37	24	\$ 152.81	8.64
3 Janitor 1 Monthly	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	\$ 0.43	6.00%		\$ 0.87	\$ 17.69	12	\$ 212.23	12.00
4				\$-		\$-		\$ -		\$-			\$-	\$-		\$ -	0.00
5				\$-		\$-		\$ -		\$-			\$ -	\$-		\$-	0.00
6				\$ -	1	\$-		\$ -		\$ -			\$ -	\$ -		\$ -	0.00
7				\$ -	1	\$-		\$ -		\$-			\$-	\$-		\$ -	0.00
8				\$ -		\$ -		\$ -		\$ -			\$-	\$ -		\$-	0.00
9				\$ -	1	\$-		\$ -		\$ -			\$ -	\$ -		\$ -	0.00
10				\$ -	1	\$-		\$ -		\$ -			\$-	\$-		\$ -	0.00
11				\$ -		\$ -		\$ -		\$ -			\$-	\$ -		\$-	0.00
12				\$ -	1	\$-		\$ -		\$-			\$-	\$-		\$ -	0.00
13				\$ -		\$ -		\$ -		\$ -			\$-	\$ -		\$-	0.00
14				\$ -	1	\$-		\$ -		\$ -			\$ -	\$ -		\$ -	0.00
15				\$ -		\$ -		\$ -		\$ -			\$-	\$ -		\$-	0.00
16				\$ -	1	\$-		\$ -		\$ -			\$ -	\$ -		\$ -	0.00
17				\$ -		\$-		\$ -		\$ -			\$-	\$ -		\$-	0.00
18				\$-		\$-		\$ -		\$-			\$ -	\$-		\$ -	0.00
19				\$ -		\$-		\$ -		\$ -			\$ -	\$ -		\$ -	0.00
20				\$-		\$ -		\$ -		\$ -			\$ -	\$-		\$ -	0.00
													Total	\$ 55.00	Total	\$ 3,583.92	202.64

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

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% supervisory could 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 even seconds, the times must be completed 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. 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 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 \$733.33/month).

<b>OVERHEAD</b> Overhead Costs Pathway Enterpris City of Ashland Parks	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate over In the space provided below, indicate how your organization overhead an	head internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). I allocates overhead to this particular contract, what items go into your overhead, and what that nount 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 OR	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum	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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	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 courter 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         203         Total Assigned Overhead         \$ -
Worksheet           Total Annual Operations           INDIRECT COSTS         ORGANIZATION	WORK AREA: Use the area below to show how you arrived at the final figure that you show as your total Overhead

INDIRECT COSTS         ORGANIZATION         DEPARTMENTAL           Management Salaries		Total Annual Operations				
Management Salaries	INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL			
Management Payroll Tax Expense	Management Salaries					
Management Medical Insurance	Management Payroll Tax Expense					
Management Pension Plan Expense	Management Medical Insurance					
Sales & Administrative Salaries	Management Pension Plan Expense					
Sales & Administrative Payroll Tax Expense	Sales & Administrative Salaries					
Sales & Administrative Medical Insurance	Sales & Administrative Payroll Tax Expense					
Sales & Administrative Pension Plan Expense	Sales & Administrative Medical Insurance					
Office Rent     Image: Constraint of Constrain	Sales & Administrative Pension Plan Expense					
Advertising and Public Education Background Checks & Urinalysis Professional & Accounting / Audit Fees Training & Worker Safety Insurance Telephone Utilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Repairs & Maintenance Office Equipment Repairs & Maintenance Office Equipment Repairs & Maintenance Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other: * Other:	Office Rent					
Background Checks & Urinalysis Professional & Accounting / Audit Fees Training & Worker Safety Insurance Telephone Uilities Property Taxes/Licenses/Fees Dues & Subscriptions Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Supplies Cleaning and Maintenance Office Equipment Rental Office Supplies Dostage & Freight Rehab Miscellaneous Expense Bad Debts Other: * Other:	Advertising and Public Education					
Professional & Accounting / Àudit Fees Training & Worker Safety Insurance Insurance Insurance Insurance Insurance Insurance Interpreterment In	Background Checks & Urinalysis					
Training & Worker Safety Insurance I	Professional & Accounting / Audit Fees					
Insurance Telephone Telephone Telephone Telephone Telephone Telephone Telephone Telephone Total Telephone	Training & Worker Safety					
Telephone	Insurance					
Utilities	Telephone					
Property Taxes/Licenses/Fees Uues & Subscriptions Depreciation-office building Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Supplies Office Supplies Destage & Freight Rehab Miscellaneous Expense Bad Debts Other: * Other:	Utilities					
Dues & Subscriptions	Property Taxes/Licenses/Fees					
Depreciation-office building Depreciation-office quipment Repairs & Maintenance office Cleaning and Maintenance Office Equipment Rental Office Equipment Rental Office Supplies Postage & Freight Rehab Miscellaneous Expense Bad Debts Other: * Other	Dues & Subscriptions					
Depreciation-office equipment Repairs & Maintenance-office Cleaning and Maintenance Office Equipment Rental Office Supplies Office Supplies Cleaning and Maintenance Office Equipment Rental Office Supplies Cleaning and Maintenance CPI Factor from BLS (see link below) Supplies CPI Factor from BLS (see link below) Total Yota Cleaning and Supplies Cleaning and Supplies Cleaning and Supplies Cleaning and Supplies CPI Factor from BLS (see link below) Total Yota Cleaning and Supplies Cleaning	Depreciation-office building					
Repairs & Maintenance-office	Depreciation-office equipment					
Cleaning and Maintenance Office Equipment Rental Office Equipment Rental Office Supplies Postage & Freight Rehab Bad Debts Other: * Other: * Other: * Other: * Other: * Other: * CPI Factor from BLS (see link below) 3.15% 3.15%	Repairs & Maintenance-office					
Office Equipment Rental	Cleaning and Maintenance					
Office Supplies	Office Equipment Rental					
Postage & Freight	Office Supplies					
Rehab	Postage & Freight					
Miscellaneous Expense	Rehab					
Bad Debts	Miscellaneous Expense					
Other: *	Bad Debts					
Other: *	Other: *					
Other:*	Other: *					
Other:*	Other: *					
TOTAL INDIRECT COSTS \$ - \$ - CPI Factor from BLS (see link below) 3.15% 3.15% http://www.bls.gov/ro8/mostrequ.htm Total \$ -	Other: *					
CPI Factor from BLS (see link below) 3.15% 3.15% http://www.bls.gov/ro9/mostrequ.htm Total \$	TOTAL INDIRECT COSTS	\$ -	\$ -			
http://www.bis.gov/ro9/mostrequ.htm Total \$	CPI Factor from BLS (see link below)	3.15%	3.15%			
Total \$ -	http://www.bls.gov/ro9/mostrequ.htm					
	Total	\$	-			

DAS Form #12 J Revision 10-03

# **Delivery & Reserve**

Pathway Enterprises Inc. City of Ashland Parks and Recreation Office 15-16

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

# 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

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# QRF Name Pathway Enterprises Inc. Project City of Ashland Parks and Rec Oak Knoll Restrooms 15-16

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)	\$	182.55
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	24.00
	Su	btotal 1 \$	206.55
Labor		<u> </u>	
Direct Labor	(from labor daily worksheet)	\$	1,998.53
Overhead			
See Overhead Worksheet		\$	551.24
Delivery			
Transportation	(from Trans & Reserve worksheet)	\$	291.72
	Total Before	Margin \$	3,048.04
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	194.56
	Total Bio	d Yearly \$	3,242.60
	I	Monthly \$	270.22

Supplies Pathway Enterprises Inc.

City of Ashland Parks and Rec Oak Knoll Restrooms 15-16

# 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	Units Needed		Monthly		Annual
			Price	Per Month		Cost		Cost
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3	#66 DISINFECTANT CLEANER	\$	42.40	0.0250	\$	1.06	\$	12.72
4	#64 NUETRAL CLEANER	\$	88.00	0.0250	\$	2.20	\$	26.40
5	#70 WASHROOM CLEANER	\$	97.44	0.0250	\$	2.44	\$	29.23
6	#61 GLASS CLEANER	\$	85.20	0.0250	\$	2.13	\$	25.56
7	UTILITY BRUSH	\$	2.74	0.0835	\$	0.23	\$	2.75
8	ANGLER BROOM	\$	6.27	0.0840	\$	0.53	\$	6.32
9	TOILET SCRUB BRUSH	\$	4.35	0.0840	\$	0.37	\$	4.38
10	VINYL GLOVES LARGE	\$	9.89	0.1500	\$	1.48	\$	17.80
11	LAMBSWOOL DUSTER	\$	4.90	0.0840	\$	0.41	\$	4.94
12	DUST PAN	\$	2.52	0.0840	\$	0.21	\$	2.54
13					\$	-	\$	-
14					\$	-	\$	-
15					\$	-	\$	-
16					\$	-	\$	-
17	SPRAY BOTTLES	\$	1.90	0.2500	\$	0.48	\$	5.70
18	MOP HANDLE	\$	6.29	0.0840	\$	0.53	\$	6.34
19	LARGE MOP HEADS	\$	5.20	0 1700	\$	0.88	\$	10.61
20		Ŷ	0.20	011100	\$	-	\$	-
21					\$	-	\$	-
22					\$	-	\$	-
23					\$	-	\$	-
24	MR CLEAN MAGIC ERASER	\$	5 51	0 1500	¢ \$	0.83	¢ \$	9.92
25		Ŷ	0.01	0.1000	\$	-	\$	-
26					¢ \$		¢ \$	-
27					\$		\$	-
28					\$		\$	-
20					¢ \$		¢ \$	-
30					Ψ \$		φ \$	-
31					Ψ \$		φ \$	-
32					Ψ ¢		φ ¢	
32					φ Φ		φ Φ	-
34					Ψ Ψ		ф Ф	
35					Ψ ¢		φ	
36					φ Φ		φ Φ	-
27					φ ¢		φ ¢	-
31					ф Ф		ф Ф	-
30					¢ ¢		¢	-
39					¢	-	¢	-
40					Э ¢	-	5	-
41					Э ¢	-	5	-
42		<u> </u>			¢	-	\$	-
43		<u> </u>			\$	-	\$	-
44		<u> </u>			\$	-	\$	-
45		<u> </u>			<b>\$</b>	-	\$	-
46		<u> </u>			\$	-	\$	-
4/		<u> </u>			\$	-	\$	-
48					\$	-	\$	-
49					\$	-	\$	-
50		L			\$	-	\$	-
				Total	\$	15.21	\$	182.55

# 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.

Equipment, Tools & Subcontractors Pathway Enterprises Inc. City of Ashland Parks and Rec Oak Knoll Restrooms 15-16

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.

SU	BCONTRACT	ORS	
Description	Cost per Time	Times per Year	
			\$ -

	Equipment		Unit	Useful life	Contract	Depreciation	Units Cost	Project	Project	# of	4	Annual
	Description	<b>^</b>	FILLE	UI ASSEL	ine	Fercentage	Fei Teal	% USE	Unit Cost	Units	٠	CUSI
1	MOP BUCKET WITH WRINGER	\$	72.00	36	12	33%	\$ 24.00	100%	\$ 24.00	1	\$	24.00
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							
16					12							
17					12							
18					12							
19					12							
20					12							
								•		Total	\$	24.00

### 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 15-16

	Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
	Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1	I Janitor Daily	1.00	\$ 14.42	100%	\$ 14.42	0.0765	\$ 1.10	6.00%	\$ 0.87	3.00%	\$ 0.43	6.00%		\$ 0.87	\$ 17.69	104	\$ 1,839.36	104.00
2	2 Supervisor	0.75	\$ 14.42	100%	\$ 10.82	0.0765	\$ 0.83	6.00%	\$ 0.65	3.00%	\$ 0.32	6.00%		\$ 0.65	\$ 13.26	12	\$ 159.18	9.00
3	3				\$ -		\$ -		•		\$-			\$-	\$ -		\$ -	0.00
4	1				\$ -		\$ -		\$ -		\$-			\$-	\$ -		\$ -	0.00
Ę	5				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
6	6				\$ -		\$ -		\$ -		\$-			\$-	\$ -		\$ -	0.00
7	7				\$-		\$-		\$-		\$-			\$-	\$ -		\$-	0.00
8	3				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
ę	9				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
1(	)				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
11					\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
12	2				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$ -	0.00
13	3				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
14	1				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
15	5				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
16	6				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
17	7				\$-		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
18	3				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
19	9				\$ -		\$-		\$ -		\$-			\$-	\$ -		\$ -	0.00
20	)				\$-		\$-		\$ -		\$-			\$-	\$ -		\$-	0.00
														Total	\$ 30.95	Total	\$ 1,998.53	113.00

#### 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

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% 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 tasks. 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 A hrs. each (2X+4=8). It could also be done by 8 people working at 50% productivity for A hrs. each.

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 \$733.33/month).

DAS Form #12 J	
Revision 10-03	

Oregon Department of Administrative Services

List "Other Benefits" Provided

6%

eave

Project Costing Worksheet

OVERHEAD Overhead Costs Pathway Enterpris City of Ashland Parks ar	nd Rec Oak Kno	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhe In the space provided below, indicate how your organization a overhead amc	ad internally illocates over ount is (wheth	/ (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). rhead to this particular contract, what items go into your overhead, and what that her as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS	DETAILE	D BELOW!
1. Enter Overhead as a Percent of Total Costs	17.00%	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.
2. Enter Allocated Overhead as a Dollar-Figure Sum		<b>Dollar-Figure Sum Method:</b> 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) to identify your costs.
3. Overhead as a Percent of Total Direct Labor Hours	Percent To identify costs of the "other"; ple expenses fi out by your include hou hour total w projected Iz	t of Total Direct Labor Method: overhead costs, you need the financial records for your organization or division for the past year. Input all the e entire entity as detailed below. Line items which are not detailed below should be input into the cells marked ase include a description. What you are trying to determine is a percentage, therefore, do not gross up the or inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid entire organization for the same period. These figures should be found on the year end payroll report. Do not urs which can be classified as management or administrative costs. (Including these costs into the direct labor will deflate the actual costs.) The worksheet will compute the overhead as a line item cost by dividing the total abor hours for the contract into the total projected labor hours for the current year.
	Tot: Inpi Ove Tim Tot	al Annual Direct Labor Hours ut Total from Worksheet on Below erhead per labor hour 113 tel Assigned Overhead \$ -
Worksheet Total Annual Operations	<b>V</b> Us	VORK AREA: se the area below to show how you arrived at the final figure

	Total Annual Operations				
INDIRECT COSTS	ORGANIZATION	DEPARTMENTAL			
Management Salaries					
Management Payroll Tax Expense					
Management Medical Insurance					
Management Pension Plan Expense					
Sales & Administrative Salaries					
Sales & Administrative Payroll Tax Expense					
Sales & Administrative Medical Insurance					
Sales & Administrative Pension Plan Expense					
Office Rent					
Advertising and Public Education					
Background Checks & Urinalysis					
Professional & Accounting / Audit Fees					
Training & Worker Safety					
Insurance					
Telephone					
Utilities					
Property Taxes/Licenses/Fees					
Dues & Subscriptions					
Depreciation-office building					
Depreciation-office equipment					
Repairs & Maintenance-office					
Cleaning and Maintenance					
Office Equipment Rental					
Office Supplies					
Postage & Freight					
Rehab					
Miscellaneous Expense					
Bad Debts					
Other: *					
Other: *					
Other: *					
Other: *					
TOTAL INDIRECT COSTS	\$ -	\$ -			
CPI Factor from BLS (see link below)	3.15%	3.15%			
http://www.bls.gov/ro9/mostrequ.htm					
Total	\$	-			

that you show as your total Overhead

Page 5

# **Delivery & Reserve**

# Oregon Department of Administrative Services Project Costing Worksheet

Pathway Enterprises Inc. City of Ashland Parks and Rec Oak Knoll Restrooms 15-16

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**

		Miles Per	Rate Per	Daily	Services per		Annual
	<b>Delivery Description</b>	Service	Mile	Cost	Year	Tr	ans Cost
1	Service Vehicle from SOU	5.5	0.51	\$ 2.81	104	\$	291.72
2				\$ -		\$	-
3				\$ -		\$	-
4				\$ -		\$	-
				\$ 2.81		\$	291.72

# 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

|--|
# 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 15-16 **Executive Director Signature: Raw Materials** Per Time Use - Supplies (from supplies worksheet)

Per Time Use - Supplies	(from supplies worksheet)	\$ 332.16
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 44.03
	Subt	otal 1 \$ 376.19
Labor		
Direct Labor	(from labor daily worksheet)	\$ 3,149.55
Overhead		
See Overhead Worksheet		\$ 778.41
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$-
	Total Before M	largin \$ 4,304.14
Posonio		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 274.73
Margin heid in Neserve		ψ 214.13
	Total Bid	<b>Yearly \$</b> 4,578.87
	Μα	onthly \$ 381.57

## RAW MATERIALS

Supplies Pathway Enterprises Inc.

City of Ashland Parks and Recreation Nature Center 15-16

## 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	Units Needed		Monthly		Annual
			Price	Per Month		Cost		Cost
1	SCRUBBING SPONGES	\$	1.36	1.0000	\$	1.36	\$	16.32
2	CREAM CLEANSER	\$	3.06	0.5000	\$	1.53	\$	18.36
3	#66 DISINFECTANT CLEANER	\$	42.40	0.0500	\$	2.12	\$	25.44
4	#64 NUETRAL CLEANER	\$	88.00	0.0500	\$	4.40	\$	52.80
5	#70 WASHROOM CLEANER	\$	97.44	0.0250	\$	2.44	\$	29.23
6	#61 GLASS CLEANER	\$	85.20	0.0250	\$	2.13	\$	25.56
7	UTILITY BRUSH	\$	2.74	0.0840	\$	0.23	\$	2.76
8	ANGLER BROOM	\$	6.27	0.0840	\$	0.53	\$	6.32
9	TOILET SCRUB BRUSH	\$	4.35	0.0840	\$	0.37	\$	4.38
10	VINYL GLOVES LARGE	\$	9.89	0.3000	\$	2.97	\$	35.60
11	LAMBSWOOL DUSTER	\$	4.90	0.0840	\$	0.41	\$	4.94
12	DUST PAN	\$	2.52	0.0840	\$	0.21	\$	2.54
13					\$	-	\$	-
14					\$	-	\$	-
15					\$	-	\$	-
16					\$	-	\$	-
17	SPRAY BOTTLES	\$	1.90	0.2500	\$	0.48	\$	5.70
18	MOP HANDLE	\$	6.29	0.0840	\$	0.53	\$	6.34
19	LARGE MOP HEADS	\$	5.20	0.3300	\$	1.72	\$	20.59
20	ORANGE GEL EXTREME	\$	8.27	0.2000	\$	1.65	\$	19.85
21	14" WINDOW SQUEEJIE	\$	8.95	0.0840	\$	0.75	\$	9.02
22	14" STRIP WASHER	\$	4.37	0.0840	\$	0.37	\$	4.40
23	PRO BUCKET	\$	21.98	0.0840	\$	1.85	\$	22.16
24	MR CLEAN MAGIC ERASER	\$	5.51	0.3000	\$	1.65	\$	19.84
25					\$	-	\$	-
26					\$	-	\$	-
27					\$	-	\$	-
28					\$	-	\$	-
29					\$	-	\$	-
30					\$	-	\$	-
31					\$	-	\$	-
32					\$	-	\$	-
33					\$	-	\$	-
34					\$	-	\$	-
35				-	\$		\$	-
36				-	\$		\$	-
37				-	¢ \$		¢ \$	-
38					Ψ \$		φ \$	-
30					Ψ Ψ		ф Ф	
10					φ ¢		φ ¢	
40 //1					Ψ Ψ		ф Ф	
41					φ ¢		ф Ф	
42					ψ ¢		φ ¢	_
40		-			ф Ф	-	φ Φ	-
74 15		-			ф Ф	-	φ Φ	-
40		<u> </u>			Ф Ф	-	Ф Ф	-
40		<u> </u>			ф Ф	-	¢	-
41		-			Ð	-	Ф Ф	-
48		L			¢	-	\$	-
49					\$	-	\$	-
5U		<u> </u>			\$	-	\$	-
				Total	S	27.68	S	332.16

## 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 15-16

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.

SU	BCONTRACT	ORS		
	Cost per	Times per	1	
Description	Time	Year		
			\$	-
			\$	-
			\$	-
			\$	-
			\$	-

	Equipment	Unit	Useful life	Contract	Depreciation	Un	nits Cost	Project	P	roject	# of	1	Annual
	Description	Price	of Asset	life	Percentage	P	er Year	% Üse	Ur	nit Cost	Units		Cost
1	MOP BUCKET WITH WRINGER	\$ 54.08	36	12	33%	\$	18.03	100%	\$	18.03	1	\$	18.03
2	VACUUM CLEANER	\$ 520.00	24	12	50%	\$	260.00	10%	\$	26.00	1	\$	26.00
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									
16				12									
17				12									
18				12									
19				12									
20				12									
	· · · · · · · · · · · · · · · · · · ·										Total	\$	44.03

### 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.

### Oregon Department of Administrative Services Project Costing Worksheet

List "Other Benefits" Provided

0.06

eave

### LABOR

Direct Labor Pathway Enterprises Inc.

### City of Ashland Parks and Recreation Nature Center 15-16

Worker	Work	Hourly	% Pro-	Sub-	FICA	Sub-	Workers	Sub-	Unemploy-	Sub-	Other	Other Benefits	Other Benefits	Daily/Per	Times	Annual/Total	Annual Hours
Description	Hours	Rate	ductivity	Total 1		Total 2	comp%	Total 3	ment %	Total 4	Benefits %	Monthly \$	SubTotal 5	Item Labor	Per Yr.	Labor	Labor
1 Janitor 1 Daily	1.50	\$ 14.42	100%	\$ 21.63	0.0765 \$	1.65	6.00%	\$ 1.30	3.00%	\$ 0.65	6.00%		\$ 1.30	\$ 26.53	104	\$ 2,759.04	156.00
2 Supervisor	0.42	\$ 14.42	100%	\$ 6.06	0.0765 \$	0.46	6.00%	\$ 0.36	3.00%	\$ 0.18	6.00%		\$ 0.36	\$ 7.43	24	\$ 178.28	10.08
3 Janitor 1 Monthly	1.00	\$ 14.42	100%	\$ 14.42	0.0765 \$	1.10	6.00%	\$ 0.87	3.00%	\$ 0.43	6.00%		\$ 0.87	\$ 17.69	12	\$ 212.23	12.00
4				\$	\$	-		\$-	1	\$-			\$	\$ -		\$-	0.00
5				\$ -	\$	-		\$-		\$-			\$-	\$-		\$-	0.00
6				\$ -	\$	-		\$-		\$ -			\$-	\$ -		\$ -	0.00
7				\$ -	\$	-		\$ -	1	\$-			\$-	\$ -		\$-	0.00
8				\$ -	\$	-		\$-	1	\$-			\$-	\$ -		\$-	0.00
9				\$ -	\$	-		\$-	1	\$-			\$-	\$ -		\$-	0.00
10				\$ -	\$	-		\$ -	1	\$-			\$-	\$ -		\$-	0.00
11				\$ -	\$	-		<b>\$</b> -	1	\$-			\$ -	\$ -		\$ -	0.00
12				\$ -	\$	-		ş -		5 -			\$ -	\$ -		\$ -	0.00
13				\$ -	\$	-		ş -		5 -			\$ -	\$ -		\$ -	0.00
14				\$ -	\$	-		<b>\$</b> -	1	\$-			\$ -	\$ -		\$ -	0.00
15				\$ -	\$	-		ş -		5 -			\$ -	\$ -		\$ -	0.00
16				\$ -	\$	-		\$ -	1	5 -			\$ -	\$ -		\$ -	0.00
17				\$ -	\$	-		ş -		5 -			\$ -	\$ -		\$ -	0.00
18				\$ -	\$	-		ş -	1	5 -			\$-	\$-		\$-	0.00
19				\$ -	\$	-		ş -		<u>5</u> -			\$ -	\$-		\$ -	0.00
20				\$ -	\$	-		ş -		ş -			\$-	\$ -		\$ -	0.00
													Total	\$ 51.64	Total	\$ 3,149.55	178.08

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

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% 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 tasks. 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 4 hrs. each (2X+2)

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 \$733.33/month).

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Revision 10-03	

<b>OVERHEAD</b> Overhead Costs Pathway Enterpris City of Ashland Parks ar	nd Recreation Na	Oregon Department of Administrative Services Project Costing Worksheet
There are many different ways organizations allocate overhe In the space provided below, indicate how your organization a overhead amo	ead internally Illocates ove punt is (whet	r (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). rhead to this particular contract, what items go into your overhead, and what that her as a percent or exact amount)
FILL IN ONLY ONE OF THE THREE METHODS	DETAILE	D BELOW!
1. Enter Overhead as a Percent of Total Costs	17.00%	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
OR		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.
2. Enter Allocated Overhead as a Dollar-Figure Sum		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)
3. Overhead as a Percent of Total Direct Labor Hours	Percent To identify costs of the "other"; ple expenses f out by your include hou hour total w projected la	t of Total Direct Labor Method: overhead costs, you need the financial records for your organization or division for the past year. Input all the entire entity as detailed below. Line items which are not detailed below should be input into the cells marked ase include a description. What you are trying to determine is a percentage, therefore, do not gross up the or inflation or to conform to the current year budget. Next, input into the cell below the total direct labor hours paid entire organization for the same period. These figures should be found on the year end payroll report. Do not rrs which can be classified as management or administrative costs. (Including these costs into the direct labor hours for the contract into the total projected labor hours for the current year.
	Tot Inp Ove Tim <b>Tot</b>	al Annual Direct Labor Hours ut Total from Worksheet on Below srhead per labor hour e required to complete contract al Assigned Overhead \$ -
Total Annual Operations           INDIRECT COSTS         ORGANIZATION         DEPARTMENTAL           Management Payroll Tax Expense         Imagement Medical Insurance         Imagement Medical Insurance	V Us tha	VORK AREA: e the area below to show how you arrived at the final figure at you show as your total Overhead

Management rension rian Expense			
Sales & Administrative Salaries			
Sales & Administrative Payroll Tax Expense			
Sales & Administrative Medical Insurance			
Sales & Administrative Pension Plan Expense			
Office Rent			
Advertising and Public Education			
Background Checks & Urinalysis			
Professional & Accounting / Audit Fees			
Training & Worker Safety			
Insurance			
Telephone			
Utilities			
Property Taxes/Licenses/Fees			
Dues & Subscriptions			
Depreciation-office building			
Depreciation-office equipment			
Repairs & Maintenance-office			
Cleaning and Maintenance			
Office Equipment Rental			
Office Supplies			
Postage & Freight			
Rehab			
Miscellaneous Expense			
Bad Debts			
Other: *			
TOTAL INDIRECT COSTS	\$-	\$	-
CPI Factor from BLS (see link below)	3.1	5%	3.15%
http://www.bls.gov/ro9/mostrequ.htm			
Total	\$		-

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## **Delivery & Reserve**

## Oregon Department of Administrative Services Project Costing Worksheet

Pathway Enterprises Inc. City of Ashland Parks and Recreation Nature Center 15-16

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	Anr Trans	ual 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

0.076	6.0%
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