

ARCHITECT-ENGINEER COST ESTIMATE
Basic Services (See Instructions)

ARCHITECT-ENGINEER NAME AND ADDRESS				PROJECT DESCRIPTION			
FIRM				FACILITY NAME		BUILDING NO.	
ADDRESS				PROJECT NO.	CITY	STATE	
CITY		STATE	ZIP CODE	DESIGN PHASE		COMPLETION IN WEEKS	
TELEPHONE	FAX	WEB SITE		Estimated Cost of Construction <i>(Design to cost Limit)</i>			

COST OR PRICING DATA REFERENCE

A. DIRECT SALARY COSTS - Basic Services

	JOB TITLES	MAN-HOURS	RATES \$	AMOUNTS \$	TOTALS
SPECIALTIES PROJECT MANAGEMENT AND COORDINATION					
ARCHITECTURAL No. of Dwgs. ()					
STRUCTURAL No. of Dwgs. ()					
MECHANICAL No. of Dwgs. ()					
ELECTRICAL No. of Dwgs. ()					
SPECIFICATIONS No. of Dwgs. ()					
ESTIMATES					
OTHER					
TOTAL DRAWINGS		TOTAL MAN-HOURS		TOTAL SALARIES A	

B. CONSULTANTS (Attach estimate as necessary) - Basic Services

	AMOUNTS \$
1.	
2.	
3.	
4.	
5.	

TOTAL SALARIES B

C. OTHER DIRECT COSTS (Attach estimate as necessary) - Basic Services

	AMOUNTS \$
1.	
2.	
3.	
4.	

TOTAL OTHER DIRECT COSTS C

D. OVERHEAD POOLS

	TITLES	RATES %	BASES \$	ITEMS
1.		%		
2.		%		
3.		%		

PREPARED BY (Signature)	Date	E	TOTAL COST TO ARCHITECT - ENGINEER Basic Services	A - D
		F	PROFIT %	E
APPROVED BY (Signature)	Date	G	TOTAL COST TO GOVERNMENT Basic Services	E + F
		H	% of ECC (Design-to-Cost Limit) - Basic Services	G %

ARCHITECT-ENGINEER COST ESTIMATE
Excluded Services (See Instructions)

ARCHITECT-ENGINEER NAME AND ADDRESS				PROJECT DESCRIPTION			
FIRM				FACILITY NAME		BUILDING NO.	
ADDRESS				PROJECT NO.	CITY	STATE	
CITY		STATE	ZIP CODE	DESIGN PHASE		COMPLETION IN WEEKS	
TELEPHONE	FAX	WEB SITE		Estimated Cost of Construction <i>(Design to cost Limit)</i>			
A. DIRECT SALARY COSTS - Excluded Services							
SPECIALTIES PROJECT MANAGEMENT AND COORDINATION		JOB TITLES		MAN-HOURS	RATES \$	AMOUNTS \$	TOTALS
ARCHITECTURAL No. of Dwgs. ()							
STRUCTURAL No. of Dwgs. ()							
MECHANICAL No. of Dwgs. ()							
ELECTRICAL No. of Dwgs. ()							
SPECIFICATIONS No. of Dwgs. ()							
ESTIMATES							
OTHER							
TOTAL DRAWINGS		TOTAL MAN-HOURS				TOTAL SALARIES A	
B. CONSULTANTS <i>(Attach estimate as necessary)</i> - Excluded Services						AMOUNTS \$	
1.							
2.							
3.							
4.							
5.							
						TOTAL SALARIES B	
C. OTHER DIRECT COSTS <i>(Attach estimate as necessary)</i> - Excluded Services						AMOUNTS \$	
1.							
2.							
3.							
4.							
						TOTAL OTHER DIRECT COSTS C	
D. OVERHEAD POOLS							
TITLES				RATES %	BASES \$	ITEMS	
1.				%			
2.				%			
3.				%			
PREPARED BY <i>(Signature)</i>			Date	E	TOTAL COST TO ARCHITECT - ENGINEER Excluded Services		A - D
				F	PROFIT %	%	E
APPROVED BY <i>(Signature)</i>			Date	G	TOTAL COST TO GOVERNMENT Excluded Services		E + F

COST OR PRICING
DATA REFERENCE

I. Purpose

A. The purpose of the instructional letter is to provide guidance to the acquisition, contractor and PBS program offices for the use and application of the revised GSA Form 2630, Architect-Engineering Cost Estimate, and the revised GSA Form 2631, Architect-Engineering Cost Summary. Revision of the Forms 2630 and 2631 will enable the PBS estimating and acquisition communities the ability to ensure the contract awards for Architect-Engineer services fall within the statutory limits of the Public Law 92-582 (ie Brooks Act).

II. Background

A. The Federal Acquisition Regulation (FAR) Part 15.404-4(c)(4)(i)(B) states "For architect-engineer services for public works or utilities, the contract price or estimated cost and fee for production and delivery of designs, plans, drawings, and specifications shall not exceed 6 percent of the estimated cost of construction of the public work or utility, excluding fees."

B. Guidance for use of the A-E Fee Estimating Forms 2630 and 2631 was cancelled in 1992. Since that time, there has not been guidance in the use of the forms. Because of the need for better enforcement of the statutory limits of the Brooks Act, the forms 2630 and 2631 have been revised to prepare fee proposal and Independent government estimates in terms of the estimated cost of construction, in order to ensure PBS doesn't pay in excess of the 6% statutory limits for production and delivery of designs, plans, drawings, and specifications.

III. Effective Date – Effective upon Issuance

IV. Termination/Cancellation Date: This Instructional letter will remain in effect until superseded or cancelled.

V. Applicability

A. This instructional letter applies to all PBS procurements of A-E services. The Form 2630 and 2631 is used for all Professional Services required by PBS. The statutory limit of A-E Design Services applies to only a portion of the full array of Professional Services required at any given time throughout the execution of a project.

VI. References

- A. 41 U.S.C.254
- B. Brooks Act Public Law 92-582
- C. FAR 36.6, Architect-Engineer Services
- D. FAR 15.4, Contract Pricing
- E. PBS Procurement Instructional Bulletin PIB 13-04, Application of the Architect-Engineer (A-E) 6% Design Fee Limitation

VII. Instructions

A. In accordance with the PBS goal of consistency in the way we do business it is mandatory that each procurement of A-E design services must apply the Brooks Act limitation consistently.

B. To ensure the contractors and estimators apply consistency in the interpretation of the Brooks Act and PIB 13-04 (PBS Acquisition Policy), Table One - PBS Application of the 6% Statutory AE Design Fee Limitation defines the types of services deemed to be considered as either "Basic Service" or "Excluded Services" in the preparation of AE (Professional Services) Fee Proposal and Independent Government Estimates for Professional Services. The PBS Application of the 6% Statutory AE Design Fee Limitation (Table One) is to be used in preparation of the estimate and is consistent with the deliverable requirements of the PBS P-100, Facilities Standards for the Public Buildings Service.

C. GSA Form 2630, Architect Engineer Cost Estimates, is to be used by the Prime Contractor and all Sub Consultants on any Professional Services Contract for PBS. The GSA Form 2630 is required to reflect all work identified in the contract statement of work, based on the phasing of the project. Most importantly, the revision to the SF 2630 requires each phase of services to be estimated / proposed by basic service and excluded services, defined by PIB 13-04. The completion of the SF 2630 is better defined in Provision 8.0 Revised 2630, Architect Engineer Cost Estimates.

D. GSA Form 2631, Architect Engineer Cost Estimate Summaries is to be prepared by the Prime Contractor (or Estimator), and will provide a summary, per project phase of all cost proposed (or estimated) for the work defined in the contract statement of work. Most importantly, the revision to the SF 2631 requires each phase of services to be reported as basic service and excluded services, defined by PIB 13-04. The completion of the SF 2631 is better defined in Provision 8.0 Revised 2630, Architect Engineer Cost Estimates.

E. Procedures for Defining Services – Upon review of the attached Table One, the Architect-Engineer shall define which elements in the scope of work for the contract at question. The Proposal will be developed based on the project phase, per sub-consultant and Prime Contractor. The same is true for the preparation of the Government Estimate.

VIII. Description of Forms

A. GSA Revised Form 2630

i. General

1. Whether addressing the estimate/proposal for basic or excluded services, the Revised GSA Form 2630 requires the following elements be addressed:

- Project Text
- AE Firm Text
- Direct Salary Costs
- Consultants
- Other Direct Costs
- Overhead Pools
- Profit - %%
- Signature

2. In addition to the above, when completing the GSA Revised Form 2630 for Basic Services, the user must calculate and report the percent (of ECC - Design to Cost Limit) paid for Basic Services.

ii. Direct salary costs – Applies to Basic and Excluded Cost Forms

1. General. Direct salary costs normally include salaries for regular time and overtime (excluding overtime premium costs) of architects, engineers, and draftsmen. Also included is the cost of partners' or principals' time when they are directly engaged in the architectural, engineering, estimating, scheduling, or other technical services to be rendered under the contract. For any employee not devoting full time to work performed under the contract, only the cost of actual time of work under the contract can be included. The compensation of a partner or principal shall be included as direct cost only for the time that he is expected to perform work under the contract and only if it is the A-E's normal practice to charge such time directly to all jobs. The rate of compensation of a partner or principal shall be commensurate with the cost of employing another qualified person to do such work, but the salary portion shall not exceed the actual salary rate of the person using the partner.

2. Proposal instructions. List the categories of professional or technical personnel necessary to perform each major element of work under the contract scope of services on the Architect-Engineer Cost Estimate. Estimate man-hours for each category and extend them by the wage rates to be paid during the actual performance of the work. Current rates, adjusted for project increases, if any, shall be used for the actual categories of labor contemplated. All projected increases shall be supported by recent experience or established personnel policy. Furnish a supporting narrative statement explaining in detail (1) the method of estimating and the computations used in developing the proposed man-hours, (2) the computation technique used in arriving at proposed labor and overhead rates, and (3) the specific documents, books, or other records used as factual source material to develop proposed man-hours and labor rates. To the extent feasible, detailed rate computations shall be furnished with the proposal. Voluminous computations or other data impracticable to submit must be identified in writing but may be retained as part of your proposal file. The file may be examined by GSA auditors or requested by the contracting officer prior to or during negotiations.

iii. Consultants' fees. – Applies to Basic and Excluded Services

1. General. Consultants' price proposals frequently represent a significant portion of the total A-E proposal. Consequently, the Government expects that consultants' proposals will be evaluated by A-Es prior to their incorporation into the total submission with correction/adjustments made prior to inclusion in A/E's submittal.

2. Proposal instructions. Consultants' price proposals shall be identified individually under the appropriate work element in the proposal. The data requirements and presentation estimates required in this instruction shall also be required of consultants. Each consultants' detailed cost and the A-Es' analysis thereof must be appended to the A-Es' proposal. Consultants will be required to certify as to the accuracy, currency, and completeness of their cost or pricing data when required by FAR.

iv. Other direct costs - Applies to Basic and Excluded Services

1. General. The following items illustrate costs which may be included in this category:

a. Travel costs, including transportation, lodging, subsistence, and incidental expenses incurred by A-E personnel or consultants while in a travel status in connection with the performance of services required by the contract. FAR 31.205-46 generally forbids the use of first-class air accommodations and also limits the use of private aircraft.

b. Reproduction costs, including blueprints, black and white prints, solid print, photographs, photostats, negatives, and express mail charges. (3) Commercial printing, binding, artwork, and models.

c. Proposal instructions. When included in the proposal, other direct costs must be detailed sufficiently to permit evaluation by GSA personnel. Furnish a narrative statement describing the basis for other direct costs proposed and identify the factual sources of costs, rates, etc., used in computing the proposed amount of each cost element.

v. Overhead costs – Applies to Basic and Excluded Services

1. General.

a. Overhead costs consist of pools of expenses. The expenses are grouped by benefits as they would accrue to the cost objectives represented by the distribution base or bases to which they are allocated. Since accounting practices vary, the use of particular groupings is not required. Neither is the use of any particular allocation base mandatory. However, it is mandatory that the method used result in an equitable allocation of indirect costs to the cost objectives that they support.

b. Normally, the A-E's accounting system and estimating practices will determine the method used to allocate overhead costs. The A-E's practices will generally be accepted. Proposed overhead rates shall represent the A-E's best estimate of the rates to be experienced during the contract period. They shall be based upon recent experience and be adjusted for known factors which will influence experienced trends.

c. Common overhead groupings in A-E firms are overhead on direct labor, and general and administrative expenses. The first group usually includes employment taxes, fringe benefits, holidays, vacations, idle time, bonuses, etc., applicable to direct labor. The second generally includes the remaining costs, which, because of their incurrence for common or joint objectives, are not readily subject to treatment as direct costs. It is expected, however, that proposed groupings will correspond with the A-E's normal method of accumulating indirect costs. No special categorization is required provided the results are realistic and equitable.

d. Direct salaries are the normal distribution base for overhead costs. In some circumstances a direct labor-hour base produces more equitable results. As in the case of overhead cost groupings, the method used will depend on the A-E's normal practices and the equity of the results produced.

vi. Profit. A fair and reasonable provision for profit cannot be made by simply applying a certain predetermined percentage to the total estimated cost. Rather, profit shall be established as a dollar amount after considering: (1) degree of risk, (2) nature of the work to be performed, (3) joint venture responsibilities, (4) extent of A-E's investment, (5) subcontracting of work, and (6) other criteria discussed in GSAM.

vii. Calculation of Design to Cost Limit – The GSA Revised Form 2630 requires the proposal or estimate to contain the ratio (%%) of the AE Basic Services Cost divided by the Estimated Cost of Construction (Design to cost limit).

B. GSA Revised Form 2631

i. General – The fee proposal and cost estimate must both be summarized with the GSA Revised Form 2631. The user must input the values for each of the project phases, reporting cost summaries for basic and excluded services. The GSA Revised Form 2631 must be completed by the Architect Engineer and the GSA Estimator.

ii. The GSA Revised Form 2631 must report the following:

1. Direct Salary Costs
 - a. Basic Services
 - b. Excluded Services
 - c. Per Each Project Phase (Pre-Design, Concepts, Design Development, Working Drawings, Post Construction Services, Other as Stated)
 - d. Subtotal
2. Consultant Services
 - a. Basic Services
 - b. Excluded Services
 - c. Per Each Project Phase (Pre-Design, Concepts, Design Development, Working Drawings, Post Construction Services, Other as Stated)
 - d. Subtotal
3. Other Direct Costs
 - a. Basic Services
 - b. Excluded Services
 - c. Per Each Project Phase (Pre-Design, Concepts, Design Development, Working Drawings, Post Construction Services, Other as Stated)
 - d. Subtotal
4. Overhead Pool Titles
 - a. Basic Services
 - b. Excluded Services
 - c. Per Each Project Phase (Pre-Design, Concepts, Design Development, Working Drawings, Post Construction Services, Other as Stated)
 - d. Subtotal

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5. Total Cost to A-E (Prime)
 - a. Basic Services
 - b. Excluded Services
 - c. Per Each Project Phase (Pre-Design, Concepts, Design Development, Working Drawings, Post Construction Services, Other as Stated)
 - d. Subtotal
 6. Profit
 - a. Basic Services
 - b. Excluded Services
 - c. Per Each Project Phase (Pre-Design, Concepts, Design Development, Working Drawings, Post Construction Services, Other as Stated)
 - d. Subtotal
 7. Total Cost to Government
 - a. Basic Services
 - b. Excluded Services
 - c. Per Each Project Phase (Pre-Design, Concepts, Design Development, Working Drawings, Post Construction Services, Other as Stated)
 - d. Subtotal
 - e. Basic Services Total Cost – Percent Ratio – Total Basic Services Cost/Estimated Cost of Construction (Design to Cost Limit)
- iii. Proposal submission. The completed proposal and all cost or pricing data described in preceding paragraphs shall be submitted in accordance with the instructions contained in the proposal invitation.

For questions regarding the use of the GSA Revised Forms 2630 and 2631, please contact the PBS Office of Design and Construction, Cost Management Program.

Design Estimate Application of the 6% Fee Limitation					
SERVICE	IN	OUT	SERVICE	IN	OUT
Studies, Investigations, and Surveys:			Design Development		
Feasibility Studies, Prospectus Development Studies including Functional and Economic Studies and Analysis		X	Feasibility Studies, Prospectus Development Studies including Functional and Economic Studies and Analysis	X	
Environmental impact assessments, statements, and supporting data		X	Interior space design (permanent partitions/walls)	X	
			Value Engineering - VE Consultant		X
Environmental (asbestos, hazardous waste, etc.) investigations, studies, reports, permits		X	Interior space design, space layout drawings, drapes, free standing partitions, FF&E		X
Historic Preservation Studies		X	Landscape Design	X	
Traffic Studies		X	Changes to drawings / specifications resulting from value engineering, clarifications, unforeseen conditions	X	
Existing Facility Investigation		X	Graphic communication services		X
Surveys - topographic/boundary/utility		X	Special Energy Services		X
Soil Borings		X	Construction Documents Phase		
Special Energy Analysis over & above normal calculations to design a typical HVAC System and supporting electrical and instrumentation systems		X	Drawings, specifications, cost estimates (furnished by A-E)	X	
Measured Drawings Development (verify site measurements)		X	Changes to drawings / specifications resulting from value engineering, clarifications	X	
Roof Samples and reports		X	Preparation of bid packages and amendments	X	
Flow gauging, model testing		X	Critical path method / computer scheduling		X
Services related to out-lease space		X	Costs applicable to all Phases		
Site Selection		X	Travel costs (including labor and per diem)		X
Pre-design programming			Meetings		
Preparation of general and development criteria		X	Reproduction costs (above 1 set)		X
Preparation of general and feature design memoranda		X	Design / Build Services		X
Master planning		X	Building Information Modeling (BIM) Services		X
Pre-design / architectural programming		X	Postage, telephone costs		X
Determination of program requirements	X		Secondary cost estimates		X
Concept Phase			Art-in-Architecture Services		
Concept Services including Design Alternatives	X		Art in Architecture Coordination		X
Review of local code, permit, and inspection requirements	X		Construction Phase		
Design Narratives	X		Critical path method / computer scheduling		X
Value Engineering - VE Consultant		X	Site slides, photographs		X
Changes to drawings / specifications resulting from value engineering, etc.	X		Post construction contract services (review of shop drawings and sample approval), maintenance manuals		X
Concept Presentations		X	Compiling operating and maintenance manuals		X
Display Models and Renderings		X	Modifications for changes to drawings / specifications resulting from value engineering, clarifications (RFI's, etc), unforeseen conditions, post construction contract award changes, etc.	X	
Landscape Design	X		Record documents - "as built" drawings and marked specifications		X
			Secondary cost estimates		X
			Building Information Modeling (BIM) Services		X
			Post Occupancy Evaluation		X

Notes

- Special consultant services specifically applied to the actual preparation of drawings or specifications are considered Basic Services and are included within the 6% Statutory A-E Design Fee Limitation.
- Special consultant services NOT specifically applied to the actual preparation of working drawings or specifications of the project for which the services are required are considered outside the limits of Basic Services and are excluded from being within the 6% Statutory A-E Design Fee Limitation.
- Value Engineering AE Design Team Participation is included in the 6%.
- Note, the 6% limitation only applies to contracts for complete design services and do not apply to AE contracts for the preparation of performance specification or bridging documents for design build contracts.

Table One - PBS Application of the 6% Statutory AE Design Fee Limitation