Council Business Meeting

July 16, 2019

Agenda Item	Contract award to Pathway Enterprises Inc. (QRF) for janitorial services	
From	Paula Brown Michael Morrison Wes Hoadley Rachel Dials David Shepherd	Public Works Director Public Works Superintendent Facilities Maintenance Recreation Superintendent Fire Chief
Contact	paula.brown@ashland.or.us michael.morrison@ashland.or.us wes.hoadley@ashland,or.us rachel.dials@ashland.or.us david.shepherd@ashland.or.us	541-552-2411 541-552-2325 541-552-2355 541-552-2260 541-552-2217

SUMMARY

This request is for approval to award a public contract to Pathway Enterprises, Inc. to provide janitorial services for the City, Parks, and Fire facilities. Pathway Enterprises, Inc. is a local Qualified Rehabilitation Facility (QRF) that provides janitorial services. The term for the janitorial service contract will begin on July 1, 2019 and end on June 30, 2020.

POLICIES, PLANS & GOALS SUPPORTED

City Council Goals:

Goal 1: Develop current and long-term budgetary resilience
Goal 2: Analyze City departments/programs to gain efficiencies, reduce costs and improve services
Goal 3: Enhance and improve transparency & communication
Maintain Essential Services

Department Goals:

- Maintain existing infrastructure to meet regulatory requirements and minimize life-cycle costs
- Maintain and improve infrastructure that enhances the economic vitality of the community
- Evaluate all city infrastructure regarding planning management and financial resources

PREVIOUS COUNCIL ACTION

The public contracts previously awarded to Pathway Enterprises, Inc. were approved by the City Council on July 3, 2018 for a term beginning on July 1, 2018 and ending on June 30, 2019.

BACKGROUND AND ADDITIONAL INFORMATION

In accordance with ORS 279.850, public agencies are required by law to contract with a QRF, if the QRF can provide the product or service as specified and required by the public agency.

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

Costing workbooks are prepared by Pathway Enterprises, Inc. after the COA Living Wage is reviewed and updated in June every year.

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

CITY OF ASHLAND

FISCAL IMPACTS

Janitorial services for the City are paid through the facilities budget. Parks and Fire pay independently as they have different service levels. The City budgeted $129,000 for fiscal year 2020 (FY20) and $135,000 for fiscal year 2021 (FY21). The costs for FY20 are 5.72 percent higher than the prior year and are $7,000 more than was budgeted for FY20 and is anticipated to be higher again in FY21. Staff will try to get budget figure earlier in the future and will adjust costs based on historic increases rather than the standard three percent.

The proposed FY20 costs for janitorial services are as follows:

Facilities	Janitorial Services	Carpet and Hard Floors
City	$135,979.78	Included
Parks	$55,635.65	$3,847.58
Fire	$6,379.48	

STAFF RECOMMENDATION

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

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to approve the award of the public contract for janitorial services to Pathway Enterprises, Inc.

ATTACHMENTS

Attachment 1: City of Ashland – Costing Workbook
Attachment 2: Parks & Recreation – Costing Workbook
Attachment 3: Fire Department – Costing Workbook

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

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

Property Service License #40205 CCB License #218417

July 2, 2019

Wes Hoadley
Maintenance and Safety Supervisor
City of Ashland
90 N. Mountain Ave.
Ashland, OR 97520

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

- We have incorporated the Living Wage for the City of Ashland at $15.39 per hour.
- I adjusted the employee fringe down from 29.60% to 27.67%.
- The addition of .3 hours was added for judicial cleaning in the Municipal Court Workbook.

In total we are requesting an increase from $128,627.55 to $135,979.78 Annually. This equates to an additional $7,352.23 for a 5.72% increase. I have attached the minimum cleaning standards that are in effect for this contract.

The breakdown of this increase is as follows:

Annual	2018 - 2019	2019 - 2020
City Hall	17,644.67	18,517.96
Community Development	27,345.36	28,686.55
Municipal Court	13,830.53	16,241.99
Municipal Court Offices	1,676.07	
Police Department	25,326.67	26,695.43
Police Sub Station	1,991.38	2,078.28
Service Center	20,825.51	21,982.84
Street and Shop	8,029.57	8,137.80
Carpet and Hard Floors	11,957.79	13,638.93
Total	128,627.55	135,979.78
Increase Amount		7,352.23
Increase %		5.72%

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

ISSA MEMBER

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

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

Sincerely,

Richard Simpson

Richard Simpson
Commercial Contracts Director
Pathway Enterprises, Inc.

1600 Sky Park Drive Suite No. 101 Medford, OR 97504 www.pathway-inc.org info@pathway-inc.org

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 2019-2020 City Hall

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 12,644.44
Overhead			
See Overhead Worksheet			$ 3,518.41
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 17,406.88
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,111.08
		Total Bid Yearly	$ 18,517.96
		Monthly	$ 1,543.16

LABOR

Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2019-2020 City Hall

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	2.50	$ 15.39	100%	$ 38.48	0.0765	$ 2.94	2.60%	$ 1.00	1.42%	$ 0.55	27.67%		$ 10.65	$ 53.61	208	$ 11,151.10	520.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	27.67%		$ 5.70	$ 28.72	52	$ 1,493.33	52.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 82.33	Total	$ 12,644.44	572.00

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
HEALTH+LIFE	16.43%	
401 K	1.64%	27.67%

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

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

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

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

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

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2019-2020 City Hall

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2019-2020 City Hall

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

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

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

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

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

Areas in green are formula driven.

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

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

Worksheet

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

WORK AREA:

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

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

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

Services Contract

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

Margin

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

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

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

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

SUMMARY OF ANNUAL COSTS

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QRF Name Pathway Enterprises, Inc.
Project City of Ashland 2019-2020 Community Development

Executive Director Signature: _____

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 20,270.88
Overhead			
See Overhead Worksheet			$ 5,450.44
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 26,965.35
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,721.19
		Total Bid Yearly	$ 28,686.55
		Monthly	$ 2,390.55

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Community Development

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Community Development

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Community Development

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 2x	3.25	$ 15.39	100%	$ 50.02	0.0765	$ 3.83	2.60%	$ 1.30	1.42%	$ 0.71	27.67%		$ 13.84	$ 69.69	104	$ 7,248.22	338.00
2	Janitor 3x	3.00	$ 15.39	100%	$ 46.17	0.0765	$ 3.53	2.60%	$ 1.20	1.42%	$ 0.66	27.67%		$ 12.78	$ 64.33	156	$ 10,035.99	468.00
3	Supervisor	2.00	$ 20.61	100%	$ 41.22	0.0765	$ 3.15	2.60%	$ 1.07	1.42%	$ 0.59	27.67%		$ 11.41	$ 57.44	52	$ 2,986.67	104.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 191.46	Total	$ 20,270.88	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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64	27.67%

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

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

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

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum	

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

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

Worksheet

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

WORK AREA:

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

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

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

Services Contract

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

Margin

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

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

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

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

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2019-2020 Municipal Court

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 10,937.46
Overhead			
See Overhead Worksheet			$ 3,085.98
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 15,267.47
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 974.52
		Total Bid Yearly	$ 16,241.99
		Monthly	$ 1,353.50

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Municipal Court

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
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4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.1250	$ 11.00	$ 132.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANE	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
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31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
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Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Municipal Court

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			$ -
			$ -
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4				12						
5				12						
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
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Pathway Enterprises, Inc.
City of Ashland 2019-2020 Municipal Court

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 2x	2.00	$ 15.39	100%	$ 30.78	0.0765	$ 2.35	2.60%	$ 0.80	1.42%	$ 0.44	27.67%		$ 8.52	$ 42.89	104	$ 4,460.44	208.00
2	Janitor 3x	1.00	$ 15.39	100%	$ 15.39	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.26	$ 21.44	156	$ 3,345.33	156.00
3	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	27.67%		$ 5.70	$ 28.72	52	$ 1,493.33	52.00
4	Add Carpet	7.00	$ 15.39	100%	$ 107.73	0.0765	$ 8.24	2.60%	$ 2.80	1.42%	$ 1.53	27.67%		$ 29.81	$ 150.11	2	$ 300.22	14.00
5	Office Additions	0.30	$ 15.39	100%	$ 4.62	0.0765	$ 0.35	2.60%	$ 0.12	1.42%	$ 0.07	27.67%		$ 1.28	$ 6.43	208	$ 1,338.13	62.40
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 249.60	Total	$ 10,937.46	492.40

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	27.67%

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

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

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

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	492
Total Assigned Overhead	$ -

Worksheet

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

WORK AREA:

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

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

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

Services Contract

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

Margin

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

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

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

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

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name	Pathway Enterprises, Inc.
Project	City of Ashland 2019-2020 Ashland Police Department

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 18,777.54
Overhead			
See Overhead Worksheet			$ 5,072.13
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 25,093.71
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,601.73
		Total Bid Yearly	$ 26,695.43
		Monthly	$ 2,224.62

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Ashland Police Department

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Ashland Police Department

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Ashland Police Department

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 4x	3.50	$ 15.39	100%	$ 53.87	0.0765	$ 4.12	2.60%	$ 1.40	1.42%	$ 0.76	27.67%		$ 14.90	$ 75.06	208	$ 15,611.54	728.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	27.67%		$ 5.70	$ 28.72	52	$ 1,493.33	52.00
3	Janitor Wed	1.50	$ 15.39	100%	$ 23.09	0.0765	$ 1.77	2.60%	$ 0.60	1.42%	$ 0.33	27.67%		$ 6.39	$ 32.17	52	$ 1,672.67	78.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 135.94	Total	$ 18,777.54	858.00

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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.
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Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Unemployment Insurance %.
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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
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List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	27.67%

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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 $1733.33/month).

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

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

Worksheet

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

WORK AREA:

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

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

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

Services Contract

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

Margin

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

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

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

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

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name Pathway Enterprises, Inc.
Project City of Ashland Police Sub Station 19-20

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 271.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ -
		Subtotal 1	$ 271.29
Labor			
Direct Labor	(from labor daily worksheet)		$ 1,287.42
Overhead			
See Overhead Worksheet			$ 394.87
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 1,953.59
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 124.70
		Total Bid Yearly	$ 2,078.28
		Monthly	$ 173.19

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland Police Sub Station 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS

Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland Police Sub Station 19-20

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland Police Sub Station 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	1.00	$ 15.39	100%	$ 15.39	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.26	$ 21.44	52	$ 1,115.11	52.00
2	Supervisor	0.50	$ 20.61	100%	$ 10.31	0.0765	$ 0.79	2.60%	$ 0.27	1.42%	$ 0.15	27.67%		$ 2.85	$ 14.36	12	$ 172.31	6.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 35.80	Total	$ 1,287.42	58.00

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	27.67%

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

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

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

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

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

Worksheet

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

WORK AREA:

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

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

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

Services Contract

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

Margin

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

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

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

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

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

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QRF Name	Pathway Enterprises, Inc.
Project	Ashland Service Center 2019-2020

Executive Director Signature: _____

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 15,243.10
Overhead			
See Overhead Worksheet			$ 4,176.74
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 20,663.87
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,318.97
		Total Bid Yearly	$ 21,982.84
		Monthly	$ 1,831.90

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
Ashland Service Center 2019-2020

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
Ashland Service Center 2019-2020

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises, Inc.
Ashland Service Center 2019-2020

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Productivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemployment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	3.25	$ 15.39	100%	$ 50.02	0.0765	$ 3.83	2.60%	$ 1.30	1.42%	$ 0.71	27.67%		$ 13.84	$ 69.69	208	$ 14,496.43	676.00
2	Supervisor	0.50	$ 20.61	100%	$ 10.31	0.0765	$ 0.79	2.60%	$ 0.27	1.42%	$ 0.15	27.67%		$ 2.85	$ 14.36	52	$ 746.67	26.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 84.05	Total	$ 15,243.10	702.00

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	27.67%

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

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

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

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

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

Worksheet

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

WORK AREA:

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

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

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

Services Contract

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

Margin

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

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

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

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

SUMMARY OF ANNUAL COSTS

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name Pathway Enterprises, Inc.
Project City of Ashland 2019-2020 Street and Shop

Executive Director Signature: _____

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 402.78
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 25.57
		Subtotal 1	$ 428.36
Labor			
Direct Labor	(from labor daily worksheet)		$ 5,675.00
Overhead			
See Overhead Worksheet			$ 1,546.18
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 7,649.54
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 488.27
		Total Bid Yearly	$ 8,137.80
		Monthly	$ 678.15

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Street and Shop

Oregon Department of Administrative Services
Project Costing Worksheet

Raw Materials:
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Broom and dustpan
Floor Wax
Scrub brushes or scouring pads

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Street and Shop

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

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

If any of this equipment is used on more than one project, be sure to include only that portion of the cost associated with this project. Do not include any vehicle or transportation costs in this schedule.
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SUBCONTRACTORS			
Description	Cost per Time	Times per Year	
			$ -
			$ -
			$ -
			$ -
			$ -

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

Areas in green are formula driven.

Useful Life of Assets = What is the estimated useful life of the equipment **in months**
Depreciation Percentage = Depreciation is calculated by dividing the contract life by the useful life.
Unit Cost Per Year = Computed by multiplying the total unit cost by the depreciation.
Projected % Use = Enter project use percentage. If any of the equipment is used on more than one project, be sure to include only that portion of the costs associated with this project. (note: 100% would be an item used only for this contract.)
Projected Unit Cost = Calculated by multiplying the unit cost per year times the project use.
# of Units = Multiply by units needed to complete the contract/service.
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LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland 2019-2020 Street and Shop

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor	1.25	$ 15.39	100%	$ 19.24	0.0765	$ 1.47	2.60%	$ 0.50	1.42%	$ 0.27	27.67%		$ 5.32	$ 26.81	156	$ 4,181.66	195.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	27.67%		$ 5.70	$ 28.72	52	$ 1,493.33	52.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 55.52	Total	$ 5,675.00	247.00

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
HEALTH + LIFE INSURANCE	16.43%	
401 K	1.64%	29.60%

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

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

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

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

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

Worksheet

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

WORK AREA:

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

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

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

Services Contract

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

Margin

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

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

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

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

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name	Pathway Enterprises Inc.
Project	City of Ashland Facility Floors 19-20

Executive Director Signature: _____

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,409.47
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 1,353.30
		Subtotal 1	$ 2,762.77
Labor			
Direct Labor	(from labor daily worksheet)		$ 7,466.42
Overhead			
See Overhead Worksheet			$ 2,591.40
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 12,820.59
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 818.34
		Total Bid Yearly	$ 13,638.93
		Monthly	$ 1,136.58

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Facility Floors 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Facility Floors 19-20

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises Inc.
City of Ashland Facility Floors 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	City Hall Carpet	11.00	$ 15.39	100%	$ 169.29	0.0765	$ 12.95	2.60%	$ 4.40	1.42%	$ 2.40	27.67%		$ 46.84	$ 235.89	2	$ 471.78	22.00
2	City Hall Hard FL	2.00	$ 15.39	100%	$ 30.78	0.0765	$ 2.35	2.60%	$ 0.80	1.42%	$ 0.44	27.67%		$ 8.52	$ 42.89	2	$ 85.78	4.00
3	Comm Dev Carpet	22.00	$ 15.39	100%	$ 338.58	0.0765	$ 25.90	2.60%	$ 8.80	1.42%	$ 4.81	27.67%		$ 93.69	$ 471.78	2	$ 943.55	44.00
4	Comm Dev Hard FL	4.00	$ 15.39	100%	$ 61.56	0.0765	$ 4.71	2.60%	$ 1.60	1.42%	$ 0.87	27.67%		$ 17.03	$ 85.78	2	$ 171.56	8.00
5	Courts Carpet	8.00	$ 15.39	100%	$ 123.12	0.0765	$ 9.42	2.60%	$ 3.20	1.42%	$ 1.75	27.67%		$ 34.07	$ 171.56	2	$ 343.11	16.00
6	Courts Hard FL	2.00	$ 15.39	100%	$ 30.78	0.0765	$ 2.35	2.60%	$ 0.80	1.42%	$ 0.44	27.67%		$ 8.52	$ 42.89	2	$ 85.78	4.00
7	Police Carpet	12.00	$ 15.39	100%	$ 184.68	0.0765	$ 14.13	2.60%	$ 4.80	1.42%	$ 2.62	27.67%		$ 51.10	$ 257.33	2	$ 514.67	24.00
8	Police Hard FL	32.00	$ 15.39	100%	$ 492.48	0.0765	$ 37.67	2.60%	$ 12.80	1.42%	$ 6.99	27.67%		$ 136.27	$ 686.22	2	$ 1,372.44	64.00
9	Police High Speed	1.00	$ 15.39	100%	$ 15.39	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.26	$ 21.44	24	$ 514.67	24.00
10	Service Ctr Carpet	8.00	$ 15.39	100%	$ 123.12	0.0765	$ 9.42	2.60%	$ 3.20	1.42%	$ 1.75	27.67%		$ 34.07	$ 171.56	2	$ 343.11	16.00
11	Service Ctr Hard FL	20.00	$ 15.39	100%	$ 307.80	0.0765	$ 23.55	2.60%	$ 8.00	1.42%	$ 4.37	27.67%		$ 85.17	$ 428.89	2	$ 857.78	40.00
12	Streets Carpet	1.00	$ 15.39	100%	$ 15.39	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.26	$ 21.44	2	$ 42.89	2.00
13	Streets Hard FL	10.00	$ 15.39	100%	$ 153.90	0.0765	$ 11.77	2.60%	$ 4.00	1.42%	$ 2.19	27.67%		$ 42.58	$ 214.44	2	$ 428.89	20.00
14	Grove Carpets	8.00	$ 15.39	100%	$ 123.12	0.0765	$ 9.42	2.60%	$ 3.20	1.42%	$ 1.75	27.67%		$ 34.07	$ 171.56	2	$ 343.11	16.00
15	Grove Hard FL	2.00	$ 15.39	100%	$ 30.78	0.0765	$ 2.35	2.60%	$ 0.80	1.42%	$ 0.44	27.67%		$ 8.52	$ 42.89	2	$ 85.78	4.00
16	Supervision	15.00	$ 20.61	100%	$ 309.15	0.0765	$ 23.65	2.60%	$ 8.04	1.42%	$ 4.39	27.67%		$ 85.54	$ 430.77	2	$ 861.54	30.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 3,497.32	Total	$ 7,466.42	338.00

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
401K + LIFE + HEALTH	16.43%	
401 K	1.64%	27.67%

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

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

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.
Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	338
Total Assigned Overhead	$ -

Worksheet

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

WORK AREA:

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

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

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

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

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

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

Margin

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

Enter as a % of total cost of contract 6.0%

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

ISSA MEMBER

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

Property Service License #40205 CCB License #218417

June 27, 2019

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

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

- We have incorporated the Living Wage for the City of Ashland at $15.39 per hour.
- I adjusted the employee fringe down from 29.60% to 27.67%.
- Pioneer Hall hours were decreased due to facility changes.
- The Nature Center reduced from two services per week to one service per week. Cleaning time moved from 1.5 hours to 2 hours per occurrence.
- The Senior Center reduced from six services per week to five services per week.

In total we are requesting a decrease from $67,212.50 to $55,635.65 annually. I have attached the State Costing Workbooks and minimum cleaning standards.

The breakdown of this decrease is as follows:

Annual	2018 - 2019	2019 - 2020
Pioneer Hall & Community Ctr	27,317.46	17,744.02
The Grove	8,177.32	8,524.94
Nature Center	6,807.05	5,597.49
Senior Center	18,987.68	17,345.66
Oak Knoll Pro Shop	2,492.61	2,575.96
Carpet and Hard Floors	3,430.38	3,847.58
Total	67,212.50	55,635.65
Price Change Difference		(11,576.85)
Change Percentage		-17.22%

Pathway Enterprises, Inc.

Communication Teamwork Professionalism Opportunity

ISSA MEMBER

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

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

Location	Hours	Freq	TTL	% Price	Cost
Community Ctr	4.00	2	8	12.50%	480.94
Nature Center	7.00	2	14	21.88%	841.66
Senior Ctr	18.00	2	36	56.25%	2,164.26
Oak Knoll	3.00	2	6	9.38%	360.71
			64	100.00%	$3,847.58

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

Sincerely,

Richard Simpson

Richard Simpson
Commercial Contracts Director
Pathway Enterprises, Inc.

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 Senior Center 19-20

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 1,008.28
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 1,244.03
Labor			
Direct Labor	(from labor daily worksheet)		$ 11,765.21
Overhead			
See Overhead Worksheet			$ 3,295.68
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 16,304.92
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,040.74
		Total Bid Yearly	$ 17,345.66
		Monthly	$ 1,445.47

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Senior Center 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.2500	$ 5.43	$ 65.16
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.1250	$ 11.00	$ 132.00
8	SUSTAINABLE EARTH #70 WASHROOM CLEANEI	97.44	0.1250	$ 12.18	$ 146.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	1.0000	$ 7.99	$ 95.88
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	0.2500	$ 4.48	$ 53.73
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 84.02	$ 1,008.28

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Senior Center 19-20

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Senior Center 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor Daily	1.75	$ 15.39	100%	$ 26.93	0.0765	$ 2.06	2.60%	$ 0.70	1.42%	$ 0.38	27.67%		$ 7.45	$ 37.53	260	$ 9,757.21	455.00
2	Supervisor	1.00	$ 20.61	100%	$ 20.61	0.0765	$ 1.58	2.60%	$ 0.54	1.42%	$ 0.29	27.67%		$ 5.70	$ 28.72	52	$ 1,493.33	52.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5	Janitor Burnish	1.00	$ 15.39	100%	$ 15.39	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.26	$ 21.44	24	$ 514.67	24.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 87.69	Total	$ 11,765.21	531.00

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	531
Total Assigned Overhead	$ -

Worksheet

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

WORK AREA:

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

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

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

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

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

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

Margin

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

Enter as a % of total cost of contract 6.0%

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

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

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name	Pathway Enterprises Inc.
Project	City of Ashland Parks and Recreation Nature Center 19-20

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 728.15
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 963.90
Labor			
Direct Labor	(from labor daily worksheet)		$ 3,234.22
Overhead			
See Overhead Worksheet			$ 1,063.52
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 5,261.64
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 335.85
		Total Bid Yearly	$ 5,597.49
		Monthly	$ 466.46

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Nature Center 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Nature Center 19-20

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises Inc.
City of Ashland Parks and Recreation Nature Center 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 1 Daily	2.00	$ 15.39	100%	$ 30.78	0.0765	$ 2.35	2.60%	$ 0.80	1.42%	$ 0.44	27.67%		$ 8.52	$ 42.89	52	$ 2,230.22	104.00
2	Supervisor	0.50	$ 20.61	100%	$ 10.31	0.0765	$ 0.79	2.60%	$ 0.27	1.42%	$ 0.15	27.67%		$ 2.85	$ 14.36	52	$ 746.67	26.00
3	Janitor 1 Monthly	1.00	$ 15.39	100%	$ 15.39	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.26	$ 21.44	12	$ 257.33	12.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 78.69	Total	$ 3,234.22	142.00

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	27.67%

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

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

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

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum	

OR

3. Overhead as a Percent of Total Direct Labor Hours

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

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

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

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	142
Total Assigned Overhead	$ -

Worksheet

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

WORK AREA:

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

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

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

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

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

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

Margin

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

Enter as a % of total cost of contract 6.0%

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

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

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name	Pathway Enterprises Inc.
Project	City of Ashland Parks and Rec Oak Knoll Restrooms 19-20

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 532.83
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 25.57
		Subtotal 1	$ 558.40
Labor			
Direct Labor	(from labor daily worksheet)		$ 1,373.57
Overhead			
See Overhead Worksheet			$ 489.43
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 2,421.41
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 154.56
		Total Bid Yearly	$ 2,575.96
		Monthly	$ 214.66

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
City of Ashland Parks and Rec Oak Knoll Restrooms 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

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

Areas in green are formula driven.

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

RAW MATERIALS
Equipment, Tools & Subcontractors
Pathway Enterprises Inc.
City of Ashland Parks and Rec Oak Knoll Restrooms 19-20

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

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

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

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

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

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises Inc.
City of Ashland Parks and Rec Oak Knoll Restrooms 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor Daily	1.00	$ 15.39	100%	$ 15.39	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.26	$ 21.44	52	$ 1,115.11	52.00
2	Supervisor	0.75	$ 20.61	100%	$ 15.46	0.0765	$ 1.18	2.60%	$ 0.40	1.42%	$ 0.22	27.67%		$ 4.28	$ 21.54	12	$ 258.46	9.00
3					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
4					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 42.98	Total	$ 1,373.57	61.00

Areas in green are formula driven.

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

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	27.67%

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

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

Once you know the total work hours per service or per item, it's simply a matter of assigning the appropriate wage to the hours. Some contracts, including those on which you pay workers sub-minimum wages based on productivity, require you to pay a "prevailing wage." Check the contract! Also, be sure to add the appropriate "Other Payroll Expense" (OPE) for your organization onto the wage.
Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

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

Worksheet

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

WORK AREA:

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

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

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

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

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

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

Margin

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

Enter as a % of total cost of contract 6.0%

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

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SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

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QRF Name	Pathway Enterprises Inc.
Project	Parks and Recreation Pioneer Hall Only 19-20

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 740.25
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 235.75
		Subtotal 1	$ 976.00
Labor			
Direct Labor	(from labor daily worksheet)		$ 12,332.02
Overhead			
See Overhead Worksheet			$ 3,371.36
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 16,679.38
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 1,064.64
		Total Bid Yearly	$ 17,744.02
		Monthly	$ 1,478.67

RAW MATERIALS
Supplies
Pathway Enterprises Inc.
Parks and Recreation Pioneer Hall Only 19-20

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRAPER W/5 RAZOR BLADES 10/BX	3.24	0.0833	$ 0.27	$ 3.24
2	#10 QM HEPASTAT 256 4 GL/CS	21.72	0.1667	$ 3.62	$ 43.44
3	VIAFRESH ODOR ELIM LEMON 4 GL/CS	20.50	0.1250	$ 2.56	$ 30.75
4	#63 LT DUTY SCRUB SPONGE 20/CS	0.88	1.0000	$ 0.88	$ 10.56
5	#98 LT DUTY SCOURING PAD 20/CS	0.72	1.0000	$ 0.72	$ 8.64
6	SUSTAINABLE EARTH #66 DISINFECTANT	42.40	0.1250	$ 5.30	$ 63.60
7	SUSTAINABLE EARTH #64 NUETRAL CLEANER	88.00	0.0600	$ 5.28	$ 63.36
8	SUSTAINABLE EARTH #70 WASHROOM CLEANEI	97.44	0.0600	$ 5.85	$ 70.16
9	SS CLEANER POLISH 12-15 OZ/CS	6.01	0.0833	$ 0.50	$ 6.01
10	GLEME GLASS CLEANER 12-19 OZ/CS	2.01	1.0000	$ 2.01	$ 24.12
11	A-BEN-A-QUI VANDALISM PASTE 12-20 O	8.88	0.1250	$ 1.11	$ 13.32
12	7" TOOTHBRUSH W/NYL BRST 12/CS	1.42	1.0000	$ 1.42	$ 17.04
13	ANGLE BROOM FLAGGED END W/ HDL	5.99	0.1670	$ 1.00	$ 12.00
14	TRIGGER SPRAYER HEAD HD FOR 32 OZ B	2.70	1.0000	$ 2.70	$ 32.40
15	GLOVE DISP NITRILE PWDRLS GP XLR GL	7.99	0.5000	$ 4.00	$ 47.94
16	LAMBSWOOL DUSTER 28" 312FH	4.93	0.2500	$ 1.23	$ 14.79
17	LAMBSWOOL DUSTER FLEXIBLE 33-58" OV	10.36	0.2500	$ 2.59	$ 31.08
18	MR CLEAN MAGIC ERASER ALL PURPOSE 6	8.42	0.2500	$ 2.11	$ 25.26
19	TURKS HEAD BOWL BRUSH POLY 12/CS BN	5.47	0.2500	$ 1.37	$ 16.41
20	"CLOSED FOR CLEANING" HANGING SIGN	25.10	0.0833	$ 2.09	$ 25.09
21	36" STD LAUNDERABLE DUST MOP GN 12/	11.45	0.1250	$ 1.43	$ 17.18
22	36" JUMBO DUST MOP FRAME	7.69	0.1250	$ 0.96	$ 11.54
23	60" FBRGLS INVADER MOP HDL SIDE GAT	16.44	0.1250	$ 2.06	$ 24.66
24	PREMIUM LOOP END MOP LGR GN 12/CS	17.66	0.2500	$ 4.42	$ 52.98
25	PAPER FILTER (10) SENSOR VAC FITS S	17.91	-	$ -	$ -
26	BARKEEPERS FRIEND 20OZ BTL	2.65	1.0000	$ 2.65	$ 31.80
27	24 OZ BTL	1.25	1.0000	$ 1.25	$ 15.00
28	CLEANING TOWELS (60)	19.95	0.0833	$ 1.66	$ 19.94
29	DUSTPAN	2.65	0.2500	$ 0.66	$ 7.95
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 61.69	$ 740.25

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.
Parks and Recreation Pioneer Hall Only 19-20

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

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

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

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

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

Areas in green are formula driven.

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

LABOR

Direct Labor

Pathway Enterprises Inc.

Parks and Recreation Pioneer Hall Only 19-20

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor 1 Daily	1.25	$ 15.39	100%	$ 19.24	0.0765	$ 1.47	2.60%	$ 0.50	1.42%	$ 0.27	27.67%		$ 5.32	$ 26.81	365	$ 9,784.02	456.25
2	Supervisor	0.50	$ 20.61	100%	$ 10.31	0.0765	$ 0.79	2.60%	$ 0.27	1.42%	$ 0.15	27.67%		$ 2.85	$ 14.36	52	$ 746.67	26.00
3	Janitor 1 Monthly	4.00	$ 15.39	100%	$ 61.56	0.0765	$ 4.71	2.60%	$ 1.60	1.42%	$ 0.87	27.67%		$ 17.03	$ 85.78	12	$ 1,029.33	48.00
4	High Speed Burnish	1.50	$ 15.39	100%	$ 23.09	0.0765	$ 1.77	2.60%	$ 0.60	1.42%	$ 0.33	27.67%		$ 6.39	$ 32.17	24	$ 772.00	36.00
5					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
20					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
														Total	$ 159.11	Total	$ 12,332.02	566.25

Areas in green are formula driven.

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

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

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

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

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

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

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

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

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

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

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

Annual Labor Hours = Work hours multiplied by times per year

List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
LIFE + HEALTH INSURANCE	16.43%	
401 K	1.64%	27.67%

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

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

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

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

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

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

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

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

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	566
Total Assigned Overhead	$ -

Worksheet

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

WORK AREA:

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

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

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

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

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

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

Margin

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

Enter as a % of total cost of contract 6.0%

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

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

SUMMARY OF ANNUAL COSTS
07302007

Oregon Department of Administrative Services
Project Costing Worksheet

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

QRF Name	Pathway Enterprises, Inc.
Project	Ashland Fire Department 19 - 20

Executive Director Signature:

Raw Materials			
Per Time Use - Supplies	(from supplies worksheet)		$ 119.16
Equipment, Tools & Subcontracting	(from small equipment worksheet)		$ 53.28
		Subtotal 1	$ 172.44
Labor			
Direct Labor	(from labor daily worksheet)		$ 4,803.55
Overhead			
See Overhead Worksheet			$ 1,212.10
Delivery			
Transportation	(from Trans & Reserve worksheet)		$ -
		Total Before Margin	$ 6,188.09
Reserve			
Margin Held in Reserve	(from Trans & Reserve worksheet)		$ 191.38
		Total Bid Yearly	$ 6,379.48
		Monthly	$ 531.62

RAW MATERIALS
Supplies
Pathway Enterprises, Inc.
Ashland Fire Department 19 - 20

Oregon Department of Administrative Services
Project Costing Worksheet

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

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

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

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	SCRUBBING SPONGES	$ 1.36	0.5000	$ 0.68	$ 8.16
2	BARKEEPERS FRIEND LIQUID	$ 3.25	0.2500	$ 0.81	$ 9.75
3				$ -	$ -
4				$ -	$ -
5				$ -	$ -
6				$ -	$ -
7	UTILITY BRUSH	$ 2.74	0.0833	$ 0.23	$ 2.74
8	ANGLER BROOM	$ 6.27	0.0833	$ 0.52	$ 6.27
9	TOILET SCRUB BRUSH	$ 4.35	0.0833	$ 0.36	$ 4.35
10	VINYL GLOVES LARGE	$ 9.89	0.1667	$ 1.65	$ 19.78
11	LAMBSWOOL DUSTER	$ 4.90	0.0833	$ 0.41	$ 4.90
12	DUST PAN	$ 2.52	0.0833	$ 0.21	$ 2.52
13	GLASS CLEANER	$ 19.25	0.0833	$ 1.60	$ 19.25
14	NUETRAL CLEANER	$ 19.56	0.0833	$ 1.63	$ 19.56
15	SANITIZER	$ 16.99	0.0833	$ 1.42	$ 16.99
16	RESTROOM CLEANER	$ 19.60	0.0833	$ 1.63	$ 19.60
17	SPRAY BOTTLES	$ 1.90	0.3333	$ 0.63	$ 7.60
18	MOP HANDLE	$ 6.29	0.0833	$ 0.52	$ 6.29
19	LARGE MOP HEADS	$ 5.20	0.1667	$ 0.87	$ 10.40
20		$ (39.00)	0.0833	$ (3.25)	$ (39.00)
21				$ -	$ -
22				$ -	$ -
23				$ -	$ -
24				$ -	$ -
25				$ -	$ -
26				$ -	$ -
27				$ -	$ -
28				$ -	$ -
29				$ -	$ -
30				$ -	$ -
31				$ -	$ -
32				$ -	$ -
33				$ -	$ -
34				$ -	$ -
35				$ -	$ -
36				$ -	$ -
37				$ -	$ -
38				$ -	$ -
39				$ -	$ -
40				$ -	$ -
41				$ -	$ -
42				$ -	$ -
43				$ -	$ -
44				$ -	$ -
45				$ -	$ -
46				$ -	$ -
47				$ -	$ -
48				$ -	$ -
49				$ -	$ -
50				$ -	$ -
			Total	$ 9.93	$ 119.16

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.
Ashland Fire Department 19 - 20

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

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

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

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

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1				12						
2				12						
3				12						
4	MOP BUCKETS AND PRESSES	$ 54.08	24	12	50%	$ 27.04	100%	$ 27.04	1	$ 27.04
5	VACUUM CLEANERS	$ 524.82	24	12	50%	$ 262.41	10%	$ 26.24	1	$ 26.24
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	$ 53.28

Areas in green are formula driven.

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

LABOR
Direct Labor
Pathway Enterprises, Inc.
Ashland Fire Department 19 - 20

Oregon Department of Administrative Services
Project Costing Worksheet

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Main Restrooms	0.50	$ 15.39	100%	$ 7.70	0.0765	$ 0.59	2.60%	$ 0.20	1.42%	$ 0.11	27.67%		$ 2.13	$ 10.72	260	$ 2,787.78	130.00
2	Vacuuming	0.50	$ 15.39	100%	$ 7.70	0.0765	$ 0.59	2.60%	$ 0.20	1.42%	$ 0.11	27.67%		$ 2.13	$ 10.72	104	$ 1,115.11	52.00
3	Lobby	0.50	$ 15.39	100%	$ 7.70	0.0765	$ 0.59	2.60%	$ 0.20	1.42%	$ 0.11	27.67%		$ 2.13	$ 10.72	52	$ 557.56	26.00
4	Training Room	0.25	$ 15.39	100%	$ 3.85	0.0765	$ 0.29	2.60%	$ 0.10	1.42%	$ 0.05	27.67%		$ 1.06	$ 5.36	52	$ 278.78	13.00
5	Supervision	0.25	$ 15.39	100%	$ 3.85	0.0765	$ 0.29	2.60%	$ 0.10	1.42%	$ 0.05	27.67%		$ 1.06	$ 5.36	12	$ 64.33	3.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
10					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
12					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
13					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
14					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
15					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
16					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
17					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
18					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
19					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
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List "Other Benefits" Provided		
PTO + HOLIDAY	9.60%	
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Matching FICA
Workers' Comp at your cost
Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)

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

LABOR

Direct Labor
Pathway Enterprises, Inc.
Ashland Fire Department 19 - 20

	Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly $	Other Benefits SubTotal 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Main Restrooms	0.50	$ 15.39	100%	$ 7.70	0.0765	$ 0.59	2.60%	$ 0.20	1.42%	$ 0.11	27.67%		$ 2.13	$ 10.72	260	$ 2,787.78	130.00
2	Vacuuming	0.50	$ 15.39	100%	$ 7.70	0.0765	$ 0.59	2.60%	$ 0.20	1.42%	$ 0.11	27.67%		$ 2.13	$ 10.72	104	$ 1,115.11	52.00
3	Lobby	0.50	$ 15.39	100%	$ 7.70	0.0765	$ 0.59	2.60%	$ 0.20	1.42%	$ 0.11	27.67%		$ 2.13	$ 10.72	52	$ 557.56	26.00
4	Training Room	0.25	$ 15.39	100%	$ 3.85	0.0765	$ 0.29	2.60%	$ 0.10	1.42%	$ 0.05	27.67%		$ 1.06	$ 5.36	52	$ 278.78	13.00
5	Supervision	0.25	$ 15.39	100%	$ 3.85	0.0765	$ 0.29	2.60%	$ 0.10	1.42%	$ 0.05	27.67%		$ 1.06	$ 5.36	12	$ 64.33	3.00
6					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
7					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
8					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
9					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
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11					$ -		$ -		$ -		$ -			$ -	$ -		$ -	0.00
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There are many different ways organizations allocate overhead internally (e.g., Percent of total costs, dollar figure sum, as a percent of direct labor, etc). In the space provided below, indicate how your organization allocates overhead to this particular contract, what items go into your overhead, and what that overhead amount is (whether as a percent or exact amount)

FILL IN ONLY ONE OF THE THREE METHODS DETAILED BELOW!

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

OR

2. Enter Allocated Overhead as a Dollar-Figure Sum	

OR

3. Overhead as a Percent of Total Direct Labor Hours

Percent of Total Cost Method:

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

Dollar-Figure Sum Method:

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

Percent of Total Direct Labor Method:

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

Total Annual Direct Labor Hours	
Input Total from Worksheet on Below	
Overhead per labor hour	$ -
Time required to complete contract	224
Total Assigned Overhead	$ -

Worksheet

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

WORK AREA:

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

AGENCY REVENUES = 5,675,312
AGENCY INDIRECT EXPENSES = 1,120,789.41
OVERHEAD % = 19%

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

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

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

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

Margin

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

Enter as a % of total cost of contract 3.0%