

Notes on making an estimation

March, 2015
The Institute of Applied Energy

This matter involves entrustment of a part of the government-subsidized project, and the examinations shown below are supposed to be conducted at the completion of the project. Please refer to them when preparing proposals and considering bid price.

(i) In principle, the contract shall be signed based on bid price (as explained in the paragraph 5. (2) of the bid description, its validity will be evaluated).

(ii) After the completion of this project, a field investigation will be conducted, and the work logs kept by personnel engaged the project and documents detailing direct expenses (receipts, etc.) will be examined.

(iii) Based on the results of investigations in (ii), the individual costs incurred by the project will be totaled. Although we will not specify any requirement for the level of general administrative expenses in the sum total, we will request that a reasonable explanation be made.

(iv) When the calculated total in (iii) reaches the bid price (=contract sum), we will pay the contract sum. In principle, however, expenses will be totaled by expense item and the inter-appropriation transfer between the accounting items (personnel expenses, direct cost, and outsourcing expense) shall be within 10% of the amount of the lower item.