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6 GUAM CLEANING MASTERS

RECEIVED
OFFICE OF PUBLIC ACCOUNTABILITY
PROCUREMENT APPEALS

DATE: 10-11-18

TIME: 2:20 AM PM BY: [Signature]

FILE NO OPA-PA: 18-006

7 **BEFORE THE OFFICE OF PUBLIC ACCOUNTABILITY**

8
9 In the Appeal of

APPEAL NO. OPA-PA-18-006

10
11 Guam Cleaning Masters,

APPELLANT'S RESPONSE TO AGENCY
STATEMENT

12 Appellant.
13
14

15
16 COMES NOW, Appellant Guam Cleaning Masters ("Appellant"), through counsel,
17 the Law Office of Louie J. Yanza, P.C., and hereby responds to Guam Department of
18 Education's (the "Agency") Agency Statement of October 1, 2018.

19 **BACKGROUND**

20 The Agency's IFB 013-2018 ("IFB") was an Invitation for Bid for Custodial Services
21 for the Guam Department of Education's 36 public schools. The IFB was a multi-part bid
22 in which the bid would be divided into three (3) districts: Northern, Central, and
Southern Districts.

23 The Appellant, as the incumbent contractor, challenges the agency's decision to
24 award the multi-part bid to Lucky Kids Lawn Care and Janitorial Services. Appellant was
25 the contractor for IFB 030-2013.

26 According to the IFB, the Agency was required to select the "lowest, most

1 responsive, and responsible bid.”

2 A total of five (5) offerors submitted their proposals by the August 2, 2018
3 deadline for submission and bid opening.

4 The IFB required the Agency to evaluate the offerors based on the total lump sum
5 pricing submitted for each district and to be awarded to the “lowest, most responsive,
6 and responsible bidder for each district.” In determining the lowest responsive bidder,
7 the Agency was purportedly led by two (2) factors:

- 8 (a) price of overall performance and delivery for each district,
and
- 9 (b) responsiveness to the requirements of this IFB.

10 IFB, Section 3.1.

11 In determining responsibility, information included documentation of financial,
12 personnel, and other resources; expertise; and records of performance. IFB, Section
13 3.2.2.

14 Three (3) amendments were issued by the Agency.

15 The Appellant issued a protest on August 24, 2018, which was denied by the
16 Agency. GDOE 0683-0684.

17 Appellant then filed its timely Notice of Appeal with the Office of Public
18 Accountability.

19 Appellant now responds to the Agency Statement as follows:

20 **1. The Agency’s IFB Contains Ambiguities.**

21 1. IFB Section 3.2.1. states that the “Determination of an award pursuant to
22 IFB will be made based on the lowest, most responsive, and responsible bid(s).” If the
23 IFB was only for the lowest bid, it would appear that Lucky Kids had provided the
24 lowest bid for all three districts. However, the bid includes “most responsive and
25 lowest bid for all three districts. However, the bid includes “most responsive and
26

1 responsible bid(s).”

2 If the IFB only required the lowest bid, GDOE should have excluded “the most
3 responsive and responsible bid(s) as factors in determining the award.

4 **2. Amendments of Advance Management, Inc.**

5 In reference to 2 GAR §3109 (6). Acknowledgment of Amendments.

6 The Invitation for Bids shall require the acknowledgment of the receipt of all
7 amendments issued.

8
9 The Agency claims that the inquiry from Advance Management was included
10 Amendment 1. However, Amendment 1 fails to disclose that Advance Management made
11 the inquiry.

12 In addition, communications with Advance Management, Inc. were not disclosed
13 to the other bidders.

14 On June 29, 2018 (GDOE pp. 0238-0241) Advance Management, Inc. formally
15 requested a Site Visit for the Public Schools Custodial Services.

- 16
17
18
19
- Response: GDOE Kathrina Bayson, Buyer Supervisor II seeking advisement to Jon U. Quidachay, Acting Facilities Maintenance Manager whether to have **Site Visit at all schools sites** or is it best to have vendors do site visit on their won and schedule with the schools.

20 GDOE pp. 0239-0241 continued to answer applicable questions with Advance
21 Management, Inc. through emails correspondence from June 29, 2018 to July 02, 2018
22 11:45AM.

23 Questions that contain important information should be provided to all potential
24 bidders to receive for possible amendment. Questions and answers may be relevant to
25 ensure fairness and equitable treatment to all potential bidders, and to increase public
26

1 confidence in the procurement process per 2 GAR§3109(g)(4).

2 **3. Appellant's Exhibit G, an Inquiry from Maids to Order, was Not Included**
3 **in the Amendment.**

4 It states:

5 Hi Kat-

6 IFB 013-2018 states that we can request a pre-bid conference
7 but the online calendar says that a mandatory pre-bid
conference is scheduled for July 3, 2018.

8 Please clarify this issue.

9 Thank you.

10 -Dina McCreddie

11 GDOE p. 0243.

12 This was not part of the amendments and should have been included.

13 **4. Agency Made the Award on the Basis of Only One Evaluation Factor,**
14 **While Excluding Others.**

15 As the incumbent contractor, the Appellant is well aware of the needs of all the
16 schools in terms of providing labor, equipment, materials, and supplies.

17 Factors to be considered in determining whether the standard of responsibility
18 has been met include whether a prospective contractor has:
19

- 20 (i) available the appropriate financial, material, equipment,
21 facility, and personnel resources and expertise, or the
22 ability to obtain them, necessary to indicate its capability
23 to meet all contractual requirements;
24 (ii) a satisfactory record of performance;
25 (iii) a satisfactory record of integrity;
26 (iv) qualified legally to contract with the territory; and
(v) supplied all necessary information in connection with the
inquiry concerning responsibility.

2 GAR § 3116(2)(A).

1 The quality of an offeror's offer is one of the criterias the Agency based its decision
2 after the Appellant issues its Letter of Concern on August 6, 2018. The Agency made an
3 inquiry with Jon U. Quidachay, the Facilities Maintenance Manager. The Agency only
4 relied on a simple email from Ms. Kathrina Bayson to Mr. Quidachay who asked a few
5 questions:

- 6 1. How well did the vendor perform the required services.
- 7 2. Overall, are you satisfied with the services the vendor has
8 provided to you?
- 9 3. Would you recommended the vendor in the future?
- 10 4. Please provide any additional comments you may have.

11 Mr. Quidachay responded with:

12 Here are our answers:

- 13 1. VERY WELL, NO MAJOR ISSUES TO DATE.
- 14 2. YES
- 15 3. YES
- 16 4. "LUCKY KIDS IS VERY SUPPORTIVE AND UNDERSTANDING
17 WHEN IT COMES TO ISSUES OR CONCERNS WITH THE
18 CONTRACT"

19 See, GDOE, pp. 0145-0146.

20 There were no evaluation factors in the IFB to determine to the extent that any
21 offeror's past performance could be graded. Rather, the Agency relied upon a subjective
22 opinion.

23 GDOE did nothing to determine the responsive and responsibility of Lucky Kids.

24 On August 16, 2018, GDOE issued a letter to Lucky Kids asking for information:

- 25 • Record of Past Performance similar to the services of the IFB
26 and capability of the company past ten years.
- Availability of or the ability to obtain the equipment, supplies
and personnel capacity necessary to span across all districts
upon the start of the contract.
- Documentation of financial statement within the past year that

1 confirms company's ability to meet the contractual
2 requirements for all schools.

- 3 • The deadline for Lucky Kids was to submit no later than
4 Thursday, August 09, 2018 at 10:00 AM

5 GDOE p. 0157.

6 The above request was acknowledged by Lucky Kids on the same day. No proof of
7 documentation was submitted by Lucky Kids to support its responsibility.

8 On August 17, 2018, without Lucky Kids providing any documentation, GDOE
9 then unilaterally determined Lucky Kids met the Determination of Responsibility
10 requirements. GDOE p. 0644.

11 Then on August 20, 2018, GDOE received (GDOE p. 0645) presumably, trade
12 secrets and other proprietary data identified in writing. But again, after the IFB was
13 awarded to Lucky Kids. This is highly questionable again. Is Lucky Kids financially
14 capable?

15 Lucky Kids provided no documentation to GDOE to prove Lucky Kids was
16 responsive and responsible. Rather, without any documents provided by Lucky Kids,
17 GDOE made the determination that Lucky Kids was responsive and responsible.

18 The term "responsive bidder" means a person who has the capability in all
19 respects to perform fully the contract requirements, and the integrity and reliability,
20 which will assure good faith performance. 5 G.C.A. § 5201(f), 2 G.A.R., Div. 4, Chap. 3, §
21 3109(n)(2), 2 G.A.R., Div. 4, Chap. 3., § 3116.

22 The term "responsive bidder" means a person who submitted a bid which
23 conforms in all material respects to the IFB. 5 G.C.A. § 5201(g), 2 G.A.R., Div. 4, Chap. 3, §
24 3109(n)(2).
25
26

1 None of these criterias were met.

2 The mere fact they requested to pull out of the bid is contrary to meeting the
3 standards established by 3116, whereby the prospective contractor must demonstrate a
4 satisfactory record of integrity. Placing a bid based on a presumably objective analysis
5 then withdrawing after winning the bid is not the reflection of an offeror with
6 satisfactory integrity. Before awarding a contract, the Procurement Officer must be
7 satisfied that the prospective contractor is responsible. 2 GAR §3116(4).
8

9 Procurement officer should have made a determination of Lucky Kids' financial
10 statement proving the borrower has the financial capacity to perform this project.
11 Based on calculations provided on the initial appeal, Lucky Kids would need to
12 demonstrate a liquidity position of approximately \$500,000 just to meet payroll for the
13 1st month. Based on GDOE response, this determination was made after the bid was
14 awarded, but pursuant to the procurement laws, the contracting officer must be a
15 responsible bidder by demonstrating this capacity. GDOE must prove they have
16 evidence that is verifiable. A company prepared statement of the Lucky Kids' income
17 statement and balance sheet will be grossly inadequate to make this determination. A
18 bank statement verifying this would be more appropriate in establishing the contractor
19 is responsible.
20

21 **Ability to Meet Standards.** The prospective contractor may demonstrate the
22 availability of necessary financing, equipment, facilities, expertise, and personnel by
23 submitting upon request:

24 (A) evidence that such contractor possesses such necessary items;

25 (B) acceptable plans to subcontract for such necessary items; or
26

1 (C) a documented commitment from, or explicit arrangement with, a satisfactory
2 source to provide the necessary items.

3 Prospective contractor failed to provide sufficient evidence that they possess the
4 necessary items to perform the bid to maintain 36 schools. This is evident from their
5 intention to withdraw from the contract.

6 The attached Appellant's documents bates stamped as GCM_T118.1-001 to
7 GCM_T118.1-028 further explains why Lucky Kids is not responsive and responsible.

8
9 **5. The Bid Bond is Not a Factor the Agency Should Be Basing its Decision
10 on.**

11 The Agency claims that:

12 The bid bond provides GDOE with sufficient surety of a vendor
13 or contractor's faithful performance of the duties included in
14 IFB 013-2018...

15 Agency Statement, p. 8.

16 Because the Agency was looking at the bid bond
17 as a criteria, the Agency's decision was in error. The Agency should not be looking at
18 the bond in determining who is the lowest, most responsive, and responsible bidder.

19 **6. IFB, Section 2.3.5.**

20 IFB 2.3.5 states:

21 Hand towel, soap and tissue dispensers shall be installed upon
22 commencement of the contract. Defective or damaged
23 dispensers shall be replaced within twenty four (24) hours from
24 the time contractor receives notification from school offices or
25 GDOE Contract Manager, at no additional cost to GDOE.

26 In Amendment 3, JJ Global Services made inquiries on IFB 2.3.5.

Question: Is the intention of GDOE to replace all hand towel,
soap and tissue dispensers currently installed at all schools? If
not, can GDOE confirm that the existing hand towel, soap and

1 issue dispensers currently installed at all schools are in good
2 working condition or not defective?

3 If the bidders are required to install or replace such dispensers
4 at commencement of contract, GDOE shall provide the quantity
5 of units to be replaced per school, so the bidders are pricing the
6 same quantity.

7 Additionally, is the contractor expected to replace dispensers
8 that were damaged as a result of vandalism? If so, are they
9 chargeable items? Or not, please provide a limit of replacements
10 that are not chargeable to GDOE.

11 In response, GDOE stated:

12 Upon approval of the GDOE Contract Manager, Contractor shall
13 replace defective, damaged, or vandalized dispensers within
14 twenty four (24) hours from the time contractor discovers or
15 receives notification from GDOE Officials. Replacements shall
16 be done no more than four times per dispenser per contract
17 year at no additional cost to GDOE, including damaged
18 dispensers found during the initial inspection. Replacements
19 shall be equivalent in quality or better. GDOE may recommend
20 changes in dispenser type prior to replacements.

21 GDOE 0069.

22 The response is in effect a change in the IFB and should have been rebid.

23 **7. Establish an argument GDOE failed to adequately examine**
24 **the §3116(2)(A) Standards of Responsibility.**

25 In addition to what was included on the appeal, has GDOE proven (v) that Lucky
26 Kids provided all the necessary information (bank statements, list of equipment, staffing
report) which is vital in determining the winning bidders Standard of Responsibility? I
doubt it. We know that they sought to obtain a line of credit after the bid was awarded.
Not before they were awarded the bid. Even if they got the line of credit secured after
the bid, they would have to provide proof to GDOE that they have the financial capacity.

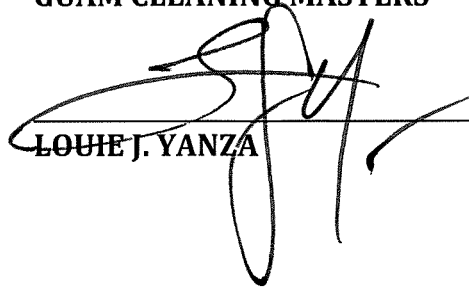
1 But instead issued a notice to rescind their bid effectively pulling out of the competitive
2 bid.

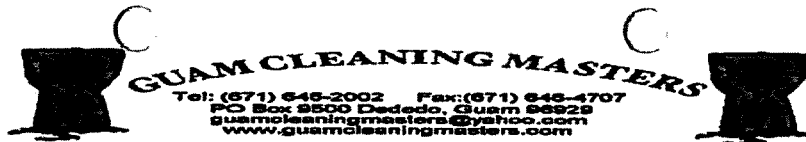
3 Lucky Kids withdrew from the bid to avoid any embarrassment or face defeat.
4 Once again, Lucky Kids withdrawal from the bid raises a serious questions about Lucky
5 Kids' ability to meet the standards of a responsible bidder.

6 Submitted this 11th day of October, 2018.

7
8 **LAW OFFICE OF LOUIE J. YANZA, P.C.**
9 Attorney for Appellant
10 **GUAM CLEANING MASTERS**

11 By:

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September 05, 2018

Office of the Public Auditor
Suite 401 DNA Building
238 Archbishop Flores Street
Hagatna, Guam 96910

Hafa Adai :

This appeal letter is being submitted to the Office of the Public Auditor as a subsequent action to the denied Protest Letter of Guam Cleaning Masters.

A protest letter was submitted by Guam Cleaning Masters on August 20, 2018 to Mr. John J.P Fernandez, Superintendent of Guam Department of Education due to the recently concluded IFB-013-2018 Custodial Services for Various GDOE Public Schools. The Protest Letter was the initial action Guam Cleaning Masters to the GDOE " Bid Status" letter dated August 17, 2018, recommending that the contract award be given to Lucky Kids Lawn Care and Janitorial Services.

The Protest Letter of Guam Cleaning Masters was denied by GDOE and this letter with the attached analysis is being submitted to explain why the granting of the award was not fairly evaluated.

We thank the Office of the Public Auditor for their time on this matter. We hope that a fair chance be given to all bidders not only based on lowest bid price but other factors. Should there be a need to discuss this further, I could be reach at Telephone No. 671-483-1111 anytime at your convenience.

Sincerely,

Alex Thomas
President/ General Manager
Guam Cleaning Masters

GCM_T118.1-001



Supporting Explanation and Analysis for the Appeal re: Protest Letter Submitted to GDOE for IFB-013-2018.

A. Purpose of this analysis:

The purpose of this analysis is to explain why Guam Cleaning Masters (GCM) has submitted a Letter of Protest on August 20, 2018 (**Exhibit 1**) to Mr. John J.P. Fernandez, Superintendent of Education, Guam Department of Education due to the recently awarded GDOE-IFB-013-2018 Custodial Services for Various GDOE Public Schools.

Per GDOE issued "Bid Status" Letter dated August 17, 2018, it has recommended to award the contract to Lucky Kids Lawn Care & Janitorial Services being the lowest bidder. Guam Cleaning Masters concern is that the lowest bidder may not have the financial capability to execute the contract's scope as the price is too low to cover labor and other requirements as stated on the IFB. Please note that this contract is for 5 years and the prices per year remains the same. In 2013, Guam Cleaning Masters was one of the contractors who had been awarded 25 out of the 34 schools under the custodial services contract IFB 030-2013. Additionally, Guam Cleaning Masters' price in the last 5 years was even higher from the current bid price of Lucky Kids Lawn Care & Janitorial Services even if the labor cost per hour has increased by \$1.32 inclusive of Health & Welfare.

Furthermore, Guam Cleaning Masters had referenced 3.2.11 Section on its "Letter of Concern" dated August 6, 2018 (**Exhibit 2**) as it believes that some of the bidders do not have enough equipment, personnel, supplies, and goods during the bid process to qualify as a responsible bidder. A response from GDOE on the Letter of Concern was received on August 10, 2018 (**Exhibit 3**). GCM feels that the response did not really address the "Concern" and that the choosing of the overall lowest bidder as the lucky contractor was not the best choice for this contract since all other factors were not considered like capability to manage the contract, staffing, supplies and equipment inventory. Guam Cleaning Masters believe that GDOE has the discretion to choose the lucky contractor based on their evaluation. However, Guam Cleaning Masters believe that GDOE will not compromise their evaluation on just mere pricing. This is a five (5) year contract with only one contractor being awarded at a very low price, so there is a high risk of compromising the overall cleanliness of the school and the applicable consistent restroom procedures as required might not be at a high standard.

Since the protest was denied by GDOE, Guam Cleaning Masters is appealing to the Office of the Public Auditor (OPA) to look into this matter as this concerns the cleanliness of all public schools covered by this IFB.

Explanations/Spreadsheets and Attachments.

1. **Present a table showing computation of direct labor costs, supplies, GRT and FICA taxes and the net price cost after deducting these prime and necessary expenses.**



Table 1 page 1



Table 1 page 2



Guam Cleaning Masters is presenting Table 1 to show how the contract was managed 5 (five) years ago when Guam Cleaning Masters was awarded 25 schools. Guam Cleaning Masters is only showing the 1st year as the currently concluded IFB 013-2018 only asked for one year bid pricing to be used in the next five years of the contract. The contract under IFB 030-2013 required a janitorial labor rate of \$8.23 plus \$3.81 Health & Welfare Benefit totaling an hourly rate of \$12.04. The hours depicted on Table 1 shows the actual scheduled hours per school based on the number of classrooms and restrooms and other required areas to clean. This number of hours per school is considerably conservative and does not include any adjustments if the required daily scope of work is not completed due to problems encountered in the school brought about by clogged restrooms, flooding due to rainy weather and other unforeseen events.

It is noted that the scope includes not only classrooms and restrooms but also administrative offices, nurse/health offices, storage rooms, main and secondary entrances, hallways, stairways, elevators, teacher's lounges, conference and testing rooms, vocational, education, library, fine arts, auditorium, gymnasium and other areas within the campus. Table I only shows the number of classrooms and restrooms.

The contract for full time custodial services (per page 3 of IFB No. 030-2013 under 2.1.3A) shall be between the hours of 6:00 A.M. to 10:00 P.M., contractor's personnel will be scheduled between the hours of 6 am – 10 pm. The contractor will predetermine the number of personnel to be assigned to the school (based on the scope of work) and then contractor and the school administrator will develop a work schedule that ensures the scope of work be met within the specified time frame of 6am through 10pm, Monday through Friday, from the execution of this contract. School Administrators will set work schedule to fit their needs. A rover will be provided for each school to address custodial needs during school hours. This was convenient because our staff can work after school hours when students and teachers are no longer around giving them enough time to hop freely from one room to another to finish their task.

Per page 3 of the IFB No. 030-2013 under 2.1.3 A3, the contractor is also to ensure that paper towel, toilet tissue and soap dispensers are available and contents are refilled with paper towels, hand soap and toilet paper at all times. Periodic checks are required to ensure compliance. Guam Cleaning Masters ensured that a rover was around to periodically check and replenish restroom supplies to adhere to the requirements of the contract.

Based on the above requirements, Guam Cleaning Masters had a net balance of \$193,986.44 which was used to pay for overhead expenses as follows:



Table 2
Overhead and Other Necessary Expenses Required by the Contract (IFB 030-2013)

Description	Monthly	Annually	Remarks
Supervisors	\$ 4,400.00	\$ 52,800.00	3 Supervisors prorated
Fuel and Car allowance	\$ 1,000.00	\$ 12,000.00	3 cars plus fuel for supervisors
Delivery Truck and fuel	\$ 1,000.00	\$ 12,000.00	1 delivery truck
Controller/accountant/office staff	\$ 3,500.00	\$ 42,000.00	Charged 40% only
Delivery personnel	\$ 1,615.00	\$ 19,380.00	Salary and FICA taxes
Workman's Compensation Insurance	\$ 1,325.00	\$ 15,900.00	Based on number of staff
Office Rent	\$ 1,500.00	\$ 18,000.00	Pro-rated. Still with Navfac grounds
Car Insurance/Registration	\$ 277.00	\$ 3,324.00	Registration and car insurance
Office Supplies and miscellaneous	\$ 500.00	\$ 6,000.00	
Grand Total Expenses (2013 to 2014)	\$ 15,117.00	\$ 181,404.00	

Based on the above Table, Guam Cleaning Masters had a profit of \$12,582.44 (\$193,986.44 minus \$181,404.00) which was used to purchase some equipment. When this contract was awarded to GCM, it had an established credit line with the bank which was used to finance the purchase of janitorial equipment and supplies with the hope that the fund will be repaid within the life of the GDOE contract. It was Guam Cleaning Masters' strategy to lower the price on the 1st year with steady increases on the following 4 year options.

2. Analysis on Lucky Kids Lawn Care and Janitorial Services Bid Price as the Sole Awarded Contractor for IFB 013-2018.

Since Guam Cleaning Masters has protested on GDOE's award of IFB 013-2018, Guam Cleaning Masters is attaching Table 3 to show why the low price of Lucky Kids Lawn Care and Janitorial Services will not be enough to fully satisfy the requirements of the IFB. The current bid price of Lucky Kids Lawn Care and Janitorial Services almost mirrors the price of Guam Cleaning Masters in 2013 and that has been 5 years ago when prices of commodities were lower and the hourly rate was at \$12.04. A few factors also add up to why it is difficult for Lucky Kids Lawn Care and Janitorial Services to comply with the requirements.

1. IFB 013-2018 is now requiring that custodial services commence at 8:00 a.m. to 5:00 p.m. This new requirement will entail additional staff and additional hours to be rendered by school location. It is also difficult for staff to finish cleaning the classrooms as students and teachers are still in the area when it is required to be cleaned. Although it is indicated on the IFB that special arrangements can be made with the Contract Manager and School Representatives for any work that need to be completed after normal working hours, the *:00 a.m. to 5:00 p.m. still applies even if adjustments in daily service may be considered to address after hour work.



Table 3 page 1



Table 3 page 2



2. Increase in hourly rate from \$12.04 to \$13.36.

The hourly rate in IFB 030-2013 was \$12.04 but was increased to \$12.06 when the Department of Labor increased its minimum hourly wage from \$8.23 to \$8.25 effective January 1, 2015. The current IFB 013-2018 states that the hourly rate for janitorial staff is \$9.23 plus \$4.13 H&W for a total of \$13.36. This is an increase of \$1.32 per hour of service rendered for custodial work.

Overhead and other Expenses required on the contract are as follows:

1. Employee Badge and uniform for personnel with company logo while on duty.
2. Contractor is responsible for managing, supervision and training of its personnel. The contract needs at least one (1) manager and four (4) supervisors.
3. Provide continuous quality improvement wherein contractor will have to recommend with GDOE approval to implement quality improvement programs at GDOE as deemed necessary.
4. Maintain adequate inventory of supplies.
5. Purchase required equipment with the proper maintenance.
6. Hand towel, soap and tissue dispensers to be installed in the school and will have to be replaced within 24 hours if defective or damaged.
7. Contractor will provide employees with needed safety equipment, protective devices and personal protective equipment (PPE) necessary to perform their duties.

Based on the above requirements, Lucky Kids will have to additionally spend on the following:

1. Uniforms. This contract requires a minimum of 3 custodial staff per school location. Other bigger school locations will need more than 3 employees. With 34 school locations, the minimum employees needed is between 102 to 125 employees including supervisors. These employees need about 3 uniforms each at a cost of \$15.00 for a total cost of \$5,625.00 or about \$7,000.00 for extra uniform sets.
2. This contract needs about 4 supervisors with salaries ranging from \$24,000.00 to \$28,000.00 full time – total cost of \$123,956.00 salary per annum plus car allowance inclusive of FICA taxes. These supervisors will be roaming around their school assignments, prepare reports required by GDOE and be in contact with school administrators for any custodial problems in the school. They will be responsible in training and managing their custodial employees.
3. This contract requires the provision of a continuous quality improvement program. There will be a manager/QC personnel for this contract who will determine the quality improvement program of the school and who will recommend improvement if deemed necessary. Since this position is a managerial position, the salary will be about \$40,177.50 inclusive of FICA taxes and car allowance.
4. The maintenance of adequate inventory of supplies is required in this contract. Since there are 34 schools, this contract will need 2 delivery vans and 2 delivery guys.



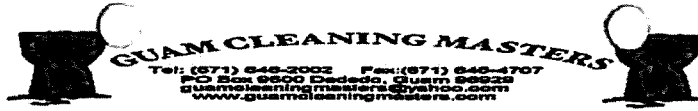
will be full time. Computation is $\$13.36 \times 2080 \text{ hours} \times 2 \times 1.0765 = \underline{\$59,830.00}$ inclusive of FICA taxes.

5. Purchases of equipment with the proper maintenance. Equipment required on this contract are as follows: buffer, vacuum, wet and dry vacuum, janitorial carts, trash carts, mop buckets, sweeper, dusters, blowers, brooms, . For annual and semi-annual cleaning, the contract requires polishers, carpet cleaners, buffers and floor stripper equipment. The initial cost for these equipment is between \$50,000.00 to \$60,000.00 with additions every option year.
6. The contract requires the installation of hand towel, toilet tissue and hand soap dispensers. It is the prerogative of the contractor to install other dispensers to lessen cost. There are about 1,800 dispensers to be installed. The estimated cost of the dispensers is about \$50,000.00.
7. The contractor needs to furnish its workers PPE. Personal Protective Equipment required are gloves and masks. PPE cost is embedded on the computation of 10% supplies cost.

In addition to the above, the following will also be needed during the life of the contract.

8. Back office personnel (controller, accountant and accounting clerk) who are responsible in ordering supplies and equipment, working on invoices, paying vendors, preparing payroll checks, preparing schedules and training. Although these personnel are full time, only a pro-rated percentage is allowed as the company is not only working on the GDOE contract. A prorated percentage of about 60% is set here as there are 34 schools being serviced. Total cost is \$63,945.00 inclusive of FICA taxes.
9. Provision for holiday pay is required in the contract. There are 10 holidays per SCA. The total holiday pay as estimated is \$87,952.00 inclusive of FICA taxes.
10. Workman's compensation is required by Department of Labor. The current WC insurance is at \$25,000.00 per annum.

The total additional expenses needed by Lucky Kids Lawn Care and Janitorial Services as outlined above (1 to 10) is \$507,860.50. Per Table 3, the total remaining balance of the bid price less labor costs, GRT, FICA taxes and supplies is \$120,340.10. Lucky Kids is on a negative cost for its first year of operations by about \$387,520.40 or a total of \$1,737,602.00 in 5 years. Please note that equipment cost of \$50,000.00 was only counted on the first year and was not added to the next 4 years of the contract. This does not include any variances that might be incurred for costs of supplies which is just computed at 10% of bid price. The cost of supplies had increased in the last four (4) years because of inflation rate and increasing cost of freight due to higher fuel cost. For purposes of comparison, the analysis percentage of 10% for supplies was used for both spreadsheet. In actuality, supplies cost is more than 10%.



3. **Comparison of prices from IFB 030-2013 and IFB 013-2018 for Guam Cleaning Masters.**

Table 4 as presented below shows the Bid Price of Guam Cleaning Masters for IFB 030-2013(1st year or 2013to 2014) and IFB 013-2018. As shown on the table, bid prices per school had either increased or decreased per comparative data. The 3rd row (variance in bid price after 5 years) reflects how Guam Cleaning Masters see the overall picture per school location and has either decreased or increased its pricing based on the student population and based on experience for the last 5 years. The decrease in price factored the following:

(1) equipment purchases will be lesser in the next 5 years because Guam Cleaning Masters has available equipment on hand. Purchases for new equipment will only occur when the current equipment can no longer be usable, cannot be repaired or defective. Purchases will be made for use in the new school locations (9 other schools) not covered during the previous contract. Guam Cleaning Masters employs a maintenance personnel to service its equipment and has maintained a schedule for this purpose so the life of the equipment is extended. Guam Cleaning Masters also have a steady inventory of parts on hand that could be used for this maintenance service.

(2) Although there is an increase of hourly rate from \$12.04 to \$13.36 (a difference of \$1.32 per hour worked), Guam Cleaning Masters has effectively managed the work schedule of its employees by school location. Scheduling will no longer be on an experimental basis as actual time had been tested and set. Supervisors have trained janitorial staff to manage their time and continuously schedule trainings to update their expertise.

(3) There is ample supplies available. Guam Cleaning Masters has a steady vendor who supplies their janitorial needs.

(4) Current dispensers still plays a big role on the decrease of the bid prices because Guam Cleaning Masters have installed a lot of these dispensers in the school with only a few to replace.



Table 4 page 1

**Guam Cleaning Masters
 Department of Education Bid Price Comparison between 2013 and 2018**

No.	School	Bid Price IFB 030-2013	Bid Price IFB 013-2018	Variance in Bid Price after 5 years
	Elementary (Northern)			
1	DL Perez Elem. School	\$ 5,128.00	\$ 5,098.00	\$ (30.00)
2	Finegayan Elem. School	\$ 6,280.00	\$ 6,098.00	\$ (182.00)
3	JM Guerrero Elem. School	\$ 5,380.00	\$ 5,598.00	\$ 218.00
4	Machananao Elem. School	\$ 4,438.00	\$ 5,598.00	\$ 1,160.00
5	Ma. Ulloa Elem. School	\$ 5,800.00	\$ 5,598.00	\$ (202.00)
6	UPI Elem. School	\$ 5,698.00	\$ 6,398.00	\$ 700.00
7	Wettengel Elem. School	\$ 5,888.88	\$ 7,398.00	\$ 1,509.12
	Middle (Northern)			
8	FB Leon Guerrero Elem. School	\$ 7,895.00	\$ 8,598.00	\$ 703.00
9	Vincente Benavente Middle School	\$ 8,808.00	\$ 8,718.00	\$ (90.00)
	High School (Northern)			
10	Simon Sanchez High School	\$ 9,880.00	\$ 9,888.00	\$ 8.00
	Elementary (Central District)			
11	Agana Heights Elem. School	\$ 5,280.00	\$ 5,098.00	\$ (182.00)
12	BP Carbullido Elem. School	\$ 5,075.00	\$ 5,598.00	\$ 523.00
13	Chief Brodie Elem. School	\$ 2,800.00	\$ 3,698.00	\$ 898.00
14	CL Taitano Elem. School	\$ 5,560.00	\$ 5,598.00	\$ 38.00
15	HB Price Elem. School	\$ 4,580.00	\$ 6,398.00	\$ 1,818.00
16	JQ San Miguel Elem. School	\$ 5,380.00	\$ 5,598.00	\$ 218.00
17	Lyndon B. Johnson Elem. School	\$ 4,990.00	\$ 4,998.00	\$ 8.00

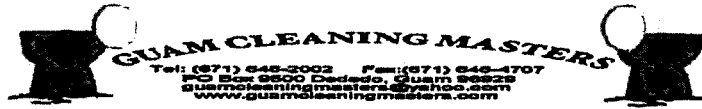


Table 4 page 2

Guam Cleaning Masters

Department of Education Bid Price Comparison between 2013 and 2018

No.	School	Bid Price IFB 030-2013	Bid Price IFB 013-2018	Variance in Bid Price after 5 years
18	Ordot Chalan Pago Elem. School	\$ 5,075.00	\$ 5,708.00	\$ 633.00
19	PC Lujan Elem. School	\$ 4,958.00	\$ 4,998.00	\$ 40.00
20	Tamuning Elem. School	\$ 6,500.00	\$ 7,398.00	\$ 898.00
	Middle (Central District)			
21	Agueda Johnson Middle School	\$ 5,680.00	\$ 7,098.00	\$ 1,418.00
22	Jose Rios Middle School	\$ 5,368.00	\$ 6,398.00	\$ 1,030.00
23	LP Untalan Middle School	\$ 7,208.00	\$ 7,598.00	\$ 390.00
24	GW High School	\$ 10,560.00	\$ 11,598.00	\$ 1,038.00
	High School (Central District)			
25	Tiyan High School	\$ 8,000.00	\$ 6,508.00	\$ (1,492.00)
	Elementary (Southern District)			
26	HS Truman Elem. School	\$ 4,990.00	\$ 5,598.00	\$ 608.00
27	Inarajan Elem. School	\$ 4,368.00	\$ 4,298.00	\$ (70.00)
28	Marcial Sablan Elem. School	\$ 5,280.00	\$ 4,998.00	\$ (282.00)
29	MU Lujan Elem. School	\$ 5,890.00	\$ 6,398.00	\$ 508.00
30	Talofofo Elem. School	\$ 5,190.55	\$ 3,798.00	\$ (1,392.55)
	Middle (Southern District)			
31	Inarajan Middle School	\$ 6,689.00	\$ 7,098.00	\$ 409.00
32	Oceanview Middle School	\$ 5,525.00	\$ 7,598.00	\$ 2,073.00
	High & Alternatives (Southern)			
33	JP Torres High School	\$ 3,160.00	\$ 2,798.00	\$ (362.00)
34	Southern High School	\$ 18,000.00	\$ 15,598.00	\$ (2,402.00)
	Optional Additives			
35	Astumbo Elem. School	\$ -	\$ 4,000.00	\$ 4,000.00
36	Merizo Elem. School	\$ -	\$ 4,000.00	\$ 4,000.00
	Total - Price Month	\$ 211,302.43	\$ 229,462.00	\$ 18,159.57
	Total Annual Price	\$ 2,535,629.16	\$ 2,753,544.00	\$ 217,914.84

Guam Cleaning Masters

Support for Appeal on Denied Protest Letter – GDOE IFB-013-2018

Submitted: September 05, 2018



The increase in the annual price of \$217,914.84 per Table 4 for Guam Cleaning Masters is for payment of an increase of hourly wages (basic wages and H&W benefits) by \$1.32. from the previous contract less the effect of the \$0.02 wage increase in Guam since January 1, 2015 increasing the minimum wage from \$8.23 to \$8.25. This increase was not factored in the bid price nor was it given as an adjustment to the price when the Guam Labor Law increased the minimum wage to \$8.25. Guam Cleaning Masters also factored in the increase, the additional hours that will be incurred as the new IFB 030-2018 work hours is from 8:00 a.m. to 5:00 p.m. which is totally different from the previous contract hours of 6:00 a.m. to 10:00 p.m. with rovers in between hours. Although adjustment on the work hours can be set with GDOE management, GCM still sees it as a problem as the request for adjustment might not be granted everytime. Additionally, prices of supplies had increased because of inflation rates during the past 5 years and due to increase in fuel prices which has dramatically played a role in the increase in prices of commodities. Per GCMs data, supplies cost had increased steadily in 4 years by about 12% to 14%.

One factor on the increase in supplies cost is the number of student population in various school locations. Also, there were lots of instances when paper towels were drained in water, toilet tissues thrown in the toilet bowl or hand soap being overused. Additionally, prices of floor wax, floor strippers and carpet cleaners had also increased. These supplies are used for semi-annual and annual required services.

Guam Cleaning Masters has in its inventory a total of 1,724 installed dispensers (Exhibit 4) which are in the 25 school locations. Guam Cleaning Masters has in its inventory several of these unused dispensers which will be used to replace broken or defective ones.

Guam Cleaning Masters has a steady off-island vendor listing who sends the supply when requisitioned. The prices of these vendors had been competitive and is catered to the needs of the schools. Guam Cleaning Masters also purchase from Guam established businesses for supplies that are immediately needed.

Guam Cleaning Masters has an equipment list for its custodial services. Some of these equipments are located in the school premises and some are in the inventory area of Guam Cleaning Masters. For the past 4 years, Guam Cleaning Masters had successfully maintained its daily, semi-annual and annual custodial cleaning. It was only in June, 2018 when GDOE cancelled the June services because of funding problems that the required semi-annual cleaning was reduced.

Guam Cleaning Masters has a steady pool of custodial employees. It has on its record a total of 130 custodial/housekeeping employees and 15 ground employees. These employees are well trained and are experienced in their fields.

Guam Cleaning Masters is compliant with paying the hourly rates of its employees. This is evident by the paychecks issued to the employees bi-weekly. The paycheck shows the basic

Guam Cleaning Masters

Support for Appeal on Denied Protest Letter – GDOE IFB-013-2018

Submitted: September 05, 2018

13 |



hours on the 1st line, Health and Welfare Benefit on the 2nd line, Holiday pay (if there is a holiday) on the 3rd line and Vacation Pay (if used by employee) on the 4th line.

Summary:

In summary, Guam Cleaning Masters is sending this appeal to request a full review of the recently concluded IFB 013-2018 for Guam Department of Education for the following reasons:

1. The price of the lowest bidder is not enough to cover labor, GRT, FICA taxes, supplies and other requirements of the contract per page 5 to 9 of this analysis. The total price of the lowest bidder will not be enough to cover overhead expenses, other necessary expenses including increase in cost of supplies. It is hoped that the Office of the Public Auditor will make their review based on price, capability and responsibility as a whole, so this contract will not be compromised.
2. This IFB is awarded to only one contractor. Since the price is low, what will happen if the required custodial cleaning is not met or failed? What will be the back-up solution?
3. Will the requirement of materials and equipment not be one of the evaluated factors as these are needed when the contract commences?
4. Will GDOE not reconsider escalation of prices every year considering that cost of fuel is going up and prices of commodities follow this trend due to freight charges?

We hope that the Office of the Public Auditor will find our analysis helpful and will consider re-evaluation of submitted bids or issue a new bid package to start again since GDOE denied our protest letter.

Guam Cleaning Masters wants to thank the Office of the Public Auditor for giving us the chance to defend our protest thru this analysis. We hope for a fair evaluation as we are dealing with the future of our children to have a safe, healthy and clean school premises to stay in.

Thank you.

Sincerely,

Alex Thomas,
President/General Manager
Guam Cleaning Masters



Exhibit 1



Exhibit 1

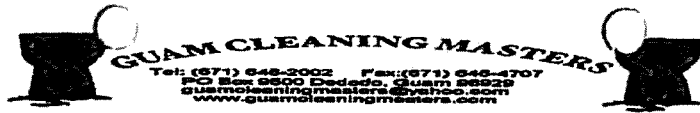


Exhibit 1

Guam Cleaning Masters
Support for Appeal on Denied Protest Letter – GDOE IFB-013-2018
Submitted: September 05, 2018



Exhibit 2

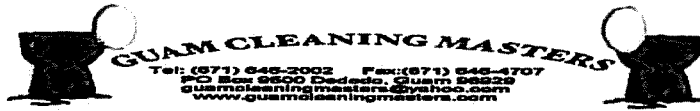


Exhibit 2



Exhibit 3

Guam Cleaning Masters
Support for Appeal on Denied Protest Letter – GDOE IFB-013-2018
Submitted: September 05, 2018

20 |

GCM_T118.1-021



Exhibit 3



Exhibit 4

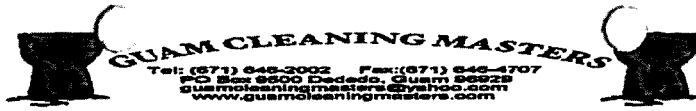


Exhibit 4

Table 3
IFB 013-2018 Custodial Services for Various GDOE Schools

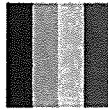
Item No.	Location	No. of Class room	No. of Rest rooms	No. of HRS. Yearly	No. of HRS Monthly	Lucky Kids Bid Price	Supplies (10%)	GRT (4%)	FICA Taxes (7.65%)	Total (L+S+4%+Tax) not including Overhead	Balance of Price b4 Overhead (Price - Total)
I. Northern District											
Elementary											
1	DL Perez Elementary	60	8	3120	260	\$5,108.00	\$3,473.60	\$204.32	\$265.73	\$4,454.45	\$653.55
2	Finegayan Elementary	57	51	4680	390	\$6,096.00	\$5,210.40	\$243.84	\$398.60	\$6,462.44	\$366.44
3	Juan M Guerrero Elementary	43	20	3516	293	\$5,078.00	\$3,914.48	\$203.12	\$299.46	\$4,924.86	\$153.14
4	Machanano Elementary	26	21	2856	238	\$4,238.00	\$3,179.68	\$169.52	\$243.25	\$4,016.25	\$221.75
5	Maria Ulioa Elementary	51	14	4320	360	\$5,222.00	\$4,809.60	\$208.88	\$387.93	\$5,908.61	\$686.61
6	Upi Elementary	55	20	4420	368	\$4,916.48	\$4,164.48	\$219.20	\$376.11	\$6,059.79	\$579.79
7	Weitengel Elementary	47	10	4810	401	\$5,620.00	\$5,357.36	\$224.80	\$409.84	\$6,554.00	\$934.00
Middle											
8	FB Leon Guerrero Middle	72	45	5592	466	\$7,832.00	\$6,225.76	\$305.28	\$476.27	\$7,770.51	\$138.51
9	VSA Benavebe Middle	81	9	5328	444	\$8,418.00	\$5,931.84	\$336.72	\$453.79	\$7,564.15	\$853.85
9880											
10	Simon Sanchez High	74	9	6240	520	\$9,538.00	\$6,947.20	\$381.52	\$531.46	\$8,813.98	\$724.02
I. Northern District Total Monthly											
						\$62,430.00	\$49,966.40	\$2,497.20	\$3,822.43	\$62,529.03	\$99.03
I. Northern District Total Annually						\$749,160.00	\$599,596.80	\$29,966.40	\$45,869.16	\$750,348.36	\$1,188.36
II. Central District											
Elementary											
11	Agana Height Elementary	23	14	2604	217	\$5,350.00	\$2,899.12	\$214.00	\$221.78	\$3,869.90	\$1,480.10
12	BP Carbullido Elementary			2964	247	\$6,700.00	\$3,299.92	\$228.00	\$252.44	\$4,350.36	\$1,349.64
13	Chief Brodie Elementary	43	19	2964	247	\$3,000.00	\$3,299.92	\$120.00	\$252.44	\$3,972.36	\$972.36
14	CL Taliano Elementary	42	14	3000	250	\$5,200.00	\$3,340.00	\$208.00	\$255.51	\$4,323.51	\$876.49
15	HB Price Elementary	41	11	5328	444	\$4,650.00	\$5,931.84	\$186.00	\$453.79	\$7,036.63	\$2,386.63
16	JQ San Miguel Elementary	37	8	3648	304	\$5,350.00	\$4,061.44	\$214.00	\$310.70	\$5,121.14	\$228.86
17	Lyndon B Johnson Elementary			3516	293	\$4,990.00	\$3,914.48	\$199.60	\$299.46	\$4,912.54	\$77.46
18	Ordot Chalan Pago Elementary			3516	293	\$5,350.00	\$3,914.48	\$214.00	\$299.46	\$4,962.94	\$387.06
19	PC Lujan Elementary	41	16	2604	217	\$4,850.00	\$2,899.12	\$194.00	\$221.78	\$3,799.90	\$1,050.10
20	Tamuning Elementary			3552	296	\$6,400.00	\$3,954.56	\$256.00	\$302.52	\$5,153.08	\$1,246.92
Middle											
21	Agueda Johnston Middle	63	10	5856	488	\$5,480.00	\$6,519.68	\$219.20	\$496.76	\$7,785.64	\$2,305.64
22	Jose Rios Middle	48	8	4560	380	\$5,900.00	\$5,076.80	\$232.00	\$388.38	\$6,277.18	\$477.18
23	LP Untalan Middle	57	7	5076	423	\$7,350.00	\$5,651.28	\$294.00	\$432.32	\$7,112.60	\$237.40
24	George Washington High	96	16	7536	628	\$12,840.00	\$8,390.08	\$513.60	\$641.84	\$10,829.52	\$2,010.48
25	Tiyan High	84		5976	498	\$9,580.00	\$6,653.28	\$383.20	\$508.98	\$8,503.46	\$1,076.54
II. Central District Total - Monthly						\$91,890.00	\$69,806.00	\$3,675.60	\$5,340.16	\$88,010.76	\$3,879.24
II. Central District Total - Annually						\$1,102,660.00	\$837,672.00	\$44,107.20	\$64,081.91	\$1,056,129.11	\$46,550.89

Table 3

IFB 030-2013 Custodial Services for Various GDOE Schools

Item No.	Location	No. of Class room	No. of Rest rooms	No. of HRS. Yearly	No. of HRS Monthly	Lucky Kids Bid Price	Supplies (10%)	GRT (4%)	FICA Taxes (7.65%)	Total (L+S+4%+Tax) not Including Overhead	Balance of Price b4 Overhead (Price - Total)
I. Southern District Elementary											
26	IHS Truman Elementary			2604	217	\$4,790.00	\$2,899.12	\$191.60	\$221.78	\$3,791.50	\$998.50
27	Inarajan Elementary	31	22	2340	195	\$4,120.00	\$2,605.20	\$164.80	\$199.30	\$3,381.30	\$738.70
28	Marcial Sabian Elementary	47	9	2656	238	\$4,990.00	\$3,179.68	\$199.60	\$243.25	\$4,121.53	\$968.47
29	MU Lujan Elementary			4680	390	\$5,748.00	\$5,210.40	\$229.92	\$398.60	\$6,413.72	\$665.72
30	Talfofo Elementary	29	4	1956	163	\$4,120.00	\$2,177.68	\$164.80	\$166.59	\$2,921.07	\$1,198.93
Middle											
31	Inarajan Middle	46	11	4560	380	\$5,850.00	\$5,076.80	\$235.20	\$388.38	\$6,288.38	\$408.38
32	Oceanview Middle			4680	390	\$5,140.00	\$5,210.40	\$205.60	\$398.60	\$6,328.60	\$1,188.60
High											
33	JP Torres Success Academy			2604	217	\$2,688.00	\$2,899.12	\$107.52	\$221.78	\$3,487.22	\$809.22
34	Southern High			7776	648	\$17,250.00	\$8,657.28	\$690.00	\$662.28	\$11,734.56	\$5,515.44
III. Southern District Total - Monthly											
						\$54,726.00	\$37,915.68	\$2,189.04	\$2,900.55	\$48,477.87	\$6,248.13
III. Southern District Total - Annually						\$656,712.00	\$454,988.16	\$26,268.48	\$34,806.59	\$581,734.43	\$74,977.57
Total Balance of Price before Overhead Expenses - Annually											\$120,340.10

Legend:



Labor rate for this contract t include Health & Welfare Benefit
 12% Supplies expense base on the bid amount (lowest percentage)
 4% GRT from Bid Price
 SS+ Medicare (IRS)

Note to this table:

1. Fixed expenses comprise of labor cost (including Health & Welfare), FICA taxes (SS & Medicare), GRT (4%) and supplies.
2. The column showing Balance of Price before Overhead represents Bid Price less fixed and necessary expenses.
3. Overhead costs includes: salaries of supervisors, salaries of office personnel, uniforms, office supplies, Workman's compensation insurance and equipment costs.
4. Supplies cost at 10% represent cost of toilet tissue, hand soap, multifold paper towels, cleaning materials.
5. Equipment installed in school include hand soap dispensers, jumbo toilet tissue dispensers, centerpull dispensers, multifold paper towel dispensers.

Table 1
IFB 030-2013 Custodial Services for Various GDOE Schools

Item No.	Location	No. of Class room	No. of Rest rooms	No. of HRS. Yearly	No. of HRS. Monthly	GCM Price in 2013	Supplies (10%)	GRT (4%)	FICA Taxes (7.65%)	Total (L+S+4%+Tax) not including Overhead	Balance of Price b4 Overhead (Price - Total)
I. Northern District											
<i>Elementary</i>											
1	DL Perez Elementary	60	8	3120	260	\$5,128.00	\$512.80	\$205.12	\$239.48	\$4,087.80	\$1,040.20
2	Finagavan Elementary	57	51	4680	390	\$6,280.00	\$628.00	\$251.20	\$359.21	\$5,934.01	\$345.99
3	Juan M Guerrero Elementary	43	20	3516	293	\$5,380.00	\$538.00	\$215.20	\$289.87	\$4,550.79	\$829.21
4	Machanario Elementary	26	21	2856	238	\$4,438.00	\$443.80	\$177.52	\$219.21	\$3,706.05	\$731.95
5	Mania Ulica Elementary	51	14	4320	360	\$5,800.00	\$580.00	\$232.00	\$331.58	\$5,477.98	\$322.02
6	Upi Elementary	55	20	4420	368	\$5,698.00	\$569.80	\$227.92	\$338.95	\$5,567.39	\$130.61
7	Wettengel Elementary	47	10	4810	401	\$5,888.88	\$588.89	\$235.56	\$369.35	\$5,021.83	\$132.95
<i>Middle</i>											
8	FB Leon Guerrero Middle	72	45	5592	466	\$7,895.00	\$789.50	\$315.80	\$429.21	\$7,145.15	\$749.85
9	VSA Benavente Middle	81	9	5328	444	\$8,808.00	\$880.80	\$352.32	\$408.95	\$6,987.83	\$1,820.17
9880											
10	Simon Sanchez High	74	9	6240	520	\$9,880.00	\$988.00	\$395.20	\$478.95	\$8,122.95	\$1,757.05
I. Northern District Total Monthly											
						\$65,195.88	\$6,519.59	\$2,607.84	\$3,444.76	\$57,601.79	\$7,584.09
I. Northern District Total Annually						\$782,350.56	\$78,235.06	\$31,294.02	\$41,337.17	\$691,221.45	\$91,129.11
II. Central District											
<i>Elementary</i>											
11	Aqana Height Elementary	23	14	2604	217	\$5,280.00	\$528.00	\$211.20	\$199.87	\$3,551.75	\$1,728.25
12	BP Carballedo Elementary	43	19	2984	247	\$2,800.00	\$280.00	\$112.00	\$227.50	\$3,593.38	\$793.38
13	Chief Brodie Elementary	42	14	3000	250	\$5,560.00	\$556.00	\$222.40	\$230.27	\$4,018.67	\$1,541.34
14	CL Tallero Elementary	41	11	5328	444	\$4,580.00	\$458.00	\$183.20	\$408.95	\$6,396.91	\$1,815.91
15	HB Price Elementary	37	8	3648	304	\$5,380.00	\$538.00	\$215.20	\$280.00	\$4,893.36	\$686.64
16	JQ San Miguel Elementary	41	16	2604	217	\$4,958.00	\$495.80	\$198.32	\$199.87	\$3,506.67	\$1,451.33
17	Lyndon B Johnson Elementary	41	16	2604	217	\$4,958.00	\$495.80	\$198.32	\$199.87	\$3,506.67	\$1,451.33
18	Ordot Chalan Pago Elementary	41	16	2604	217	\$4,958.00	\$495.80	\$198.32	\$199.87	\$3,506.67	\$1,451.33
19	PC Lujan Elementary	41	16	2604	217	\$4,958.00	\$495.80	\$198.32	\$199.87	\$3,506.67	\$1,451.33
20	Tamuning Elementary	41	16	2604	217	\$4,958.00	\$495.80	\$198.32	\$199.87	\$3,506.67	\$1,451.33
<i>Middle</i>											
21	Agueda Johnston Middle	63	10	5856	488	\$5,680.00	\$568.00	\$227.20	\$449.48	\$7,120.20	\$1,440.20
22	Jose Rios Middle	48	8	4560	380	\$5,368.00	\$536.80	\$214.72	\$350.00	\$5,676.72	\$308.72
23	LP Untalan Middle	57	7	5076	423	\$7,208.00	\$720.80	\$288.32	\$389.61	\$6,491.65	\$716.35
24	George Washington High	96	16	7536	628	\$10,560.00	\$1,056.00	\$422.40	\$578.43	\$9,617.95	\$942.05
25	Tiyan High										
II. Central District Total - Monthly						\$57,374.00	\$5,737.40	\$2,294.96	\$3,313.97	\$54,666.25	\$2,707.75
II. Central District Total - Annually						\$688,488.00	\$68,848.80	\$27,539.52	\$39,767.69	\$655,995.05	\$32,482.85

Table 2
IFB 030-2013 Custodial Services for Various GDOE Schools

Item No.	Location	No. of Class room	No. of Rest rooms	No. of HRS. Yearly	No. of HRS. Monthly	GCM Price in 2013	Supplies (10%)	GRT (4%)	FICA Taxes (7.65%)	Total (L+S+4%+Tax) not including Overhead	Balance of Price b4 Overhead (Price - Total)
1. Southern District											
<i>Elementary</i>											
26	IHS Truman Elementary										

27	Inarajan Elementary	31	22	2340	195	\$4,368.00	\$2,347.80	\$436.80	\$174.72	\$179.61	\$3,138.93	\$1,229.07
28	Marciel Sablan Elementary	47	9	2856	238	\$5,280.00	\$2,866.52	\$528.00	\$211.20	\$219.21	\$3,823.93	\$1,456.07
29	MU Lujan Elementary											
30	Taifofo Elementary	29	4	1956	163	\$5,190.55	\$1,962.52	\$519.06	\$207.62	\$150.13	\$2,839.33	\$2,351.22
Middle												
31	Inarajan Middle	46	11	4560	380	\$6,689.00	\$4,575.20	\$668.90	\$257.56	\$350.00	\$5,861.66	\$827.34
32	Oceanview Middle											
High												
33	JP Torres Success Academy											
34	Southern High											
III. Southern District Total - Monthly						\$21,527.55	\$11,751.04	\$2,152.76	\$861.10	\$898.95	\$15,663.85	\$5,863.70
III. Southern District Total - Annually						\$258,330.60	\$141,012.48	\$25,833.06	\$10,333.22	\$10,787.45	\$187,966.22	\$70,364.38
Total Balance of Price before Overhead Expenses - Annually												\$193,986.44

Legend:

■	Labor rate for this contract t include Health & Welfare Benefit
■	10% Supplies expense base on the bid amount (lowest percentage)
■	4% GRT from Bid Price
■	SS+ Medicare (IRS)

Note to this table:

1. Fixed expenses comprise of labor cost (including Health & Welfare), FICA taxes (SS & Medicare), GRT (4%) and supplies.
2. The column showing Balance of Price before Overhead represents Bid Price less fixed and necessary expenses.
3. Overhead costs includes: salaries of supervisors, uniforms, office supplies, Workman's compensation insurance and equipment costs.
4. Supplies cost at 10% represent cost of toilet tissue, hand soap, multifold paper towels, cleaning materials.
5. Equipment installed in school include hand soap dispensers, jumbo toilet tissue dispensers, centerpull dispensers, multifold paper towel dispensers.