# 2024 A&E Outreach Event for Non–Prevailing Wage Cost Proposal Template

## Section1: Non-Prevailing Wage Cost Proposal Update

Here is the list of updates.

- Combined the existing 3-year, 4-year, and 5-year templates into one Excel sheet with filter features to select contract terms and to allow consultants to print areas where employee is entered.
- Added a separate sheet to allow consultants to bill uncompensated overtime when using the Salary Variance Method.
- Fringe benefit is no longer required.

## Calculation of Loaded Billing Hourly Rates (LBHR)

- **Indirect Cost Rate** (ICR%) =
  Fringe Benefit % + Overhead % + General Administration %
- Business Segment
- Field Office
- Contract Employee

- **Escalation Increase after February 15, 2024**
  - 1$^{st}$ year (from SOQ submittal date): 2.08%
  - 2$^{nd}$ year: 4.17%
  - 3$^{rd}$ year and after 4.17%
  - Escalation increase is re-evaluated annually in February.
  - A&E Project Specific contracts may vary in escalation rates: Please refer to the Request for Qualifications (RFQ) for the specific escalation increases.

## Calculation of Loaded Billing Hourly Rates (LBHR)

- **LBHR** = [Actual Hourly Rate x (1+ICR) x (1+Fee)] + (Actual Hourly Rate x FCCM)
  Full multiplier = (1+ICR) x (1+Fee)
  Cost of Money – Facilities Capital Cost of Money (FCCM)
  CALTRANS WILL REIMBURSE PREMIUM OVERTIME AS AN OTHER DIRECT COST ONLY, AS APPLICABLE

## Calculation of Overtime

- Overtime (**1.5x**) Loaded Hourly Billing Rate = (Actual Hourly Rate) (1+Fee) (1+OH) + (**Actual Hourly Rate**)*0.5
- Overtime (**2.0x**) Loaded Hourly Billing Rate = (Actual Hourly Rate) (1+Fee) (1+OH) + (**Actual Hourly Rate**)*1
- No multiplier applied to premium overtime portion.
- If your firm accounting records incorporate uncompensated overtime using the Salary Variance Method (also referred to as the Standard Rate Method) for exempt salary employees, your company can use the "Firm Name_Exempt Employees(OT)"

sheet. Otherwise, use the"Firm Name_Payroll Employees" sheet unless you are in Independent Contractor (1099 employee).

## Overtime Compensation

- **Exempt Salary** Employee – Not Compensated for Overtime
- **Exempt Hourly** Employee – Compensated for Overtime @ Straight Time (ST) Rate
- **Non-Exempt** Employee – Compensated for Overtime @ 1.5 x Straight Time Rate or @ 2.0 x Straight Time Rate