



CUSTODIAL SERVICES CONTRACT

June 14, 2010

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Recommended Contractor: Sodexo

- Not the least expensive – provides best employee benefits
- Education experience & references
- Cleaning philosophy
- Safe hiring practices
- Employee retention & training programs
- Computer-based quality assurance

Sodexo

Cleaning Philosophy

- Clean for health first, then appearance
- Treat cleaning workers as first class citizens
- Keep it simple
- Use the clean syndrome (cleanliness propagates cleanliness)
- Go beyond compliance on safety regulations
- Minimize environmental harm
- Exceed expectations

Surprise Site Visits

June 8

- Zionsville (5,360 students)
 - Just finished first year
 - District personnel involved in contract left; Sodexo manager had major family illness; caused transition and management difficulties (Lesson learned: must have strong district contract oversight)
 - Restrooms excellent, other areas need improvement
- Westfield (5,887 students)
 - Contract since 1986
 - Management rated relationship with Sodexo as excellent and employees are fully integrated; a total partnership
 - Buildings were meticulously clean



Proposed Sodexo Staffing

	FTE	FTE
Administration		
Resident District Manager	0.00	1.00
Assistant Director	0.00	1.00
Human Resources Manager	0.00	1.00
Administrative Assistant	0.00	2.00
Custodial Managers	0.00	5.00
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	0.00	10.00
 Custodial Staff (FWCS Titles)		
Custodial Foreman	7.00	6.00
Custodial Engineer	51.00	51.00
5-Hour Custodian	7.50	7.50
2-Hour Lunch Clean-up	2.75	2.75
Evening Custodians	148.69	126.00
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	216.94	193.25
 Total	 216.94	 203.25

Hiring Process

- FWCS employees all eligible to interview
 - Job Fair
 - all candidates interested in FWCS positions
 - options at other Sodexo locations & other potential employers
- Employee Screening
 - Third-party vendor USA-FACT for pre-employment background checks
 - Drug screening



FWCS Employees

- All current FWCS custodians will have an opportunity to interview for a position with Sodexo.
- If hired, seniority and accrued paid sick time will be recognized.
- FWCS will be responsible for accrued but unused vacation.
- There will be no gap in health insurance coverage for those hired by Sodexo.



Wages

	<u>FWCS</u>	<u>Sodexo</u>
Custodial Manager		\$45,000-\$55,000
Administrative Assistant		\$11-\$13
Custodial Foreman/Supervisor	\$18.98-\$21.83	\$12-\$13.50
Custodial Engineer	\$15.39-\$18.08	\$10.50-\$11.50
Evening Custodian	\$14.67-\$15.62	\$9.50-\$10.50
5-Hour Custodian	\$12.91-\$14.36	\$9.50-\$10.50
2-Hour Clean-up	\$12.91-\$14.36	\$9.50-\$10.50



Benefits

- Match to an employee's 401(k)
- Several health insurance plans available
 - Sodexo pays 70% of the cost. Standard for all Sodexo employees including management.

Contract Price

- Base \$7,193,974 annually, fixed 3 years
 - Contains language permitting re-negotiation of price in the event labor costs increase due to circumstances beyond Sodexo's control.
 - Any such pricing change would have to be approved by FWCS or the agreement may be canceled.
- All FWCS extracurricular events included in base amount
- Hourly rate for additional work requested by FWCS \$20/hour
- Deduction for closed school days \$15,522/day

Cost Savings

- Savings goal (included in \$15 million plan) was \$2 million (achieved with all Option 1 proposals)
- Option 2 - Sodexo \$4.4 million savings
- Savings from aligning wages, benefits and staffing levels with the market.
- Additional savings does not change components of \$15 million budget reduction plan
 - Additional savings reduces 2010-2011 expected \$8 million cut reduced, OR
 - Funding to keep some school reform expenditures when stimulus funds are depleted



Budget Comparison

Custodians	\$	6,776,698
Custodial Aides		223,622
Health Insurance		2,440,662
Other Benefits		1,310,460
Overtime		282,000
Substitute Operations		560,000
Training		5,500
Materials & Supplies		453,000
Uniform Rental		37,455
FWCS Custodial Budget		12,089,397
Sodexo Base Contract		7,193,974
Plus M & S provided by FWCS		453,000
Anticipated New Custodial Cost*		7,646,974
Net Savings	\$	4,442,423

Other Efficiencies

- Less payroll to process at sites and central office
- Eliminate Human Resources involvement in hiring, discipline, benefits
- Eliminate custodial sub processing
- Lower workers comp budget
- Better training system for custodians

Performance

- Contractually required to meet the terms and cleaning requirements of the:
 - The agreement
 - The RFP
 - The Sodexo proposal
- Performance for the first year is secured by a performance bond. After the first year, we may cancel the agreement on 60 days notice for any reason.



Optional Meetings for FWCS Custodians

- FWCS Human Resources Information Meeting - Tuesday, June 15, 4 p.m.
- Sodexo Information Meetings – Friday, June 18 (3 options – 9 a.m., 11 a.m., 1 p.m.)