

Council Business Meeting

June 21, 2022

Agenda Item	Contract award to Pathway Enterprises Inc. (Oregon Forward Program/Formerly QRF Program) for Janitorial Services	
From	Michael Morrison Ralph Sartain Rachel Dials Michael Black	Public Works Superintendent Fire Chief Deputy Parks Director 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 michael.black@ashland.or.us (541) 552-2251	

SUMMARY

This request is for 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 & 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 Agreement for Janitorial Services will begin on July 1, 2022, and end June 30, 2023.

POLICIES, PLANS & GOALS SUPPORTED

N/A

PREVIOUS COUNCIL ACTION

The public contract previously awarded to Pathway Enterprises, Inc. was approved by the City Council on June 1, 2021, for a term beginning on July 1, 2021, and ending on June 30, 2022.

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.

Costing workbooks are created and controlled by the State, per Richard Simpson at Pathway Enterprises, Inc. The COA living wage is reviewed and updated each fiscal year by City staff and incorporated into the costing workbooks.

The Oregon Forward Price Approval Request Form has been submitted to the Oregon Forward Program Director, Darvin Pierce, for his approval and signature.

FISCAL IMPACTS

City, Parks and Fire departments budget each fiscal year for janitorial services. The proposed costs for FY 2023, including the costs for FY 2022 for comparison purposes, are as follows:

Janitorial Services	FY 2022	FY 2023
COA Living Wage	\$15.96	\$17.02
City Facilities	\$144,183.88	\$175,193.88
Additional Covid related janitorial services for City Hall and Police Department	16,785.67	N/A
Fire Station #1	7,149.39	7,589.28
Parks Recreation Facilities	45,196.01	48,562.56
Parks Restrooms & Trash Services	181,774.49	204,308.64
Total Amount	\$395,089.44	\$435,654.36

STAFF RECOMMENDATION

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

ACTIONS, OPTIONS & POTENTIAL MOTIONS

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

ATTACHMENTS

Agreement for Janitorial Services

Oregon Forward Program Costing Workbooks (Formerly QRF Program)

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

AGREEMENT FOR JANITORIAL SERVICES

<p>CITY OF ASHLAND</p> <p>20 East Main Street Ashland, Oregon 97520 Telephone: 541/488-5587 Fax: 541/488-6006</p>	<p>PROVIDER: Pathway Enterprises, Inc.</p> <p>PROVIDER'S CONTACT: Richard Simpson</p> <p>ADDRESS: 1600 Sky Park Drive, Suite No. 101 Medford, Oregon 97504</p> <p>PHONE: 541-973-2728 EMAIL: rpspei@gmail.com</p>
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This Goods and Services Agreement (hereinafter "Agreement") is entered into by and between the City of Ashland, an Oregon municipal corporation (hereinafter "City") and **Pathway Enterprises, Inc.**, a domestic business corporation ("hereinafter "Provider"), for **Janitorial Services**.

1. PROVIDER'S OBLIGATIONS

- 1.1 Provide **janitorial services for City Facilities, Fire Station #1, Parks Recreation Facilities, and Parks Restrooms and Trash Services** as set forth in the "SUPPORTING DOCUMENTS" attached hereto and, by this reference, incorporated herein. Provider expressly acknowledges that time is of the essence of any completion date set forth in the SUPPORTING DOCUMENTS, and that no waiver or extension of such deadline may be authorized except in the same manner as herein provided for authority to exceed the maximum compensation. The goods and services defined and described in the "SUPPORTING DOCUMENTS" shall hereinafter be collectively referred to as "Work."
- 1.2 Provider shall obtain and maintain during the term of this Agreement and until City's final acceptance of all Work received hereunder, a policy or policies of liability insurance including commercial general liability insurance with a combined single limit, or the equivalent, of not less than \$2,000,000 (two million dollars) per occurrence for Bodily Injury and Property Damage.
 - 1.2.1 The insurance required in this Article shall include the following coverages:
 - Comprehensive General or Commercial General Liability, including personal injury, contractual liability, and products/completed operations coverage; and
 - Automobile Liability.
 - Workers' Compensation
 - 1.2.2 Each policy of such insurance shall be on an "occurrence" and not a "claims made" form, and shall:
 - Name as additional insured "the City of Ashland, Oregon, its officers, agents and employees" with respect to claims arising out of the provision of Work under this Agreement;
 - Apply to each named and additional named insured as though a separate policy had been issued to each, provided that the policy limits shall not be increased thereby;
 - Apply as primary coverage for each additional named insured except to the extent that two or more such policies are intended to "layer" coverage and, taken together, they provide total coverage from the first dollar of liability;
 - Provider shall immediately notify the City of any change in insurance coverage
 - Provider shall supply an endorsement naming the City, its officers, employees and agents as additional insureds by the Effective Date of this Agreement; and

- Be evidenced by a certificate or certificates of such insurance approved by the City.

- 1.3 All subject employers working under this Agreement are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126. As evidence of the insurance required by this Agreement, the Provider shall furnish an acceptable insurance certificate prior to commencing any Work under this Agreement.
- 1.4 Provider agrees that no person shall, on the grounds of race, color, religion, creed, sex, marital status, familial status or domestic partnership, national origin, age, mental or physical disability, sexual orientation, gender identity or source of income, suffer discrimination in the performance of this Agreement when employed by Provider. Provider agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. Further, Provider agrees not to discriminate against a disadvantaged business enterprise, minority-owned business, woman-owned business, a business that a service-disabled veteran owns or an emerging small business enterprise certified under ORS 200.055, in awarding subcontracts as required by ORS 279A.110.
- 1.5 In all solicitations either by competitive bidding or negotiation made by Provider for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Providers of the Provider’s obligations under this Agreement and Title VI of the Civil Rights Act of 1964 and other federal nondiscrimination laws.
- 1.6 **Living Wage Requirements:** If the amount of this Agreement is \$22,310.46 or more, Provider is required to comply with Chapter 3.12 of the Ashland Municipal Code by paying a living wage, as defined in that chapter, to all employees performing Work under this Agreement and to any Subcontractor who performs 50% or more of the Work under this Agreement. Provider is also required to post the notice attached hereto as “Exhibit A” predominantly in areas where it will be seen by all employees.

2. CITY'S OBLIGATIONS

- 2.1 City shall pay Provider the sum **per attached Oregon Forward Program Costing Workbooks** as provided herein as full compensation for the Work as specified in the SUPPORTING DOCUMENTS.
- 2.2 In no event shall Provider's total of all compensation and reimbursement under this Agreement exceed the not to exceed (NTE) amounts as follows without express, written approval from the City official whose signature appears below, or such official's successor in office.

Per attached Oregon Forward Program Costing Workbooks (Formerly QRF Program)	FY 2023
City Facilities	\$175,193.88
Fire Station #1	7,589.28
Parks Recreation Facilities	48,562.56
Parks Restrooms & Trash Services	204,308.64
Total Amount	\$435,654.36

- 2.3 Provider expressly acknowledges that no other person has authority to order or authorize additional Work which would cause this maximum sum to be exceeded and that any authorization from the responsible official must be in writing. Provider further acknowledges that any Work delivered, or expenses incurred without authorization as provided herein is done at Provider's own risk and as a volunteer without expectation of compensation or reimbursement.

3. GENERAL PROVISIONS

- 3.1 This is a non-exclusive Agreement. City is not obligated to procure any specific amount of Work from Provider and is free to procure similar types of goods and services from other providers in its sole discretion.
- 3.2 Provider is an independent contractor and not an employee or agent of the City for any purpose.
- 3.3 Provider is not entitled to, and expressly waives all claims to City benefits such as health and disability insurance, paid leave, and retirement.
- 3.4 This Agreement embodies the full and complete understanding of the parties respecting the subject matter hereof. It supersedes all prior agreements, negotiations, and representations between the parties, whether written or oral.
- 3.5 This Agreement may be amended only by written instrument executed with the same formalities as this Agreement.
- 3.6 The following laws of the State of Oregon are hereby incorporated by reference into this Agreement: ORS 279B.220, 279B.230 and 279B.235.
- 3.7 This Agreement shall be governed by the laws of the State of Oregon without regard to conflict of laws principles. Exclusive venue for litigation of any action arising under this Agreement shall be in the Circuit Court of the State of Oregon for Jackson County unless exclusive jurisdiction is in federal court, in which case exclusive venue shall be in the federal district court for the district of Oregon. Each party expressly waives any and all rights to maintain an action under this Agreement in any other venue, and expressly consents that, upon motion of the other party, any case may be dismissed or its venue transferred, as appropriate, so as to effectuate this choice of venue.
- 3.8 Provider shall defend, save, hold harmless and indemnify the City and its officers, employees and agents from and against any and all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature resulting from, arising out of, or relating to the activities of Provider or its officers, employees, contractors, or agents under this Agreement.
- 3.9 Neither party to this Agreement shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's officers, employees or agents.
- 3.10 If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permitted the intent of Provider and the City set forth in this Agreement.
- 3.11 Deliveries will be F.O.B destination. Provider shall pay all transportation and handling charges for the Goods. Provider is responsible and liable for loss or damage until final inspection and acceptance of the Goods by the City. Provider remains liable for latent defects, fraud, and warranties.
- 3.12 The City may inspect and test the Goods. The City may reject non-conforming Goods and require Provider to correct them without charge or deliver them at a reduced price, as negotiated. If Provider does not cure any defects within a reasonable time, the City may reject the Goods and cancel this

Agreement in whole or in part. This paragraph does not affect or limit the City’s rights, including its rights under the Uniform Commercial Code, ORS Chapter 72 (UCC).

3.13 Provider represents and warrants that the Goods are new, current, and fully warranted by the manufacturer. Delivered Goods will comply with SUPPORTING DOCUMENTS and be free from defects in labor, material and manufacture. Provider shall transfer all warranties to the City.

4. SUPPORTING DOCUMENTS

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

- **Oregon Forward Program Costing Workbook for CITY FACILITIES: \$175,193.88**

The monthly breakdown of costs is as follows:

Annual 2022 - 2023	Monthly Rates	# Weekly Services
City Hall	1,995.33	5
Community Development	2,661.01	3 Full, 2 Partial
Municipal Courts	1,635.64	3 Full, 2 Partial
Police Dept	3,813.07	7
Police Sub Station	182.78	1
Service Center	2,135.97	4
Street Shop	829.81	3
Floor Services	1,345.88	
Total	\$14,599.49	

- **Oregon Forward Program Costing Workbook for FIRE STATION #1: \$7,589.28**

Fire Station #1	Total Bid Yearly	\$7,589.28
	Monthly	\$632.44

- **Oregon Forward Program Costing Workbooks for PARKS RECREATION FACILITIES: \$48,562.56**

The monthly breakdown of costs are as follows:

Annual 2022 - 2023	Monthly	# Weekly Services
Floor Services	383.36	
Nature Center	541.26	1
Pioneer Hall	1,681.17	7
The Grove	337.07	1
Senior Center	1,104.02	5
Total	\$4,046.88	

- **Oregon Forward Costing Workbook for PARKS RESTROOMS & TRASH SERVICES: \$204,308.64**

Parks Restrooms	Total Bid Yearly	\$204,308.64
	Monthly	\$17,025.72

5. REMEDIES

- 5.1 In the event Provider is in default of this Agreement, City may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including, but not limited to:
- 5.1.1 Termination of this Agreement;
 - 5.1.2 Withholding all monies due for the Work that Provider has failed to deliver within any scheduled completion dates or any Work that have been delivered inadequately or defectively;
 - 5.1.3 Initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief;
 - 5.1.4 These remedies are cumulative to the extent the remedies are not inconsistent, and City may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.
- 5.2 In no event shall City be liable to Provider for any expenses related to termination of this Agreement or for anticipated profits. If previous amounts paid to Provider exceed the amount due, Provider shall pay immediately any excess to City upon written demand provided.

6. TERM AND TERMINATION

6.1 Term

This Agreement shall be effective **July 1, 2022** (the “Effective Date”) and shall continue in full force and effect until **June 30, 2023**, unless sooner terminated as provided in Subsection 6.2.

6.2 Termination

- 6.2.1 The City and Provider may terminate this Agreement by mutual agreement at any time.
- 6.2.2 The City may, upon not less than thirty (30) days’ prior written notice, terminate this Agreement for any reason deemed appropriate in its sole discretion.
- 6.2.3 Either party may terminate this Agreement, with cause, by not less than fourteen (14) days’ prior written notice if the cause is not cured within that fourteen (14) day period after written notice. Such termination is in addition to and not in lieu of any other remedy at law or equity.

7. NOTICE

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

If to the City:

City of Ashland

- Attention: Wes Hoadley, Facilities Maintenance Supervisor (City Facilities)
- Attention: Rachel Dials, Deputy Parks Director (Parks Recreation)
- Attention: Michael Black, Parks Director (Parks Restrooms)
- Attention: Ralph Sartain, Fire Chief (Fire Station #1)

20 E. Main Street

Ashland, Oregon 97520

Phone: (541) 488-5354

With a copy to:

City of Ashland – Legal Department

20 E. Main Street

Ashland, OR 97520

Phone: (541) 488-5350

If to Provider:

Pathway Enterprises, Inc.
Attn: Richard Simpson
1600 Sky Park Drive, Suite No. 101
Medford, OR 97504
Phone: (541) 973-2827

8. WAIVER OF BREACH

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

9. PROVIDER'S COMPLIANCE WITH TAX LAWS

9.1 Provider represents and warrants to the City that:

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

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

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

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

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

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

CITY OF ASHLAND:

By: _____
City Administrator

Printed Name

Date

PATHWAY ENTERPRISES, INC. (PROVIDER):

By: _____
Signature

Printed Name

Title

Date

Purchase Order No. _____

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

APPROVED AS TO FORM:

Assistant City Attorney

Date

City of Ashland LIVING WAGE

ALL employers described below must comply with City of Ashland laws regulating payment of a living wage.



\$17.02 per hour, effective June 30, 2022.

The Living Wage is adjusted annually every June 30 by the Consumer Price Index.

Employees must be paid a living wage:

- For all hours worked under a service contract between their employer and the City of Ashland if the contract exceeds \$24,050.68 or more.
- For all hours worked in a month, if the employee spends 50% or more of the employee's time in that month working on a project or

portion of the business of their employer, if the employer has ten or more employees, and has received financial assistance for the project or business from the City of Ashland over \$24,050.68;

- If their employer is the City of Ashland, including the Parks and Recreation Department.
- In calculating the living wage, employers may add the value

of health care, retirement, 401K, and IRS eligible cafeteria plans (including childcare) benefits to the employee's amount of wages.

- **Note:** For temporary and part-time employees, the Living Wage does not apply to the first 1040 hours worked in any calendar year. For more details, please see Ashland Municipal Code Section 3.12.020.

For additional information:

Call the Ashland City Manager's office at 541-488-6002 or write to the City Manager, City Hall, 20 East Main Street, Ashland, OR 97520, or visit the City's website at www.ashland.or.us.

Notice to Employers: This notice must be posted in areas where it can be seen by all employees.





Communication

Teamwork

Professionalism

Opportunity

Office: (541) 973-2728

Fax: (541) 973-2729



Property Service License #40205

CCB License #218417

May 26, 2022

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 22-23 contract period. The reason for the changes are as follows:

- Incorporation of the updated Living Wage for the City of Ashland at \$17.02 per hour. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$22.13 per hour.
- Updates for supply expenses, fringe expenses, and agency overhead.

In total we are requesting \$175,193.88 annually for cleaning services.

The monthly breakdown of costs is as follows:

Annual 2022 - 2023	Monthly Rates	# Weekly Services
City Hall	1,995.33	5
Community Development	2,661.01	3 Full, 2 Partial
Municipal Courts	1,635.64	3 Full, 2 Partial
Police Dept	3,813.07	7
Police Sub Station	182.78	1
Service Center	2,135.97	4
Street Shop	829.81	3
Floor Services	1,345.88	
Total	\$14,599.49	



Communication

Teamwork

Professionalism

Opportunity



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

541-973-2728

541-973-2728

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 Pathway Enterprises, Inc
Project City of Ashland City Hall Janitorial 22-23

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 1,003.88
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
Subtotal 1		\$ 1,250.32

Labor

Direct Labor	(from labor daily worksheet)	\$ 16,468.20
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Overhead

See Overhead Worksheet		\$ 4,788.79
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 22,507.31

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 1,436.64
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Total Bid Yearly \$ 23,943.95
Monthly \$ 1,995.33

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland City Hall Janitorial 22-23

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	\$ 0.93	22.0000	\$ 20.460000	\$ 245.52
2 Arsenal #2 Window Clean	\$ 0.82	4.0000	\$ 3.280000	\$ 39.36
3 Arsenal #5 Restroom Cleaner	\$ 0.67	4.0000	\$ 2.680000	\$ 32.16
4 Arsenal #6 Vindicator	\$ 0.95	8.0000	\$ 7.600000	\$ 91.20
5 Barkeepers Friend Liquid	\$ 4.25	1.0000	\$ 4.250000	\$ 51.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.2500	\$ 0.987917	\$ 11.86
8 Take Down Fresh and Clean	\$ 20.53	0.0416	\$ 0.854048	\$ 10.25
9 Wenco Aero Glass Cleaner	\$ 2.24	1.0000	\$ 2.240000	\$ 26.88
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.1250	\$ 1.033750	\$ 12.41
16 Dust Pan	\$ 2.65	0.2500	\$ 0.662500	\$ 7.95
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0416	\$ 1.144000	\$ 13.73
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.95	0.4167	\$ 16.229167	\$ 194.75
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.5000	\$ 0.92	\$ 10.98
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30		\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Neutralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 83.656755	\$ 1,003.88

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	2.50	\$ 17.02	100%	\$ 42.55	0.0765	\$ 3.26	2.30%	\$ 0.98	1.75%	\$ 0.74	28.00%	\$ 21.91	\$ 11.91	\$ 95.44	250	\$ 14,860.59	625.0
2																	0.0
3																	0.0
4																	0.0
5 Supervisor	1.00	\$ 22.13	100%	\$ 22.13	0.0765	\$ 1.69	2.30%	\$ 0.51	1.75%	\$ 0.39	28.00%	\$ 6.20	\$ 6.20	\$ 30.92	52	\$ 1,607.61	52.0
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													\$ 90.36		\$ 15,468.20	677.0	

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.

Other Benefits Mo. \$ = monthly benefit is \$100, then only \$50 would be allocated to this column.

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. \$ = monthly benefit is \$100, then only \$50 would be allocated to this column.

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

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. Start with 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 mopping, waxing, 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 requirements for each component task. Then, compile these 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.

Cost of other benefits paid by your organization (e.g. medical, dental, retirement, etc.)
 Work Center
 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	<input type="text"/>
Overhead per labor hour	\$ <input type="text" value="-"/>
Time required to complete contract	<input type="text" value="677"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	224,660.00
Management Payroll Tax Expense	\$	11,832.00
Management Medical Insurance	\$	35,850.00
Management Pension Plan Expense	\$	7,450.00
Sales & Administrative Salaries	\$	477,463.00
Sales & Administrative Payroll Tax Expense	\$	36,526.00
Sales & Administrative Medical Insurance	\$	106,244.00
Sales & Administrative Pension Plan Expense	\$	23,500.00
Office Rent	\$	33,600.00
Advertising and Public Education	\$	21,261.00
Background Checks & Urinalysis	\$	8,260.00
Professional & Accounting / Audit Fees	\$	18,279.00
Training & Worker Safety	\$	6,850.00
Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
Postage & Freight	\$	28,750.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee	\$	157,932.00
Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

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 Community Development Janitorial 22-23

Executive Director Signature: _____

Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 1,003.88
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
	Subtotal 1	\$ 1,250.32
Labor		
Direct Labor	(from labor daily worksheet)	\$ 22,379.44
Overhead		
See Overhead Worksheet		\$ 6,386.42
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
	Total Before Margin	\$ 30,016.18
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 1,915.93
	Total Bid Yearly	\$ 31,932.11
	Monthly	\$ 2,661.01

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Community Development Janitorial 22-23

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	\$ 0.93	22.0000	\$ 20.460000	\$ 245.52
2 Arsenal #2 Window Clean	\$ 0.82	4.0000	\$ 3.280000	\$ 39.36
3 Arsenal #5 Restroom Cleaner	\$ 0.67	4.0000	\$ 2.680000	\$ 32.16
4 Arsenal #6 Vindicator	\$ 0.95	8.0000	\$ 7.600000	\$ 91.20
5 Barkeepers Friend Liquid	\$ 4.25	1.0000	\$ 4.250000	\$ 51.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.2500	\$ 0.987917	\$ 11.86
8 Take Down Fresh and Clean	\$ 20.53	0.0416	\$ 0.854048	\$ 10.25
9 Wenco Aero Glass Cleaner	\$ 2.24	1.0000	\$ 2.240000	\$ 26.88
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.1250	\$ 1.033750	\$ 12.41
16 Dust Pan	\$ 2.65	0.2500	\$ 0.662500	\$ 7.95
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0416	\$ 1.144000	\$ 13.73
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.95	0.4167	\$ 16.229167	\$ 194.75
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.5000	\$ 0.92	\$ 10.98
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30		\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Neutralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 83.656755	\$ 1,003.88

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-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly \$	Other Benefits Sub Total \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor
1 Janitor 2x	3.25	\$ 17.02	100%	\$ 55.32	0.0765	\$ 4.23	2.30%	\$ 1.27	1.75%	\$ 0.97	28.00%	\$ 15.49	\$ 14.30	\$ 77.28	104	\$ 8,036.61
2 Janitor 2x	3.00	\$ 17.02	100%	\$ 51.06	0.0765	\$ 3.91	2.30%	\$ 1.17	1.75%	\$ 0.89	28.00%	\$ 14.30	\$ 14.30	\$ 71.33	156	\$ 11,127.61
3				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
4				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
5 Supervisor	2.00	\$ 22.13	100%	\$ 44.26	0.0765	\$ 3.39	2.30%	\$ 1.02	1.75%	\$ 0.77	28.00%	\$ 12.39	\$ 12.39	\$ 61.83	52	\$ 3,215.22
6				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
7				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
8				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
9				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
10				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
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12				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
13				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
14				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
15				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
16				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
17				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
18				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
19				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
20				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
21				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
22				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
23				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
24				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
25				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
26				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
27				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
28				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
29				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
30				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
													Total	\$ 210.44	Total	\$ 22,379.44

Item	Percentage
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
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 (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, complete these tasks to figure that person's 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 2 people are working, the total number of 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 12.5% productivity for 2 hrs. each. (8x50=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 "flat dollar wage". Check the contract! Also, be sure to add the appropriate "Other Payroll Expenses" (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 \$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	<input type="text"/>
Overhead per labor hour	\$ <input type="text" value="-"/>
Time required to complete contract	<input type="text" value="910"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$ 224,660.00	
Management Payroll Tax Expense	\$ 11,832.00	
Management Medical Insurance	\$ 35,850.00	
Management Pension Plan Expense	\$ 7,450.00	
Sales & Administrative Salaries	\$ 477,463.00	
Sales & Administrative Payroll Tax Expense	\$ 36,526.00	
Sales & Administrative Medical Insurance	\$ 106,244.00	
Sales & Administrative Pension Plan Expense	\$ 23,500.00	
Office Rent		\$ 33,600.00
Advertising and Public Education	\$ 21,261.00	\$ 4,800.00
Background Checks & Urinalysis	\$ 8,260.00	\$ 1,650.00
Professional & Accounting / Audit Fees	\$ 18,279.00	
Training & Worker Safety	\$ 6,850.00	\$ 825.00
Insurance	\$ 32,414.00	
Telephone	\$ 8,500.00	\$ 7,350.00
Utilities	\$ 14,035.00	\$ 3,450.00
Property Taxes/Licenses/Fees	\$ 1,890.00	\$ 450.00
Dues & Subscriptions	\$ 6,371.00	\$ 31,086.00
Depreciation-office building	\$ 15,330.00	
Depreciation-office equipment	\$ 24,350.00	
Repairs & Maintenance-office	\$ 78,500.00	
Cleaning and Maintenance	\$ 45,600.00	
Office Equipment Rental	\$ 7,427.00	
Office Supplies	\$ 3,675.00	\$ 650.00
Postage & Freight	\$ 28,750.00	\$ 450.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee		\$ 157,932.00
Interest Expenses	\$ 16,337.00	
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$ 981,562.00	\$ 522,035.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.38

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

Delivery & Reserve

Pathway Enterprises, Inc

City of Ashland Community Development Janitorial 22-23

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 Municipal Court 22-23

Executive Director Signature: _____

Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 924.63
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
	Subtotal 1	\$ 1,171.07
Labor		
Direct Labor	(from labor daily worksheet)	\$ 13,353.42
Overhead		
See Overhead Worksheet		\$ 3,925.54
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
	Total Before Margin	\$ 18,450.03
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 1,177.66
	Total Bid Yearly	\$ 19,627.69
	Monthly	\$ 1,635.64

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Municipal Court 22-23

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	\$ 0.93	22.0000	\$ 20.460000	\$ 245.52
2 Arsenal #2 Window Clean	\$ 0.82	4.0000	\$ 3.280000	\$ 39.36
3 Arsenal #5 Restroom Cleaner	\$ 0.67	4.0000	\$ 2.680000	\$ 32.16
4 Arsenal #6 Vindicator	\$ 0.95	8.0000	\$ 7.600000	\$ 91.20
5 Barkeepers Friend Liquid	\$ 4.25	1.0000	\$ 4.250000	\$ 51.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.2500	\$ 0.987917	\$ 11.86
8 Take Down Fresh and Clean	\$ 20.53	0.0416	\$ 0.854048	\$ 10.25
9 Wenco Aero Glass Cleaner	\$ 2.24	1.0000	\$ 2.240000	\$ 26.88
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.1250	\$ 1.033750	\$ 12.41
16 Dust Pan	\$ 2.65	0.2500	\$ 0.662500	\$ 7.95
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0416	\$ 1.144000	\$ 13.73
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.50	0.2500	\$ 9.625000	\$ 115.50
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.5000	\$ 0.92	\$ 10.98
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30		\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Nuetralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 77.052588	\$ 924.63

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.

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" value="-"/>
Time required to complete contract	<input type="text" value="546"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$ 224,660.00	
Management Payroll Tax Expense	\$ 11,832.00	
Management Medical Insurance	\$ 35,890.00	
Management Pension Plan Expense	\$ 7,450.00	
Sales & Administrative Salaries	\$ 477,463.00	
Sales & Administrative Payroll Tax Expense	\$ 36,526.00	
Sales & Administrative Medical Insurance	\$ 106,244.00	
Sales & Administrative Pension Plan Expense	\$ 23,500.00	
Office Rent		\$ 33,600.00
Advertising and Public Education	\$ 21,261.00	\$ 4,800.00
Background Checks & Urinalysis	\$ 8,260.00	\$ 1,650.00
Professional & Accounting / Audit Fees	\$ 18,279.00	
Training & Worker Safety	\$ 6,850.00	\$ 825.00
Insurance	\$ 32,414.00	
Telephone	\$ 8,500.00	\$ 7,350.00
Utilities	\$ 14,035.00	\$ 3,450.00
Property Taxes/Licenses/Fees	\$ 1,890.00	\$ 450.00
Dues & Subscriptions	\$ 6,371.00	\$ 31,086.00
Depreciation-office building	\$ 15,330.00	
Depreciation-office equipment	\$ 24,350.00	
Repairs & Maintenance-office	\$ 78,500.00	
Cleaning and Maintenance	\$ 45,600.00	
Office Equipment Rental	\$ 7,427.00	
Office Supplies	\$ 3,675.00	\$ 650.00
Postage & Freight	\$ 28,750.00	\$ 450.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee		\$ 157,932.00
Interest Expenses	\$ 16,337.00	
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$ 981,562.00	\$ 522,035.00
CPI Factor	1.40%	1.40%
Total	\$ 1,524,647.36	

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

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 Police Department Janitorial 22-23

Executive Director Signature: _____

Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 1,488.27
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 389.11
	Subtotal 1	\$ 1,877.38
Labor		
Direct Labor	(from labor daily worksheet)	\$ 31,982.65
Overhead		
See Overhead Worksheet		\$ 9,151.36
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
	Total Before Margin	\$ 43,011.39
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 2,745.41
	Total Bid Yearly	\$ 45,756.80
	Monthly	\$ 3,813.07

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies

Pathway Enterprises, Inc

City of Ashland Police Department Janitorial 22-23

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	\$ 0.93	31.0000	\$ 28.830000	\$ 345.96
2 Arsenal #2 Window Clean	\$ 0.82	5.0000	\$ 4.100000	\$ 49.20
3 Arsenal #5 Restroom Cleaner	\$ 0.67	5.0000	\$ 3.350000	\$ 40.20
4 Arsenal #6 Vindicator	\$ 0.95	10.0000	\$ 9.500000	\$ 114.00
5 Barkeepers Friend Liquid	\$ 4.25	2.0000	\$ 8.500000	\$ 102.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.2500	\$ 0.987917	\$ 11.86
8 Take Down Fresh and Clean	\$ 20.53	0.1667	\$ 3.422351	\$ 41.07
9 Wenco Aero Glass Cleaner	\$ 2.24	1.0000	\$ 2.240000	\$ 26.88
10 Ziz-O Paste	\$ 5.94	0.5000	\$ 2.970000	\$ 35.64
11 Angler Broom	\$ 5.90	0.2500	\$ 1.475000	\$ 17.70
12 Cleaning Terry Cloth Rag	\$ 0.49	20.0000	\$ 9.750000	\$ 117.00
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.2500	\$ 2.067500	\$ 24.81
16 Dust Pan	\$ 2.65	0.2500	\$ 0.662500	\$ 7.95
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.2500	\$ 2.330000	\$ 27.96
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0833	\$ 2.290750	\$ 27.49
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.90	0.6667	\$ 25.933333	\$ 311.20
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.5000	\$ 0.92	\$ 10.98
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.1667	\$ 0.325065	\$ 3.90
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30		\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Neutralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 124.022616	\$ 1,488.27

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 Police Department January 22-23

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	3.50	\$ 17.02	100%	\$ 59.57	0.0765	\$ 4.56	2.30%	\$ 1.37	1.75%	\$ 1.04	28.00%	\$ 15.69	\$ 365	\$ 83.22	365	\$ 30,375.04	1,277.5
2																	
3																	
4																	
5 Supervisor	1.00	\$ 22.13	100%	\$ 22.13	0.0765	\$ 1.69	2.30%	\$ 0.51	1.75%	\$ 0.39	28.00%	\$ 6.20	\$ 52	\$ 30.92	52	\$ 1,607.61	52.0
6																	
7																	
8																	
9																	
10																	
11																	
12																	
13																	
14																	
15																	
16																	
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22																	
23																	
24																	
25																	
26																	
27																	
28																	
29																	
30																	
Total																	

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.

Item	Percentage
Health Insurance	16%
PTO	6%
Holiday	4%
Other	2%

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. Note the components are in minutes or seconds. The time will be required to accomplish each task. Since this estimated time may be in minutes or even seconds, it must be converted to hours. For example, 30 minutes is 0.5 hours. For the initial cost, first breakdown the work requirements into component tasks such as, loading and unloading equipment, emptying trash cans, cleaning windows, cleaning sinks, washing 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 50% productivity for 4 hrs. each (2x4=8). It could also be done by 8 people working at 100% productivity for 2 hrs. each. (8x50=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).

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.

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" value="-"/>
Time required to complete contract	<input type="text" value="1,330"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	224,660.00
Management Payroll Tax Expense	\$	11,832.00
Management Medical Insurance	\$	35,850.00
Management Pension Plan Expense	\$	7,450.00
Sales & Administrative Salaries	\$	477,463.00
Sales & Administrative Payroll Tax Expense	\$	36,526.00
Sales & Administrative Medical Insurance	\$	106,244.00
Sales & Administrative Pension Plan Expense	\$	23,500.00
Office Rent	\$	33,600.00
Advertising and Public Education	\$	21,261.00
Background Checks & Urinalysis	\$	8,260.00
Professional & Accounting / Audit Fees	\$	18,279.00
Training & Worker Safety	\$	6,850.00
Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
Postage & Freight	\$	28,750.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee	\$	157,932.00
Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
	\$	522,035.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

Delivery & Reserve

Pathway Enterprises, Inc

City of Ashland Police Department Janitorial 22-23

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 Police Sub Station Janitorial 22-23**

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$	201.18
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	-
		Subtotal 1	\$ 201.18

Labor

Direct Labor	(from labor daily worksheet)	\$	1,421.89
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Overhead

See Overhead Worksheet		\$	438.67
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$	-
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Total Before Margin \$ 2,061.75

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	131.60
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Total Bid Yearly \$ 2,193.35
Monthly \$ 182.78

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Police Sub Station Janitorial 22-23

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	\$ 0.93	4.0000	\$ 3.720000	\$ 44.64
2 Arsenal #2 Window Clean	\$ 0.82	0.5000	\$ 0.410000	\$ 4.92
3 Arsenal #5 Restroom Cleaner	\$ 0.67	0.5000	\$ 0.335000	\$ 4.02
4 Arsenal #6 Vindicator	\$ 0.95	1.0000	\$ 0.950000	\$ 11.40
5 Barkeepers Friend Liquid	\$ 4.25	0.5000	\$ 2.125000	\$ 25.50
6 Chewing Gum Remover	\$ 3.74		\$ -	\$ -
7 Stay Brite Stainless Cleaner	\$ 3.95		\$ -	\$ -
8 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
9 Wenco Aero Glass Cleaner	\$ 2.24	0.2500	\$ 0.560000	\$ 6.72
10 Ziz-O Paste	\$ 5.94		\$ -	\$ -
11 Angler Broom	\$ 5.90	0.0833	\$ 0.491470	\$ 5.90
12 Cleaning Terry Cloth Rag	\$ 0.49	2.0000	\$ 0.975000	\$ 11.70
13 Dust Mop 36" Frame	\$ 3.20		\$ -	\$ -
14 Dust Mop Handle	\$ 6.80		\$ -	\$ -
15 Dust Mop Head 36"	\$ 8.27		\$ -	\$ -
16 Dust Pan	\$ 2.65	0.0833	\$ 0.220745	\$ 2.65
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.0833	\$ 0.776356	\$ 9.32
19 Melamine Erasing Sponge (24)	\$ 27.50		\$ -	\$ -
20 Ninja T Bar	\$ 3.38		\$ -	\$ -
21 Pro Guard Nitrile Gloves (400)	\$ 38.90	0.0833	\$ 3.241667	\$ 38.90
22 Scour Sponge White (Case)	\$ 38.30	0.0208	\$ 0.797917	\$ 9.58
23 Toilet Brush	\$ 1.83	0.0833	\$ 0.15	\$ 1.83
24 Trigger Sprayer w/ Bottle	\$ 2.40	0.2500	\$ 0.600000	\$ 7.20
25 Unger Micro Washer Sleeve	\$ 1.95		\$ -	\$ -
26 Mop Head	\$ 9.35	0.0833	\$ 0.778855	\$ 9.35
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30		\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Neutralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.0417	\$ 0.630833	\$ 7.57
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47		\$ -	\$ -
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 16.765282	\$ 201.18

Areas in green are formula driven.

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

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

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" value="-"/>
Time required to complete contract	<input type="text" value="58"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$ 224,660.00	
Management Payroll Tax Expense	\$ 11,832.00	
Management Medical Insurance	\$ 35,850.00	
Management Pension Plan Expense	\$ 7,450.00	
Sales & Administrative Salaries	\$ 477,463.00	
Sales & Administrative Payroll Tax Expense	\$ 36,526.00	
Sales & Administrative Medical Insurance	\$ 106,244.00	
Sales & Administrative Pension Plan Expense	\$ 23,500.00	
Office Rent		\$ 33,600.00
Advertising and Public Education	\$ 21,261.00	\$ 4,800.00
Background Checks & Urinalysis	\$ 8,260.00	\$ 1,650.00
Professional & Accounting / Audit Fees	\$ 18,279.00	
Training & Worker Safety	\$ 6,850.00	\$ 825.00
Insurance	\$ 32,414.00	
Telephone	\$ 8,500.00	\$ 7,350.00
Utilities	\$ 14,035.00	\$ 3,450.00
Property Taxes/Licenses/Fees	\$ 1,890.00	\$ 450.00
Dues & Subscriptions	\$ 6,371.00	\$ 31,086.00
Depreciation-office building	\$ 15,330.00	
Depreciation-office equipment	\$ 24,350.00	
Repairs & Maintenance-office	\$ 78,500.00	
Cleaning and Maintenance	\$ 45,600.00	
Office Equipment Rental	\$ 7,427.00	
Office Supplies	\$ 3,675.00	\$ 650.00
Postage & Freight	\$ 28,750.00	\$ 450.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee		\$ 157,932.00
Interest Expenses	\$ 16,337.00	
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$ 981,562.00	\$ 522,035.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ^{*****} Total Overhead = \$1,524,647 ^{*****} 1,524,647 / 7,447,389 = 20%

Delivery & Reserve

Pathway Enterprises, Inc

City of Ashland Police Sub Station Janitorial 22-23

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 Service Center Janitorial 22-23

Executive Director Signature: _____

Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 1,040.13
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
	Subtotal 1	\$ 1,286.57
Labor		
Direct Labor	(from labor daily worksheet)	\$ 17,680.82
Overhead		
See Overhead Worksheet		\$ 5,126.32
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
	Total Before Margin	\$ 24,093.72
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 1,537.90
	Total Bid Yearly	\$ 25,631.61
	Monthly	\$ 2,135.97

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Service Center Janitorial 22-23

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	\$ 0.93	22.0000	\$ 20.460000	\$ 245.52
2 Arsenal #2 Window Clean	\$ 0.82	4.0000	\$ 3.280000	\$ 39.36
3 Arsenal #5 Restroom Cleaner	\$ 0.67	4.0000	\$ 2.680000	\$ 32.16
4 Arsenal #6 Vindicator	\$ 0.95	8.0000	\$ 7.600000	\$ 91.20
5 Barkeepers Friend Liquid	\$ 4.25	1.0000	\$ 4.250000	\$ 51.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.2500	\$ 0.987917	\$ 11.86
8 Take Down Fresh and Clean	\$ 20.53	0.0416	\$ 0.854048	\$ 10.25
9 Wenco Aero Glass Cleaner	\$ 2.24	1.0000	\$ 2.240000	\$ 26.88
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.1250	\$ 1.033750	\$ 12.41
16 Dust Pan	\$ 2.65	0.2500	\$ 0.662500	\$ 7.95
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0416	\$ 1.144000	\$ 13.73
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.50	0.5000	\$ 19.250000	\$ 231.00
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.5000	\$ 0.92	\$ 10.98
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30		\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Neutralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 86.677588	\$ 1,040.13

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	3.25	\$ 17.02	100%	\$ 55.32	0.0765	\$ 4.23	2.30%	\$ 1.27	1.75%	\$ 0.97	28.00%	\$ -	\$ -	\$ 77.28	208	\$ 16,073.21	676.0
2				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
3				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
4				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.0
5 Supervisor	1.00	\$ 22.13	100%	\$ 22.13	0.0765	\$ 1.69	2.30%	\$ 0.51	1.75%	\$ 0.39	28.00%	\$ 6.20	\$ 6.20	\$ 30.92	52	\$ 1,607.61	52.0
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	\$ 108.19	Total	\$ 17,680.82	728.0

Item	Percentage
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
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. 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, work required to accomplish 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 of 15 to 30 minutes). Next, 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 should always be done by the same person for 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. (8x50=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 "retailing 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	<input type="text"/>
Overhead per labor hour	\$ <input type="text" value="-"/>
Time required to complete contract	<input type="text" value="728"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	224,660.00
Management Payroll Tax Expense	\$	11,832.00
Management Medical Insurance	\$	35,850.00
Management Pension Plan Expense	\$	7,450.00
Sales & Administrative Salaries	\$	477,463.00
Sales & Administrative Payroll Tax Expense	\$	36,526.00
Sales & Administrative Medical Insurance	\$	106,244.00
Sales & Administrative Pension Plan Expense	\$	23,500.00
Office Rent	\$	33,600.00
Advertising and Public Education	\$	21,261.00
Background Checks & Urinalysis	\$	6,260.00
Professional & Accounting / Audit Fees	\$	18,279.00
Training & Worker Safety	\$	6,850.00
Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
Postage & Freight	\$	28,750.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee	\$	157,932.00
Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

Delivery & Reserve

Pathway Enterprises, Inc

City of Ashland Service Center Janitorial 22-23

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 Street and Shop Janitorial 22-23

Executive Director Signature: _____

Raw Materials		
Per Time Use - Supplies	(from supplies worksheet)	\$ 878.16
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
	Subtotal 1	\$ 1,124.60
Labor		
Direct Labor	(from labor daily worksheet)	\$ 6,244.12
Overhead		
See Overhead Worksheet		\$ 1,991.54
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
	Total Before Margin	\$ 9,360.26
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 597.46
	Total Bid Yearly	\$ 9,957.72
	Monthly	\$ 829.81

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Street and Shop Janitorial 22-23

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	\$ 0.93	18.0000	\$ 16.740000	\$ 200.88
2 Arsenal #2 Window Clean	\$ 0.82	3.0000	\$ 2.460000	\$ 29.52
3 Arsenal #5 Restroom Cleaner	\$ 0.67	3.0000	\$ 2.010000	\$ 24.12
4 Arsenal #6 Vindicator	\$ 0.95	6.0000	\$ 5.700000	\$ 68.40
5 Barkeepers Friend Liquid	\$ 4.25	0.7500	\$ 3.187500	\$ 38.25
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.2500	\$ 0.987917	\$ 11.86
8 Take Down Fresh and Clean	\$ 20.53	-	\$ -	\$ -
9 Wenco Aero Glass Cleaner	\$ 2.24	1.0000	\$ 2.240000	\$ 26.88
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.1250	\$ 1.033750	\$ 12.41
16 Dust Pan	\$ 2.65	0.2500	\$ 0.662500	\$ 7.95
17 Easy Adapter hose	\$ 22.08	-	\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0416	\$ 1.144000	\$ 13.73
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.50	0.4167	\$ 16.041667	\$ 192.50
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.5000	\$ 0.92	\$ 10.98
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63	-	\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58	-	\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74	-	\$ -	\$ -
30 20" White Polish Pads	\$ 4.26	-	\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22	-	\$ -	\$ -
32 60" Handle	\$ 7.30	-	\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11	-	\$ -	\$ -
34 doodle bug pad	\$ 2.26	-	\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01	-	\$ -	\$ -
36 Arsenal Neutralizer Packs	\$ 0.29	-	\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61	-	\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25	-	\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45	-	\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.0833	\$ 1.261162	\$ 15.13
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56	-	\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 73.180031	\$ 878.16

Areas in green are formula driven.

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

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

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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="247"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
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Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
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Miscellaneous Expense		
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Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
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Use the area below to show how you arrived at the final figure that you show as your total Overhead

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Delivery & Reserve

Pathway Enterprises, Inc
 City of Ashland Street and Shop Janitorial 22-23

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

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 (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

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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 Facility Floors 22-23

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 2,308.02
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 856.22
		Subtotal 1 \$ 3,164.24

Labor

Direct Labor	(from labor daily worksheet)	\$ 8,787.13
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Overhead

See Overhead Worksheet		\$ 3,230.10
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 15,181.47

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 969.03
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Total Bid Yearly \$ 16,150.50

Monthly \$ 1,345.88

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Facility Floors 22-23

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	\$ 0.93		\$ -	\$ -
2 Arsenal #2 Window Clean	\$ 0.82		\$ -	\$ -
3 Arsenal #5 Restroom Cleaner	\$ 0.67		\$ -	\$ -
4 Arsenal #6 Vindicator	\$ 0.95		\$ -	\$ -
5 Barkeepers Friend Liquid	\$ 4.25		\$ -	\$ -
6 Chewing Gum Remover	\$ 3.74		\$ -	\$ -
7 Stay Brite Stainless Cleaner	\$ 3.95		\$ -	\$ -
8 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
9 Wenco Aero Glass Cleaner	\$ 2.24		\$ -	\$ -
10 Ziz-O Paste	\$ 5.94		\$ -	\$ -
11 Angler Broom	\$ 5.90		\$ -	\$ -
12 Cleaning Terry Cloth Rag	\$ 0.49		\$ -	\$ -
13 Dust Mop 36" Frame	\$ 3.20		\$ -	\$ -
14 Dust Mop Handle	\$ 6.80		\$ -	\$ -
15 Dust Mop Head 36"	\$ 8.27		\$ -	\$ -
16 Dust Pan	\$ 2.65		\$ -	\$ -
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32		\$ -	\$ -
19 Melamine Erasing Sponge (24)	\$ 27.50		\$ -	\$ -
20 Ninja T Bar	\$ 3.38		\$ -	\$ -
21 Pro Guard Nitrile Gloves (1000)	\$ 45.29		\$ -	\$ -
22 Scour Sponge White (Case)	\$ 38.30		\$ -	\$ -
23 Toilet Brush	\$ 1.83		\$ -	\$ -
24 Trigger Sprayer w/ Bottle	\$ 2.40		\$ -	\$ -
25 Unger Micro Washer Sleeve	\$ 1.95		\$ -	\$ -
26 Mop Head	\$ 9.35	0.5000	\$ 4.675000	\$ 56.10
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58	3.0000	\$ 10.740000	\$ 128.88
29 20" Brown Strip Pads	\$ 3.74	2.0000	\$ 7.472000	\$ 89.66
30 20" White Polish Pads	\$ 4.26	2.0000	\$ 8.520000	\$ 102.24
31 3m Square Scrub Turf Pad	\$ 43.22	0.0833	\$ 3.600226	\$ 43.20
32 60" Handle	\$ 7.30	0.1667	\$ 1.216910	\$ 14.60
33 Deep Six Defoamer	\$ 12.11	0.2500	\$ 3.027500	\$ 36.33
34 doodle bug pad	\$ 2.26	2.0000	\$ 4.520000	\$ 54.24
35 Time Saver Finish	\$ 133.00	0.6000	\$ 79.800000	\$ 957.60
36 Arsenal Nuetrilizer Packs	\$ 0.29	5.0000	\$ 1.450000	\$ 17.40
37 Easy Shine Reusable Pouches	\$ 10.61	0.2500	\$ 2.652000	\$ 31.82
38 Folex Carpet Spotter	\$ 13.25	2.0000	\$ 26.500000	\$ 318.00
39 Heavy Duty Stripper	\$ 18.45	2.0000	\$ 36.900000	\$ 442.80
40 Sensor Bags (10 Pack)	\$ 15.14	0.0833	\$ 1.261162	\$ 15.13
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47		\$ -	\$ -
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 192.334798	\$ 2,308.02

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 Facility, Floors 22-23

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 Sub-Total 5	Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 City Hall Carpet	11.00	\$ 20.00	100%	\$ 220.00	0.0765	\$ 16.83	2.30%	\$ 5.06	1.75%	\$ 3.85	28.00%	\$ 307.34	\$ 61.60	\$ 307.34	21	\$ 614.69	22.0
2 City Hall Hard FL	2.00	\$ 20.00	100%	\$ 40.00	0.0765	\$ 3.06	2.30%	\$ 0.92	1.75%	\$ 0.70	28.00%	\$ 55.88	\$ 11.20	\$ 55.88	21	\$ 111.76	4.0
3 Comm Dev Carpet	22.00	\$ 20.00	100%	\$ 440.00	0.0765	\$ 33.66	2.30%	\$ 10.92	1.75%	\$ 7.70	28.00%	\$ 614.68	\$ 123.20	\$ 614.68	21	\$ 1,229.36	44.0
4 Comm Dev Hard FL	4.00	\$ 20.00	100%	\$ 80.00	0.0765	\$ 6.12	2.30%	\$ 1.84	1.75%	\$ 1.40	28.00%	\$ 111.76	\$ 22.40	\$ 111.76	21	\$ 223.52	8.0
5 Courts Carpet	8.00	\$ 20.00	100%	\$ 160.00	0.0765	\$ 12.24	2.30%	\$ 3.68	1.75%	\$ 2.80	28.00%	\$ 223.52	\$ 44.80	\$ 223.52	21	\$ 447.04	32.0
6 Courts Hard FL	2.00	\$ 20.00	100%	\$ 40.00	0.0765	\$ 3.06	2.30%	\$ 0.92	1.75%	\$ 0.70	28.00%	\$ 55.88	\$ 11.20	\$ 55.88	21	\$ 111.76	4.0
7 Police Carpet	12.00	\$ 20.00	100%	\$ 240.00	0.0765	\$ 18.36	2.30%	\$ 5.52	1.75%	\$ 4.20	28.00%	\$ 335.28	\$ 67.20	\$ 335.28	21	\$ 670.56	24.0
8 Police Hard FL	32.00	\$ 20.00	100%	\$ 640.00	0.0765	\$ 48.96	2.30%	\$ 14.72	1.75%	\$ 11.20	28.00%	\$ 894.08	\$ 178.80	\$ 894.08	21	\$ 1,788.16	64.0
9																	
10 Service CR Carpet	8.00	\$ 20.00	100%	\$ 160.00	0.0765	\$ 12.24	2.30%	\$ 3.68	1.75%	\$ 2.80	28.00%	\$ 223.52	\$ 44.80	\$ 223.52	21	\$ 447.04	16.0
11 Service CR Hard FL	20.00	\$ 20.00	100%	\$ 400.00	0.0765	\$ 30.60	2.30%	\$ 9.20	1.75%	\$ 7.00	28.00%	\$ 558.80	\$ 112.00	\$ 558.80	21	\$ 1,117.60	40.0
12 Streets Carpet	1.00	\$ 20.00	100%	\$ 20.00	0.0765	\$ 1.53	2.30%	\$ 0.46	1.75%	\$ 0.35	28.00%	\$ 27.94	\$ 5.60	\$ 27.94	21	\$ 55.88	2.0
13 Streets Hard FL	10.00	\$ 20.00	100%	\$ 200.00	0.0765	\$ 15.30	2.30%	\$ 4.60	1.75%	\$ 3.50	28.00%	\$ 279.40	\$ 56.00	\$ 279.40	21	\$ 558.80	20.0
14																	
15																	
16 Supervision	15.00	\$ 23.00	100%	\$ 345.00	0.0765	\$ 26.39	2.30%	\$ 7.94	1.75%	\$ 6.04	28.00%	\$ 481.97	\$ 96.60	\$ 481.97	21	\$ 963.93	30.0
17																	
18																	
19																	
20																	
21																	
22																	
23																	
24																	
25																	
26																	
27																	
28																	
29																	
30																	
Total																	

Item	Percentage
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

Input in this column if you calculate Other Benefits as a flat dollar amount per month. A just 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 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 these 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. (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" value="-"/>
Time required to complete contract	<input type="text" value="310"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	224,660.00
Management Payroll Tax Expense	\$	11,832.00
Management Medical Insurance	\$	35,850.00
Management Pension Plan Expense	\$	7,450.00
Sales & Administrative Salaries	\$	477,463.00
Sales & Administrative Payroll Tax Expense	\$	36,526.00
Sales & Administrative Medical Insurance	\$	106,244.00
Sales & Administrative Pension Plan Expense	\$	23,500.00
Office Rent	\$	33,600.00
Advertising and Public Education	\$	21,261.00
Background Checks & Urinalysis	\$	8,260.00
Professional & Accounting / Audit Fees	\$	18,279.00
Training & Worker Safety	\$	6,850.00
Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
Postage & Freight	\$	28,750.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee	\$	157,932.00
Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

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



Communication

Teamwork

Professionalism

Opportunity



Office: (541) 973-2728

Fax: (541) 973-2729

Property Service License #40205

CCB License #218417

May 26, 2022

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

In regards to janitorial services at the Ashland Fire District 1 Station:

Pathway Enterprises is requesting a pricing adjustment for janitorial services for the Fire District 1 Facility. The reason for the changes are as follows:

- Incorporation of the updated Living Wage for the City of Ashland at \$17.02 per hour. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$22.13 per hour.
- Updates for supply expenses, and fringe expenses.

This requested annual service amount is \$7,589.28, 632.44 monthly.

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

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

QRF Name Pathway Enterprises, Inc.
Project Ashland Fire Department Janitorial 22-23

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$ 215.38
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 53.28
	Subtotal 1	\$ 268.66

Labor

Direct Labor	(from labor daily worksheet)	\$ 5,347.45
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Overhead

See Overhead Worksheet		\$ 1,517.87
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$ -
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Total Before Margin \$ 7,133.98

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 455.36
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Total Bid Yearly \$ 7,589.34
Monthly \$ 632.44

RAW MATERIALS

Supplies
Pathway Enterprises, Inc.
Ashland Fire Department Janitorial 22-23

Raw Materials:
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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	SCRUBBING SPONGES	\$ 1.36	0.5000	\$ 0.68	\$ 8.16
2	BARKEEPERS FRIEND LIQUID	\$ 3.25	0.2500	\$ 0.81	\$ 9.75
3				\$ -	\$ -
4				\$ -	\$ -
5				\$ -	\$ -
6				\$ -	\$ -
7	UTILITY BRUSH	\$ 2.74	0.0833	\$ 0.23	\$ 2.74
8	ANGLER BROOM	\$ 6.27	0.0833	\$ 0.52	\$ 6.27
9	TOILET SCRUB BRUSH	\$ 4.35	0.0833	\$ 0.36	\$ 4.35
10	NITRILE GLOVES LARGE	\$ 38.50	0.1667	\$ 6.42	\$ 77.00
11	LAMBSWOOL DUSTER	\$ 4.90	0.0833	\$ 0.41	\$ 4.90
12	DUST PAN	\$ 2.52	0.0833	\$ 0.21	\$ 2.52
13	GLASS CLEANER	\$ 19.25	0.0833	\$ 1.60	\$ 19.25
14	NUETRAL CLEANER	\$ 19.56	0.0833	\$ 1.63	\$ 19.56
15	SANITIZER	\$ 16.99	0.0833	\$ 1.42	\$ 16.99
16	RESTROOM CLEANER	\$ 19.60	0.0833	\$ 1.63	\$ 19.60
17	SPRAY BOTTLES	\$ 1.90	0.3333	\$ 0.63	\$ 7.60
18	MOP HANDLE	\$ 6.29	0.0833	\$ 0.52	\$ 6.29
19	LARGE MOP HEADS	\$ 5.20	0.1667	\$ 0.87	\$ 10.40
20				\$ -	\$ -
21				\$ -	\$ -
22				\$ -	\$ -
23				\$ -	\$ -
24				\$ -	\$ -
25				\$ -	\$ -
26				\$ -	\$ -
27				\$ -	\$ -
28				\$ -	\$ -
29				\$ -	\$ -
30				\$ -	\$ -
31				\$ -	\$ -
32				\$ -	\$ -
33				\$ -	\$ -
34				\$ -	\$ -
35				\$ -	\$ -
36				\$ -	\$ -
37				\$ -	\$ -
38				\$ -	\$ -
39				\$ -	\$ -
40				\$ -	\$ -
41				\$ -	\$ -
42				\$ -	\$ -
43				\$ -	\$ -
44				\$ -	\$ -
45				\$ -	\$ -
46				\$ -	\$ -
47				\$ -	\$ -
48				\$ -	\$ -
49				\$ -	\$ -
50				\$ -	\$ -
	Total			\$ 17.95	\$ 215.38

Areas in green are formula driven.

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

RAW MATERIALS
 Equipment, Tools & Subcontractors
 Pathway Enterprises, Inc.
 Ashland Fire Department Janitorial 22-23

Oregon Department of Administrative Services
 Project Costing Worksheet

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

- Burnishing/Floor machines
- 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. Do not include any vehicle or transportation costs in this schedule.
 Note: Any asset purchased with grant money is not eligible for depreciation, however, the cost to maintain the asset is an allowable expense and should be listed.

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

	Equipment Description	Unit Price	Useful life of Asset	Contract life	Depreciation Percentage	Units Cost Per Year	Project % Use	Project Unit Cost	# of Units	Annual Cost
1				12						
2				12						
3				12						
4	MOP BUCKETS AND PRESSES	\$ 54.08	24	12	50%	\$ 27.04	100%	\$ 27.04	1	\$ 27.04
5	VACUUM CLEANERS	\$ 524.82	24	12	50%	\$ 262.41	10%	\$ 26.24	1	\$ 26.24
6				12						
7				12						
8				12						
9				12						
10				12						
11				12						
12				12						
13				12						
14				12						
15				12						
16				12						
17				12						
18				12						
19				12						
20				12						
Total										\$ 53.28

Areas in green are formula driven.

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

LABOR
Direct Labor
Ashland Fire Department Janitorial 22-23

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 Main Restrooms	0.50	\$ 17.02	100%	\$ 8.51	0.0765	\$ 0.65	2.30%	\$ 0.20	1.75%	\$ 0.15	28.00%	\$ 2.38	\$ 2.38	\$ 11.89	260	\$ 3,091.00	130.00
2 Vacuuming	0.50	\$ 17.02	100%	\$ 8.51	0.0765	\$ 0.65	2.30%	\$ 0.20	1.75%	\$ 0.15	28.00%	\$ 2.38	\$ 2.38	\$ 11.89	104	\$ 1,236.40	52.00
3 Lobby	0.50	\$ 17.02	100%	\$ 8.51	0.0765	\$ 0.65	2.30%	\$ 0.20	1.75%	\$ 0.15	28.00%	\$ 2.38	\$ 2.38	\$ 11.89	52	\$ 618.20	26.00
4 Training Room	0.25	\$ 17.02	100%	\$ 4.26	0.0765	\$ 0.33	2.30%	\$ 0.10	1.75%	\$ 0.07	28.00%	\$ 1.19	\$ 1.19	\$ 5.94	12	\$ 309.10	13.00
5 Supervision	0.25	\$ 22.12	100%	\$ 5.53	0.0765	\$ 0.42	2.30%	\$ 0.13	1.75%	\$ 0.10	28.00%	\$ 1.55	\$ 1.55	\$ 7.73	12	\$ 92.75	3.00
6				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
7				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
8				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
9				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
10				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
11				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
12				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
13				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
14				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
15				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
16				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
17				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
18				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
19				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
20				\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -		\$ -	0.00
													Total	\$ 49.34	Total	\$ 5,347.45	224.00

Areas in green are formula driven.

List "Other Benefits" Provided	
PTO + HOLIDAY	10.00%
LIFE + HEALTH INSURANCE	16.00%
OTHER	2.00%

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

Daily Per Item Labor = The sum of subtotals 1,2,3, 4, and 5
Times Per Year = This is the days or shifts worked per year
Annual Total Labor = Times per year multiplied by daily/per item labor
Annual Labor Hours = Work hours multiplied by times per year

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

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

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

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 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="0"/>
Time required to complete contract	<input type="text" value="224"/>
Total Assigned Overhead	\$ <input type="text" value="0"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries		\$ 224,660.00
Management Payroll Tax Expense		\$ 11,832.00
Management Medical Insurance		\$ 35,850.00
Management Pension Plan Expense		\$ 7,450.00
Sales & Administrative Salaries	\$ 477,463.00	
Sales & Administrative Payroll Tax Expense	\$ 36,526.00	
Sales & Administrative Medical Insurance	\$ 106,244.00	
Sales & Administrative Pension Plan Expense	\$ 23,500.00	
Office Rent		\$ 33,600.00
Advertising and Public Education	\$ 21,261.00	\$ 4,800.00
Background Checks & Urinalysis	\$ 8,260.00	\$ 1,650.00
Professional & Accounting / Audit Fees	\$ 18,279.00	
Training & Worker Safety	\$ 6,850.00	\$ 825.00
Insurance	\$ 32,414.00	
Telephone	\$ 8,500.00	\$ 7,350.00
Utilities	\$ 14,035.00	\$ 3,450.00
Property Taxes/Licenses/Fees	\$ 1,890.00	\$ 450.00
Dues & Subscriptions	\$ 6,371.00	\$ 31,086.00
Depreciation-office building	\$ 15,330.00	
Depreciation-office equipment	\$ 24,350.00	
Repairs & Maintenance-office	\$ 78,500.00	
Cleaning and Maintenance	\$ 45,600.00	
Office Equipment Rental	\$ 7,427.00	
Office Supplies	\$ 3,675.00	\$ 650.00
Postage & Freight	\$ 28,750.00	\$ 450.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee		\$ 157,932.00
Interest Expenses	\$ 16,337.00	
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$ 981,562.00	\$ 522,035.00
CPI Factor from BLS (see link below)	3.15%	3.15%
http://www.bls.gov/ro9/mstreq.htm		
Total	\$	1,550,960.31

WORK AREA:

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

Agency Revenue = \$7,447,389 ^^^^^ Total Overhead = \$1,524,647 ^^^^^ 1,524,647 / 7,447,389 = 20%

Delivery & Reserve

Pathway Enterprises, Inc.

Ashland Fire Department Janitorial 22-23

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				\$ -		\$ -
				\$ -		\$ -

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%



Communication

Teamwork

Professionalism

Opportunity



Office: (541) 973-2728

Fax: (541) 973-2729

Property Service License #40205

CCB License #218417

May 26, 2022

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 \$17.02 per hour. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$22.13 per hour.
- Updates were incorporated for supply costs, overhead expenses, and fringe expenses.

In total we are requesting **\$48,562.56 annually**. I have attached the State Costing Workbooks and minimum cleaning standards.

The monthly breakdown of costs are as follows:

Annual 2022 - 2023	Monthly	# Weekly Services
Floor Services	383.36	
Nature Center	541.26	1
Pioneer Hall	1,681.17	7
The Grove	337.07	1
Senior Center	1,104.02	5
Total	\$4,046.88	

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.

Custodial Service Minimum Standards

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

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

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

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

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

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

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

GENERAL REQUIREMENTS:

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

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

Security

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

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



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

SUMMARY OF ANNUAL COSTS

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 facility The Grove Janitorial 22-23

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$	459.29
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	246.44
		Subtotal 1	\$ 705.73

Labor

Direct Labor	(from labor daily worksheet)	\$	2,287.48
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Overhead

See Overhead Worksheet		\$	808.97
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$	-
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Total Before Margin \$ 3,802.18

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	242.69
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Total Bid Yearly \$ 4,044.87
Monthly \$ 337.07

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland facility The Grove Janitorial 22-23

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	\$ 0.93	6.0000	\$ 5.580000	\$ 66.96
2 Arsenal #2 Window Clean	\$ 0.82	1.0000	\$ 0.820000	\$ 9.84
3 Arsenal #5 Restroom Cleaner	\$ 0.67	1.0000	\$ 0.670000	\$ 8.04
4 Arsenal #6 Vindicator	\$ 0.95	2.0000	\$ 1.900000	\$ 22.80
5 Barkeepers Friend Liquid	\$ 4.25	0.5000	\$ 2.125000	\$ 25.50
6 Chewing Gum Remover	\$ 3.74	-	\$ -	\$ -
7 Stay Brite Stainless Cleaner	\$ 3.95	-	\$ -	\$ -
8 Take Down Fresh and Clean	\$ 20.53	-	\$ -	\$ -
9 Wenco Aero Glass Cleaner	\$ 2.24	0.5000	\$ 1.120000	\$ 13.44
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	5.0000	\$ 2.437500	\$ 29.25
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.2500	\$ 2.067500	\$ 24.81
16 Dust Pan	\$ 2.65	0.1677	\$ 0.444405	\$ 5.33
17 Easy Adapter hose	\$ 22.08	-	\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0833	\$ 2.290750	\$ 27.49
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.50	0.0833	\$ 3.208333	\$ 38.50
22 Scour Sponge White (Case)	\$ 38.30	0.0417	\$ 1.595833	\$ 19.15
23 Toilet Brush	\$ 1.83	0.2500	\$ 0.46	\$ 5.49
24 Trigger Sprayer w/ Bottle	\$ 2.40	0.5000	\$ 1.200000	\$ 14.40
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63	-	\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58	-	\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74	-	\$ -	\$ -
30 20" White Polish Pads	\$ 4.26	-	\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22	-	\$ -	\$ -
32 60" Handle	\$ 7.30	-	\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11	-	\$ -	\$ -
34 doodle bug pad	\$ 2.26	-	\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01	-	\$ -	\$ -
36 Arsenal Nuetralizer Packs	\$ 0.29	-	\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61	-	\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25	-	\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45	-	\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56	-	\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 38.274305	\$ 459.29

Areas in green are formula driven.

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

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

LABOR
Direct Labor
Pathway Enterprises, Inc
City of Ashland facility The Grove, Janitorial 22-23

Worker Description	Work Hours	Hourly Rate	% Pro-ductivity	Sub-Total 1	FICA	Sub-Total 2	Workers comp%	Sub-Total 3	Unemploy-ment %	Sub-Total 4	Other Benefits %	Other Benefits Monthly \$	Other Benefits SubTotal \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 Janitor/Daily	1.25	\$ 17.02	100%	\$ 21.28	0.0765	\$ 1.63	2.30%	\$ 0.49	1.75%	\$ 0.37	28.00%	\$ 5.96	\$ 5.96	\$ 29.72	52	\$ 1,545.50	65.0
2																	
3																	
4																	
5 Supervisor	1.00	\$ 22.13	100%	\$ 22.13	0.0765	\$ 1.69	2.30%	\$ 0.51	1.75%	\$ 0.39	28.00%	\$ 6.20	\$ 6.20	\$ 30.92	24	\$ 741.97	24.0
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	\$ 60.64	Total	\$ 2,287.48	89.0

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
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. 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 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. (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.
 Watch for 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	<input type="text"/>
Overhead per labor hour	\$ <input type="text" value="-"/>
Time required to complete contract	<input type="text" value="89"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	224,660.00
Management Payroll Tax Expense	\$	11,832.00
Management Medical Insurance	\$	35,850.00
Management Pension Plan Expense	\$	7,450.00
Sales & Administrative Salaries	\$	477,463.00
Sales & Administrative Payroll Tax Expense	\$	36,526.00
Sales & Administrative Medical Insurance	\$	106,244.00
Sales & Administrative Pension Plan Expense	\$	23,500.00
Office Rent	\$	33,600.00
Advertising and Public Education	\$	21,261.00
Background Checks & Urinalysis	\$	8,260.00
Professional & Accounting / Audit Fees	\$	18,279.00
Training & Worker Safety	\$	6,850.00
Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
Postage & Freight	\$	28,750.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee	\$	157,932.00
Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

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 Senior Center Janitorial 22-23

Executive Director Signature: _____

Raw Materials

Per Time Use - Supplies	(from supplies worksheet)	\$	1,037.87
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$	246.44
		Subtotal 1	\$ 1,284.31

Labor

Direct Labor	(from labor daily worksheet)	\$	8,519.42
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Overhead

See Overhead Worksheet		\$	2,649.66
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Delivery

Transportation	(from Trans & Reserve worksheet)	\$	-
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Total Before Margin \$ 12,453.39

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	794.90
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Total Bid Yearly \$ 13,248.28
Monthly \$ 1,104.02

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Senior Center Janitorial 22-23

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	\$ 0.93	22.0000	\$ 20.460000	\$ 245.52
2 Arsenal #2 Window Clean	\$ 0.82	2.0000	\$ 1.640000	\$ 19.68
3 Arsenal #5 Restroom Cleaner	\$ 0.67	3.0000	\$ 2.010000	\$ 24.12
4 Arsenal #6 Vindicator	\$ 0.95	7.0000	\$ 6.650000	\$ 79.80
5 Barkeepers Friend Liquid	\$ 4.25	1.0000	\$ 4.250000	\$ 51.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.2500	\$ 0.987917	\$ 11.86
8 Take Down Fresh and Clean	\$ 20.53	0.1667	\$ 3.422351	\$ 41.07
9 Wenco Aero Glass Cleaner	\$ 2.24	0.5000	\$ 1.120000	\$ 13.44
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	15.0000	\$ 7.312500	\$ 87.75
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.2500	\$ 2.067500	\$ 24.81
16 Dust Pan	\$ 2.65	0.1677	\$ 0.444405	\$ 5.33
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0833	\$ 2.290750	\$ 27.49
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.50	0.2500	\$ 9.625000	\$ 115.50
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.2500	\$ 0.46	\$ 5.49
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26	1.0000	\$ 4.260000	\$ 51.12
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30	0.0833	\$ 0.608090	\$ 7.30
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Nuetralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 86.488886	\$ 1,037.87

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.

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" value="-"/>
Time required to complete contract	<input type="text" value="351"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$ 224,660.00	
Management Payroll Tax Expense	\$ 11,832.00	
Management Medical Insurance	\$ 35,850.00	
Management Pension Plan Expense	\$ 7,450.00	
Sales & Administrative Salaries	\$ 477,463.00	
Sales & Administrative Payroll Tax Expense	\$ 36,526.00	
Sales & Administrative Medical Insurance	\$ 106,244.00	
Sales & Administrative Pension Plan Expense	\$ 23,500.00	
Office Rent		\$ 33,600.00
Advertising and Public Education	\$ 21,261.00	\$ 4,800.00
Background Checks & Urinalysis	\$ 8,260.00	\$ 1,650.00
Professional & Accounting / Audit Fees	\$ 18,279.00	
Training & Worker Safety	\$ 6,850.00	\$ 825.00
Insurance	\$ 32,414.00	
Telephone	\$ 8,500.00	\$ 7,350.00
Utilities	\$ 14,035.00	\$ 3,450.00
Property Taxes/Licenses/Fees	\$ 1,890.00	\$ 450.00
Dues & Subscriptions	\$ 6,371.00	\$ 31,086.00
Depreciation-office building	\$ 15,330.00	
Depreciation-office equipment	\$ 24,350.00	
Repairs & Maintenance-office	\$ 78,500.00	
Cleaning and Maintenance	\$ 45,600.00	
Office Equipment Rental	\$ 7,427.00	
Office Supplies	\$ 3,675.00	\$ 650.00
Postage & Freight	\$ 28,750.00	\$ 450.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee		\$ 157,932.00
Interest Expenses	\$ 16,337.00	
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$ 981,562.00	\$ 522,035.00
CPI Factor	1.40%	1.40%
Total	\$ 1,524,647.36	

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

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

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Pioneer Hall Janitorial 22-23

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	\$ 0.93	31.0000	\$ 28.830000	\$ 345.96
2 Arsenal #2 Window Clean	\$ 0.82	4.0000	\$ 3.280000	\$ 39.36
3 Arsenal #5 Restroom Cleaner	\$ 0.67	4.0000	\$ 2.680000	\$ 32.16
4 Arsenal #6 Vindicator	\$ 0.95	10.0000	\$ 9.500000	\$ 114.00
5 Barkeepers Friend Liquid	\$ 4.25	1.0000	\$ 4.250000	\$ 51.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.5000	\$ 1.975833	\$ 23.71
8 Take Down Fresh and Clean	\$ 20.53	0.1667	\$ 3.422351	\$ 41.07
9 Wenco Aero Glass Cleaner	\$ 2.24	0.5000	\$ 1.120000	\$ 13.44
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.1667	\$ 0.983530	\$ 11.80
12 Cleaning Terry Cloth Rag	\$ 0.49	20.0000	\$ 9.750000	\$ 117.00
13 Dust Mop 36" Frame	\$ 3.20	0.0833	\$ 0.266560	\$ 3.20
14 Dust Mop Handle	\$ 6.80	0.0833	\$ 0.566440	\$ 6.80
15 Dust Mop Head 36"	\$ 8.27	0.2500	\$ 2.067500	\$ 24.81
16 Dust Pan	\$ 2.65	0.1677	\$ 0.444405	\$ 5.33
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.1667	\$ 1.553644	\$ 18.64
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0833	\$ 2.290750	\$ 27.49
20 Ninja T Bar	\$ 3.38	0.0833	\$ 0.281721	\$ 3.38
21 Pro Guard Nitrile Gloves (400)	\$ 38.50	0.4167	\$ 16.041667	\$ 192.50
22 Scour Sponge White (Case)	\$ 38.30	0.0833	\$ 3.190390	\$ 38.28
23 Toilet Brush	\$ 1.83	0.2500	\$ 0.46	\$ 5.49
24 Trigger Sprayer w/ Bottle	\$ 2.40	1.0000	\$ 2.400000	\$ 28.80
25 Unger Micro Washer Sleeve	\$ 1.95	0.2500	\$ 0.487500	\$ 5.85
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26	1.0000	\$ 4.260000	\$ 51.12
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30	0.0833	\$ 0.608090	\$ 7.30
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Nuetralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.1667	\$ 2.523838	\$ 30.29
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47	0.0833	\$ 1.871751	\$ 22.46
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 109.860970	\$ 1,318.33

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.

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" value="-"/>
Time required to complete contract	<input type="text" value="554"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries		\$ 224,660.00
Management Payroll Tax Expense		\$ 11,832.00
Management Medical Insurance		\$ 35,850.00
Management Pension Plan Expense		\$ 7,450.00
Sales & Administrative Salaries	\$ 477,463.00	
Sales & Administrative Payroll Tax Expense	\$ 36,526.00	
Sales & Administrative Medical Insurance	\$ 106,244.00	
Sales & Administrative Pension Plan Expense	\$ 23,500.00	
Office Rent		\$ 33,600.00
Advertising and Public Education	\$ 21,261.00	\$ 4,800.00
Background Checks & Urinalysis	\$ 8,260.00	\$ 1,650.00
Professional & Accounting / Audit Fees	\$ 18,279.00	
Training & Worker Safety	\$ 6,850.00	\$ 825.00
Insurance	\$ 32,414.00	
Telephone	\$ 8,500.00	\$ 7,350.00
Utilities	\$ 14,035.00	\$ 3,450.00
Property Taxes/Licenses/Fees	\$ 1,890.00	\$ 450.00
Dues & Subscriptions	\$ 6,371.00	\$ 31,086.00
Depreciation-office building	\$ 15,330.00	
Depreciation-office equipment	\$ 24,350.00	
Repairs & Maintenance-office	\$ 78,500.00	
Cleaning and Maintenance	\$ 45,600.00	
Office Equipment Rental	\$ 7,427.00	
Office Supplies	\$ 3,675.00	\$ 650.00
Postage & Freight	\$ 28,750.00	\$ 450.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee		\$ 157,932.00
Interest Expenses	\$ 16,337.00	
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$ 981,562.00	\$ 522,035.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ^^^^^ Total Overhead = \$1,524,647 ^^^^^ 1,524,647 / 7,447,389 = 20%

City of Ashland Pioneer Hall Janitorial 22-23

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

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)	\$ 683.34
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 284.55
	Subtotal 1	\$ 967.88
Labor		
Direct Labor	(from labor daily worksheet)	\$ 2,436.37
Overhead		
See Overhead Worksheet		\$ 920.07
Delivery		
Transportation	(from Trans & Reserve worksheet)	\$ -
	Total Before Margin	\$ 4,324.32
Reserve		
Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 276.02
	Total Bid Yearly	\$ 4,600.34
	Monthly	\$ 383.36

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Parks Building Floors

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	\$ 0.93		\$ -	\$ -
2 Arsenal #2 Window Clean	\$ 0.82		\$ -	\$ -
3 Arsenal #5 Restroom Cleaner	\$ 0.67		\$ -	\$ -
4 Arsenal #6 Vindicator	\$ 0.95		\$ -	\$ -
5 Barkeepers Friend Liquid	\$ 4.25		\$ -	\$ -
6 Chewing Gum Remover	\$ 3.74		\$ -	\$ -
7 Stay Brite Stainless Cleaner	\$ 3.95		\$ -	\$ -
8 Take Down Fresh and Clean	\$ 20.53	0.0417	\$ 0.855417	\$ 10.27
9 Wenco Aero Glass Cleaner	\$ 2.24		\$ -	\$ -
10 Ziz-O Paste	\$ 5.94		\$ -	\$ -
11 Angler Broom	\$ 5.90		\$ -	\$ -
12 Cleaning Terry Cloth Rag	\$ 0.49	2.0000	\$ 0.975000	\$ 11.70
13 Dust Mop 36" Frame	\$ 3.20		\$ -	\$ -
14 Dust Mop Handle	\$ 6.80		\$ -	\$ -
15 Dust Mop Head 36"	\$ 8.27		\$ -	\$ -
16 Dust Pan	\$ 2.65		\$ -	\$ -
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32		\$ -	\$ -
19 Melamine Erasing Sponge (24)	\$ 27.50		\$ -	\$ -
20 Ninja T Bar	\$ 3.38		\$ -	\$ -
21 Pro Guard Nitrile Gloves (1000)	\$ 45.29	0.0417	\$ 1.887083	\$ 22.65
22 Scour Sponge White (Case)	\$ 38.30		\$ -	\$ -
23 Toilet Brush	\$ 1.83		\$ -	\$ -
24 Trigger Sprayer w/ Bottle	\$ 2.40		\$ -	\$ -
25 Unger Micro Washer Sleeve	\$ 1.95		\$ -	\$ -
26 Mop Head	\$ 9.35	0.2500	\$ 2.337500	\$ 28.05
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58	0.5000	\$ 1.790000	\$ 21.48
29 20" Brown Strip Pads	\$ 3.74	0.5000	\$ 1.868000	\$ 22.42
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30	0.1663	\$ 1.213990	\$ 14.57
33 Deep Six Defoamer	\$ 12.11	0.0833	\$ 1.008763	\$ 12.11
34 doodle bug pad	\$ 2.26	1.0000	\$ 2.260000	\$ 27.12
35 Double Diamond Floor Finish	\$ 14.01	1.5000	\$ 21.015000	\$ 252.18
36 Arsenal Nuetralizer Packs	\$ 0.29	2.0000	\$ 0.580000	\$ 6.96
37 Easy Shine Reusable Pouches	\$ 10.61	0.5000	\$ 5.304000	\$ 63.65
38 Folex Carpet Spotter	\$ 13.25	0.5000	\$ 6.625000	\$ 79.50
39 Heavy Duty Stripper	\$ 18.45	0.5000	\$ 9.225000	\$ 110.70
40 Sensor Bags (10 Pack)	\$ 15.14		\$ -	\$ -
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47		\$ -	\$ -
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 56.944753	\$ 683.34

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 \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 Pioneer Hard FL	4.00	\$ 20.00	100%	\$ 80.00	0.0765	\$ 6.12	2.30%	\$ 1.84	1.75%	\$ 1.40	28.00%	\$ 22.40	\$ 22.40	\$ 111.76	2	\$ 223.52	8.0
2 Nature Carpet	6.00	\$ 20.00	100%	\$ 120.00	0.0765	\$ 9.18	2.30%	\$ 2.76	1.75%	\$ 2.10	28.00%	\$ 33.60	\$ 33.60	\$ 167.64	2	\$ 335.28	12.0
3 Nature Hard FL	1.00	\$ 20.00	100%	\$ 20.00	0.0765	\$ 1.53	2.30%	\$ 0.46	1.75%	\$ 0.35	28.00%	\$ 5.60	\$ 5.60	\$ 27.84	2	\$ 55.68	2.0
4 Senior Ctr Carpet	8.00	\$ 20.00	100%	\$ 160.00	0.0765	\$ 12.24	2.30%	\$ 3.68	1.75%	\$ 2.80	28.00%	\$ 44.80	\$ 44.80	\$ 223.52	2	\$ 447.04	16.0
5 Senior Ctr Hard FL	10.00	\$ 20.00	100%	\$ 200.00	0.0765	\$ 15.30	2.30%	\$ 4.60	1.75%	\$ 3.50	28.00%	\$ 56.00	\$ 56.00	\$ 279.40	2	\$ 558.80	20.0
6 Grove Carpets	8.00	\$ 20.00	100%	\$ 160.00	0.0765	\$ 12.24	2.30%	\$ 3.68	1.75%	\$ 2.80	28.00%	\$ 44.80	\$ 44.80	\$ 223.52	2	\$ 447.04	16.0
7 Grove Hard FL	2.00	\$ 20.00	100%	\$ 40.00	0.0765	\$ 3.06	2.30%	\$ 0.92	1.75%	\$ 0.70	28.00%	\$ 11.20	\$ 11.20	\$ 55.88	2	\$ 111.76	4.0
8 Supervisor	4.00	\$ 23.00	100%	\$ 92.00	0.0765	\$ 7.04	2.30%	\$ 2.12	1.75%	\$ 1.61	28.00%	\$ 25.76	\$ 25.76	\$ 128.52	2	\$ 257.05	8.0
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															Total	\$ 1,218.18	85.0

Item	Percentage
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 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.)

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 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
 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	<input type="text"/>
Overhead per labor hour	\$ <input type="text" value="-"/>
Time required to complete contract	<input type="text" value="86"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$ 224,660.00	
Management Payroll Tax Expense	\$ 11,832.00	
Management Medical Insurance	\$ 35,850.00	
Management Pension Plan Expense	\$ 7,450.00	
Sales & Administrative Salaries	\$ 477,463.00	
Sales & Administrative Payroll Tax Expense	\$ 36,526.00	
Sales & Administrative Medical Insurance	\$ 106,244.00	
Sales & Administrative Pension Plan Expense	\$ 23,500.00	
Office Rent		\$ 33,600.00
Advertising and Public Education	\$ 21,261.00	\$ 4,800.00
Background Checks & Urinalysis	\$ 8,260.00	\$ 1,650.00
Professional & Accounting / Audit Fees	\$ 18,279.00	
Training & Worker Safety	\$ 6,850.00	\$ 825.00
Insurance	\$ 32,414.00	
Telephone	\$ 8,500.00	\$ 7,350.00
Utilities	\$ 14,035.00	\$ 3,450.00
Property Taxes/Licenses/Fees	\$ 1,890.00	\$ 450.00
Dues & Subscriptions	\$ 6,371.00	\$ 31,086.00
Depreciation-office building	\$ 15,330.00	
Depreciation-office equipment	\$ 24,350.00	
Repairs & Maintenance-office	\$ 78,500.00	
Cleaning and Maintenance	\$ 45,600.00	
Office Equipment Rental	\$ 7,427.00	
Office Supplies	\$ 3,675.00	\$ 650.00
Postage & Freight	\$ 28,750.00	\$ 450.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee		\$ 157,932.00
Interest Expenses	\$ 16,337.00	
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$ 981,562.00	\$ 522,035.00
CPI Factor	1.40%	1.40%
Total	\$ 1,524,647.36	

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

Delivery & Reserve

Pathway Enterprises, Inc
 City of Ashland Parks Building Floors

**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)	\$ 325.47
Equipment, Tools & Subcontracting	(from small equipment worksheet)	\$ 246.44
		Subtotal 1 \$ 571.91

Labor

Direct Labor	(from labor daily worksheet)	\$ 4,234.46
--------------	------------------------------	-------------

Overhead

See Overhead Worksheet		\$ 1,299.02
------------------------	--	-------------

Delivery

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

Total Before Margin \$ 6,105.39

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$ 389.71
------------------------	----------------------------------	-----------

Total Bid Yearly \$ 6,495.10
Monthly \$ 541.26

Work Area

RAW MATERIALS

Supplies
Pathway Enterprises, Inc
City of Ashland Nature Center Janitorial 22-23

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	\$ 0.93	5.0000	\$ 4.650000	\$ 55.80
2 Arsenal #2 Window Clean	\$ 0.82	1.0000	\$ 0.820000	\$ 9.84
3 Arsenal #5 Restroom Cleaner	\$ 0.67	1.0000	\$ 0.670000	\$ 8.04
4 Arsenal #6 Vindicator	\$ 0.95	2.0000	\$ 1.900000	\$ 22.80
5 Barkeepers Friend Liquid	\$ 4.25	1.0000	\$ 4.250000	\$ 51.00
6 Chewing Gum Remover	\$ 3.74	0.2500	\$ 0.935000	\$ 11.22
7 Stay Brite Stainless Cleaner	\$ 3.95	0.1250	\$ 0.493958	\$ 5.93
8 Take Down Fresh and Clean	\$ 20.53		\$ -	\$ -
9 Wenco Aero Glass Cleaner	\$ 2.24	0.2500	\$ 0.560000	\$ 6.72
10 Ziz-O Paste	\$ 5.94	0.2500	\$ 1.485000	\$ 17.82
11 Angler Broom	\$ 5.90	0.0833	\$ 0.491470	\$ 5.90
12 Cleaning Terry Cloth Rag	\$ 0.49	3.0000	\$ 1.462500	\$ 17.55
13 Dust Mop 36" Frame	\$ 3.20		\$ -	\$ -
14 Dust Mop Handle	\$ 6.80		\$ -	\$ -
15 Dust Mop Head 36"	\$ 8.27		\$ -	\$ -
16 Dust Pan	\$ 2.65	0.1667	\$ 0.441755	\$ 5.30
17 Easy Adapter hose	\$ 22.08		\$ -	\$ -
18 High Rise Duster	\$ 9.32	0.0833	\$ 0.776356	\$ 9.32
19 Melamine Erasing Sponge (24)	\$ 27.50	0.0417	\$ 1.145375	\$ 13.74
20 Ninja T Bar	\$ 3.38		\$ -	\$ -
21 Pro Guard Nitrile Gloves (400)	\$ 38.95	0.0833	\$ 3.245833	\$ 38.95
22 Scour Sponge White (Case)	\$ 38.30	0.0278	\$ 1.063889	\$ 12.77
23 Toilet Brush	\$ 1.83	0.0833	\$ 0.15	\$ 1.83
24 Trigger Sprayer w/ Bottle	\$ 2.40	0.2500	\$ 0.600000	\$ 7.20
25 Unger Micro Washer Sleeve	\$ 1.95		\$ -	\$ -
26 Mop Head	\$ 9.35	0.1667	\$ 1.558645	\$ 18.70
27 Mopster W Fluid Reservoir	\$ 44.63		\$ -	\$ -
28 20" Black Strip Pads	\$ 3.58		\$ -	\$ -
29 20" Brown Strip Pads	\$ 3.74		\$ -	\$ -
30 20" White Polish Pads	\$ 4.26		\$ -	\$ -
31 3m Square Scrub Turf Pad	\$ 43.22		\$ -	\$ -
32 60" Handle	\$ 7.30		\$ -	\$ -
33 Deep Six Defoamer	\$ 12.11		\$ -	\$ -
34 doodle bug pad	\$ 2.26		\$ -	\$ -
35 Double Diamond Floor Finish	\$ 14.01		\$ -	\$ -
36 Arsenal Neutralizer Packs	\$ 0.29		\$ -	\$ -
37 Easy Shine Reusable Pouches	\$ 10.61		\$ -	\$ -
38 Folex Carpet Spotter	\$ 13.25		\$ -	\$ -
39 Heavy Duty Stripper	\$ 18.45		\$ -	\$ -
40 Sensor Bags (10 Pack)	\$ 15.14	0.0278	\$ 0.420556	\$ 5.05
41 Pro Team Vac Pack Bags (12 Pack)	\$ 18.56		\$ -	\$ -
42 Brute Caddy Bag	\$ 22.47		\$ -	\$ -
43			\$ -	\$ -
44			\$ -	\$ -
45			\$ -	\$ -
46			\$ -	\$ -
47			\$ -	\$ -
48			\$ -	\$ -
49			\$ -	\$ -
50			\$ -	\$ -
Total			\$ 27.122776	\$ 325.47

Areas in green are formula driven.

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

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

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 \$	Daily/Per Item Labor	Times Per Yr.	Annual/Total Labor	Annual Hours Labor
1 Janitor/Weekly	2.00	\$ 17.10	100%	\$ 34.20	0.0765	\$ 2.62	2.60%	\$ 0.89	1.42%	\$ 0.49	28.00%	\$ 9.58	\$ 47.77	52		\$ 2,483.89	104.0
2 Janitor/Monthly	0.50	\$ 17.10	100%	\$ 8.55	0.0765	\$ 0.65	2.60%	\$ 0.22	1.42%	\$ 0.12	28.00%	\$ 2.39	\$ 11.94	12		\$ 143.30	6.0
3																	
4																	
5 Supervisor	1.00	\$ 22.13	100%	\$ 22.13	0.0765	\$ 1.69	2.60%	\$ 0.56	1.42%	\$ 0.31	28.00%	\$ 6.20	\$ 30.91	52		\$ 1,607.27	52.0
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	90.62	4,234.46	162.0	

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

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. 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 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. (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	<input type="text"/>
Overhead per labor hour	\$ -
Time required to complete contract	162
Total Assigned Overhead	\$ -

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	224,660.00
Management Payroll Tax Expense	\$	11,832.00
Management Medical Insurance	\$	35,850.00
Management Pension Plan Expense	\$	7,450.00
Sales & Administrative Salaries	\$	477,463.00
Sales & Administrative Payroll Tax Expense	\$	36,526.00
Sales & Administrative Medical Insurance	\$	106,244.00
Sales & Administrative Pension Plan Expense	\$	23,500.00
Office Rent	\$	33,600.00
Advertising and Public Education	\$	21,261.00
Background Checks & Urinalysis	\$	8,260.00
Professional & Accounting / Audit Fees	\$	18,279.00
Training & Worker Safety	\$	6,850.00
Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
Postage & Freight	\$	28,750.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee	\$	157,932.00
Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

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

Agency Revenue = \$7,447,389 ***** Total Overhead = \$1,524,647***** 1,524,647 / 7,447,389 = 20%

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.

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[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

Work Area



Communication

Teamwork

Professionalism

Opportunity

Office: (541) 973-2728

Fax: (541) 973-2729



Property Service License #40205

CCB License #218417

May 26, 2022

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:

- Incorporation of the updated Living Wage for the City of Ashland at \$17.02 per hour. Supervisory wages were calculated at 1.3 times that of a worker. This resulted in a supervisory rate of \$22.13 per hour.
- Adjustment of workbooks to incorporate an additional hour for Winter services.
- Updates for supply expenses, and fringe expenses.
- Incorporation of a second vehicle to provide services.

In total we are requesting an increase from \$181,774.49 to **\$204,308.64 annually.** This equates to an additional \$22,534.15, a 12% 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 Pathway Enterprises, Inc.
Project City of Ashland Park Restroom & Trash Services 22-23

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)	\$	132,517.89
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Overhead

See Overhead Worksheet		\$	40,861.74
------------------------	--	----	-----------

Delivery

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

Total Before Margin \$ 192,050.18

Reserve

Margin Held in Reserve	(from Trans & Reserve worksheet)	\$	12,258.52
------------------------	----------------------------------	----	-----------

Total Bid Yearly \$ 204,308.70
Monthly \$ 17,025.72

Work Area

Wages used in this proposal are based on the City of Ashland Living Wage for 2022 - 2023.

RAW MATERIALS

Supplies

Pathway Enterprises, Inc.

City of Ashland Park Restroom & Trash Services 22-23

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.

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" value="-"/>
Time required to complete contract	<input type="text" value="5,409"/>
Total Assigned Overhead	\$ <input type="text" value="-"/>

Worksheet		
INDIRECT COSTS	Total Annual Operations	
	ORGANIZATION	DEPARTMENTAL
Management Salaries	\$	224,660.00
Management Payroll Tax Expense	\$	11,832.00
Management Medical Insurance	\$	35,850.00
Management Pension Plan Expense	\$	7,450.00
Sales & Administrative Salaries	\$	477,463.00
Sales & Administrative Payroll Tax Expense	\$	36,526.00
Sales & Administrative Medical Insurance	\$	106,244.00
Sales & Administrative Pension Plan Expense	\$	23,500.00
Office Rent	\$	33,600.00
Advertising and Public Education	\$	21,261.00
Background Checks & Urinalysis	\$	8,260.00
Professional & Accounting / Audit Fees	\$	18,279.00
Training & Worker Safety	\$	6,850.00
Insurance	\$	32,414.00
Telephone	\$	8,500.00
Utilities	\$	14,035.00
Property Taxes/Licenses/Fees	\$	1,890.00
Dues & Subscriptions	\$	6,371.00
Depreciation-office building	\$	15,330.00
Depreciation-office equipment	\$	24,350.00
Repairs & Maintenance-office	\$	78,500.00
Cleaning and Maintenance	\$	45,600.00
Office Equipment Rental	\$	7,427.00
Office Supplies	\$	3,675.00
Postage & Freight	\$	28,750.00
Rehab		
Miscellaneous Expense		
Bad Debts		
Contract Management Fee	\$	157,932.00
Interest Expenses	\$	16,337.00
Other: *		
Other: *		
TOTAL INDIRECT COSTS	\$	981,562.00
CPI Factor	1.40%	1.40%
Total	\$	1,524,647.36

WORK AREA:

Use the area below to show how you arrived at the final figure that you show as your total Overhead
Agency Revenue = \$7,447,389 ^^^^^ Total Overhead = \$1,524,647 ^^^^^ 1,524,647 / 7,447,389 = 20%

City of Ashland Park Restroom & Trash Services 22-23

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