

Blue River Services, Inc. Cost Proposal Narrative

Request for Proposal 23-73695 First Steps System Point of Entry

This Cost Proposal Narrative is written in support of the Blue River Services, Inc. proposal for Clusters F & I. We have the same Cost Proposal items for both Clusters, with only the proposed amounts being different for each Cluster. Here is a summary of expenses, if awarded both Clusters, grouped as they are categorized on the contract we currently have for Clusters F & I:

DESCRIPTION	PROJECTED ANNUAL BUDGET
PERSONNEL & DIRECT SERVICES EXPENSE	3,200,270
MATERIALS & SUPPLIES	40,000
TRAVEL	112,000
RENT	70,000
OTHER DIRECT COSTS	83,000
TOTAL BUDGET	3,505,270

Below, each Cluster's expenses as listed in the Cost Proposal is addressed.

Proposed Cost Name	Proposed Annual Cost Cluster F	Proposed Annual Cost Cluster I
Rent – This is the cost of rent for the primary Cluster F SPOE in Terre Haute and satellite locations in Washington (F), Evansville (I) and Ferdinand (I).	\$ 31,000.00	\$ 39,000.00
Utilities – Some utilities costs are included in the rent as listed above. Utilities costs are also paid directly for the primary Cluster I SPOE in New Albany and satellite locations in Corydon (I) and Salem (I). These locations are housed in buildings owned by BRS therefore rent is not incurred but occupancy costs are incurred. This line also includes the cost of occupancy insurance for every location and miscellaneous maintenance costs not covered in rent that arise throughout the year. All occupancy related items are covered here.	\$ 5,500.00	\$ 29,500.00
Postage – Postage is purchased for mailing early intervention record information to families and other general mailing needs. Bulk mailings to families do occur as well. These could be in relation to the DCS screenings or annual family surveys.	\$ 800.00	\$ 3,200.00
Travel - This includes mileage reimbursement to staff for business use of their personal vehicle for travel to family homes or other required meetings. Conference expenses including registration, meals & lodging are included here as they are also travel costs. Conference expenses are increased over past years due to new requirement for attending a national conference.	\$ 42,000.00	\$ 70,000.00
Equipment – Copiers are needed at each office. Though new machines are not purchased every year there are associated maintenance agreements to cover repair/service, toner, etc. Funds allotted here for computer replacement as needed.	\$ 4,000.00	\$ 9,100.00
Materials – Consumable office supplies such as paper, pens, envelopes, staples, tape, etc. Housekeeping expenses such as cleaning products. Other program supplies and expenses could include brochures (as approved by State), developmental checklists and other marketing items (as approved by State).	\$ 5,900.00	\$ 16,000.00
Technology – iPads are utilized to conduct home visits with families and at times need to be replaced. Other technology equipment such as routers, switches, cabling, access points & boosters need to be replaced at times.	\$ 2,000.00	\$ 3,000.00
Administrative and Support Costs - All costs are directly billed	\$ 0.00	\$ 0.00

Telephone Expense – This includes the cost for voice and fax landlines at all 7 offices in the two Clusters. Staff receive a cell phone stipend paid monthly for use of their personal cell phones for business purposes. We anticipate increasing this stipend to \$50 per month in 2023 as staff begin to use their phones to access hotspots in order to allow for EI Hub usage in the homes and complete real-time data entry. This will be more cost effective than issuing company owned cell phones to every staff person conducting home visits.	\$ 13,200.00	\$ 30,800.00
Directly billed Administrative Costs – This includes payment for payroll, accounting, information technology and human resource services paid directly to the vendor.	\$ 91,905.00	\$ 186,595.00
Directly billed Interpreter Services – Vendors are used to provide sign language and non-English language interpreter services. The SPOE does not pay for Spanish interpreting services as there is a Spanish-speaking Service Coordinator on staff.	\$ 1,200.00	\$ 2,400.00
Personnel Costs – This is the largest, and most important, expense that is incurred. It includes salary and benefit costs. Benefit costs include FICA & Medicare, Workers Compensation Insurance, Health Insurance, Life Insurance and 401(k) contributions.	\$ 866,713.39	\$ 2,051,457.44

It is noted that these costs were derived with the intention to continue serving both Clusters F & I. Should only one Cluster be awarded costs would be different as we currently receive bulk discounts for buying in larger quantities on some purchases. Additionally, the salaries of the Director, SPOE Supervisor and Family Services Administrative Assistant are proportionally allocated to each Cluster and the proportion would therefore change if only one Cluster were awarded.

This proposal includes costs to increase wages for all staff. The job market is vastly different since the COVID crisis. SPOE/LPCC starting salaries are no longer competitive and must be increased, most notably for Service Coordinators (SC). Environmental scanning of similar positions finds DCS Family Case Managers and BDDS Service Coordinators each starting at the same annual salary of \$47,320. This proposal includes an annual starting salary for First Steps Service Coordinators at \$47,008 (\$22.60 per hour). Those already on staff would receive a wage adjustment accordingly, including SCs and Management, in order to prevent wage compression given the increase in SC starting pay. Clerical starting salaries are also increased in this proposal and existing staff would receive a wage adjustment as well.

Caseload size of Service Coordinators is another important point to note here. There has been a tremendous increase in the number of children served in Cluster I over the last two years. This proposal includes costs to add two additional SCs in Cluster I in order to reduce the workload on existing Service Coordinators. Having 33 Service Coordinators and 3 Assistant Managers (who carry a partial caseload) will allow caseloads to be at approximately 65 children per Service Coordinator in each Cluster.

It is important that we pay a competitive wage and staff the appropriate number of Service Coordinators in order to attract and retain qualified employees. We believe investing in our personnel is the best use of these proposal dollars. This investment in turn increases employee retention, morale and job satisfaction, all of which have a direct effect on productivity and the quality of services provided to the children and families in the First Steps program.