

FORM 60 AND INSTRUCTIONS

CONTRACT PRICING PROPOSAL

INSTRUCTIONS TO PROPOSERS

1. The purpose of this form is to provide a standard format by which the Proposer submits to Metro a summary of incurred and estimated costs (and attached supporting information) suitable for detailed which are review and analysis.
2. In addition to the specific information required by this form, the Proposer is expected, in good faith, to incorporate in and submit with this form any additional data, supporting schedules, or substantiation reasonably required for the conduct of an appropriate review and analysis in the light of the specific facts of this procurement. For effective negotiations, it is essential that there be a clear understanding of:
 - A. The existing, verifiable data,
 - B. The judgmental factors applied in projecting from known data to the estimate, and
 - C. The contingencies used by the Proposer in his proposed price.

In short, the Proposer's estimating process itself needs to be disclosed.

3. When attachment of supporting cost or pricing data to this form is impracticable, the data will be described (with schedules as appropriate) and made available to the Contract Administrator or representative upon request.
4. The formats for the "Cost Elements" and the "Proposed Contract Estimate" are not intended as rigid requirements. These may be presented in different format with the **prior** approval of the Contract Administrator if required for more effective and efficient presentation. In all other aspects this form will be completed and submitted **without change**.
5. By submission of this Proposal the Proposer grants to Metro, the right to examine, for the purpose of verifying the cost or pricing data submitted, those books, records, documents and other supporting data which will permit adequate evaluation of such cost or pricing data, along with the computations and projections used therein. This right may be exercised in connection with any negotiations/discussions prior to contract award.

**ADDITIONAL INSTRUCTIONS
"FORM 60"**

1. Direct Labor

This category covers all of the types of labor -- engineering (delineating different levels as appropriate), support staff, etc. -- that will be directly charged to the Contract. (The Proposer is free to group labor in any categories that assist in managing the Statement of Work as long as the costs are accumulated for the same categories that are used for estimating purposes. A "time-phased breakdown" of labor hours and rates reflects the fact that the process of estimating and analyzing labor costs normally considers hours and rates separately).

A. Labor Hours

In cases where the Proposer has performed the same or similar Work in the past, the number of labor hours incurred will be considered factual data and must be presented in the proposal. When the Proposer has no previous experience in performing the Work to be procured, the estimate of labor hours must be made by breaking down the projected Work into its constituent parts and projecting the labor hours necessary to perform each part of the Work. In most cases, each part of the Work can be compared to similar Work that the Proposer has performed in the past and this data can be used to support the estimate.

B. Labor Rates

Even if the Proposer has never performed the specific Work to be contracted for, there will be factual (auditable) information regarding the labor rates that have been paid to the various categories of employees to be used on the contract. This information must be included as part of the Proposer's cost or pricing data.*

***Note:** Another factor that is assessed is the number of workers the Proposer expects to employ during the contract performance period. If the number is increasing, average labor rates will normally go down while a reduction in the number of employees will normally increase the rate.

2. Labor Overhead

Indicate the rates used and provide an appropriate explanation. Where agreement has been reached with the Contract Administrator the use of forward pricing rates, describe the nature of the agreement. Provide the method of computation and application of Proposer's overhead expenses, including cost breakdown and showing trends and budgetary data as necessary to provide a basis for evaluation of the reasonableness of proposed rates. Provide the rationale for use of overhead rates which depart significantly from actual rates (reduced volume, a planned major rearrangement, etc.).

3. Travel

Travel shall be itemized to include the number of trips, the number of people traveling, the estimated cost of the transportation (including mode), the per diem cost of each traveler, etc. Provide itemized supporting data on the second page of "Form 60". Travel costs shall be limited to costs consistent with Metro Travel Policy.

4. Subcontractors

Identify and provide total estimated cost for each subcontractor. Attach individual Metro "Form 60(s)" for all proposed subcontractors.

5. Other Direct Costs (ODC)

Proposers charge a variety of costs directly to contracts to obtain more accurate cost allocation. Such costs are frequently sporadic in nature varying greatly from contract effort to another; however, Proposers must submit past data on such costs. (The Contract Administrator/Evaluation Team will assess each type of direct cost in terms of its relationship to the Work on the contract to determine if the Proposer is estimating a level of cost that is reasonable in the circumstances.) (Material costs, if any, shall be itemized and supported on the basis for pricing materials such as vendor quotes, shop estimates, or invoice prices, etc.) Provide itemized supporting data related to ODC on the second page of the "Form 60".

6. General & Administrative (G & A)

If applicable, the allocation base for general and administrative expense is total expense before G & A. Identify the percentage used for G & A and the item numbers to which it is applied. Provide estimated cost.

7. Fee/Profit

Proposer shall provide the estimated fee/profit that is expected to be earned.

The cost and pricing data must be accurate, complete and current, and the judgment factors used in projecting from the data to the estimates must be stated in sufficient detail to enable Metro to evaluate the proposal.

METRO TRAVEL AND EXPENSE GUIDELINES

All invoices shall include an itemized listing supported by copies of the original bills, invoices, expense reports and miscellaneous supporting data.

All travel submitted for reimbursement either to Los Angeles or from Los Angeles to other locations, shall have by Metro's Project Manager.

Time for travel will not be reimbursed except for travel during normal business hours.

A. Auto Mileage

Auto mileage will be reimbursed at Metro's current mileage rate.

B. Air Travel

Air fares will be reimbursed based on the most direct route at coach class travel rates. Upgrading (coach to a higher class) of airline tickets will only be reimbursed when approved, and only when the business schedule requires immediate travel, and only higher class seats are available. Downgrading (exchange) of airline ticket where the Contractor receives financial or personal gain is not permitted. If a trip is postponed, reservations should be canceled immediately.

Travel arrangements should be made as early as possible (preferably three weeks) to take advantage of advanced reservation rates.

C. Combining Business Travel with Personal Travel

The Contractor's employees may combine personal travel with Metro business only if the personal travel does not increase the cost to Metro. Arrangement for personal travel should be handled by the Contractor's employee. Metro will not manage personal travel.

D. Air Travel Insurance

Metro does not pay for air travel insurance.

E. Accommodations

Metro will reimburse hotel room fees at the governmental rate. Metro may reimburse hotel room fees at the standard rate based on single room occupancy in cases where a government rate is not available. Metro will provide a letter to the Contractor which authorizes hotels to provide rooms at a government rate. This authorization only applies to Metro business travel.

F. Laundry

Laundry and dry cleaning charges will only be paid if a Contractor's employee is on travel for Metro for a period in excess of six (6) consecutive days.

G. Entertainment

Metro will not pay for the rental of premium channel movies, use of health club facilities or other forms of entertainment.

H. Auto Rental

Metro will pay for reasonable car rental charges when required. The Contractor's employees are expected to request the rental of an economy car.

I. Meals

Meals will be reimbursed based on the actual cost up to a maximum of \$50.00 per day of travel. Receipts are required for all meals. In order to be reimbursed, meal receipts (itemized if possible) in the form of receipts, credit card receipts, or cash register tape must be submitted. Metro will not pay for alcoholic beverages.

In lieu of itemizing meal expenses and submitting receipts, the Contractor's employees may claim the standard \$26.00 per diem for the duration of the travel.

J. Telephone Usage

The Contractor's employees shall submit documentation regarding all telephone calls charged to Metro. Documentation must include the name of the party being called and the purpose of the call. Metro shall allow one business call upon arrival and one call prior to departure. Metro will not pay for additional business calls unless directly related to the Contract. Personal telephone calls are not reimbursable unless the Contractor's employee is on travel for Metro for more than three consecutive days. In this case, the cost of a call shall not exceed \$5.00 and one call is permitted every other day.

K. Parking and Ground Transportation

Public transportation should be used whenever possible; however, if necessary, rental car expenses including gas will be reimbursed for authorized travel only. Cab fare (on a shared basis whenever possible) is reimbursable. Receipts shall be required to document all parking charges as well as other ground transportation charges.

The Contractor's employees shall rent the lowest automobile classification appropriate for the size or purpose of the group using the vehicle.

1-2 Travelers	Compact
3 Travelers	Medium/Intermediate
4-5 Travelers	Full Size/Standard Equipment
6+ Travelers	Van

The Contractor's employees must fuel rental automobiles prior to turn-in.

L. General Parking

The Contractor's employees should take advantage of "Early Bird Parking" whenever possible. Parking expense incurred while conducting Metro business is reimbursable.

M. Tolls and Fees

Transportation related toll charges incurred while on Metro business is reimbursable.

N. Baggage Handling

Baggage handling service fees within or outside the Los Angeles region are reimbursable at standard reasonable rates.

O. Other Business Expenses

Supplies, equipment rental, reprographics, and facsimile related expenses may be reimbursed when traveling on Metro business. Such expenses shall be billed at cost.

P. Non-Allowable Expenses

Metro will not provide any reimbursement for personal entertainment expenses, alcoholic beverages, travel expenses for family members, use of health club facilities, movies in hotels, personal items, charitable contributions, etc.

Q. Other Source of Information

Information not addressed herein regarding the allowability of cost reimbursement expenses is contained in the Federal Acquisition Regulations.

