

JOB CHARGE RATES for “Prevailing Wage” LABOR
Labor Rate Calculation Sheet (LRCS) INSTRUCTIONS
Revised July 9, 2018

**PLEASE READ AND FOLLOW THESE INSTRUCTIONS AND SUBMIT ALL
REQUIRED BACK-UP**

The Submittal of a Trade Labor Rate shall include:

- a) One Excel workbook for each trade being submitted for approval.
- b) An un-protected PDF copy of each of the previous year's quarterly Michigan Tax Forms and Summary of Hours
- c) An un-protected PDF copy of the company's current Workers' Compensation Policy Information Form.
- d) An un-protected PDF copy of the Prevailing Wage sheet for each trade being submitted.

The processing of any Change Orders will be contingent upon prior receipt and approval of the "PROJECT LABOR RATE SUMMARY" sheet and a "LABOR RATE" sheet for each trade, for each Journeyman, Foreman and General Foreman. The LABOR RATE sheets shall be submitted for all trade work to be either self-performed by the contractor or for ALL tiers of subcontracted work, in accordance with U-M General Conditions (Supplemental General Conditions or Standard General Conditions).

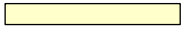
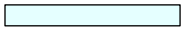
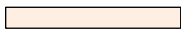
IF YOU ARE READING A PRINTED COPY OF THIS SHEET, DOWNLOAD THE LATEST INTERACTIVE VERSION (Microsoft Excel) OF THE EXCEL WORKBOOK FROM THE U-M AEC WEBSITE AT: [AEC Website](#)

PREVAILING WAGES

The Prevailing Wages for University projects are published by the State of Michigan. They can be found as follows:

- A. A listing of project-specific Prevailing Wages is published in every “Project Manual for Electronic Bid Submission” issued by the University.
- B. The general (approximately quarterly) publication of the Prevailing Wages by the Department of Licensing and Regulation [LARA] of the State of Michigan, per County, is available at the LARA Website at: [Michigan Prevailing Wages, by County](#)
- C. In all submittals, include following data, where appropriate ... “Trade” and “Trade Classification Code”. Example: “Laborer (L499-A-B)” (See Cell AH28 on the JM tab)
- D. Specific instructions for working with Prevailing Wages are included below

LABOR RATE CALCULATION SHEET

- A. Choose the "LABOR RATE - Journeyman" tab at the bottom of the workbook, to begin the process guided by the color-highlighted cells below
 - a)  “Yellow” cells are to be filled-in by the contractor
 - b)  “Blue” cells are "locked" with fixed values or formula calculations
 - c)  “Tan” cells are automatically filled-in from the Journeyman, Workers' Comp or another sheet.
- B. In the upper right-hand corner of the JM page, check the box indicating “Prevailing Wage”. This will automatically input the Trade (Trade Classification Number) in the appropriate cell.
- C. On the right side of the JM page is a chart for input of the Prevailing Wages (PW). The Contractor shall first input the three shift rates of the PW for their trade classification in the "green-highlighted", "red-fonted"

cells. This automatically inputs the correct application of the PW's taxable Base Wage and Fringes into the appropriate rows on the JM page.

- D. Any additional taxable or non-taxable fringes provided by the employer shall be inputted in the appropriate section on the JM page. These must be documented with PDF copies delineating these fringes.
- E. Michigan PW's make no stipulations for the Foreman or General Foreman classifications of Labor. Any such "over-scale" payment by the employer shall be similarly PDF documented.
- F. On the main part of the page, the Contractor shall complete all applicable fields that are shaded "yellow". After completing the "Journeyman" worksheet, tab to the "Foreman" and "General Foreman" worksheets to fill-out and complete them. NOTE: Some of the "yellow" cells on the "Foreman" and "General Foreman" sheets are automatically filled-in with the inputs of the "Journeyman" sheet. This data can be over-written as applicable from the Union Wage back-up data. **Submit a completed Excel workbook for each trade to be approved.**
- G. The Workers' Comp Calculator requires the input of three costs from the Contractor's "Workers' Compensation Policy Information Page". The fields to be filled-in are:
 - a) The "Total Estimated Annual Premium"
 - b) The "Total Discounted Annual Premium"
 - c) The "Rate per \$100 of Remuneration" for the "Risk Category" of the Trades involved in the Project.
 - d) The WC Calculator sheet then feeds the Workers' Comp hourly percentage into the individual "Labor Rate" sheets.
 - e) *If the contractor is a member of a PEO [Professional Employers' Organization], the PEO shall issue to the contractor, on letterhead, the statement of the Rates of Remuneration for which the contractor will be billed for the trades being submitted. This will suffice the requirement for WC back-up documentation.*
 - f) **Submit an un-protected PDF copy of the Company's Workers' Compensation Policy Information Pages or PEO letter as back-up, for verification.**
- H. The SUTA Calculator requires the input of:
 - a) The previous year's quarterly "Taxable Wages" per the Michigan Quarterly Tax Reports filed by the contractor. *Examples of these data are the LARA Form #1028-Rev 2/13, and/or the "MiWAM" Web Document form.* To the sum of these quarterly-reported Taxable Wages for the previous year is applied the current year's Rate of Taxation which is already fixed on Line F. This rate of taxation can be found on the contractor's Tax Rate Determination for Calendar Year "XXXX" [State of Michigan LARA Form # 1771, Rev 08/12]. **Submit an un-protected PDF copy of the Company's four quarterly Tax Report forms for verification, with confidential information hidden.**
 - b) The previous year's total Labor Hours, including salaried and hourly personnel. The Summary of Hours can be in the form of the MIOSHA Form 300A, or an end-of-year accounting summary report. **Submit an un-protected PDF copy of the Company's Summary of Hours for verification, with confidential information hidden.**
- I. The overtime columns should contain the amount to be added to the straight-time rates for either 1½ -time or double-time, as stipulated by the contractor. These adders are subtotaled near the bottom of the form and are added to the base rate in the final row of the form.

- J. Fringe Benefits and Burden items are recorded differently from trade to trade and contractor to contractor. They may be either a percentage of the base rate or a flat dollar amount. The form allows for either on each appropriate line, but not both. If both fields are completed on the same line, the form defaults to the percentage field.
- K. Only verifiable fringe benefits will be allowed, where applicable. A copy of the commitment, including costs to the employer, must accompany the submittal of the Labor Rates.
- L. A fixed allowance is included in Section G of the Labor Rate Sheet for the following items. No other payment for these items will be allowed.
 - a) Extension of Performance and Payment Bonds @ 1% of the Total Trade Rate – Line [C]
 - b) General Liability Insurance @ 1% of the Total Trade Rate – Line [C]
 - c) All small tools which are valued under \$1,000 @ 3% of the Total Trade Rate – Line [C]

PROJECT LABOR RATE SUMMARY

- A. Choose the "PROJECT LABOR RATE SUMMARY" sheet tab at the bottom of the worksheet.
- B. The "tan-highlighted" cells are automatically filled-in as the LABOR RATE sheets are completed. The blank rows of this sheet are formatted to match the tan highlighted rows in the event that the contractor wishes to collect all of their approved rates for other trades all on one sheet. *This collection of Labor Rates would be a most efficient presentation with quotes for extra work.*

Please call the AEC Cost Estimator at (734) 763-3317 with any and all questions before submitting.

Address all submittals, including Contact Information, directly to the AEC Cost Estimator, at [minjohn@umich.edu]. Provide additional copies to whomever the contractor is obliged.

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