

11.05 Information about Specific Line-Item Categories

Line-Item Category: Salaries

GENERAL INFORMATION

The salaries line-item category includes: Hours/wages paid for direct labor at a WisDOT-BHM RF property. This may include program managers, supervisory, lead workers and client workers, both regular and overtime hours. Bonuses paid for direct labor at a RF property are included here as well.

BUDGETING

Hours of service are defined in the work specification documents. When building AWP budgets, SP financial team must collaborate with site team to determine staffing needs that ensure compliance with contractual requirements, work specifications, hours of service, and standards outlined in the RF Program Manual. Actual and/or projected hourly rates must be used when developing the budget for salaries.

Monthly Hours/Shift Table

- For an X Hour Shift: Fill in a row for each person who will work at the RF site(s).
- Fill in the start/end times for each day for each person.
- Fill in the weekly total hours for each person.
- The monthly total hours fields are automatically populated using formulas that calculate each weekly total X 4.33.
- Fill in the total number of hours for each shift. Refer to the example of shifts on the second tab of the Budget Building document.

Monthly Hours and Total Wages Table

- SP must fill in each month's hours/shift table
 - Titles
 - Hours per week
- NOTE: fields in each month's Hours and Total Wages table contain formulas. These formulas will automatically populate what the SP enters into each hour/shift table.
- The total monthly amounts and hours are automatically forwarded to the front summary page.

INVOICING

SP must fill in all salary details in the fourth tab of the Invoicing Forms Workbook.

- The information required applies to all management, supervisor, lead, and worker wages:
 - Employee name
 - Title
 - Number of hours
 - Hourly rate

Line-Item Category: Fringe Benefits

GENERAL INFORMATION

The fringe-benefits line-item category includes:

- Insurance including: worker's compensation, unemployment, health, dental, life, vision, pet, long and short term care, supplemental pay and disability.
- Retirement funds (401K, pension)
- FICA, FUTA, Medicare taxes
- Vacation & Sick time
- Employee recognition, bonuses, club membership and education allowance
- HRA, health savings account, wellness and mental health programs
- Jury duty pay, military leave, adoption expenses and maternity leave benefits

BUDGETING

Enter fringe benefits budget directly into the front summary page of the AWP Budget Building workbook.

Each item included in your fringe benefits budget must be paid to or for an employee.

INVOICING

The Fringe Benefits section is located on the second tab of the Invoicing Forms Workbook.

To be invoiced as a fringe benefit, each benefit must be paid directly to the employee.

Line-Item Category: Materials & Supplies

GENERAL INFORMATION

The materials and supplies list line-item categories include the actual costs for materials and supplies necessary for the RF program.

****Do not send receipts unless there is an unusual item which needs additional supporting documentation. SPs are required to retain original receipts in their files for 7 years. PA will request them only on an as needed basis.**

(B) Building Repairs and Maintenance include: All materials and supplies associated with building repairs and maintenance that are performed by the SP. This includes but is not limited to paint, painting supplies, nuts, bolts, washers, valves, toilets, mirrors, faucets, partitions, and light bulbs.

(C) Cleaning Supplies include: All products associated with the performance of janitorial duties including but not limited to cleaning chemicals, deodorizers, disinfectants, scrub brushes, mops, brooms, mop buckets, janitor carts, spray bottles, rubber gloves, and wet floor signs.

(G) Grounds Repairs and Maintenance include: All materials and supplies associated with grounds repairs and maintenance that are performed by the on-site crew. This includes but is not limited to paint, stain, paint supplies, grass seed, fertilizer, rakes, shovels, hoses, flowers, mulch, topsoil, landscape and timber. Does not include material and supply costs that should be applied to the equipment line-item category such as gas, oil, parts, and accessories.

(M) Miscellaneous include: Flags and any other legitimate material and supply costs that do not fit into any of the other sub-categories listed in this section.

(P) Paper and Other Consumable Supplies include: All non-cleaning products that are consumed by daily operation of the roadside facility. This includes but is not limited to toilet paper, paper towels, seat covers, sanitary liners, trash bags, hand soap, vault additives, gloves, PPE.

(T) Power & Hand Tools include: Small power and hand tools for the RF site are intended for use in repair and maintenance operations and are not considered an item that should be applied to the 'equipment' line-item category. This includes but is not limited to saws, drills, grinders, wrenches, hammers, screwdrivers, pliers, torches, mechanical drain cleaners.

(U) Uniforms include: Shirts, pants, hats, and coats that conform with the established uniform guidelines found in the RF Program Manual. This also includes cost of shipping and affixing of emblems.

BUDGETING

When budgeting for materials and supplies, break your request down with the sub-category letter outlined in the General Information section above. Example "C" for Cleaning Supplies

Each month's total will automatically be carried forward to the summary page.

INVOICING

Enter the materials and supplies detail on the third tab of the Invoicing Forms Workbook. Each item listed must be coded with the appropriate sub-category letter. Formulas automatically total each sub-category based on the letter entered.

****Do not send receipts unless there is an unusual item which needs additional supporting documentation or extra work form. SPs are required to retain original receipts in their files for 7 years. PA will request them only on an as needed basis.**

Line-Item Category: Equipment

GENERAL INFORMATION

The equipment line-item category includes:

- Equipment (valued over \$500 per piece), such as:
 - Lawn mowers, spreaders, trimmers, plows, trailers, etc.
- Replacement parts for equipment, such as:
 - Blades, belts, filters, spark plugs, etc.
 - Gas, oil
 - Maintenance, repairs
 - Depreciation payments
 - Unique insurance
 - OSHA training for equipment

Equipment that fits into this category must be devoted exclusively to the RF program.

Life expectancy of equipment is delineated by name and classification in [Section 11.06](#).

CARE, LIFE & INVENTORY OF EQUIPMENT

It is the SP's responsibility to conduct all necessary preventive maintenance on equipment and maintain thorough records of all preventive maintenance activities. Preventive maintenance must meet or exceed manufacturer's recommendations.

WisDOT retains no interest in equipment after the end of its scheduled life expectancy, which is delineated by name and classification in [Section 11.06](#). Once a piece of equipment exceeds its scheduled life expectancy, the SP may dispose of the equipment, retain it for RF program backup needs, or use the equipment for purposes other than the RF program. If there is a need to replace a piece of equipment prior to its established life expectancy, approval must first be obtained from the PA.

The PA is required to conduct an annual inventory of equipment in the RF program with a value equal to or greater than \$500. Each annual inventory cycle includes visibly locating each item, assessing its condition, reviewing its condition in relation to the established life expectancy schedule, and reviewing the preventive maintenance records maintained by the SP. All inventory details are kept up to date in FAMIS.

REIMBURSEMENT OF COST

The cost of equipment necessary for the RF program is a reimbursable cost:

- Any acquisition under \$5,000 is to be fully invoiced at the time of purchase.
- Any acquisition equal to or exceeding \$5,000 but less than \$30,000 shall be considered a capital purchase and reimbursed over 3 years. (Calculate what the monthly amount will be over 3 years and then enter it into your budget accordingly.)
- Any acquisition equal to or exceeding \$30,000 shall be considered a capital purchase and reimbursed over 6 years. (Calculate what the monthly amount will be over 6 years and then enter your budget accordingly.)
- Equipment costing \$5,000 or more shall be depreciated at straight line with three – or six-year life and no salvage value. This is calculated by adding the cost of the equipment, not depreciated, and operating costs.
- If the purchase has been financed, the interest is an allowable expense under the Contractor Service Cost line-item category.
- Upon termination or expiration of this agreement, any remaining costs in excess of the deficit shall be settled between the SP and WisDOT-BHM.
- Premature failure of a piece of equipment or vehicle, short of the life expectancy schedule, shall be settled between the SP and WisDOT-BHM.

*Note: Reimbursing by depreciation has always been WisDOT-BHM policy. However, **WisDOT-BHM may choose to reimburse all at once on a case-by-case basis.***

BUDGETING

Enter each piece of equipment's name and price into the Equipment Table.

- Enter your budget values according to how you plan to invoice for it. (*Refer to the above Reimbursement of Cost section.*)
- Provide additional details on the Equipment Purchase Request Form for each item included in your budget request.

- Budget for equipment, fuel, and equipment operation needs on separate lines
- Budget for a combination of all equipment needs valued at less than \$500, as listed on the separate line in the Equipment Table.

Each monthly total will automatically be carried forward to the summary page.

PURCHASING

Planned equipment acquisitions included in the approved FY AWP Budget may be purchased. Receipts are required for all purchases at the time of invoicing for reimbursement of costs greater than \$500.

Unplanned equipment acquisitions valued at or greater than \$500 that were not planned for and not included in the approved FY AWP Budget must be reviewed and approved by WisDOT-BHM prior to purchasing. Fill out an Unplanned Equipment Purchasing Request form, email it to the PA's designated team member, and they will return it once a signature authorizing the purchase is received.

Unplanned equipment acquisitions of less than \$500 can be purchased at any time, provided there are adequate funds in the budget, without requiring additional forms.

Purchasing Guidelines

Less than \$5,000:

Purchase from the vendor judged best able to supply the SP with the item

\$5,000 and up:

Obtain a minimum of three (or more) bids or attempted bids from different vendors. Bids obtained over the phone must be fully documented in writing by the person obtaining the bid. Attempted bids are contacting a vendor and their refusal to participate in the bidding process. All bids must be based on the exact same piece of equipment or scope of work. If the lowest bid is not selected, then a thorough explanation must be supplied to support the choice.

INVOICING

Enter new equipment and existing cost details on the fifth tab of the Invoice Forms Workbook.

If the purchased piece of equipment was budgeted for, an Equipment & Vehicle Replacement form must be provided for each item costing \$500 or more.

If the purchased piece of equipment was NOT budgeted for, the SP must also include an approved/signed Unplanned Equipment Purchasing Request form.

The cost of equipment necessary for the RF Program is a reimbursable cost:

- Purchases under \$5,000 shall be invoiced/reimbursed in full of the correlating invoice cycle.
- Purchases at or exceeding \$5,000 shall be considered a capital purchase and invoiced/reimbursed over the following period of time:
 - Any equipment purchased at or exceeding \$5,000 but less than \$30,000 is considered a capital purchase that is reimbursed over a three-year period.
 - Any equipment purchased at or exceeding \$30,000 is considered a capital purchase that is reimbursed over a six-year period.

Note: Reimbursing by depreciation has always been WisDOT-BHM policy. However, WisDOT-BHM may choose to reimburse all at once on a case-by-case basis.

ALLOWABLE COSTS

Allowable equipment costs include: the invoiced unit price as well as the cost of any modifications, attachments, accessories or auxiliary apparatus necessary to make it useful for the purpose for which it is acquired. Ancillary charges such as taxes, duty, protective in-transit insurance, freight and installations shall be included in or excluded from acquisition cost in accordance with the organization's regular written accounting practices.

Fuel For Equipment: The actual monthly fuel costs for equipment.

Equipment Operating: The actual monthly operating costs for equipment.

Equipment Other Major Repairs: The actual repairs to the equipment should not exceed current value. Repairs over \$5,000 would need 3 attempted quotes.

Line-Item Category: Vehicles

GENERAL INFORMATION

The Vehicles Line-Item Category includes:

- Purchase cost of vehicle & depreciation of vehicle
- Maintenance & repairs
- Gas, fluids, floor mats, trailer hitch, lights, etc.
- Insurance
- Vehicle registration and fees
- Inspections as required
- Windshield replacement, plow attachment and tires
- car washes
- Rental vehicle cost

Vehicles that fit into this category must be devoted exclusively to the RF program.

Care, Life, and Inventory of Vehicles: It is the SP's responsibility to conduct all necessary preventive maintenance on vehicles and maintain thorough records of all preventive maintenance activities. Preventive maintenance must meet or exceed the manufacturer's recommendations.

Once the life expectancy of a vehicle is surpassed, WisDOT-BHM retains the salvage value of vehicles at 15% of the original cost or trade-in value used to purchase replacement vehicles. The life years are delineated by name and classification in Section 11.06 of this manual. Once a vehicle exceeds its scheduled life expectancy, the SP may:

- Purchase the vehicle – its value would be 15% of the original purchase cost
- Trade in the vehicle and use proceeds toward the purchase of a new vehicle
- Sell vehicle at a public auction with proceeds credited to WisDOT-BHM

If there is a need to replace a vehicle before its established life expectancy, approval must first be obtained from WisDOT-BHM by contacting the PA.

The PA is required to conduct an annual inventory of vehicles in the RF program. Each annual inventory cycle includes physically locating each item, assessing its condition, recording annual mileage use, reviewing its condition in relation to the established life expectancy schedule, and reviewing the preventive maintenance records maintained by the SP. All inventory details are kept up-to-date in FAMIS.

REIMBURSEMENT OF COST

The cost of vehicles necessary for the RF program is a reimbursable cost:

- Any acquisition under \$5,000 is to be fully invoiced at the time of purchase.
- Any acquisition equal to or exceeding \$5,000 but less than \$30,000 shall be considered a capital purchase and reimbursed to the SP equally over a 3-year period. *(Calculate what the monthly amount will be over 3 years and then enter it into your budget accordingly.)*
- Any acquisition equal to or exceeding \$30,000 shall be considered a capital purchase and reimbursed to SP equally over 6 years. *(Calculate what the monthly amount will be over 6 years and then enter it into your budget accordingly.)*
- Vehicle costing \$5,000 or more shall be depreciate at straight line with three – or six-year life and no salvage value. This is calculated by adding the cost of the vehicle, not depreciated, and operating costs.
- If the purchase has been financed, the interest is an allowable expense under the Contractor Service Cost line-item category.
- Upon termination or expiration of this agreement, any remaining costs in excess of the deficit shall be settled between the SP and WisDOT-BHM.
- Premature failure of vehicle short of the life expectancy schedule shall be settled between the SP and WisDOT-BHM.

Note: Reimbursing by depreciation has always been WisDOT-BHM policy. However, WisDOT-BHM may choose to reimburse all at once on a case-by-case basis.

BUDGETING

Enter the vehicle make, model, year and price into the Vehicle Table. Enter your budget values according to how you plan to invoice for it. *(Refer to the above Reimbursement of Cost section.)* Be sure to provide additional details on the Vehicle Purchase Request Form for each item you are including in your budget request.

Budget for vehicle fuel, vehicle operation needs, and vehicle insurance needs on the separate lines included in the Vehicle Table.

Each monthly total will automatically be carried forward to the summary page.

PURCHASING

Planned vehicle acquisitions that were intended for and included in the approved FY AWP Budget may be purchased. Receipts will be required for all purchases at the time of invoicing for reimbursement of costs.

Unplanned vehicle acquisitions that were not planned for and not included in the approved FY AWP Budget must be reviewed and approved by WisDOT-BHM via the PA before purchasing. Fill out an Unplanned Equipment Purchasing Request form and email it to the PA's designated team member, and they will return it once a signature authorizing the purchase is received.

Per language in each SP's contract, WisDOT-BHM retains salvage value of vehicles at 15% of original cost, OR Trade-in Value used to purchase replacement vehicles to the RF Program.

Trading in existing vehicles on the purchase of the new is the method chosen by most SPs. However, SPs can choose to purchase the outgoing vehicle at 15% of the original cost.

If you choose to purchase the vehicle, the SP must include a copy of the original sales agreement as supporting documentation, computing 15% of original purchase and showing that amount as credit on your invoice under the Vehicle category.

Purchasing Guidelines

Less than \$5,000: Purchase from the vendor judged best able to supply you with the vehicle.

\$5,000 and up: Obtain three (or more) bids from different vendors. Written bids are preferred. Bids obtained over the phone must be fully documented in writing by the person obtaining the bid. Contacting a vendor and their refusal to participate in the bidding process counts toward the three or more required bids. However, continued effort to obtain three quotes is the best course of action. All bids must be based on the exact same vehicle. If the lowest bid is not selected, then a thorough explanation must be supplied to support the choice.

INVOICING

Enter the new vehicle and/or existing vehicle cost details on the fifth tab of the Invoice Forms Workbook. If the purchase was planned and budgeted for, an Equipment & Vehicle Replacement Form must be completed and included for each newly purchased vehicle.

If the purchased vehicle was NOT budgeted for, you must also include an approved/signed Unplanned Equipment Purchasing Request form.

The cost of vehicles necessary for the RF Program is a reimbursable cost. Any acquisition under \$5,000 must be invoiced/reimbursed in full in the month of the invoice cycle. Any acquisition equal to or exceeding \$5,000 shall be considered a capital purchase and invoiced/reimbursed over the following period:

- Any vehicle acquisition of or exceeding \$5,000 but less than \$30,000 is considered a capital purchase that is reimbursed equally over a period of three years.
- Any vehicle acquisition exceeding \$30,000 is considered a capital purchase, reimbursed equally over six years.
- WisDOT-BHM may make exceptions to this rule and allow immediate full reimbursement.
- WisDOT-BHM RF owned vehicles will be reimbursed using the actual cost method only.

- SP-owned vehicles or personally owned vehicles used for RF Program work can be reimbursed using the cost per mile rate. The cost-per-mile rate cannot exceed the current federal cost-per-mile rate.

ALLOWABLE COSTS

Allowable vehicle costs include: the vehicle cost as well as the cost of any modifications, attachments, accessories or auxiliary apparatus necessary to make it useful for the purpose for which it is acquired. Ancillary charges such as taxes, duty, protective in-transit insurance, freight and installations shall be included in or excluded from acquisition cost in accordance with the organization's regular written accounting practices.

Vehicle Fuel: The actual monthly fuel costs for RF-owned vehicles.

Vehicle Operating: The actual monthly operating costs for RF-owned vehicles.

Vehicle Other Major Repairs: The actual repair cost for the month of the repair for RF-owned vehicles.

Vehicle Insurance: The actual insurance cost for the month for RF-owned vehicles.

Vehicle Mileage: The calculated cost per mile can be used for non-RF vehicles only (employee or company owned) if used for RF Program work and is not to exceed the Federal cost per mile reimbursement rate.

The PA requires the SP to use the provided "Equipment & Vehicle Invoicing Detail" form located on the fifth tab of the Invoicing Forms Workbook. If you do not use our form, you must enter the vehicle cost under #5 Vehicle on the second tab of the Invoicing Forms Workbook.

Line-Item Category: Contractor Service Costs (CSC)

The Contractor Service Cost worksheet is located at the end of Chapter 11.

GENERAL INFORMATION

The CSC Line-Item Category includes: The direct and indirect administrative overhead costs related to the RF program. It is the SP's responsibility to keep detailed written documentation of each FY's calculations and be able to produce them when requested.

Personnel Overhead Cost includes: A percentage of time the following type of positions spends in support of the RF program: executive director, chief financial officer, program manager, accounts payable, accounts receivable, payroll, human resources business manager, consulting fees, auditor services, and hiring orientation training. (Note: when calculating the percentage, do not include any hours worked at an RF program site.)

Other Overhead Cost includes: A percent of each of the following items that supports the RF program: office space, utility costs, snow removal, housekeeping, lawn maintenance, parking lot maintenance, window cleaning, roof repair, septic/sewage maintenance, office supplies (pens, paper, staplers, folders, stamps, printer toner, etc.), equipment insurance, RAM/SWEFM related membership or training costs, internet service, legal fees, and depreciation on building. If the purchase of a piece of equipment or a

vehicle has been financed, the interest is an allowable expense under the Contractor Service Cost line-item category.

BUDGETING

Enter CSC budget request amounts directly into the front summary page of the AWP Budget Building workbook. Budget for equal amounts each month based on the number of months in the contract's billing cycle. The CSC Worksheet is included in the AWP Budget Building Workbook, Tab 3.

A reminder that all items are billed monthly at actual cost except for CSC. Be sure to budget enough dollars to cover these costs. The CSC in total cannot exceed 20% of the overall budget, including the CSC.

INVOICING

Enter each month's CSC into the tab of the Invoice Forms Workbook. Budget and invoice for equal amounts each month based on the number of months in the contract's billing cycle.

Line-Item Category: Special Vendor Services

GENERAL INFORMATION

The Special Vendor Services Line-Item Category include: Services performed by an outside vendor. There are two types: those previously planned and budgeted for, and those not previously planned and budgeted for.

Planned and Budgeted for Special Vendor Services: Includes services performed by an outside vendor for services such as HVAC, plumbing, electrical, well, septic, portable toilets, fire extinguishers and preventive maintenance.

Not Planned and Not Budgeted for Special Vendor Services = Extra Work: There are times when WisDOT-BHM or the PA requests the work crew and/or a hired contractor to perform unplanned work. If the services were not budgeted for, it is considered extra work and is invoiced differently. The Extra Work Identification Sheet must be completed and sent to the PA along with the monthly invoice for reimbursement of costs.

Extra work requiring additional funding beyond the special vendor services line-item category in the current approved FY AWP budget will need to be reviewed by WisDOT-BHM and the PA, as it may require an infusion of dollars and/or an addendum to the contract.

Examples of Extra Work:

- Minor repairs of or over \$2,000
- Activity was not budgeted, but the SP has enough money in the current FY budget.
- Extra work requested by the Department of Tourism and/or CVB personnel (must be reviewed and approved by the PA or WisDOT-BHM first).

Not Considered Extra Work:

- Minor repairs under \$2,000 per occurrence
- Periodic preventive maintenance to facilities, equipment, or vehicles
- Sealing concrete trash containers

- Touch-up painting/staining
- Picnic table painting/staining
- Planned projects/repairs that can be paid for out of approved FY budget

WisDOT-BHM and/or the PA coordinate the development and implementation of improvement projects. SPs, County Highway Departments, and other professional vendors may be involved in accomplishing the improvement project.

The PA maintains an updated list of projects and follows up on each project's progress and cost. Project work orders are created and maintained in FAMIS. Project work tracking reports are generated from FAMIS.

MAINTENANCE PROJECTS INVOLVING A WISDOT-BHM PURCHASE ORDER:

WisDOT-BHM and/or the Program Administrator coordinate the development and implementation of certain maintenance projects that are paid for using individual WisDOT-BHM purchase orders. Service Providers, County Highway Departments, and other professional vendors may be involved in completing the work.

The steps to set up a maintenance project involving a WisDOT-BHM purchase order are:

1. WisDOT-BHM, PA, or SP identifies the project need.
2. WisDOT-BHM approves the project idea and requests the PA, or the SP obtain quotes for the work.
3. WisDOT-BHM and the PA review the quotes and Chapter 16 purchasing guidelines are followed.
4. WisDOT-BHM obtains spending approval and creates a purchase order.
 - WisDOT-BHM, PA, or SP will perform project management and oversight.
5. Invoices for completed work are sent directly to WisDOT-BHM for payment.
6. Upon successful completion of the project, assets are updated in FAMIS by the PA, final invoices are paid by WisDOT-BHM, and the purchase order is closed.

BUDGETING

When budgeting for Special Vendor Services, break your request down by the sub-category rows provided in the Special Vendor Services Table. Be sure to include expenses for miscellaneous vendor repairs that may occur during the FY. Each monthly total will automatically be carried forward to the summary page.

Purchasing:

Less than \$5,000: Purchase from the vendor judged best able to supply you with the item.

\$5,000 and up: Obtain three (or more) bids from different vendors. Written bids are preferred. Bids obtained over the phone must be fully documented in writing by the person obtaining the bid. Contacting a vendor and their refusal to participate in the bidding process counts toward the three or more required bids. However, continued effort to obtain three quotes is the best course of action. All bids must be based

on the exact same item/service. If the lowest bid is not selected, then a thorough explanation must be supplied to support the choice.

All purchasing-related documentation such as bids, written records of telephone conversations, published price lists, emails, etc. must be maintained. If the purchase is made for improvement work

INVOICING

Enter each special vendor service cost on the second tab of the Invoice Forms Workbook. If costs are a result of extra work requested by and authorized by WisDOT-BHM, fill out and submit an Extra Work form (located on tabs 6-9 of the Invoicing Worksheet) for each extra work event. Include receipts for all extra invoiced work.

Line-Item Category: Miscellaneous

GENERAL INFORMATION

The Miscellaneous line-item category includes:

- Actual cost for site liability insurance
- Quarterly training and seminar expenses (including travel expenses)
- Team luncheon
- Phone service
- Storage fees
- Supplies and training for use of safety cones, first aid supplies and bug/bee spray
- drug testing & background check
- postage/shipping & water sample testing expense

BUDGETING

When budgeting for Miscellaneous items, break the request down by the sub-category rows provided in the Miscellaneous Table.

Each monthly total will automatically be carried forward to the summary page.

INVOICING

Enter miscellaneous costs on the second tab of the Invoice Forms Workbook.