

Prevailing Wages - Fringe Benefits

Important Points

1. Fringe benefits must be calculated individually for each employee. Do NOT use an “average” for all employees.
2. Only the EMPLOYER-PAID portion may be used to calculate the hourly value of fringe benefits.
3. Fringe benefits do not include “benefits” an employer is required to provide by law, e.g., Worker’s Compensation, Unemployment Insurance, Social Security, payment of classroom time for apprentices.
4. Fringe Benefits do NOT include payment for tools, uniforms, vehicle use, mileage, meals or lodging.
5. Typical allowable fringe benefits include:
 - a. health, life, dental insurance (employer’s contribution)
 - b. paid days off: holidays, vacation
 - c. retirement, pension, 401K (employer’s contribution)
 - d. bonuses, profit sharing
 - e. some training funds
6. Non-traditional fringe benefits should be submitted to the department for approval.