

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
STATE FACILITIES ADMINISTRATION
Design and Construction Division

**INSTRUCTIONS TO CONTRACTORS FOR PREPARATION OF BULLETIN
COST QUOTATIONS FOR CONTRACT CHANGE ORDERS**

1. Upon receipt of the bulletin, the contractor has the responsibility to:
 - a. Submit detailed cost quotation as promptly as possible. It must be dated and signed. Lump sum proposals will not be accepted and will be returned to the contractor for resubmittal by the professional service contractor.
 - b. Prepare the cost breakdown for each item covered in the bulletin, in detail, (in accordance with the following guidelines) setting forth the material, labor, labor fringes, equipment costs with overhead, profit and/or handling fees.
2. Following are sample guidelines for use in preparing detailed cost breakdown for each item in the bulletin being quoted:

a.	Material Cost:		
	List material giving unit cost x number of units = cost	_____	
	Add 6% sales tax	_____	
	Add applicable shipping costs	_____	
	Subtotal Material Costs		\$ _____
b.	Labor Cost - List for each trade the:		
	Hourly rate x number of hours = labor cost	_____	
	Add Labor Fringes as applicable:		
	F.I.C.A.	_____	
	M.E.S.C.	_____	
	Pension Contribution	_____	
	Vacation Contribution	_____	
	H.E.W. Insurance	_____	
	Add total fringes labor	_____	
	(This is not mandatory, but is helpful if presented labor costs are excessive.)		
	Labor Cost	_____	
	Subtotal Labor Cost		\$ _____
c.	Equipment (heavy, i.e., cranes, earth moving, hoists, etc.):		
	Rental charge or equivalent per day of week, including operating costs except labor.	_____	
	Subtotal Equipment Cost		\$ _____
d.	Overhead & Profit - Suggested Percentages		
	(1) Work performed by prime contractor, up to 15% total for overhead and profit.		
	(2) On work performed by subcontractor, the prime contractor is allowed up to 5% handling charge, unless otherwise stated in the contract documents.		
	(3) Work performed by subcontractor up to 15% total for overhead and profit.		
	Subtotal Overhead and Profit		\$ _____
e.	Time Impact and General Conditions Costs	_____	
	TOTAL COST ITEM		\$ _____

NOTE: When contract documents stipulate unit prices, the following procedure will be used. Unit price costs based on those established in contract documents times the number of actual or measured units. \$ _____

INSTRUCTIONS TO PROFESSIONAL SERVICES CONTRACTOR FOR REVIEW OF CONTRACTORS BULLETIN COST QUOTATION AND RECOMMENDATION FOR CONTRACT CHANGE ORDER

The professional has the responsibility to see that the contractor submits quotation on time and upon receipt to carefully review the Contractor's cost quotations promptly before submitting to State Facilities Administration with their recommendation.

The Professional Services Contractor shall:

1. Ensure the contractor has prepared the cost breakdown for each item in accordance with the sample and guidelines as outlined in instruction to contractor. If the breakdown is not complete, the quotation will be returned to contractor for resubmittal.
2. Carefully evaluate all quantities and costs submitted by the contractor and, if necessary, check proposed quantities with the State field representative before submitting the recommendation to State Facilities Administration for processing the contract change order.
3. With each recommendation for a contract change order, the Professional Services Contractor shall submit an updated financial statement showing the:
 - a. "B" construction funds in the work order.
 - b. The current "B" contract amounts.
 - c. The resultant contingency balance (original contract amount plus aggregate of all change orders).
4. Time and General Conditions Evaluations