

Attachment B

<b>INSTRUCTIONS FOR PREPARING WORKSHEET FOR PY 2001 TARGETED SALARY ADJUSTMENTS FOR: INSTRUCTORS, RESIDENTIAL ADVISORS, SECURITY STAFF AND THEIR SUPERVISORS</b>	
<b>GENERAL INSTRUCTIONS</b>	
<b>Purpose</b>	To provide information that is needed to determine center contract budget increases, if any that are needed to adjust salaries in the targeted positions to fully competitive levels.
<b>Prime Contractor Positions</b>	Prime contractors should provide data only for the positions that are filled by their direct employees. Data on subcontractor employees is not necessary, except when a subcontractor provides substantial numbers of on-center staff in the targeted positions. If data on subcontractor staff is needed, the prime contractor should arrange for the subcontractor organization to prepare and submit the worksheet directly to DOL within the established time frames.
<b>Subcontractor Positions</b>	A subcontractor is expected to complete the worksheet for its positions in the targeted categories, if requested to do so by the prime contractor. If confidentiality of information is a concern, the subcontractor should transmit its worksheet directly to DOL at the e-mail address indicated. Subcontractors should be asked to complete the worksheet only if they furnish all or most of the targeted staff in a particular category. This might occur, for example, under a mentor/protege contract or where a subcontractor has been retained to operate an entire department.
<b>NTC Staff Not Included</b>	The worksheet should NOT REFLECT positions occupied by National Training Contractor instructors.
<b>Submit Worksheets To:</b>	Completed worksheets should be transmitted as spreadsheet attachment to the following e-mail address within DOL's Office of Job Corps: <a href="mailto:SPUTERBAUGH@DOLETA.GOV">SPUTERBAUGH@DOLETA.GOV</a> .
<b>Due Date</b>	Completed worksheets should be transmitted to the above e-mail address by March 8, 2002.
<b>Make Copies and Rename</b>	It is recommended that recipients of these instructions make copies of this spreadsheet, giving them new file names. It is suggested that the file name of the worksheets that are submitted to DOL incorporate abbreviations of the centers' names.
<b>Key Dates</b>	The information to be provided in the worksheet should be that which was in effect on 2/1/2002. The effective date of any funded salary adjustments is assumed to be 4/1/2002. These two dates have been pre-loaded into the worksheet for use in certain formulas.

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<b>Making Entries</b>	Make entries in the blue-shaded cells only. The yellow-shaded cells are filled by formulas. The worksheet comes pre-loaded with example data. Simply overwrite the example data with a center's "live" data.
<b>If Rocco Levels Are Determined to Be Inappropriate</b>	If a contractor determines that the "Rocco-recommended" salary level for one or more position titles is not realistic at a particular center, the contractor should nonetheless proceed to fill out the worksheet with the Rocco salary levels and then develop and submit a second, alternative worksheet substituting its own desired salary levels for the Rocco levels. An alternative worksheet must be accompanied by a full explanation/justification as to why the alternative salary levels are more appropriate and realistic than the Rocco levels.
<b>A. HEADING INFORMATION</b>	
<b>Center Name</b>	Enter name of Job Corps center -- just the name, not including the words "Job Corps center."
<b>Reporting Organization</b>	Enter name of contractor or subcontractor organization that is preparing the worksheet.
<b>Prime Contractor or Sub</b>	Enter "Prime" or "Sub," whichever is appropriate.
<b>Subcontractors Who Will Report</b>	If a prime contractor has requested one or more subcontractors to complete the worksheet, it should name those subcontractors in its own worksheet, thus alerting DOL staff that subcontractor worksheets are due for that center.
<b>Is This an Alternative Report (Y/N)?</b>	Enter YES if this is an alternative worksheet that contains desired salary levels that are different from the Rocco-recommended levels. Otherwise, leave blank or enter "NO."
<b>Reported Data Current As Of</b>	Pre-loaded with required "as of" date: 02/01/2002.
<b>Assumed Effective Date of Salary Adjustments</b>	Pre-loaded with assumed salary adjustment effective date of: 04/01/2002.
<b>Geographic Adjustor for this Center</b>	Refer to the "geo_adj" tab and look up your center on the table. The "Aggregate Differential" in the column immediately to the right of your center's name should be copied and entered into this cell of the worksheet. The entry should be as a percentage. For example, 98.1% should be entered as ".981."
<b>B. BASE ANNUAL SALARY INFORMATION</b>	
<b>Positions Listed (Rows)</b>	The position titles listed are generally well known in the Job Corps community. If your center uses different nomenclature, it should be a simple matter to relate the center's job titles to the titles pre-printed on the worksheet. If there are any ambiguous or "gray areas," please contact the Job Corps National Office for a determination on whether or not a particular local position title equates to a pre-printed position title.

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<b>Supervisors (Rows)</b>	In regard to "supervisors," the positions listed refer only to those that directly supervise the instructors, RAs and security officers. These targeted salary increases are not intended to provide a general lifting of compensation scales for managers and executives all the way up the line.
<b>Residential Advisors and Sr RAs (Row)</b>	RAs and Senior RAs should be reported together on this row of the report. The Rocco-recommended salary for this position title represents an average that incorporates the higher rates for Senior RAs and the lower rates for "regular" RAs.
<b>Budgeted FTE (Column)</b>	The focus is on budgeted positions, which is not the same thing as positions that happen to be occupied at the time the worksheet is completed. For each position title listed, identify the number of FTE positions that are funded in the budget for the current contract year. It is assumed that this number will remain the same in the next contract year. If this is not so, provide an explanatory note in the comments section. Also note that prime contractors should not provide data on any positions that are being reported by a subcontractor.
<b>Avg Budgeted Annual Salary - For Current Contract Year, For Next Contract Year (Columns)</b>	The focus is on budgeted annual salaries, which is not the same thing as salaries that are actually being paid to current employees at the time the worksheet is being completed. For each position title listed, enter the average (mean) budgeted annual base salary for both the current contract year and the next contract year (if any option extensions remain on the current center contract). The average mean base salary is computed by taking the annual base salary for each position reflected, summing these amounts, and dividing the sum by the FTE positions reflected. Also note that prime contractors should not provide data on any positions that are being reported by a subcontractor.
<b>Rocco-Recommended Salaries - Pay Level (Column)</b>	For each position title, the Rocco-recommended pay level is pre-entered on the worksheet.
<b>Rocco-Recommended Salaries - For Current Contract Year, For Next Contract Year (Columns)</b>	For both the current contract year and the next contract year (if any), the mid-point annual salaries that match the Rocco-recommended pay levels are pre-entered on the worksheet. This includes an appropriate adjustment based on geographic location, along with a further appropriate inflation adjustment based on differences between the time frame of the Rocco salaries and the time frame of the contract year.
<b>Annualized Budget Changes Indicated - For Current Contract Year, For Next Contract Year (Columns)</b>	For each position title, the worksheet contains a formula that will compute the annualized spending change for base salaries that will occur in both the current contract year and the next contract year (if any) if the Rocco-recommended levels are paid instead of the current budgeted averages. Column totals are also provided.

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<b>C. ANNUAL PERSONNEL EXPENSE OTHER THAN BASE SALARY</b>	
<b>Benefits That Are Sensitive to Base Salary (Row)</b>	For the staff positions identified in the above Section B, it is necessary to enter, for both the current contract year and the next contract year (if any), the amount presently budgeted for employer paid fringe benefits, but limited to those fringe benefits whose cost will increase or decrease along with changes in base salary cost. Any employer contribution that is computed as a percentage of payroll costs (e.g., FICA, Medicare) should be included. Employer contributions that are computed independent of payroll costs (e.g., health insurance benefits that are computed/budgeted on a per-capita basis) are to be excluded. Entries are made under Columns (b) and (c); all other columns are filled by formula.
<b>Other Expense Sensitive to Base Salary (Row)</b>	For the staff positions identified in the above Section B, it is necessary to enter, for both the current contract year and the next contract year (if any), the amount presently budgeted for other personnel expense items whose cost will increase or decrease along with changes in base salary cost. This will normally include amounts budgeted for overtime pay, and differential pay for holidays and night-time duty, along with projected savings due to an assumed average vacancy rate. <b>DO NOT INCLUDE ANY INDIRECT COST IN THIS SECTION.</b> Entries are made under Columns (b) and (c); all other columns are filled by formula.
<b>D. TOTAL PERSONNEL EXPENSE FOR ABOVE POSITIONS (All Data Filled in By Formula)</b>	
<b>Annualized Levels (Row)</b>	Under Columns (g) and (h), this displays the annualized cost difference of both salary and other personnel expense that would result from adjusting current budgeted base salaries to the Rocco-recommended levels. Data is supplied for both the current contract year and the next contract year (if any).
<b>Contract Year Budget Changes Prorated Based on Effective Date (Row)</b>	Under Column (g), this displays the prorated budget increase needed in the current contract year to cut over to the Rocco-recommended base salaries, effective April 1, 2002. If the current contract year expires on or before March 31, 2002, the amount displayed will be \$0. If the "next" contract year begins prior to April 1, 2002, then the budget increase being displayed is also prorated. Otherwise, the budget increase for the next contract year will reflect the full annualized level. The relevant proration percentage factors are displayed on the row so labeled.
<b>E. RECOMMENDED ADJUSTMENT TO INDIRECT COSTS</b>	

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The entries made in this section are intended to determine what adjustments can be made in current indirect cost rates to ensure that the above changes in direct labor expense will have no impact on the amounts that are budgeted and billed for indirect costs. There is no substantive reason to expect that the above changes in labor expense should have any impact on a contractor's underlying G&A or overhead activities or expense. It is therefore the Department's position that no further net budget increase will be allowed in this exercise to cover added billings for indirect costs. Unless the contractor agrees to an adjustment in the indirect cost rate, this means that any increase in the budget/billings for indirect expense must be covered through offsetting reductions to the above budget increase for direct labor costs. Contractors are NOT BEING REQUIRED to accept a change in their current provisional or billing rates, but they are encouraged to do so. In addition to maximizing the funds that are available to adjust salaries for key center-level staff positions to levels that are truly competitive in the local labor market, this would also be beneficial to contractors in that it could avoid the need to re-fund substantial amounts to DOL when the indirect cost rates are finalized.

<b>Indirect Cost Rate-G&amp;A/OH (Row)</b>	In the "Current Contract Terms" columns, enter the requested rate and base information for the current and contract year and the next contract year, if any. If the contract contains both a G&A rate and an Overhead rate, please collapse them into into a single rate. If that is not appropriate in light of how the rates are structured and the bases are defined, please contact the Job Corps National Office to design a workable alternative.
<b>Does Contractor Agree to Sign a Bi-Lateral Contract Mod to Revise the Provisional/Billing Rates for Indirect Costs (Row)</b>	If the contractor elects not to cooperate by adjusting its provisional/billing rates, enter NO. In this case, no further entries are required in this section. The amount of money that had been budgeted for increased labor costs that will need to be diverted to overhead and G&A is computed automatically on row E4. To help elicit positive (YES) responses, it is important to note that DOL is not seeking any adjustments to established ceiling rates.
<b>If YES, What Are the New, Lower Rates That the Contractor Will Agree To? (Row)</b>	It is recommended that contractors choose and enter the "adjusted" rates shown in the "Possible New Contract Terms" section. However, if a contractor is not willing to reduce its rates to the recommended level, but is willing to accept a partial reduction, then enter new rate that would be acceptable to the contractor.
<b>Final Change In Budgeted Indirect Cost - Which Must be Offset in the Above Budget Change for Direct Labor Expense (Row)</b>	The entries on this row are filled by formula and display the amounts of money, if any, that had been budgeted for increased labor costs that will need to be diverted to overhead and G&A. If the contractor agrees to accept the new rates shown on Row E1, there will be \$0 diverted from increased labor costs to indirect cost.