

Basic Proposal for Tender

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The following are a number of areas you should be aware of when pursuing a contract for service. The appropriate professional services, such as legal counsel should also be sought out and utilized.

1. Site:

Where the work is to be done?
What size of area?
What type of work?

2. Contact:

Ensure you have a contact to clarify and discuss services with.

3. Qualifications:

What methods are used to determine your qualifications and/or your employees?

4. Examination of contract documents and site:

It is up to you to examine documents and visit the site.

5. Federal, provincial and municipal laws:

It is important that you understand and comply with them in the performance of the work.

6. Bond:

What size (\$) and type of bond is required?

7. Insurance:

General liability insurance coverage. Amount?

8. Contract time:

When do you start and when is the contract over?

9. Subcontractors:

Note: be sure you are aware of supplementary conditions or specifications relating to subcontractors.

10. Omissions:

If you think some terms or conditions are missing or there is a discrepancy, bring it to the attention of the owner.

11. Addenda:

Before submitting your tender prior to the closing, check to see if any changes have been made to the tender.

Example - Janitorial business

Seasons

Spring, summer, fall and winter can create conditions that may require more time or special duties: ice from sidewalks, mud from carpets and maintenance of shrubs.

Types of contracts

It may cost a lot more to clean a restaurant as opposed to the equivalent space in an office.

- Conditions of premises are important. A poorly maintained parking lot may track in mud and snow.
- You may have to spend extra hours to get premises in shape.
- More work may be required while renovations are being done.

Before signing a contract, have your lawyer review it and ensure you understand and can accept the obligations you will be responsible for.

Sample Calculation Sheet for a Janitorial business

For Client Quote

Five days per week

Customer requires	Estimate of time required		Daily weekly		Total time
Carpet vacuumed daily	30 min.	x	5	=	2 h 30 min.
Damp mop tile daily	15 min.	x	5	=	1 h 15 min.
Empty garbage daily	5 min.	x	5	=	30 min.
Wash windows weekly	30 min.	x	1	=	30 min.
Total Time Estimate					4 h 45 min.
Cost			4 h 45 min. at \$7		= \$33.25
Benefits 12%					= \$ 3.99
Total Labour Costs					\$37.74

Janitorial Supplies

Windex					\$1
Garbage Bags					\$1
Total Supplies					\$2

Equipment Costs

Vacuum		\$700
Mop & pail		\$40
Ladder		\$50
Pail squeegee		\$20
Cost of equipment		\$810

Cost x 2%/month = \$16.20 per month/4 weeks = \$4.05 per week

Total of estimate used as quote to client		\$43.79 per week
	GST	\$3.06
	Total	\$46.85 per week

This is an example of what needs to be highlighted when defining the time, supplies, and equipment needed to pursue a tender. This same model can be used for other business service tenders.

Prepared by: Government of Saskatchewan

For further information regarding starting a business, contact the

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