

Notice to Consultants using Effective Rate for Accounting Treatment of Overtime:

Please be advised that the Florida Department of Transportation (Department) does not reimburse professional services consultant labor based on Effective Rates. In lieu of Effective Rates, the Consultant should use a Variance Method for accounting treatment of uncompensated overtime. The Automatic Fee Proposal (AFP) uses Standard Rates for determining the raw hourly rates. These rates are verified by Payroll Registers. The Variance Method adjusts the indirect cost by any difference in the standard hours and actual hours incurred. To reduce the risk of the Department overpaying Consultants incurring uncompensated overtime, the Variance Method should be used.