

Contracted Custodial Services



Presentation to the Board of Education
August 10, 2020



Topics

- ☺ Efficiency Evaluation
- ☺ Recommendations
- ☺ Operational Efficiencies
- ☺ Fiscal Impact
- ☺ **Rate Breakdown (Board Requested)**
- ☺ **Employee Benefits Summary (Board Requested)**
- ☺ Implementation Plan
- ☺ Questions & Discussion

Efficiency Evaluation

Purpose:

To investigate possible cost-effective methods to provide the same quality of service for the school system in the most efficient manner possible.



Facilities
Management
Services



Special
Education
Transportation
Services



Food &
Nutrition
Services



Custodial
Services



Science Kit
Deliveries





- **RETAIN** employees & augment staff
- Restructure custodial services model
- Create regional custodial services model
- Centralize grounds crew
- Pursue contracted custodial services



- Address challenges
 - **Service model**
 - **Supervision**
 - Staffing limitations
 - Recruitment and retention challenges
 - Overwhelming custodial responsibilities
 - Operational and administrative processes
 - Rising fixed cost



- Transfer of Responsibilities
 - Human Resource Management
 - Recruiting and hiring
 - Benefits
 - Employee performance
 - Business Services Processing
 - Payroll
- Benchmarking
 - Best practice
 - Standard operating procedures
 - Cleaning techniques





Fiscal Impact

Variables	* HCPS Gr1/Step 1 Shift 1	MultiCorp Shift 1	** ABM Shift 1
Custodial I Positions	53	53	49
Hourly Rate	\$12.88	\$12.88	\$13.25
Salary	\$26,797	\$26,790	\$27,560
Benefits	\$22,618	\$10,795	\$9,506
Total Budgeted/Proposed Salary	\$49,415	\$37,586	\$37,066
Fully Loaded Rate	\$23.76	\$18.07	\$17.82
TOTAL	\$2,618,976	\$1,992,937	\$1,816,314

Variables	* HCPS Gr1/Step 1 Shift 2	MultiCorp Shift 2	**ABM Shift 2
Custodial I Positions	119	119	100
Hourly Rate Step 1	\$13.28	\$12.88	\$13.75
Salary Step 1	\$27,629	\$26,790	\$28,600
Benefits	\$21,786	\$10,795	\$9,859
Total Budgeted/Proposed Salary	\$49,415	\$37,586	\$38,459
Fully Loaded Rate	\$23.76	\$18.07	\$18.49
TOTAL	\$5,889,385	\$4,472,686	\$3,845,939

Variables	* HCPS Gr1/Step 10 Shift 1	MultiCorp Shift 1	** ABM Shift 1 (N Region)
Custodial I Positions			4
Hourly Rate	\$16.81	\$12.88	\$14.00
Salary	\$34,965	\$26,790	\$29,120
Benefits	\$22,618	\$10,795	\$10,046
Total Budgeted/Proposed Salary	\$57,583	\$37,586	\$39,166
Fully Loaded Rate	\$27.68	\$18.07	\$18.83
TOTAL	\$1,556,665.60		

Variables	* HCPS Gr1/Step 10 Shift 2	MultiCorp Shift 2	** ABM Shift 2 (N Region)
Custodial I Positions			19
Hourly Rate	\$17.21	\$12.88	\$14.50
Salary	\$35,797	\$26,790	\$30,160
Benefits	\$22,618	\$10,795	\$10,400
Total Budgeted/Proposed Salary	\$58,415	\$37,586	\$40,560
Fully Loaded Rate	\$28.08	\$18.07	\$19.50
TOTAL	\$779,648.80		

Variables	* HCPS Shift 1	MultiCorp Shift 1	** ABM Shift 1
Custodial I Positions	53	53	53
Total Staff Budget or Proposal	\$2.6M	\$2.0 M	\$2.0 M

Variables	* HCPS Shift 2	MultiCorp Shift 2	**ABM Shift 2
Custodial I Positions	119	119	119
Total Staff Budget or Proposal	\$5.9 M	\$4.5 M	\$4.6 M

Variables	* HCPS Shift 2	MultiCorp Shift 2	**ABM Shift 2
Custodial I Positions	172	172	172
Total Staff Budget or Proposal	\$8.5 M	\$6.5 M	\$6.6 M

Employee Benefits Summary

- ☺ Medical & Dental Benefits
- ☺ Holidays
- ☺ Vacation
- ☺ Personal Days
- ☺ Sick Leave
- ☺ Worker's Compensation
- ☺ Family and Medical Leave
- ☺ Jury Duty

Day & Night Custodian	Hourly Rate	Annual Rate
Wage Rate	\$ 12.88	\$26,790
Labor Burden at 15%	\$ 1.93	\$ 4,015
Uniforms	\$.09	\$ 187
Background Checks	\$.05	\$ 104
Benefits	\$.90	\$ 1,872
Overhead	\$ 1.27	\$ 2,642
Profit	\$.95	\$ 1,976
Total	\$18.07	\$37,586

Notes:

* HCPS budgets \$49,415/year for entry level Custodial I positions (salary + benefits)

* Contracted annual rate assumes 2,080 hours worked



Rate Breakdown

Day Custodian	Hourly Rate	Annual Rate
Wage Rate (Day Shift)	\$13.25	\$27,560
Labor Burden at 12.25%	\$1.63	\$3,391
Uniforms	\$0.048	\$100
Background Checks	\$0.04	\$85
Benefits	\$1.78	\$3,703
Overhead	\$.44	\$916
Profit	\$.63	\$1,311
Total	\$17.82	\$37,066

N. Region Day Custodian	Hourly Rate	Annual Rate
Wage Rate (N. Region Day Shift)	\$14.00	\$29,120
Labor Burden at 12.25%	\$1.73	\$3,599
Uniforms	\$0.048	\$100
Background Checks	\$0.04	\$85
Benefits	\$1.88	\$3,911
Overhead	\$.45	\$936
Profit	\$.68	\$1,415
Total	\$18.83	\$39,166

Night Custodian	Hourly Rate	Annual Rate
Wage Rate (Night Shift)	\$13.75	\$28,600
Labor Burden at 12.25%	\$1.70	\$3,536
Uniforms	\$0.048	\$100
Background Checks	\$0.04	\$85
Benefits	\$1.85	\$3,849
Overhead	\$.44	\$916
Profit	\$.66	\$1,374
Total	\$18.49	\$38,460

N. Region Night Custodian	Hourly Rate	Annual Rate
Wage Rate (N. Region Night Shift)	\$14.50	\$30,160
Labor Burden at (12.25%)	\$1.78	\$3,703
Uniforms	\$0.048	\$100
Background Checks	\$0.04	\$85
Benefits	\$1.94	\$4,036
Overhead	\$.47	\$978
Profit	\$.72	\$1,498
Total	\$19.50	\$40,560



Benefits Summary

With an array of plan offerings, ABM is flexible and offers a choice of benefit packages in order to meet your desired cost and retention objectives. Depending upon eligibility and contract requirements, ABM offers some or all of the following benefits to its employees:

- Health and Dental Insurance – including a health plan that meets the employer mandates of the Affordable Care Act.
- Marketplace Mall for employee discounts
- Life Insurance
- Paid Vacation
- Accidental Death and Dismemberment
- Paid Holidays
- Long- and Short-term Disability
- Statutory Disability
- Personal Days
- 401(k)
- Vision
- Bereavement Leave
- Employee Assistance Plan
- Commuter Transit & Parking Benefits
- Health Care Flexible Spending Account
- Employee Stock Purchase Plan

ABM has an industry leading 87% employee retention rate in K-12 and Higher Education Accounts

Current staff will remain HCPS employees

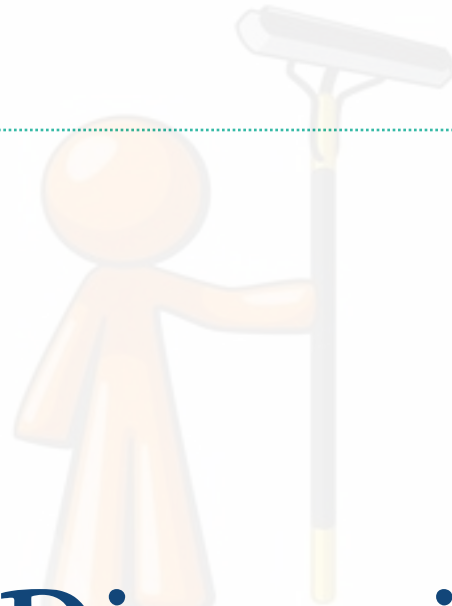
Staff Augmentation

- Backfill Custodian I vacancies through attrition

Hybrid Model

- HCPS Employees
 - Chief Custodian
 - Custodian II (Lead Custodian)
 - Contract Employees
 - Custodian I (Entry Level)





Questions & Discussion

