



Council Business Meeting

June 20, 2023

Agenda Item	Contract for Janitorial Services to Pathway Enterprises, Inc. (OregonForward - Formerly QRF Program)		
From	Michael Morrison Ralph Sartain Rachel Dials	Operations Deputy Director Fire Chief Interim Parks Director	
Contact	michael.morrison@ashland.or.us	541-552-2325	
	ralph.sartain@ashland.or.us	541-552-2229	
	rachel@dials@ashland.or.us	541-552-2260	
Item Type	Requested by Council <input type="checkbox"/> Update <input type="checkbox"/> Request for Approval <input checked="" type="checkbox"/> Presentation <input type="checkbox"/>		

SUMMARY

This request is seeking approval to award a public contract to **Pathway Enterprises, Inc.** to provide **janitorial services for City Facilities, Fire Station #1, Parks Recreation Facilities, and Parks Restrooms and Trash Services.** Pathway Enterprises, Inc. is a local qualified Oregon Forward Program contractor that is qualified to provide janitorial services for the City of Ashland. The Oregon Forward Program was formerly known as the Qualified Rehabilitation Facility (QRF) Program. The term for the new contract for Janitorial Services will begin on July 1, 2023, and end June 30, 2024.

POLICIES, PLANS & GOALS SUPPORTED

BACKGROUND AND ADDITIONAL INFORMATION

The following information, along with guidelines, procurement contractor lists and laws governing the Oregon Forward Program can be found online at:

<https://www.oregon.gov/das/Procurement/Pages/OregonForward.aspx>

The Oregon Forward Program, formerly known as the QRF Program, fulfills a state law supporting meaningful work opportunities for Oregonians living with physical, mental, and developmental disabilities. Through a network of qualified nonprofit contractors, a uniquely skilled and diverse workforce is trained and employed to provide goods and services procured by state and local government agencies.

Oregon Forward is a state-run purchasing program promoting meaningful job opportunities for adults living with disabilities. Oregon's Department of Administrative Services (DAS) oversees a network of qualified nonprofit providers, Oregon Forward Contractors or OFCs, that fulfill a variety of public agency product and service needs across the state. The Oregon Forward program supports productive lives and helps create bright futures by fulfilling the needs of state and local government agencies.

ORS 279.850 Procurement of product or service; agreements for procurement; exceptions; preferences.
(1)(a) Except as provided in paragraph (b) of this subsection and subject to paragraph (c) of this subsection, a public agency that intends to procure a product or service on the procurement list that the Oregon Department of Administrative Services established under ORS 279.845 shall, in accordance with the department's rules, procure the product or service at the price the department establishes from a qualified nonprofit agency for individuals with disabilities, provided that the product or service is of the appropriate specifications and is available within the period the public agency requires.





Council Business Meeting

FISCAL IMPACTS

Funds are budgeted each fiscal year for janitorial services.

Janitorial Services	FY 2024
COA Living Wage	\$18.12
City Facilities	\$185,453.52
Fire Station #1	8,732.66
Parks Recreation Facilities	30,517.32
Parks Restrooms and Trash Services	222,526.27
Total Amount	\$447,229.77

DISCUSSION QUESTIONS

SUGGESTED NEXT STEPS

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

REFERENCES & ATTACHMENTS

Costing Workbooks

- City Facilities
- Fire Station #1
- Parks Recreation Facilities
- Parks Restrooms and Trash Services



Communication

Teamwork

Professionalism

Opportunity

Office: (541) 973-2728

Fax: (541) 973-2729



Property Service License #40205

CCB License #218417

April 26, 2023

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 the 23-24 contract period. The reason for the changes are as follows:

- Incorporation of the updated Living Wage for the City of Ashland at \$18.12 per hour. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$24.10 per hour.
- Updates for supply expenses, fringe expenses, and agency overhead.

In total we are requesting \$185,453.52 annually for cleaning services.

The monthly breakdown of costs is as follows:

Annual 2023 - 2024	Monthly Rates	# Weekly Services
City Hall	2,106.86	5
Community Development	2,808.21	3 Full, 2 Partial
Municipal Courts	1,738.06	3 Full, 2 Partial
Police Dept	4,009.83	7
Service Center	2,258.03	4
Street Shop	877.25	3
Floor Services	1,462.45	Twice Annual
Total	\$15,260.69	



Communication

Teamwork

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Office: (541) 973-2728

Fax: (541) 973-2729



I appreciate your consideration and look forward to another year serving the City of Ashland.

Sincerely,

Richard Simpson

Richard Simpson
Commercial Contracts Director
Pathway Enterprises, Inc.
Cell 541-601-4550
Office 541-973-2728

**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

revised: 4/5/2011

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

QRF Name
 Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$	2,514.97
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	862.04
			Subtotal 1
			\$ 3,377.01

Labor

Direct Labor	(from labor daily worksheet)	\$	9,844.66
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Overhead

See Overhead Worksheet		\$	3,274.71
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$	-
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Total Before Margin \$ 16,496.38

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	1,052.96
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Total Bid Yearly \$ 17,549.34

Monthly \$ 1,462.45

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Facility Floors 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02		\$ -	\$ -
2 Arsenal #2 Window Clean	\$ 0.91		\$ -	\$ -
3 Arsenal #5 Restroom Cleaner	\$ 1.32		\$ -	\$ -
4 Arsenal #6 Vindicator	\$ 0.86		\$ -	\$ -
5 Barkeepers Friend Liquid	\$ 5.92		\$ -	\$ -
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92		\$ -	\$ -
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45		\$ -	\$ -
9 Ziz-O Paste	\$ 5.82		\$ -	\$ -
10 Angler Broom	\$ 5.90		\$ -	\$ -
11 Cleaning Terry Cloth Rag	\$ 0.49		\$ -	\$ -
12 Dust Mop 36" Frame	\$ 10.48		\$ -	\$ -
13 Dust Mop Handle	\$ 8.29		\$ -	\$ -
14 Dust Mop Head 36"	\$ 16.47		\$ -	\$ -
15 Dust Pan	\$ 9.60		\$ -	\$ -
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08		\$ -	\$ -
18 Melamine Erasing Sponge (24)	\$ 26.70		\$ -	\$ -
19 Pro Guard Nitrile Gloves (400)	\$ 42.50		\$ -	\$ -
20 Scour Sponge White (Case)	\$ 38.40		\$ -	\$ -
21 Toilet Brush	\$ 1.87		\$ -	\$ -
22 Trigger Sprayer w/ Bottle	\$ 2.40		\$ -	\$ -
23 Unger Micro Washer Sleeve	\$ 1.95		\$ -	\$ -
24 Mop Head	\$ 3.83	0.5000	\$ 1.915000	\$ 22.98
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75	0.1667	\$ 1.458333	\$ 17.50
27 Sensor Bags (10 Pack)	\$ 28.51	0.0833	\$ 2.375833	\$ 28.51
28 Brute Caddy Bag	\$ 59.35		\$ -	\$ -
29 Ninja T Bar	\$ 21.27		\$ -	\$ -
30 Chewing Gum Remover	\$ 7.42		\$ -	\$ -
31 Deep Six Defoamer	\$ 12.11	0.2500	\$ 3.027500	\$ 36.33
32 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
33 Timesaver Floor Finish	\$ 26.62	3.0000	\$ 79.860000	\$ 958.32
34 Heavy Duty Stripper	\$ 18.45	2.0000	\$ 36.900000	\$ 442.80
35 Arsenal Neutralizer Packs	\$ 0.45	5.0000	\$ 2.250000	\$ 27.00
36 Folex Carpet Spotter	\$ 16.25	2.0000	\$ 32.500000	\$ 390.00
37 Easy Shine Reusable Pouches	\$ 10.61	0.2500	\$ 2.652500	\$ 31.83
38 20" Black Strip Pads	\$ 6.00	3.0000	\$ 18.000000	\$ 216.00
39 20" Brown Strip Pads	\$ 6.00	2.0000	\$ 12.000000	\$ 144.00
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26	2.0000	\$ 8.520000	\$ 102.24
42 Doodle Bug Pad	\$ 2.26	2.0000	\$ 4.520000	\$ 54.24
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22	0.0833	\$ 3.601667	\$ 43.22
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 209.580833	\$ 2,514.97

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.

Worker Description	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 City Hall Carpet	11.00	\$ 22.00	100%	\$ 242.00	0.0765	\$ 18.51	2.69%	\$ 6.51	0.43%	\$ 6.51	28.11%	\$ 18.51	\$ 70.45	\$ 338.52	2	\$ 677.03	22.0	
2 City Hall Hard FL	2.00	\$ 22.00	100%	\$ 44.00	0.0765	\$ 3.37	2.69%	\$ 1.18	0.43%	\$ 1.18	28.11%	\$ 3.37	\$ 12.81	\$ 61.55	2	\$ 123.10	4.0	
3 Comm Dev Carpet	22.00	\$ 22.00	100%	\$ 484.00	0.0765	\$ 37.03	2.69%	\$ 13.02	0.43%	\$ 13.02	28.11%	\$ 37.03	\$ 140.89	\$ 677.03	2	\$ 1,354.07	44.0	
4 Comm Dev Hard FL	4.00	\$ 22.00	100%	\$ 88.00	0.0765	\$ 6.73	2.69%	\$ 2.37	0.43%	\$ 2.37	28.11%	\$ 6.73	\$ 25.82	\$ 123.10	2	\$ 246.19	8.0	
5 Courts Carpet	8.00	\$ 22.00	100%	\$ 176.00	0.0765	\$ 13.46	2.69%	\$ 4.73	0.43%	\$ 4.73	28.11%	\$ 13.46	\$ 51.23	\$ 246.19	4	\$ 964.78	32.0	
6 Courts Hard FL	2.00	\$ 22.00	100%	\$ 44.00	0.0765	\$ 3.37	2.69%	\$ 1.18	0.43%	\$ 1.18	28.11%	\$ 3.37	\$ 12.81	\$ 61.55	2	\$ 123.10	4.0	
7 Police Carpet	12.00	\$ 22.00	100%	\$ 264.00	0.0765	\$ 20.20	2.69%	\$ 7.10	0.43%	\$ 7.10	28.11%	\$ 20.20	\$ 76.85	\$ 359.29	2	\$ 738.58	24.0	
8 Police Hard FL	32.00	\$ 22.00	100%	\$ 704.00	0.0765	\$ 53.86	2.69%	\$ 18.94	0.43%	\$ 18.94	28.11%	\$ 53.86	\$ 204.53	\$ 964.78	2	\$ 1,969.55	64.0	
9																		
10 Service Cir Carpet	8.00	\$ 22.00	100%	\$ 176.00	0.0765	\$ 13.46	2.69%	\$ 4.73	0.43%	\$ 4.73	28.11%	\$ 13.46	\$ 51.23	\$ 246.19	2	\$ 492.39	16.0	
11 Service Cir Hard FL	20.00	\$ 22.00	100%	\$ 440.00	0.0765	\$ 33.66	2.69%	\$ 11.84	0.43%	\$ 11.84	28.11%	\$ 33.66	\$ 128.08	\$ 615.49	2	\$ 1,230.97	40.0	
12 Streets Carpet	1.00	\$ 22.00	100%	\$ 22.00	0.0765	\$ 1.68	2.69%	\$ 0.59	0.43%	\$ 0.59	28.11%	\$ 1.68	\$ 6.40	\$ 30.77	2	\$ 61.55	2.0	
13 Streets Hard FL	10.00	\$ 22.00	100%	\$ 220.00	0.0765	\$ 16.83	2.69%	\$ 5.92	0.43%	\$ 5.92	28.11%	\$ 16.83	\$ 64.04	\$ 307.74	2	\$ 615.49	20.0	
14																		
15 Supervision	15.00	\$ 29.26	100%	\$ 438.90	0.0765	\$ 33.58	2.69%	\$ 11.81	0.43%	\$ 11.81	28.11%	\$ 33.58	\$ 127.76	\$ 613.93	2	\$ 1,227.87	30.0	
16																		
17																		
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26																		
27																		
28																		
29																		
30																		
Total																		

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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 subtotal 1 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.
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
Other Benefits Mo. \$ = Input in this column if you calculate Other Benefits by a percentage.

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.)

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 time is not the same as billable time. For example, a supervisor may spend 30% of his/her time in direct labor functions and the other 70% 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 1 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.

Workers Comp at your cost
 Matching FICA
 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

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 cost. 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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="310"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	29,120.00
Management Payroll Tax Expense	\$	5,256.00
Management Medical Insurance	\$	6,600.00
Management Pension Plan Expense		
Sales & Administrative Salaries	\$	561,845.00
Sales & Administrative Payroll Tax Expense	\$	90,906.00
Sales & Administrative Medical Insurance	\$	136,791.00
Sales & Administrative Pension Plan Expense		
Office Rent	\$	146,676.00
Advertising and Public Education	\$	52,038.00
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$	109,128.00
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$	31,566.00
Dues & Subscriptions	\$	14,962.00
Depreciation-office building	\$	23,569.00
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$	21,283.00
Postage & Freight	\$	1,651.00
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$	65,322.00
Staff Expenses	\$	47,769.00
Professional Services	\$	65,443.00
TOTAL INDIRECT COSTS	\$	1,368,949.00
CPI Factor	1.40%	1.40%
Total	\$	2,339,376.08

WORK AREA:

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

AGENCY REVENUES = \$12,534,045
AGENCY INDIRECT EXPENSES = 2,339,376
OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Facility Floors 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

Margin

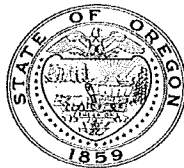
The law allows a "margin held in reserve". The margin % can vary depending on the product or service being offered and organizational, contractual and market variables specific to the project. Some research will likely be required to come up with a percentage that not only allows for inventory and equipment 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%

Work Area

**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

revised: 4/5/2011

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

QRF Name
Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$	1,729.45
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	389.11
		Subtotal 1	\$ 2,118.56

Labor

Direct Labor	(from labor daily worksheet)	\$	34,133.55
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Overhead

See Overhead Worksheet		\$	8,978.82
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Delivery

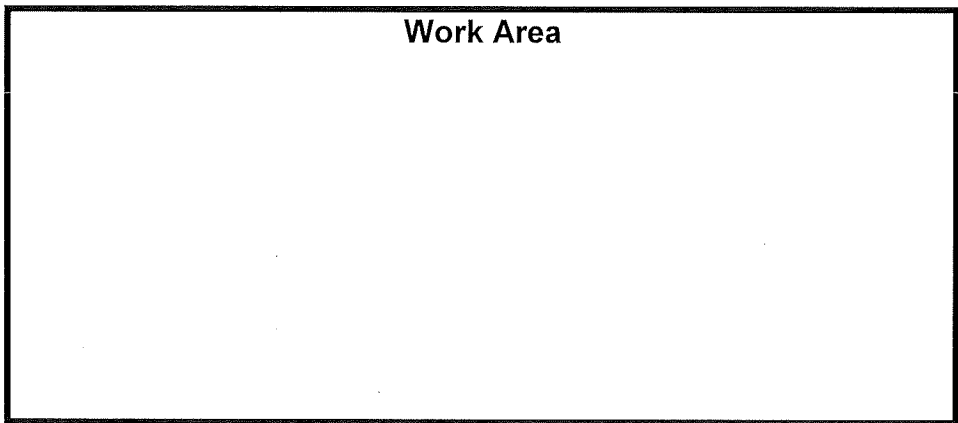
Transportation	(from Trans & Reserve worksheet)	\$	-
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Total Before Margin \$ 45,230.93

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	2,887.08
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Total Bid Yearly \$ 48,118.01
Monthly \$ 4,009.83



RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Police Department Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	31.0000	\$ 31.620000	\$ 379.44
2 Arsenal #2 Window Clean	\$ 0.91	5.0000	\$ 4.550000	\$ 54.60
3 Arsenal #5 Restroom Cleaner	\$ 1.32	5.0000	\$ 6.600000	\$ 79.20
4 Arsenal #6 Vindicator	\$ 0.86	10.0000	\$ 8.600000	\$ 103.20
5 Barkeepers Friend Liquid	\$ 5.92	2.0000	\$ 11.840000	\$ 142.08
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.2500	\$ 1.480000	\$ 17.76
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	1.0000	\$ 3.450000	\$ 41.40
9 Ziz-O Paste	\$ 5.82	0.5000	\$ 2.910000	\$ 34.92
10 Angler Broom	\$ 5.90	0.2500	\$ 1.475000	\$ 17.70
11 Cleaning Terry Cloth Rag	\$ 0.49	20.0000	\$ 9.750000	\$ 117.00
12 Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.872984	\$ 10.48
13 Dust Mop Handle	\$ 8.29	0.0833	\$ 0.690557	\$ 8.29
14 Dust Mop Head 36"	\$ 16.47	0.2500	\$ 4.117500	\$ 49.41
15 Dust Pan	\$ 9.60	0.2500	\$ 2.400000	\$ 28.80
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.2500	\$ 2.270000	\$ 27.24
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0833	\$ 2.225000	\$ 26.70
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.6667	\$ 28.333333	\$ 340.00
20 Scour Sponge White (Case)	\$ 38.40	0.0833	\$ 3.200000	\$ 38.40
21 Toilet Brush	\$ 1.87	0.5000	\$ 0.935000	\$ 11.22
22 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
23 Unger Micro Washer Sleeve	\$ 1.95	0.1667	\$ 0.33	\$ 3.90
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51	0.1667	\$ 4.751667	\$ 57.02
28 Brute Caddy Bag	\$ 59.35	0.0833	\$ 4.945833	\$ 59.35
29 Ninja T Bar	\$ 21.27		\$ -	\$ -
30 Chewing Gum Remover	\$ 7.42		\$ -	\$ -
31 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
32 Take Down Fresh and Clean	\$ 20.53	0.1667	\$ 3.421667	\$ 41.06
33 Timesaver Floor Finish	\$ 26.62		\$ -	\$ -
34 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
35 Arsenal Neutralizer Packs	\$ 0.45		\$ -	\$ -
36 Folex Carpet Spotter	\$ 16.25		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 20" Black Strip Pads	\$ 6.00		\$ -	\$ -
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26		\$ -	\$ -
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 144.121041	\$ 1,729.45

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.

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 6	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 Janitor Daily	3.50	\$ 18.12	100%	\$ 63.42	0.0765	\$ 4.85	2.69%	\$ 1.71	0.43%	\$ 0.27	29.11%	\$ 18.46	\$ 88.71		365	\$ 32,380.54	1,277.5
2 Supervision	1.00	\$ 24.10	100%	\$ 24.10	0.0765	\$ 1.84	2.69%	\$ 0.65	0.43%	\$ 0.10	29.11%	\$ 7.02	\$ 33.71		52	\$ 1,753.01	52.0
3				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
4				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
5				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
6				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
7				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
8				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
9				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
10				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
11				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
12				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
13				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
14				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
15				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
16				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
17				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
18				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
19				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
20				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
21				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
22				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
23				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
24				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
25				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
26				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
27				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
28				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
29				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
30				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -			\$ -	0.0
													Total	\$ 122.43	Total	\$ 34,133.55	1,329.5

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.

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

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.

Other Benefits Mo. \$ =

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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 1 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. (60 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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	<input type="text"/>
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="1,330"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$ 29,120.00	
Management Payroll Tax Expense	\$ 5,256.00	
Management Medical Insurance	\$ 6,600.00	
Management Pension Plan Expense		
Sales & Administrative Salaries	\$ 561,845.00	
Sales & Administrative Payroll Tax Expense	\$ 90,906.00	
Sales & Administrative Medical Insurance	\$ 136,791.00	
Sales & Administrative Pension Plan Expense		
Office Rent	\$ 146,676.00	\$ 82,078.00
Advertising and Public Education	\$ 52,038.00	
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$ 109,128.00	
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$ 31,566.00	\$ 24,057.00
Dues & Subscriptions	\$ 14,962.00	\$ 1,129.00
Depreciation-office building	\$ 23,569.00	
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$ 21,283.00	\$ 2,886.00
Postage & Freight	\$ 1,651.00	
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$ 65,322.00	\$ 168,563.00
Staff Expenses	\$ 47,769.00	
Professional Services	\$ 65,443.00	\$ 559,120.00
TOTAL INDIRECT COSTS	\$ 1,368,949.00	\$ 938,128.00
CPI Factor	1.40%	1.40%
Total	\$ 2,339,376.08	

WORK AREA:

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

AGENCY REVENUES = \$12,534,045
AGENCY INDIRECT EXPENSES = 2,339,376
OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Police Department Janitorial 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

**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

revised: 4/5/2011

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 City Hall Janitorial 23-24

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$	1,206.50
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	246.44
		Subtotal 1	\$ 1,452.94

Labor

Direct Labor	(from labor daily worksheet)	\$	17,594.76
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Overhead

See Overhead Worksheet		\$	4,717.68
------------------------	--	----	----------

Delivery

Transportation	(from Trans & Reserve worksheet)	\$	-
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Total Before Margin	\$	23,765.39
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Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	1,516.94
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Total Bid Yearly	\$	25,282.32
Monthly	\$	2,106.86

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland City Hall Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	22.0000	\$ 22.440000	\$ 269.28
2 Arsenal #2 Window Clean	\$ 0.91	4.0000	\$ 3.640000	\$ 43.68
3 Arsenal #5 Restroom Cleaner	\$ 1.32	4.0000	\$ 5.280000	\$ 63.36
4 Arsenal #6 Vindicator	\$ 0.86	8.0000	\$ 6.880000	\$ 82.56
5 Barkeepers Friend Liquid	\$ 5.92	1.0000	\$ 5.920000	\$ 71.04
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.2500	\$ 1.480000	\$ 17.76
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	1.0000	\$ 3.450000	\$ 41.40
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10 Angler Broom	\$ 5.90	0.1667	\$ 0.983333	\$ 11.80
11 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
12 Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.873333	\$ 10.48
13 Dust Mop Handle	\$ 8.29	0.0833	\$ 0.690833	\$ 8.29
14 Dust Mop Head 36"	\$ 16.47	0.1667	\$ 2.745000	\$ 32.94
15 Dust Pan	\$ 9.60	0.2500	\$ 2.400000	\$ 28.80
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.1667	\$ 1.513333	\$ 18.16
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0417	\$ 1.112500	\$ 13.35
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.4167	\$ 17.708333	\$ 212.50
20 Scour Sponge White (Case)	\$ 38.40	0.0833	\$ 3.200000	\$ 38.40
21 Toilet Brush	\$ 1.87	0.5000	\$ 0.935000	\$ 11.22
22 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
23 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.49	\$ 5.85
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51	0.1667	\$ 4.751667	\$ 57.02
28 Brute Caddy Bag	\$ 59.35	0.0833	\$ 4.945833	\$ 59.35
29 Ninja T Bar	\$ 21.27		\$ -	\$ -
30 Chewing Gum Remover	\$ 7.42	0.2500	\$ 1.855000	\$ 22.26
31 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
32 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
33 Timesaver Floor Finish	\$ 26.62		\$ -	\$ -
34 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
35 Arsenal Neutralizer Packs	\$ 0.45		\$ -	\$ -
36 Folex Carpet Spotter	\$ 16.25		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 20" Black Strip Pads	\$ 6.00		\$ -	\$ -
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26		\$ -	\$ -
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 100.541667	\$ 1,206.50

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.

LABOR

Direct Labor
Pathway Enterprises, Inc.
City of Ashland City Hall Municipal 23-24

Worker Description	Work Hours	Hourly Rate	% Productivity	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 \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor	
1 Janitor/Daily	2.90	\$ 16.12	100%	\$ 45.30	0.0765	\$ 3.47	2.69%	\$ 1.22	0.43%	\$ 0.20	29.11%	\$ 28.11%	\$ 7.02	\$ 63.37	250	\$ 15,841.75	625.0	
2 Supervisor	1.00	\$ 24.10	100%	\$ 24.10	0.0765	\$ 1.84	2.69%	\$ 0.65	0.43%	\$ 0.10	29.11%	\$ 28.11%	\$ 7.02	\$ 33.71	52	\$ 1,753.01	52.0	
3																		
4																		
5																		
6																		
7																		
8																		
9																		
10																		
11																		
12																		
13																		
14																		
15																		
16																		
17																		
18																		
19																		
20																		
21																		
22																		
23																		
24																		
25																		
26																		
27																		
28																		
29																		
30																		
Total															97.08		17,594.76	677.0

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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.
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
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.

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 on a project may include 50% of their 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 1 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 on 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

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

Dollar-Figure Sum Method:

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

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 calls 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 style="width: 50px;" type="text"/>
Input Total from Worksheet on Below	<input style="width: 50px;" type="text"/>
Overhead per labor hour	\$ <input style="width: 50px;" type="text"/>
Time required to complete contract	<input style="width: 50px;" type="text" value="677"/>
Total Assigned Overhead	\$ <input style="width: 50px;" type="text"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$ 29,120.00	
Management Payroll Tax Expense	\$ 5,256.00	
Management Medical Insurance	\$ 6,600.00	
Management Pension Plan Expense		
Sales & Administrative Salaries	\$ 561,845.00	
Sales & Administrative Payroll Tax Expense	\$ 90,906.00	
Sales & Administrative Medical Insurance	\$ 136,791.00	
Sales & Administrative Pension Plan Expense		
Office Rent	\$ 146,676.00	\$ 82,078.00
Advertising and Public Education	\$ 52,038.00	
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$ 109,128.00	
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$ 31,566.00	\$ 24,057.00
Dues & Subscriptions	\$ 14,962.00	\$ 1,129.00
Depreciation-office building	\$ 23,569.00	
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$ 21,283.00	\$ 2,886.00
Postage & Freight	\$ 1,651.00	
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$ 65,322.00	\$ 168,563.00
Staff Expenses	\$ 47,769.00	
Professional Services	\$ 65,443.00	\$ 559,120.00
TOTAL INDIRECT COSTS	\$ 1,368,949.00	\$ 938,128.00
CPI Factor	1.40%	1.40%
Total	\$ 2,339,376.08	

WORK AREA:

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

AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland City Hall Janitorial 23-24

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

**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

revised: 4/5/2011

Oregon Department of Administrative Services

Project Costing Worksheet

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

QRF Name
 Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 1,280.54
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
Subtotal 1		\$ 1,526.98

Labor

Direct Labor	(from labor daily worksheet)	\$ 18,887.45
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Overhead

See Overhead Worksheet		\$ 5,056.19
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Delivery

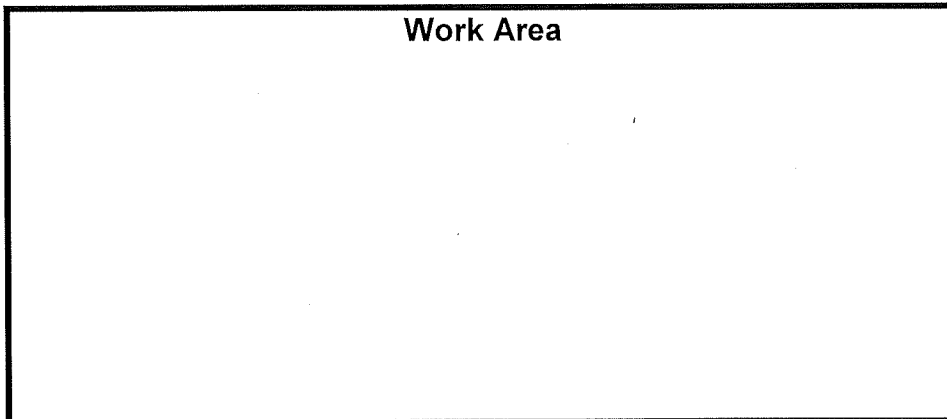
Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 25,470.61

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 1,625.78
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Total Bid Yearly \$ 27,096.40
Monthly \$ 2,258.03



RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Service Center Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	22.0000	\$ 22.440000	\$ 269.28
2 Arsenal #2 Window Clean	\$ 0.91	4.0000	\$ 3.640000	\$ 43.68
3 Arsenal #5 Restroom Cleaner	\$ 1.32	4.0000	\$ 5.280000	\$ 63.36
4 Arsenal #6 Vindicator	\$ 0.86	8.0000	\$ 6.880000	\$ 82.56
5 Barkeepers Friend Liquid	\$ 5.92	1.0000	\$ 5.920000	\$ 71.04
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.2500	\$ 1.480000	\$ 17.76
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	1.0000	\$ 3.450000	\$ 41.40
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10 Angler Broom	\$ 5.90	0.1667	\$ 0.983333	\$ 11.80
11 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
12 Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.873333	\$ 10.48
13 Dust Mop Handle	\$ 8.29	0.0833	\$ 0.690833	\$ 8.29
14 Dust Mop Head 36"	\$ 16.47	0.1667	\$ 2.745000	\$ 32.94
15 Dust Pan	\$ 9.60	0.2500	\$ 2.400000	\$ 28.80
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.1667	\$ 1.513333	\$ 18.16
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0417	\$ 1.112500	\$ 13.35
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.5000	\$ 21.250000	\$ 255.00
20 Scour Sponge White (Case)	\$ 38.40	0.0833	\$ 3.200000	\$ 38.40
21 Toilet Brush	\$ 1.87	0.5000	\$ 0.935000	\$ 11.22
22 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
23 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.49	\$ 5.85
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51	0.1667	\$ 4.751667	\$ 57.02
28 Brute Caddy Bag	\$ 59.35	0.0833	\$ 4.945833	\$ 59.35
29 Ninja T Bar	\$ 21.27	0.0833	\$ 1.772500	\$ 21.27
30 Chewing Gum Remover	\$ 7.42	0.2500	\$ 1.855000	\$ 22.26
31 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
32 Take Down Fresh and Clean	\$ 20.53	0.0417	\$ 0.855417	\$ 10.27
33 Timesaver Floor Finish	\$ 26.62		\$ -	\$ -
34 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
35 Arsenal Nuetralizer Packs	\$ 0.45		\$ -	\$ -
36 Folex Carpet Spotter	\$ 16.25		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 20" Black Strip Pads	\$ 6.00		\$ -	\$ -
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26		\$ -	\$ -
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 106.711250	\$ 1,280.54

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.

LABOR

Direct Labor
Pathway Enterprises, Inc.
City of Ashland Service Center Janitorial 23-24

Worker Description	Work Hours	Hourly Rate	% Productivity	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	3.25	\$ 16.12	100%	\$ 52.39	0.0765	\$ 4.51	2.69%	\$ 1.58	0.43%	\$ 2.01	29.11%	\$ 17.14	\$ 82.38	208	\$ 17,134.44	676.0	
2 Supervisor	1.00	\$ 24.10	100%	\$ 24.10	0.0765	\$ 1.84	2.69%	\$ 0.85	0.43%	\$ 1.29	29.11%	\$ 7.02	\$ 33.71	52	\$ 1,753.01	52.0	
3																	
4																	
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22																	
23																	
24																	
25																	
26																	
27																	
28																	
29																	
30																	
Total															116.09	18,887.45	728.0

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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 %.
Subtotal 5 = Input in this column if you calculate Other Benefits by a percentage.
Other Benefits % = Input in this column if you calculate Other Benefits by a percentage.
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
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.

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 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 definition of "work hours" 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 1 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.

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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="728"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
INDIRECT COSTS		
Management Salaries	\$ 29,120.00	
Management Payroll Tax Expense	\$ 5,256.00	
Management Medical Insurance	\$ 6,600.00	
Management Pension Plan Expense		
Sales & Administrative Salaries	\$ 561,845.00	
Sales & Administrative Payroll Tax Expense	\$ 90,906.00	
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Insurance		
Telephone		
Utilities		
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Depreciation-office building	\$ 23,569.00	
Depreciation-office equipment		\$ 56,308.00
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Office Supplies	\$ 21,283.00	\$ 2,886.00
Postage & Freight	\$ 1,651.00	
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$ 65,322.00	\$ 168,563.00
Staff Expenses	\$ 47,769.00	
Professional Services	\$ 65,443.00	\$ 559,120.00
TOTAL INDIRECT COSTS	\$ 1,368,949.00	\$ 938,128.00
CPI Factor	1.40%	1.40%
Total	\$ 2,339,376.08	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
 AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Service Center Janitorial 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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- (a) Transporting the individuals who will perform the service to the location where the service will be provided.
- (b) Services dependent on vehicle in the provision of that service.

GSA - Privately Owned Vehicle (POV) Mileage Reimbursement Rates

Services Contract

	Delivery Description	Miles Per Service	Rate Per Mile	Daily Cost	Services per Year	Annual Trans Cost
1				\$ -		\$ -
2				\$ -		\$ -
3				\$ -		\$ -
4				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

**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

revised: 4/5/2011

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

QRF Name
Project

Executive Director Signature:

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 1,206.50
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
		Subtotal 1 \$ 1,452.94

Labor

Direct Labor	(from labor daily worksheet)	\$ 23,935.55
--------------	------------------------------	--------------

Overhead

See Overhead Worksheet		\$ 6,288.15
------------------------	--	-------------

Delivery

Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 31,676.64

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 2,021.91
------------------------	----------------------------------	-------------

Total Bid Yearly \$ 33,698.55
Monthly \$ 2,808.21

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Community Development Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

	Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1	Arsenal #10 Top Clean	\$ 1.02	22.0000	\$ 22.440000	\$ 269.28
2	Arsenal #2 Window Clean	\$ 0.91	4.0000	\$ 3.640000	\$ 43.68
3	Arsenal #5 Restroom Cleaner	\$ 1.32	4.0000	\$ 5.280000	\$ 63.36
4	Arsenal #6 Vindicator	\$ 0.86	8.0000	\$ 6.880000	\$ 82.56
5	Barkeepers Friend Liquid	\$ 5.92	1.0000	\$ 5.920000	\$ 71.04
6	Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.2500	\$ 1.480000	\$ 17.76
7	Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8	Wenco Aero Glass Cleaner	\$ 3.45	1.0000	\$ 3.450000	\$ 41.40
9	Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10	Angler Broom	\$ 5.90	0.1667	\$ 0.983333	\$ 11.80
11	Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
12	Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.873333	\$ 10.48
13	Dust Mop Handle	\$ 8.29	0.0833	\$ 0.690833	\$ 8.29
14	Dust Mop Head 36"	\$ 16.47	0.1667	\$ 2.745000	\$ 32.94
15	Dust Pan	\$ 9.60	0.2500	\$ 2.400000	\$ 28.80
16	Easy Adapter hose	\$ 27.76		\$ -	\$ -
17	High Rise Duster	\$ 9.08	0.1667	\$ 1.513333	\$ 18.16
18	Melamine Erasing Sponge (24)	\$ 26.70	0.0417	\$ 1.112500	\$ 13.35
19	Pro Guard Nitrile Gloves (400)	\$ 42.50	0.4167	\$ 17.708333	\$ 212.50
20	Scour Sponge White (Case)	\$ 38.40	0.0833	\$ 3.200000	\$ 38.40
21	Toilet Brush	\$ 1.87	0.5000	\$ 0.935000	\$ 11.22
22	Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
23	Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.49	\$ 5.85
24	Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25	Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26	60" Handle	\$ 8.75		\$ -	\$ -
27	Sensor Bags (10 Pack)	\$ 28.51	0.1667	\$ 4.751667	\$ 57.02
28	Brute Caddy Bag	\$ 59.35	0.0833	\$ 4.945833	\$ 59.35
29	Ninja T Bar	\$ 21.27		\$ -	\$ -
30	Chewing Gum Remover	\$ 7.42	0.2500	\$ 1.855000	\$ 22.26
31	Deep Six Defoamer	\$ 12.11		\$ -	\$ -
32	Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
33	Timesaver Floor Finish	\$ 26.62		\$ -	\$ -
34	Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
35	Arsenal Neutralizer Packs	\$ 0.45		\$ -	\$ -
36	Folex Carpet Spotter	\$ 16.25		\$ -	\$ -
37	Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38	20" Black Strip Pads	\$ 6.00		\$ -	\$ -
39	20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40	20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41	20" White Polish Pads	\$ 4.26		\$ -	\$ -
42	Doodle Bug Pad	\$ 2.26		\$ -	\$ -
43	Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44	3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45	Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46	Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47				\$ -	\$ -
48				\$ -	\$ -
49				\$ -	\$ -
50				\$ -	\$ -
	Total			\$ 100.541667	\$ 1,206.50

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.

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 Sub-Total \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 Janitor 2x	3.25	\$ 18.12	100%	\$ 58.89	0.0765	\$ 4.51	2.69%	\$ 1.58	0.43%	\$ 0.25	28.11%	\$ 17.14	\$ 17.14	\$ 82.38	104	\$ 8,567.22	338.0
2 Janitor 3x	3.00	\$ 18.12	100%	\$ 54.36	0.0765	\$ 4.16	2.69%	\$ 1.46	0.43%	\$ 0.24	28.11%	\$ 15.82	\$ 15.82	\$ 76.04	156	\$ 11,862.30	488.0
3 Supervision	2.00	\$ 24.10	100%	\$ 48.20	0.0765	\$ 3.69	2.69%	\$ 1.30	0.43%	\$ 0.21	28.11%	\$ 14.03	\$ 14.03	\$ 67.42	52	\$ 3,506.03	104.0
4				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
5				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
6				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
7				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
8				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
9				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
10				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
11				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
12				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
13				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
14				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
15				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
16				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
17				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
18				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
19				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
20				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
21				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
22				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
23				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
24				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
25				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
26				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
27				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
28				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
29				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
30				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
Total				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	910.0
													Total	\$ 225.84		\$ 23,935.55	

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.

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 Labor Hours = Times per year multiplied by daily/per item labor

Annual Labor Hours = Work hours multiplied by times per year

Other Benefits Mo. \$ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employee's 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.)

Other Benefits Mo. \$ = Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employee's 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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Item	Percentage
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

List "Other Benefits" Provided

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 converted 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 1 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 5 people working at 50% productivity for 2 hrs. each. (5x.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 Expenses" (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, 12 months 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 \$1,733.33/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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="910"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	29,120.00
Management Payroll Tax Expense	\$	5,256.00
Management Medical Insurance	\$	6,600.00
Management Pension Plan Expense		
Sales & Administrative Salaries	\$	561,845.00
Sales & Administrative Payroll Tax Expense	\$	90,906.00
Sales & Administrative Medical Insurance	\$	136,791.00
Sales & Administrative Pension Plan Expense		
Office Rent	\$	146,676.00
Advertising and Public Education	\$	52,038.00
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$	109,128.00
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$	31,566.00
Dues & Subscriptions	\$	14,962.00
Depreciation-office building	\$	23,569.00
Depreciation-office equipment		56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$	21,283.00
Postage & Freight	\$	1,651.00
Rehab		3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$	65,322.00
Staff Expenses	\$	47,769.00
Professional Services	\$	65,443.00
TOTAL INDIRECT COSTS	\$	1,368,949.00
CPI Factor	1.40%	1.40%
Total	\$	2,339,376.08

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
 AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Community Development Janitorial 23-24

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

**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

revised: 4/5/2011

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QRF Name
Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 1,206.50
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
		Subtotal 1 \$ 1,452.94

Labor

Direct Labor	(from labor daily worksheet)	\$ 14,260.51
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Overhead

See Overhead Worksheet		\$ 3,891.86
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 19,605.32

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 1,251.40
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Total Bid Yearly \$ 20,856.72
Monthly \$ 1,738.06

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Municipal Court 23-24

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:

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Cleaning chemicals or products	Floor Wax
Spray bottles	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 Arsenal #2 Window Clean	\$ 0.91	4.0000	\$ 3.640000	\$ 43.68
3 Arsenal #5 Restroom Cleaner	\$ 1.32	4.0000	\$ 5.280000	\$ 63.36
4 Arsenal #6 Vindicator	\$ 0.86	8.0000	\$ 6.880000	\$ 82.56
5 Barkeepers Friend Liquid	\$ 5.92	1.0000	\$ 5.920000	\$ 71.04
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.2500	\$ 1.480000	\$ 17.76
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	1.0000	\$ 3.450000	\$ 41.40
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10 Angler Broom	\$ 5.90	0.1667	\$ 0.983333	\$ 11.80
11 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
12 Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.873333	\$ 10.48
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14 Dust Mop Head 36"	\$ 16.47	0.1667	\$ 2.745000	\$ 32.94
15 Dust Pan	\$ 9.60	0.2500	\$ 2.400000	\$ 28.80
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.1667	\$ 1.513333	\$ 18.16
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0417	\$ 1.112500	\$ 13.35
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.4167	\$ 17.708333	\$ 212.50
20 Scour Sponge White (Case)	\$ 38.40	0.0833	\$ 3.200000	\$ 38.40
21 Toilet Brush	\$ 1.87	0.5000	\$ 0.935000	\$ 11.22
22 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
23 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.49	\$ 5.85
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51	0.1667	\$ 4.751667	\$ 57.02
28 Brute Caddy Bag	\$ 59.35	0.0833	\$ 4.945833	\$ 59.35
29 Ninja T Bar	\$ 21.27		\$ -	\$ -
30 Chewing Gum Remover	\$ 7.42	0.2500	\$ 1.855000	\$ 22.26
31 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
32 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
33 Timesaver Floor Finish	\$ 26.62		\$ -	\$ -
34 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
35 Arsenal Neutralizer Packs	\$ 0.45		\$ -	\$ -
36 Folex Carpet Spotter	\$ 16.25		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 20" Black Strip Pads	\$ 6.00		\$ -	\$ -
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26		\$ -	\$ -
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 100.541667	\$ 1,206.50

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.

Worker Description	Work Hours	Hourly Rate	% Productivity	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 \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor	
1 Janitor 2x	2.50	\$ 18.10	100%	\$ 45.25	0.0765	\$ 3.46	2.69%	\$ 1.22	0.43%	\$ 0.20	29.11%	\$ 13.17	\$ 6,582.89	\$ 63.30	104	\$ 6,582.89	260.0	
2 Janitor 3x	1.80	\$ 18.10	100%	\$ 27.15	0.0765	\$ 2.08	2.69%	\$ 0.73	0.43%	\$ 0.12	29.11%	\$ 7.90	\$ 9,924.60	\$ 37.98	156	\$ 9,924.60	234.0	
3 Supervision	1.80	\$ 24.10	100%	\$ 24.10	0.0765	\$ 1.84	2.69%	\$ 0.65	0.43%	\$ 0.10	29.11%	\$ 7.02	\$ 1,753.01	\$ 33.71	52	\$ 1,753.01	52.0	
4																	0.0	
5																	0.0	
6																	0.0	
7																	0.0	
8																	0.0	
9																	0.0	
10																	0.0	
11																	0.0	
12																	0.0	
13																	0.0	
14																	0.0	
15																	0.0	
16																	0.0	
17																	0.0	
18																	0.0	
19																	0.0	
20																	0.0	
21																	0.0	
22																	0.0	
23																	0.0	
24																	0.0	
25																	0.0	
26																	0.0	
27																	0.0	
28																	0.0	
29																	0.0	
30																	0.0	
Total																	14,260.51	546.0

List "Other Benefits" Provided	
PTO /LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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.

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

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.

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 for the project 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 1 person working at 100% productivity for 8 hrs. (1x=8), or 2 people working at 100% productivity for 4 hrs. each (2x=4=8). It could also be done by 9 people working at 50% productivity for 2 hrs. each (9x.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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="546"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
INDIRECT COSTS		
Management Salaries	\$	29,120.00
Management Payroll Tax Expense	\$	5,256.00
Management Medical Insurance	\$	6,600.00
Management Pension Plan Expense		
Sales & Administrative Salaries	\$	561,845.00
Sales & Administrative Payroll Tax Expense	\$	90,906.00
Sales & Administrative Medical Insurance	\$	136,791.00
Sales & Administrative Pension Plan Expense		
Office Rent	\$	146,676.00
Advertising and Public Education	\$	52,038.00
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$	109,128.00
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$	31,566.00
Dues & Subscriptions	\$	14,962.00
Depreciation-office building	\$	23,569.00
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$	21,283.00
Postage & Freight	\$	1,651.00
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$	65,322.00
Staff Expenses	\$	47,769.00
Professional Services	\$	65,443.00
TOTAL INDIRECT COSTS	\$	1,368,949.00
CPI Factor	1.40%	1.40%
Total	\$	2,339,376.08

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
 AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Municipal Court 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

**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

revised: 4/5/2011

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

QRF Name
Project

Executive Director Signature: _____

Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 989.01
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
	Subtotal 1	\$ 1,235.45
Labor		
Direct Labor	(from labor daily worksheet)	\$ 6,695.64
Overhead		
See Overhead Worksheet		\$ 1,964.35
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
	Total Before Margin	\$ 9,895.44
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 631.62
	Total Bid Yearly	\$ 10,527.06
	Monthly	\$ 877.25

Work Area

RAW MATERIALS

Supplies

Pathway Enterprises, Inc.

City of Ashland Street and Shop Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	18.0000	\$ 18.360000	\$ 220.32
2 Arsenal #2 Window Clean	\$ 0.91	3.0000	\$ 2.730000	\$ 32.76
3 Arsenal #5 Restroom Cleaner	\$ 1.32	3.0000	\$ 3.960000	\$ 47.52
4 Arsenal #6 Vindicator	\$ 0.86	6.0000	\$ 5.160000	\$ 61.92
5 Barkeepers Friend Liquid	\$ 5.92	0.7500	\$ 4.440000	\$ 53.28
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.2500	\$ 1.480000	\$ 17.76
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	1.0000	\$ 3.450000	\$ 41.40
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
11 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
12 Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.872984	\$ 10.48
13 Dust Mop Handle	\$ 8.29	0.0833	\$ 0.690557	\$ 8.29
14 Dust Mop Head 36"	\$ 16.47	0.1250	\$ 2.058750	\$ 24.71
15 Dust Pan	\$ 9.60	0.2500	\$ 2.400000	\$ 28.80
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.1667	\$ 1.513636	\$ 18.16
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0416	\$ 1.110720	\$ 13.33
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.4167	\$ 17.708333	\$ 212.50
20 Scour Sponge White (Case)	\$ 38.40	0.0833	\$ 3.198720	\$ 38.38
21 Toilet Brush	\$ 1.87	0.5000	\$ 0.935000	\$ 11.22
22 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
23 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.49	\$ 5.85
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51		\$ -	\$ -
28 Brute Caddy Bag	\$ 59.35		\$ -	\$ -
29 Ninja T Bar	\$ 21.27	0.0833	\$ 1.772500	\$ 21.27
30 Chewing Gum Remover	\$ 7.42	0.2500	\$ 1.855000	\$ 22.26
31 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
32 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
33 Timesaver Floor Finish	\$ 26.62		\$ -	\$ -
34 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
35 Arsenal Neutralizer Packs	\$ 0.45		\$ -	\$ -
36 Folex Carpet Spotter	\$ 16.25		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 20" Black Strip Pads	\$ 6.00		\$ -	\$ -
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26		\$ -	\$ -
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
		Total	\$ 82.417230	\$ 989.01

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.

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 Sub-Total \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 Janitor Daily	1.25	\$ 16.12	100%	\$ 20.15	\$ 0.0765	\$ 1.73	2.65%	\$ 0.61	0.43%	\$ 0.10	29.11%	\$ 6.59	\$ 31.68	156	156	\$ 4,942.63	196.0
2 Supervision	1.00	\$ 24.10	100%	\$ 24.10	\$ 0.0765	\$ 1.84	2.65%	\$ 0.65	0.43%	\$ 0.10	29.11%	\$ 7.02	\$ 35.71	52	52	\$ 1,753.01	52.0
3																	0.0
4																	0.0
5																	0.0
6																	0.0
7																	0.0
8																	0.0
9																	0.0
10																	0.0
11																	0.0
12																	0.0
13																	0.0
14																	0.0
15																	0.0
16																	0.0
17																	0.0
18																	0.0
19																	0.0
20																	0.0
21																	0.0
22																	0.0
23																	0.0
24																	0.0
25																	0.0
26																	0.0
27																	0.0
28																	0.0
29																	0.0
30															Total	\$ 6,695.64	247.0

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.

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

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.)

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 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 starting point for identifying the component tasks. 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-Hour direct labor cost. 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 include cleanup time). 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, if 8 "work hours" can be accomplished by 1 person working at 100% productivity for 8 hrs. (1x8=8), or 2 people working at 50% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 100% productivity for 2 hrs. each. (8x.50=4, 4x2=8)

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

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).

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	<input type="text"/>
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="247"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	29,120.00
Management Payroll Tax Expense	\$	5,256.00
Management Medical Insurance	\$	6,600.00
Management Pension Plan Expense		
Sales & Administrative Salaries	\$	561,845.00
Sales & Administrative Payroll Tax Expense	\$	90,906.00
Sales & Administrative Medical Insurance	\$	136,791.00
Sales & Administrative Pension Plan Expense		
Office Rent	\$	146,676.00
Advertising and Public Education	\$	52,038.00
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$	109,128.00
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$	31,566.00
Dues & Subscriptions	\$	14,962.00
Depreciation-office building	\$	23,569.00
Depreciation-office equipment		56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$	21,283.00
Postage & Freight	\$	1,651.00
Rehab		3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$	65,322.00
Staff Expenses	\$	47,769.00
Professional Services	\$	65,443.00
TOTAL INDIRECT COSTS	\$	1,368,949.00
CPI Factor	1.40%	1.40%
Total	\$	2,339,376.08

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
 AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Street and Shop Janitorial 23-24

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

June 12, 2023

Ralph Sartain
Fire Chief
City of Ashland
90 N. Mountain Ave.
Ashland, OR 97520

Dear Mr. Sartain,

Pathway Enterprises is requesting a pricing adjustment for the 23-24 contract period. The reason for the changes are as follows:

- Incorporation of the updated Living Wage for the City of Ashland at \$18.12 per hour. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$24.10 per hour.
- Updates for supply expenses, fringe expenses, and agency overhead.

The current cleaning service pricing is \$7,589.28, and we are requesting an increase to **\$8,732.66 annually**. This increases the overall cost by \$1,143.38 per year.

I appreciate your consideration and look forward to another year serving the City of Ashland.

Sincerely,



Richard Simpson
Commercial Contracts Director
Pathway Enterprises, Inc.
Cell 541-601-4550
Office 541-973-2728

**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

revised: 1/20/2023

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

QRF Name
Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 545.55
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 212.87
Subtotal 1		\$ 758.42

Labor

Direct Labor	(from labor daily worksheet)	\$ 5,820.77
--------------	------------------------------	-------------

Overhead

See Overhead Worksheet		\$ 1,629.51
------------------------	--	-------------

Delivery

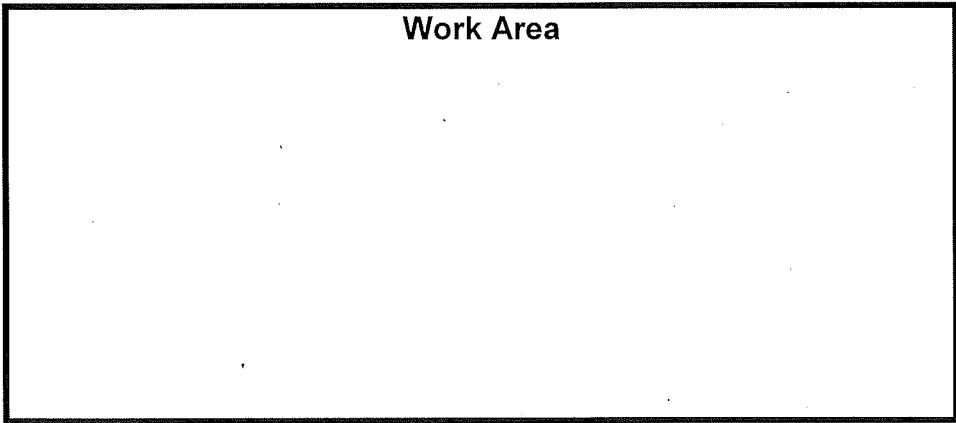
Transportation	(from Trans & Reserve worksheet)	\$ -
----------------	----------------------------------	------

Total Before Margin \$ 8,208.70

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 523.96
------------------------	----------------------------------	-----------

Total Bid Yearly \$ 8,732.66
Monthly \$ 727.72



RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Fire Department 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	10.0000	\$ 10.200000	\$ 122.400000
2 Arsenal #2 Window Clean	\$ 0.91	2.0000	\$ 1.820000	\$ 21.840000
3 Arsenal #5 Restroom Cleaner	\$ 1.32	2.0000	\$ 2.640000	\$ 31.680000
4 Arsenal #6 Vindicator	\$ 0.86	4.0000	\$ 3.440000	\$ 41.280000
5 Barkeepers Friend Liquid	\$ 5.92	0.5000	\$ 2.960000	\$ 35.520000
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.1250	\$ 0.740000	\$ 8.880000
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98	0.2500	\$ 0.745000	\$ 8.940000
8 Wenco Aero Glass Cleaner	\$ 3.45	0.5000	\$ 1.725000	\$ 20.700000
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.460000
10 Angler Broom	\$ 5.90	0.0833	\$ 0.491470	\$ 5.897640
11 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.250000
12 Dust Mop 36" Frame	\$ 10.48		\$ -	\$ -
13 Dust Mop Handle	\$ 8.29		\$ -	\$ -
14 Dust Mop Head 36"	\$ 16.47		\$ -	\$ -
15 Dust Pan	\$ 9.60	0.0833	\$ 0.799680	\$ 9.596160
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.0833	\$ 0.756364	\$ 9.076368
18 Melamine Erasing Sponge (24)	\$ 26.70		\$ -	\$ -
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.0833	\$ 3.540250	\$ 42.483000
20 Scour Sponge White (Case)	\$ 38.40	0.0416	\$ 1.597440	\$ 19.169280
21 Toilet Brush	\$ 1.87	0.1667	\$ 0.311729	\$ 3.740748
22 Trigger Sprayer w/ Bottle	\$ 2.40	0.5000	\$ 1.200000	\$ 14.400000
23 Unger Micro Washer Sleeve	\$ 1.95	0.1677	\$ 0.327015	\$ 3.924180
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.490000
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51	0.0833	\$ 2.374883	\$ 28.498596
28 Brute Caddy Bag	\$ 59.35	0.0833	\$ 4.943855	\$ 59.326260
29 Ninja T Bar	\$ 21.27		\$ -	\$ -
30 Chewing Gum Remover	\$ 7.42		\$ -	\$ -
31 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
32 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
33 Timesaver Floor Finish	\$ 26.62		\$ -	\$ -
34 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
35 Arsenal Neutralizer Packs	\$ 0.45		\$ -	\$ -
36 Folex Carpet Spotter	\$ 16.25		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 20" Black Strip Pads	\$ 6.00		\$ -	\$ -
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26		\$ -	\$ -
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 45.46	\$ 545.552232

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.

Worker Description	Work Hours	Hourly Rate	Sub-Total 1	FICA	Sub-Total 2	Workers Comp %	Sub-Total 3	Unemployment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly \$	Other Benefits SubTotal \$	Daily/Per Item Labor	Times Per Yr.	Annual Total Labor	Annual Hours Labor
1 Main Restrooms	0.50	\$ 18.12	\$ 9.06	7.65%	\$ 0.69	2.69%	\$ 0.24	0.43%	\$ 0.04	29.11%		\$ 2.64	\$ 12.67	260	\$ 3,295.08	130.0
2 Vacuuming	0.50	\$ 18.12	\$ 9.06	7.65%	\$ 0.69	2.69%	\$ 0.24	0.43%	\$ 0.04	29.11%		\$ 2.64	\$ 12.67	104	\$ 1,318.03	52.0
3 Lobby	0.50	\$ 18.12	\$ 9.06	7.65%	\$ 0.69	2.69%	\$ 0.24	0.43%	\$ 0.04	29.11%		\$ 2.64	\$ 12.67	52	\$ 659.02	26.0
4 Training Room	0.25	\$ 18.12	\$ 4.53	7.65%	\$ 0.35	2.69%	\$ 0.12	0.43%	\$ 0.02	29.11%		\$ 1.32	\$ 6.34	52	\$ 329.51	13.0
5 Supervision	0.25	\$ 24.10	\$ 6.03	7.65%	\$ 0.48	2.69%	\$ 0.16	0.43%	\$ 0.03	29.11%		\$ 1.72	\$ 8.43	28	\$ 219.13	6.5
6		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
7		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
8		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
9		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
10		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
11 Floor Tech		\$ 20.00	\$ -	7.65%	\$ -	2.69%	\$ -	0.43%	\$ -	29.11%		\$ -	\$ -		\$ -	0.0
12 Carpet Tech		\$ 20.00	\$ -	7.65%	\$ -	2.69%	\$ -	0.43%	\$ -	29.11%		\$ -	\$ -	2	\$ -	0.0
13 Window Tech		\$ 20.00	\$ -	7.65%	\$ -	2.69%	\$ -	0.43%	\$ -	29.11%		\$ -	\$ -	2	\$ -	0.0
14 Supervision		\$ 26.00	\$ -	7.65%	\$ -	2.69%	\$ -	0.43%	\$ -	29.11%		\$ -	\$ -	2	\$ -	0.0
15		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
16		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
17		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
18		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
19		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
20		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
21		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
22		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
23		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
24		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
25		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
26		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
27		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
28		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
29		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
30		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
31		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
32		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
33		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
34		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
35		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
36		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
37		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
38		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
39		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
40		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
41		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
42		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
43		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
44		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
45		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
46		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
47		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
48		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
49		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
50		\$ -	\$ -		\$ -		\$ -		\$ -			\$ -	\$ -		\$ -	0.0
Total													\$ 52.78	Total	\$ 5,620.77	227.5

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.
- 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
- 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

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health insurance	15%
Disability	0.80%
401 K	1.38%

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 1 person working at 100% productivity for 8 hrs. (1x8), 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.)

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

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) to identify your costs.

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 type="text"/>
Input Total from Worksheet on Below	<input type="text"/>
Overhead per labor hour	\$ <input type="text" value="-"/>
Time required to complete contract	<input type="text" value="228"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	29,120.00
Management Payroll Tax Expense	\$	5,256.00
Management Medical Insurance	\$	6,600.00
Management Pension Plan Expense		
Sales & Administrative Salaries	\$	561,845.00
Sales & Administrative Payroll Tax Expense	\$	90,906.00
Sales & Administrative Medical Insurance	\$	136,791.00
Sales & Administrative Pension Plan Expense		
Office Rent	\$	146,676.00
Advertising and Public Education	\$	52,038.00
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$	109,128.00
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$	31,566.00
Dues & Subscriptions	\$	14,962.00
Depreciation-office building	\$	23,569.00
Depreciation-office equipment		56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$	21,283.00
Postage & Freight	\$	1,651.00
Rehab		3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$	65,322.00
Staff Expenses	\$	47,769.00
Professional Services	\$	65,443.00
TOTAL INDIRECT COSTS	\$	1,368,949.00
CPI Factor	1.40%	1.40%
Total	\$	2,339,376.08

WORK AREA:

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

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Fire Department 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

May 9, 2023

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:

- Incorporation of the updated Living Wage for the City of Ashland at \$18.12 per hour. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$24.10 per hour.
- July 1, 2023 rates for special projects workers will be \$22.00 per hour.
- Updates were incorporated for supply costs, overhead expenses, and fringe expenses.

In total we are requesting \$30,517.32 annually. I have attached the State Costing Workbooks and minimum cleaning standards.

The monthly breakdown of costs are as follows:

Annual 2023 - 2024	Monthly Price	# Weekly Services
Nature Center	634.44	1
The Grove	553.89	1
Senior Center	1,354.78	5
Total	\$2,543.11	

I appreciate your consideration and look forward to another year serving the City of Ashland Parks Department.

Sincerely,

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

revised: 4/5/2011

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 Nature Center Janitorial 23-24

Executive Director Signature:

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 517.44
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
Subtotal 1		\$ 763.88

Labor

Direct Labor	(from labor daily worksheet)	\$ 4,971.96
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Overhead

See Overhead Worksheet		\$ 1,420.64
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Delivery

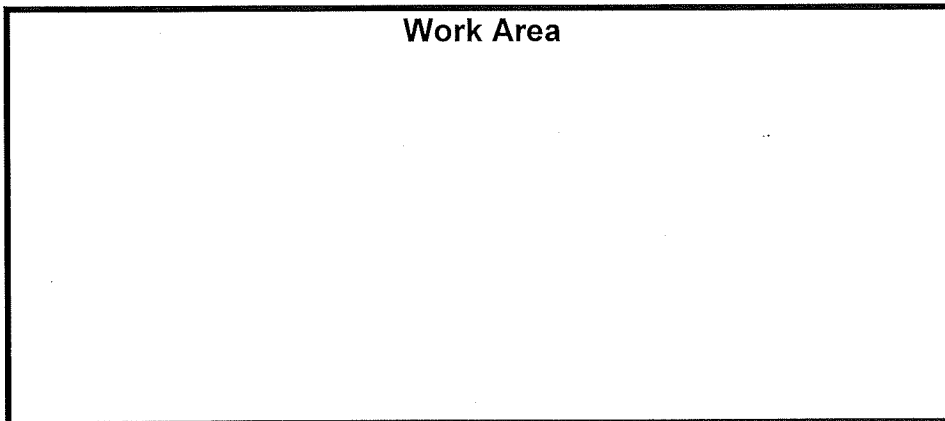
Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 7,156.48

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 456.80
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Total Bid Yearly \$ 7,613.28
Monthly \$ 634.44



RAW MATERIALS

Supplies

Pathway Enterprises, Inc.

City of Ashland Nature Center Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	5.0000	\$ 5.100000	\$ 61.20
2 Arsenal #2 Window Clean	\$ 0.91	1.0000	\$ 0.910000	\$ 10.92
3 Arsenal #5 Restroom Cleaner	\$ 1.32	1.0000	\$ 1.320000	\$ 15.84
4 Arsenal #6 Vindicator	\$ 0.86	2.0000	\$ 1.720000	\$ 20.64
5 Barkeepers Friend Liquid	\$ 5.92	1.0000	\$ 5.920000	\$ 71.04
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.1250	\$ 0.740000	\$ 8.88
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	0.2500	\$ 0.862500	\$ 10.35
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10 Angler Broom	\$ 5.90	0.0833	\$ 0.491667	\$ 5.90
11 Cleaning Terry Cloth Rag	\$ 0.49	3.0000	\$ 1.462500	\$ 17.55
12 Dust Mop 36" Frame	\$ 10.48		\$ -	\$ -
13 Dust Mop Handle	\$ 8.29		\$ -	\$ -
14 Dust Mop Head 36"	\$ 16.47		\$ -	\$ -
15 Dust Pan	\$ 9.60	0.1667	\$ 1.600000	\$ 19.20
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.0833	\$ 0.756667	\$ 9.08
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0417	\$ 1.112500	\$ 13.35
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.0833	\$ 3.541667	\$ 42.50
20 Scour Sponge White (Case)	\$ 38.40	0.0278	\$ 1.066667	\$ 12.80
21 Toilet Brush	\$ 1.87	0.0833	\$ 0.155833	\$ 1.87
22 Trigger Sprayer w/ Bottle	\$ 2.40	0.2500	\$ 0.600000	\$ 7.20
23 Unger Micro Washer Sleeve	\$ 1.95		\$ -	\$ -
24 Mop Head	\$ 3.83	0.1667	\$ 0.638333	\$ 7.66
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51	0.0278	\$ 0.791944	\$ 9.50
28 Brute Caddy Bag	\$ 59.35		\$ -	\$ -
29 Ninja T Bar	\$ 21.27		\$ -	\$ -
30 Chewing Gum Remover	\$ 7.42	0.2500	\$ 1.855000	\$ 22.26
31 Deep Six Defoamer	\$ 12.11	0.0278	\$ 0.336389	\$ 4.04
32 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
33 Timesaver Floor Finish	\$ 26.62	0.1667	\$ 4.436667	\$ 53.24
34 Heavy Duty Stripper	\$ 18.45	0.0833	\$ 1.537500	\$ 18.45
35 Arsenal Neutralizer Packs	\$ 0.45	0.5000	\$ 0.225000	\$ 2.70
36 Folex Carpet Spotter	\$ 16.25	0.0833	\$ 1.354167	\$ 16.25
37 Easy Shine Reusable Pouches	\$ 10.61	0.0833	\$ 0.884167	\$ 10.61
38 20" Black Strip Pads	\$ 6.00	0.2500	\$ 1.500000	\$ 18.00
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26	0.3300	\$ 0.745800	\$ 8.95
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 43.119967	\$ 517.44

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.

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.

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

Equipment Description	Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1 Brute Rubbermaid Can / Dolly	\$100.72	36	12	33%	\$ 33.57	100%	\$ 33.57	1	\$ 33.57
2 Sensor XP15 Upright Vacuum	\$ 561.88	36	12	33%	\$ 187.29	100%	\$ 187.29	1	\$ 187.29
3 Pro Team Back Pack Vacuum	\$ 428.00	36	12	33%	\$ 142.67	100%	\$ 142.67	1	-
4 Cordless Backpack	\$ 1,215.00	36	12	33%	\$ 405.00	100%	\$ 405.00	1	-
5 Wave Break Down Press Combo M	\$ 76.72	36	12	33%	\$ 25.57	100%	\$ 25.57	1	\$ 25.57
6 Buffer Shroud	\$ 475.00	24	12	50%	\$ 237.50	100%	\$ 237.50	1	-
7 Easy Shine Applicator Kit	\$ 376.48	12	12	100%	\$ 376.48	100%	\$ 376.48	1	-
8 Hoss 700	\$ 2,590.00	60	12	20%	\$ 518.00	100%	\$ 518.00	1	-
9 CRB Pro 45	\$ 2,738.00	60	12	20%	\$ 547.60	100%	\$ 547.60	1	-
10 Square Scrub	\$ 4,500.00	60	12	20%	\$ 900.00	100%	\$ 900.00	1	-
11 Buffer 20" w/tank	\$ 2,400.00	60	12	20%	\$ 480.00	100%	\$ 480.00	1	-
12 Wet/Dry Vac	\$ 1,250.00	36	12	33%	\$ 416.67	100%	\$ 416.67	1	-
13 Cadet Carpet Extractor	\$ 2,831.94	60	12	20%	\$ 566.39	100%	\$ 566.39	1	-
14 Doodle Scrub	\$ 898.00	36	12	33%	\$ 299.33	100%	\$ 299.33	1	-
15 SC351 Auto Scrubber	\$ 2,812.00	60	12	20%	\$ 562.40	100%	\$ 562.40	1	-
16 Karcher BD 39/12 Auto Scrubber	\$ 3,800.00	60	12	20%	\$ 760.00	100%	\$ 760.00	1	-
17 T-300 Auto Scrubber	\$7,514.00	60	12	20%	\$ 1,502.80	100%	\$ 1,502.80	1	-
18 Nautilus Extractor	\$3,928.00	60	12	20%	\$ 785.60	100%	\$ 785.60	1	-
19 Trailer Mounted Pressure Washer	\$15,297.00	84	12	14%	\$ 2,185.29	100%	\$ 2,185.29	1	-
20 Cold Water Pressure Washer	\$866.00	60	12	20%	\$ 173.20	100%	\$ 173.20	1	-
21 Carbon Fiber Water Fed Pole	\$4,336.76	60	12	20%	\$ 867.35	100%	\$ 867.35	1	-
22									
23									
24									
25									
Total								1	\$ 246.44

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 = Multiplied by units needed to complete the contract/service.
 Annual Cost = Computed by project unit cost times the number of units.

Work Area

LABOR
Direct Labor
Pathway Enterprises, Inc.
City of Ashland Nature Center, Junitiorial 23-24

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 Sub-Total \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 Janitor Weekly	2.00	\$ 18.12	100%	\$ 36.24	0.0765	\$ 2.77	2.69%	\$ 0.97	0.43%	\$ 0.16	28.11%	\$ 0.52	\$ 10.55	\$ 50.69	52	\$ 2,636.07	104.0
2 Janitor Monthly	0.50	\$ 18.12	100%	\$ 9.06	0.0765	\$ 0.69	2.69%	\$ 0.24	0.43%	\$ 0.04	28.11%	\$ 0.12	\$ 2.64	\$ 12.67	12	\$ 152.08	6.0
3 Carpet	6.00	\$ 22.00	100%	\$ 132.00	0.0765	\$ 10.10	2.69%	\$ 3.55	0.43%	\$ 0.57	28.11%	\$ 2.00	\$ 6.40	\$ 184.65	2	\$ 369.29	12.0
4 Hard Floors	1.00	\$ 22.00	100%	\$ 22.00	0.0765	\$ 1.68	2.69%	\$ 0.59	0.43%	\$ 0.10	28.11%	\$ 0.33	\$ 7.02	\$ 33.71	52	\$ 1,752.98	52.0
5 Supervisor	1.00	\$ 24.10	100%	\$ 24.10	0.0765	\$ 1.84	2.69%	\$ 0.65	0.43%	\$ 0.10	28.11%	\$ 0.33	\$ 7.02	\$ 33.71	52	\$ 1,752.98	52.0
6																	
7																	
8																	
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24																	
25																	
26																	
27																	
28																	
29																	
30																	
Total													\$ 312.50	Total	\$ 4,971.96	176.0	

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.60%
401 K	1.38%

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.
 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
 Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated
 Other Benefits Mo. \$ = 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.)

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, sweeping, cleaning stairs, 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 vary from project to project and may vary from person to person. For example, 3 work hours can be accomplished by 1 person working at 100% productivity for 6 hrs. (1.68=3), 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 \$60.00 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 \$2 = 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

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 cost. 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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	<input type="text"/>
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="176"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
INDIRECT COSTS		
Management Salaries	\$ 29,120.00	
Management Payroll Tax Expense	\$ 5,256.00	
Management Medical Insurance	\$ 6,600.00	
Management Pension Plan Expense		
Sales & Administrative Salaries	\$ 561,845.00	
Sales & Administrative Payroll Tax Expense	\$ 90,906.00	
Sales & Administrative Medical Insurance	\$ 136,791.00	
Sales & Administrative Pension Plan Expense		
Office Rent	\$ 146,676.00	\$ 82,078.00
Advertising and Public Education	\$ 52,038.00	
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$ 109,128.00	
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$ 31,566.00	\$ 24,057.00
Dues & Subscriptions	\$ 14,962.00	\$ 1,129.00
Depreciation-office building	\$ 23,569.00	
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$ 21,283.00	\$ 2,866.00
Postage & Freight	\$ 1,651.00	
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$ 65,322.00	\$ 168,563.00
Staff Expenses	\$ 47,769.00	
Professional Services	\$ 65,443.00	\$ 559,120.00
TOTAL INDIRECT COSTS	\$ 1,368,949.00	\$ 938,128.00
CPI Factor	1.40%	1.40%
Total	\$ 2,339,376.08	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
 AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Nature Center Janitorial 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

**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

revised: 4/5/2011

Oregon Department of Administrative Services

Project Costing Worksheet

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

QRF Name
 Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 950.48
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
	Subtotal 1	\$ 1,196.92

Labor

Direct Labor	(from labor daily worksheet)	\$ 3,810.71
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Overhead

See Overhead Worksheet		\$ 1,240.27
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Delivery

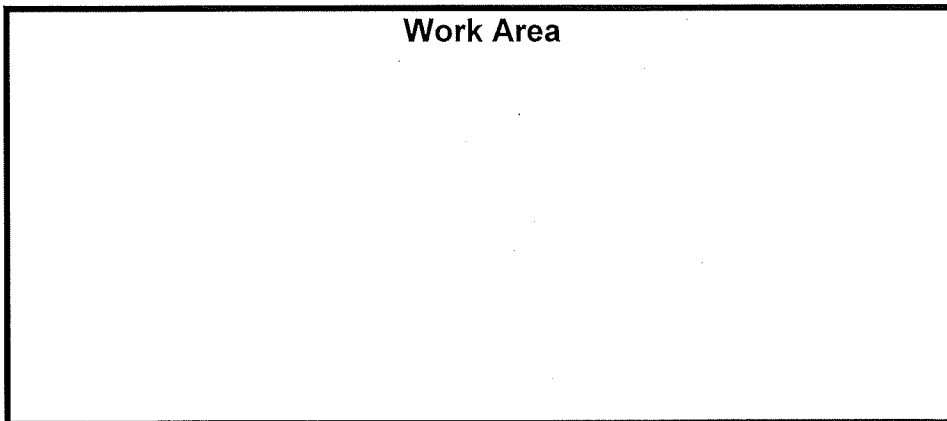
Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 6,247.90

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 398.80
------------------------	----------------------------------	-----------

Total Bid Yearly \$ 6,646.70
Monthly \$ 553.89



RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland facility The Grove Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	6.0000	\$ 6.120000	\$ 73.44
2 Arsenal #2 Window Clean	\$ 0.91	1.0000	\$ 0.910000	\$ 10.92
3 Arsenal #5 Restroom Cleaner	\$ 1.32	1.0000	\$ 1.320000	\$ 15.84
4 Arsenal #6 Vindicator	\$ 0.86	2.0000	\$ 1.720000	\$ 20.64
5 Barkeepers Friend Liquid	\$ 5.92	0.5000	\$ 2.960000	\$ 35.52
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92		\$ -	\$ -
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	0.5000	\$ 1.725000	\$ 20.70
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
11 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
12 Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.872984	\$ 10.48
13 Dust Mop Handle	\$ 8.29	0.0833	\$ 0.690557	\$ 8.29
14 Dust Mop Head 36"	\$ 16.47	0.2500	\$ 4.117500	\$ 49.41
15 Dust Pan	\$ 9.60	0.1677	\$ 1.609920	\$ 19.32
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.1667	\$ 1.513636	\$ 18.16
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0833	\$ 2.224110	\$ 26.69
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.0833	\$ 3.541667	\$ 42.50
20 Scour Sponge White (Case)	\$ 38.40	0.0417	\$ 1.600000	\$ 19.20
21 Toilet Brush	\$ 1.87	0.2500	\$ 0.467500	\$ 5.61
22 Trigger Sprayer w/ Bottle	\$ 2.40	0.5000	\$ 1.200000	\$ 14.40
23 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.49	\$ 5.85
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51	0.1667	\$ 4.751667	\$ 57.02
28 Brute Caddy Bag	\$ 59.35	0.0833	\$ 4.945833	\$ 59.35
29 Ninja T Bar	\$ 21.27	0.0833	\$ 1.772500	\$ 21.27
30 Chewing Gum Remover	\$ 7.42		\$ -	\$ -
31 Deep Six Defoamer	\$ 12.11	0.0833	\$ 1.008763	\$ 12.11
32 Take Down Fresh and Clean	\$ 20.53	0.1667	\$ 3.421667	\$ 41.06
33 Timesaver Floor Finish	\$ 26.62	0.3333	\$ 8.873245	\$ 106.48
34 Heavy Duty Stripper	\$ 18.45	0.1677	\$ 3.094065	\$ 37.13
35 Arsenal Neutralizer Packs	\$ 0.45	1.0000	\$ 0.450000	\$ 5.40
36 Folex Carpet Spotter	\$ 16.25	0.2500	\$ 4.062500	\$ 48.75
37 Easy Shine Reusable Pouches	\$ 10.61	0.2500	\$ 2.652500	\$ 31.83
38 20" Black Strip Pads	\$ 6.00	0.5000	\$ 3.000000	\$ 36.00
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26	1.0000	\$ 2.260000	\$ 27.12
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 79.206643	\$ 950.48

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.

Worker Description	Work Hours	Hourly Rate	% Pro-activity	Sub-Total 1	FICA	Sub-Total 2	Workers comp %	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly \$	Other Benefits Sub Total \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor	
1 Janitor/Daily	1.25	\$ 18.12	100%	\$ 22.85	0.0765	\$ 1.73	2.69%	\$ 0.61	0.43%	\$ 0.10	28.11%	\$ 6.59	\$ 31.68	\$ 59	2	\$ 1,647.54	65.0	
2 Carports	8.00	\$ 22.00	100%	\$ 176.00	0.0765	\$ 13.48	2.69%	\$ 4.73	0.43%	\$ 0.76	28.11%	\$ 51.23	\$ 246.19	\$ 2	2	\$ 492.39	16.0	
3 Hard Floors	10.00	\$ 22.00	100%	\$ 220.00	0.0765	\$ 16.83	2.69%	\$ 5.92	0.43%	\$ 0.95	28.11%	\$ 64.04	\$ 307.74	\$ 2	2	\$ 615.49	20.0	
4																		
5 Supervisor	1.00	\$ 24.10	100%	\$ 24.10	0.0765	\$ 1.84	2.69%	\$ 0.65	43.00%	\$ 10.36	28.11%	\$ 7.02	\$ 43.87	\$ 24	24	\$ 1,055.29	24.0	
6																		
7																		
8																		
9																		
10																		
11																		
12																		
13																		
14																		
15																		
16																		
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20																		
21																		
22																		
23																		
24																		
25																		
26																		
27																		
28																		
29																		
30																		
Total																\$ 629.59	\$ 3,810.71	125.0

List "Other Benefits" Provided	
PTO / LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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.
 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 = Work hours multiplied by times per year
 Annual Labor Hours = Work hours multiplied by daily/per item labor
 Input in this column if you calculate Other Benefits as a flat dollar amount per month. Adjust amount to reflect this employees' allocated monthly benefit is \$100, then only \$50 would be allocated to this column.

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 time should be converted into a per-minute or per-hour 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, mopping, 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. The number will stay the same regardless of how many people are working. For example, 9 "work hours" can be accomplished by 1 person working at 100% productivity for 9 hrs. (1x9=9), or 2 people working at 50% productivity for 4 hrs. each (2x4=8). It could also be done by 3 people working at 33% productivity for 3 hrs. each. (3x3=9, 3x2=6).

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.

Workers' Comp at your cost
 Matching FICA
 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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="125"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
INDIRECT COSTS		
Management Salaries	\$ 29,120.00	
Management Payroll Tax Expense	\$ 5,256.00	
Management Medical Insurance	\$ 6,600.00	
Management Pension Plan Expense		
Sales & Administrative Salaries	\$ 561,845.00	
Sales & Administrative Payroll Tax Expense	\$ 90,906.00	
Sales & Administrative Medical Insurance	\$ 136,791.00	
Sales & Administrative Pension Plan Expense		
Office Rent	\$ 146,676.00	\$ 82,078.00
Advertising and Public Education	\$ 52,038.00	
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$ 109,128.00	
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$ 31,566.00	\$ 24,057.00
Dues & Subscriptions	\$ 14,962.00	\$ 1,129.00
Depreciation-office building	\$ 23,569.00	
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$ 21,283.00	\$ 2,886.00
Postage & Freight	\$ 1,651.00	
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$ 65,322.00	\$ 168,563.00
Staff Expenses	\$ 47,769.00	
Professional Services	\$ 65,443.00	\$ 559,120.00
TOTAL INDIRECT COSTS	\$ 1,368,949.00	\$ 938,128.00
CPI Factor	1.40%	1.40%
Total	\$ 2,339,376.08	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
 AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland facility The Grove Janitorial 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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 permissible to capture costs in both spreadsheets.

- It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

**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

revised: 4/5/2011

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

QRF Name
Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 1,376.55
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
		Subtotal 1 \$ 1,622.99

Labor

Direct Labor	(from labor daily worksheet)	\$ 10,625.33
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Overhead

See Overhead Worksheet		\$ 3,033.63
------------------------	--	-------------

Delivery

Transportation	(from Trans & Reserve worksheet)	\$ -
----------------	----------------------------------	------

Total Before Margin \$ 15,281.95

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 975.44
------------------------	----------------------------------	-----------

Total Bid Yearly \$ 16,257.40
Monthly \$ 1,354.78

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Senior Center Janitorial 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Arsenal #10 Top Clean	\$ 1.02	22.0000	\$ 22.440000	\$ 269.28
2 Arsenal #2 Window Clean	\$ 0.91	2.0000	\$ 1.820000	\$ 21.84
3 Arsenal #5 Restroom Cleaner	\$ 1.32	3.0000	\$ 3.960000	\$ 47.52
4 Arsenal #6 Vindicator	\$ 0.86	7.0000	\$ 6.020000	\$ 72.24
5 Barkeepers Friend Liquid	\$ 5.92	1.0000	\$ 5.920000	\$ 71.04
6 Barkeepers Friend Stainless Steel Polish	\$ 5.92	0.2500	\$ 1.480000	\$ 17.76
7 Barkeepers Friend Toilet Bowl Cleaner	\$ 2.98		\$ -	\$ -
8 Wenco Aero Glass Cleaner	\$ 3.45	0.5000	\$ 1.725000	\$ 20.70
9 Ziz-O Paste	\$ 5.82	0.2500	\$ 1.455000	\$ 17.46
10 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
11 Cleaning Terry Cloth Rag	\$ 0.49	15.0000	\$ 7.312500	\$ 87.75
12 Dust Mop 36" Frame	\$ 10.48	0.0833	\$ 0.872984	\$ 10.48
13 Dust Mop Handle	\$ 8.29	0.0833	\$ 0.690557	\$ 8.29
14 Dust Mop Head 36"	\$ 16.47	0.2500	\$ 4.117500	\$ 49.41
15 Dust Pan	\$ 9.60	0.1677	\$ 1.609920	\$ 19.32
16 Easy Adapter hose	\$ 27.76		\$ -	\$ -
17 High Rise Duster	\$ 9.08	0.1667	\$ 1.513636	\$ 18.16
18 Melamine Erasing Sponge (24)	\$ 26.70	0.0833	\$ 2.224110	\$ 26.69
19 Pro Guard Nitrile Gloves (400)	\$ 42.50	0.2500	\$ 10.625000	\$ 127.50
20 Scour Sponge White (Case)	\$ 38.40	0.0833	\$ 3.198720	\$ 38.38
21 Toilet Brush	\$ 1.87	0.2500	\$ 0.467500	\$ 5.61
22 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
23 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.49	\$ 5.85
24 Mop Head	\$ 3.83	0.2500	\$ 0.957500	\$ 11.49
25 Mopster W Fluid Reservoir	\$ 50.33		\$ -	\$ -
26 60" Handle	\$ 8.75		\$ -	\$ -
27 Sensor Bags (10 Pack)	\$ 28.51		\$ -	\$ -
28 Brute Caddy Bag	\$ 59.35		\$ -	\$ -
29 Ninja T Bar	\$ 21.27	0.0833	\$ 1.772500	\$ 21.27
30 Chewing Gum Remover	\$ 7.42	0.2500	\$ 1.855000	\$ 22.26
31 Deep Six Defoamer	\$ 12.11	0.0833	\$ 1.009167	\$ 12.11
32 Take Down Fresh and Clean	\$ 20.53	0.1667	\$ 3.421667	\$ 41.06
33 Timesaver Floor Finish	\$ 26.62	0.3333	\$ 8.873333	\$ 106.48
34 Heavy Duty Stripper	\$ 18.45	0.1667	\$ 3.075000	\$ 36.90
35 Arsenal Neutralizer Packs	\$ 0.45	1.0000	\$ 0.450000	\$ 5.40
36 Folex Carpet Spotter	\$ 16.25	0.2500	\$ 4.062500	\$ 48.75
37 Easy Shine Reusable Pouches	\$ 10.61	0.2500	\$ 2.652500	\$ 31.83
38 20" Black Strip Pads	\$ 6.00	0.5000	\$ 3.000000	\$ 36.00
39 20" Brown Strip Pads	\$ 6.00		\$ -	\$ -
40 20" Red Polish Pads	\$ 5.59		\$ -	\$ -
41 20" White Polish Pads	\$ 4.26		\$ -	\$ -
42 Doodle Bug Pad	\$ 2.26	1.0000	\$ 2.260000	\$ 27.12
43 Doodle Scrub Grout Pad	\$ 24.73		\$ -	\$ -
44 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
45 Square Scrub SPP Pad	\$ 11.75		\$ -	\$ -
46 Square Scrub Black Pad	\$ 13.19		\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 114.712624	\$ 1,376.55

Areas in green are formula driven.

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

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

Item	Description	Work Hours	Hourly Rate	% Productivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly \$	Other Benefits Sub-Total 5	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1	Janitor-Daily	1.25	\$ 18.12	100%	\$ 22.65	0.0765	\$ 1.73	2.65%	\$ 0.61	0.43%	\$ 0.10	29.11%	\$ 2.91	\$ 6.59	\$ 31.68	249	\$ 7,889.19	311.3
2	Janitor-Monthly	1.00	\$ 18.12	100%	\$ 18.12	0.0765	\$ 1.39	2.65%	\$ 0.49	0.43%	\$ 0.08	29.11%	\$ 2.35	\$ 5.27	\$ 26.35	12	\$ 304.16	12.0
3	Cleaning	8.00	\$ 22.00	100%	\$ 176.00	0.0765	\$ 13.46	2.65%	\$ 4.73	0.43%	\$ 0.76	29.11%	\$ 246.19	\$ 51.23	\$ 246.19	2	\$ 492.39	16.0
4	Hard Floors	10.00	\$ 22.00	100%	\$ 220.00	0.0765	\$ 16.83	2.65%	\$ 5.92	0.43%	\$ 0.95	29.11%	\$ 64.04	\$ 64.04	\$ 307.74	2	\$ 615.49	20.0
5	Supervisor	0.50	\$ 24.10	100%	\$ 12.05	0.0765	\$ 0.92	2.65%	\$ 0.32	0.43%	\$ 0.05	29.11%	\$ 3.51	\$ 3.51	\$ 16.95	52	\$ 876.49	26.0
6	Windows	8.00	\$ 20.00	100%	\$ 160.00	0.0765	\$ 12.24	2.65%	\$ 4.30	0.43%	\$ 0.69	29.11%	\$ 46.58	\$ 46.58	\$ 223.81	2	\$ 447.62	16.0
7					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
8					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
9					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
10					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
11					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
12					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
13					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
14					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
15					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
16					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
17					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
18					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
19					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
20					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
21					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
22					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
23					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
24					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
25					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
26					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
27					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
28					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
29					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
30					\$ -	\$ -	\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
Total													\$ 851.63	Total	\$ 10,625.33	401.3		

List "Other Benefits" Provided	
PTO /LEAVE	11.92%
Health Insurance	15.00%
Disability	0.80%
401 K	1.38%

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 Unemployment Insurance %.

Subtotal 4 = Computed by multiplying subtotal 1 by your organization's Workers Comp %.

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

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

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.

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 a contract requirement. It should be noted that the indirect labor cost should be 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 1 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.

Workers' Comp at your cost
Matching FICA
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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="401"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
INDIRECT COSTS		
Management Salaries	\$ 29,120.00	
Management Payroll Tax Expense	\$ 5,256.00	
Management Medical Insurance	\$ 6,600.00	
Management Pension Plan Expense		
Sales & Administrative Salaries	\$ 561,845.00	
Sales & Administrative Payroll Tax Expense	\$ 90,906.00	
Sales & Administrative Medical Insurance	\$ 136,791.00	
Sales & Administrative Pension Plan Expense		
Office Rent	\$ 146,676.00	\$ 82,078.00
Advertising and Public Education	\$ 52,038.00	
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$ 109,128.00	
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$ 31,566.00	\$ 24,057.00
Dues & Subscriptions	\$ 14,962.00	\$ 1,129.00
Depreciation-office building	\$ 23,569.00	
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$ 21,283.00	\$ 2,886.00
Postage & Freight	\$ 1,651.00	
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$ 65,322.00	\$ 168,563.00
Staff Expenses	\$ 47,769.00	
Professional Services	\$ 65,443.00	\$ 559,120.00
TOTAL INDIRECT COSTS	\$ 1,368,949.00	\$ 938,128.00
CPI Factor	1.40%	1.40%
Total	\$ 2,339,376.08	

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
 AGENCY REVENUES = \$12,534,045
 AGENCY INDIRECT EXPENSES = 2,339,376
 OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Senior Center Janitorial 23-24

Oregon Department of Administrative Services

Project Costing Worksheet

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area

April 26, 2023

City of Ashland
90 N. Mountain Ave.
Ashland, OR 97520

In regards to Park Restroom and Trash Services:

Pathway Enterprises is requesting a pricing adjustment for janitorial services for the City of Ashland Park restrooms. The reason for the changes are as follows:

- The workers providing these services have been subjected to increased volatility with people occupying park restrooms. These threatening and occasional physical encounters have led workers to choose not to perform these duties. In response to this, Pathway increased training to teach people how to deescalate these events and increased support to workers. In addition, increases in compensation are needed to retain our employee base. The wage set with the City of Medford is \$19.10 per hour and this rate is proposed for Ashland as well. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$24.83 per hour. Despite the wage increase of 12.2% Pathway was able to reduce certain aspects of overhead and fringe expenses to reduce the overall increase request.

In total we are requesting an increase from \$204,308 to **\$222,526.27 annually**. This equates to an additional \$18,218.27, an 8.9% increase.

I appreciate your consideration and look forward to another year serving the City of Ashland.

Sincerely,



Richard Simpson
Commercial Contracts Director
Pathway Enterprises, Inc.
Cell 541-601-4550
Office 541-973-2728

**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

revised: 4/5/2011

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

QRF Name
Project

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$	11,956.26
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	6,714.29
			Subtotal 1
		\$	18,670.55

Labor

Direct Labor	(from labor daily worksheet)	\$	148,980.75
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Overhead

See Overhead Worksheet		\$	41,523.40
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$	-
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Total Before Margin \$ 209,174.69

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	13,351.58
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Total Bid Yearly \$ 222,526.27
Monthly \$ 18,543.86

Work Area

Price increases from \$204,308 to \$224,053 for an increase of \$19,745, 9.6%. Park workers are Coincidentally paid \$1.00 per hour above living wage for hazard pay. The \$19.10 per hour rate is the same pay rate currently paid by the City of Medford for the same services.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
City of Ashland Park Restroom & Trash Services 23-24

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

Per Use/Per Item Manufactured - Supplies

Item	Unit Price	Units Needed Per Month	Monthly Cost	Annual Cost
1 Handy Grabbers	\$ 22.50	0.5000	\$ 11.250000	\$ 135.00
2			\$ -	\$ -
3 Uniform Shirts	\$ 8.52	4.0000	\$ 34.080000	\$ 408.96
4 50' Hose	\$ 35.00	0.2500	\$ 8.750000	\$ 105.00
5 Gasoline Fuel	\$ 5.00	120.0000	\$ 600.000000	\$ 7,200.00
6 Pro Guard Nitrile Gloves (400)	\$ 38.25	2.5000	\$ 95.625000	\$ 1,147.50
7 Scour Sponge White (Case)	\$ 38.30	0.2500	\$ 9.575000	\$ 114.90
8 Toilet Brush	\$ 1.83	4.0000	\$ 7.320000	\$ 87.84
9 Trigger Sprayer w/ Bottle	\$ 2.40	4.0000	\$ 9.600000	\$ 115.20
10 Mop Head	\$ 9.35	2.0000	\$ 18.700000	\$ 224.40
11 Angler Broom	\$ 5.90	1.0000	\$ 5.900000	\$ 70.80
12 Cleaning Terry Cloth Rag	\$ 0.49	60.0000	\$ 29.250000	\$ 351.00
13 Dust Pan	\$ 2.65	0.5000	\$ 1.325000	\$ 15.90
14 Easy Adapter hose	\$ 22.08	0.2500	\$ 5.520000	\$ 66.24
15 High Rise Duster	\$ 9.32	1.0000	\$ 9.320000	\$ 111.84
16			\$ -	\$ -
17 Arsenal #5 Restroom Cleaner	\$ 0.67	60.0000	\$ 40.200000	\$ 482.40
18 Arsenal #6 Vindicator	\$ 0.95	60.0000	\$ 57.000000	\$ 684.00
19			\$ -	\$ -
20			\$ -	\$ -
21 Take Down Fresh and Clean	\$ 20.53	2.0000	\$ 41.060000	\$ 492.72
22 Ziz-O Paste	\$ 5.94	2.0000	\$ 11.880000	\$ 142.56
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			\$ 996.355000	\$ 11,956.26

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.

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

- Burnishing/Floor machines
- Blind cleaning machines
- Sweepers
- Carpet extractors
- Auto scrubbers
- 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.

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 Nissan Vans	\$ 23,500.00	84	12	14%	\$ 3,357.14	100%	\$ 3,357.14	2	6,714.29
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
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13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25								Total	6,714.29

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 = Multiplied by units needed to complete the contract/service.

Annual Cost = Computed by project unit cost times the number of units.

Work Area

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 \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	
1 Janitor/Summer	14.25	\$ 18.10	100%	\$ 272.18	0.0765	\$ 20.82	2.69%	\$ 7.32	0.43%	\$ 1.18	29.11%	\$ 79.23	\$ 380.73	214	\$ 81,475.48	3,049.5	
2 Supervisor	1.50	\$ 24.93	100%	\$ 37.40	0.0765	\$ 2.86	2.69%	\$ 1.01	0.43%	\$ 0.16	29.11%	\$ 10.89	\$ 52.31	365	\$ 19,092.88	547.5	
3 Janitor/Winter	12.00	\$ 19.10	100%	\$ 229.20	0.0765	\$ 17.53	2.69%	\$ 6.17	0.43%	\$ 0.99	29.11%	\$ 66.72	\$ 320.61	151	\$ 48,412.39	1,812.0	
4																	
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26																	
27																	
28																	
29																	
30																	
Total															Total	\$ 148,980.75	5,409.0

List "Other Benefits" Provided	
Health Insurance	16%
PTO	6%
Holiday	4%
Other	2%

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.

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

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.)

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 related to 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 1 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 9 people working at 50% productivity for 2 hrs. each (9x.50=4.5x2=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.

**Workers' Comp at your cost
Matching FICA
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 \$300.00 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

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

Dollar-Figure Sum Method:

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

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 type="text"/>
Input Total from Worksheet on Below	<input type="text"/>
Overhead per labor hour	\$ <input type="text"/>
Time required to complete contract	<input type="text" value="5,409"/>
Total Assigned Overhead	\$ <input type="text"/>

Worksheet	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
INDIRECT COSTS		
Management Salaries	\$ 29,120.00	
Management Payroll Tax Expense	\$ 5,256.00	
Management Medical Insurance	\$ 6,600.00	
Management Pension Plan Expense		
Sales & Administrative Salaries	\$ 561,845.00	
Sales & Administrative Payroll Tax Expense	\$ 90,906.00	
Sales & Administrative Medical Insurance	\$ 136,791.00	
Sales & Administrative Pension Plan Expense		
Office Rent	\$ 146,676.00	\$ 82,078.00
Advertising and Public Education	\$ 52,038.00	
Background Checks & Urinalysis		
Professional & Accounting / Audit Fees	\$ 109,128.00	
Training & Worker Safety		
Insurance		
Telephone		
Utilities		
Property Taxes/Licenses/Fees	\$ 31,566.00	\$ 24,057.00
Dues & Subscriptions	\$ 14,962.00	\$ 1,129.00
Depreciation-office building	\$ 23,569.00	
Depreciation-office equipment		\$ 56,308.00
Repairs & Maintenance-office		
Cleaning and Maintenance		
Office Equipment Rental		
Office Supplies	\$ 21,283.00	\$ 2,886.00
Postage & Freight	\$ 1,651.00	
Rehab		\$ 3,011.00
Miscellaneous Expense		
Bad Debts		
Vehicle Expenses	\$ 65,322.00	\$ 168,563.00
Staff Expenses	\$ 47,769.00	
Professional Services	\$ 65,443.00	\$ 559,120.00
TOTAL INDIRECT COSTS	\$ 1,368,949.00	\$ 938,128.00
CPI Factor	1.40%	1.40%
Total	\$ 2,339,376.08	

WORK AREA:

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

AGENCY REVENUES = \$12,534,045
AGENCY INDIRECT EXPENSES = 2,339,376
OVERHEAD % = 18.66%

Delivery & Reserve

Pathway Enterprises, Inc.

City of Ashland Park Restroom & Trash Services 23-24

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 permissible to capture costs in both spreadsheets.

It is permissible 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				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
				\$ -		\$ -

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%

Work Area