LABOR MARK-UP FOR INSURANCE AND TAXES

PROJECT NO._____ DATE: _____

DESCRIPTION: _____

_____

CONTRACTOR: _____

ADDRESS: _____

TOWN/CITY, STATE, ZIP: _____

TELEPHONE NUMBER: _____

I certify the below rates, which are to be used for cost-plus or cost-plus related work on the subject project. Revised rates will be provided annually or as needed in certain cost associated situations. (Ex.: Straight time vs. overtime or additional risks)

	Straight Time Portion	*Premium Portion
Workers Compensation Rate:	_____	*_____N/A_____
General Liability and Property Damage Insurance Rate:	_____	*_____N/A_____
Social Security (FICA) Rate:	_____	_____6.20%_____
Medicare Rate:	_____	_____1.45%_____
State Unemployment Insurance Rate:	_____	*_____
Federal Unemployment Insurance Rate:	_____	*_____
Total of Above Rates =	_____	_____

*** Refer to Construction Manual Section 1-6 for guidance; N/A refers to the +1/2 portion of hourly rate, only.**

NOTE: A copy of the "Declaration Sheet" from our insurance company or certified letter if self insured is attached.

_____ _____

Signed by Officer of Company **Date**

Certified by Notary

Insurance and Taxes on Cost-Plus Work

1. State Unemployment (S.U.C.A.):	6.8%
2. Federal Unemployment (F.U.C.A.)	0.8%
3. Social Security (F.I.C.A.)	7.65%
4. Worker's Compensation	Varies by trade

Verify correct trade is being used.
Declaration sheet usually provides rate directly.
e.g. $12.48 per $100 = 12.48%

5. General Liability	Varies

Declaration sheet from Insurance Company should show premium and "basis" for premium (expected payroll for the year) – rate is usually per $1,000. e.g. rate of 39.051 per thousand of payroll X $2,000,000 payroll = $78,102 premium. Therefore, you must reduce it to a rate per hundred. e.g. 39.051 per thousand becomes 3.9051 per hundred. This is the rate you should see on the summary sheet.

NOTES:

a) Total % should not exceed 60% for general construction work or 80% for steel erection or bridge painting. If it does, ask for an explanation. Spec allows us to ask for whatever documentation we deem necessary. Copy OOC on reply to Contractor.

b) If a Contractor's rate changes by more than 5% at any time, let OOC Liaison know.

c) Summary sheet should be signed by an Officer of the company.

d) Summary sheet should be notarized.

e) Declaration sheet from Insurance Company should be attached to Summary sheet when submitted.