

Sample “Cost-Benefit Analysis” Template

Note: The [agency] will commit to a lease term of [number—e.g., 5] years. The full term of the lease to be negotiated will be [number—e.g., 5] consistent with [agency] commitment, and the associated tenant improvements will be amortized over [number—e.g., 5].

Example: Acquisition of [...] ANSI/BOMA Office Area (ABOA) Square Feet, 5-Year (Full Term) Analysis

Note: TI allowances are calculated only on ABOA square feet.

Cost-benefit Analysis Acquisition of 25,600 ANSI/BOMA Office Area (ABOA) Square Feet 5-Year (Full Term) Analysis:		
	Present Location	Alternate Location
5-year total rent/annual ABOA rate (shell and operating costs only)	\$3,072,000/\$24	\$ 2,398,720/\$18.74
New amortized tenant improvements This estimate is developed by GSA working with the customer agency and reflects the cost of the tenant improvements (general and customization allowance) under the new lease. In this example, the agency has fewer new tenant improvements to be constructed at the present location because it will be able to reuse many of the existing tenant improvements already in place under the current expiring lease. (These are out-of-pocket costs and not the depreciated value of existing tenant improvements.) ^a	\$257,280	\$1,137,920
Cost of physical move. ^b Include the following information in the estimate: <ul style="list-style-type: none"> • Number of people moving • Number of cabinets or estimate 2 cabinets/person • Number of boxes (or number of boxes per person) • Number of existing workstations to disassemble, move, and reassemble • Move freestanding furniture (\$/ABOA SF; # of rooms) • Temporary contingency storage fees per workstation per month, if appropriate • Furniture project management fees • Space planning project management fees 	\$5,029	\$21,604
Voice and data move. ^c Includes both move and replacement costs, since moves sometimes trigger replacement of equipment that otherwise would have been used for a longer time. Include the following elements in the estimate: <ul style="list-style-type: none"> • Purchase and install new ISDN phone system • Purchase new handsets • New voice/data ISDN line • Relocate existing voice/data ISDN line (including phones in conference rooms, lines for fax machines, etc.) • Purchase and install new analog phone system • New voice/data analog line (fax) • Relocate existing voice/data analog line (fax) • Purchase new switch • Purchase new phones and voicemail system • Purchase new LAN printer (data line) 	\$10,057	\$68,974

Cost-benefit Analysis Acquisition of 25,600 ANSI/BOMA Office Area (ABOA) Square Feet 5-Year (Full Term) Analysis:		
	Present Location	Alternate Location
<ul style="list-style-type: none"> Relocate existing LAN printer (data line) Purchase and install new computer equipment Relocate existing computer equipment Relocate computer rooms (# rooms \$/ABOA SF/room) Telecommunications project management fees 		
Administrative time. This should include the amount of time spent packing and unpacking boxes at workstations and any other nonproductive work time waiting for the setup of workstations.	\$0	\$15,000
Duplication of Reimbursable Work Authorization (RWA) alterations (above agency customization tier) This estimate is developed by GSA working with the customer agency and reflects the cost to replicate existing RWA alterations in the event of a move to a new location.	\$0	\$410,702
Temporary storage fees. Include contingency storage fees per workstation per month, if appropriate	\$0	\$0
Total 5-year cost/annual ABOA rate (no escalations included)	\$3,344,366/\$26.13	\$4,052,920/\$31.66
Remaining existing lease liability not backfilled (applies when comparing superseding against replacement lease only)		
Full term lease savings	\$708,554	
Estimate the costs of relocation by conducting market research, which involves: <ul style="list-style-type: none"> Reviewing PBS and Federal Acquisition Service client agency costs for recent relocation services. Asking private companies their costs for recent relocations. Searching for printed and online advertisements for relocation services with quoted rates. Calling service providers for quoted rates. ^a Costs of tenant improvements: [Identify source of supporting data here] ^b Costs of physical move: [Identify source of supporting data here] ^c Costs of voice and data move: [Identify source of supporting data here]		