

Attachment 4

U.S. Department of the Interior

FAR Clause 52.219-14, Limitations of Subcontracting

Subcontracting Percentage Worksheet

PRIME CONTRACTOR: _____ **SOURCE:** _____

SUBCONTRACTOR: _____ **SOURCE:** _____

	PRIME CONTRACTOR	SUBCONTRACTOR
DIRECT LABOR	\$	\$
FRINGE BENEFITS*	\$	\$
SUBTOTAL	(A) \$	(B) \$
LABOR G&A** @ ____%	\$	\$
TOTAL LABOR COSTS	(C) \$	(D) \$

To calculate the subcontracting percentage, first add DIRECT LABOR and FRINGE BENEFITS and enter the figures for the prime contractor in space (A) and for the subcontractor (if available)*** in space (B).

Next, calculate the LABOR G&A by multiplying the G&A rate by the SUBTOTAL figure in space (A).

Calculate the subcontractor's LABOR G&A by multiplying the subcontractor's G&A rate by the subcontractor's SUBTOTAL figure in (B).

Add the LABOR G&A to the SUBTOTAL and record that figure in the spaces for TOTAL LABOR COSTS at (C) and (D) respectively.

Next, using the formula below, calculate the subcontracting labor percentage.

$$\frac{(D)}{(C) + (D)}$$

SUBCONTRACTING LABOR COST PERCENTAGE = _____ %

* The firm must demonstrate that their labor overhead is allowable in accordance with FAR 31 .205-6(m). Failure to do so will cause the entire overhead to be eliminated from the calculations.

** G&A denotes General and Administrative Costs

*** You need to compare as like figures as possible. Therefore, if you have a breakdown of the subcontractor's costs use it in the formulation above. If you do not have a breakdown you need to use the TOTAL SUBCONTRACTING AMOUNT for item (D) even though you must still breakdown the contractor's costs.