

Attachment I - COST STANDARDS

Allowable Costs

LABOR. Wages paid to employees in exchange for labor. These are wages that are typically paid to drivers; passenger aides or escorts (but not volunteers); dispatchers; service coordinators or brokers; mechanics; administrative, planning or other technical personnel.

FRINGE BENEFITS. Payments to others on behalf of employees or payments to employees for something other than performance of their work. Fringe benefits are payments on behalf of the employees to other parties such as an insurance company or a governmental tax authority. These payments are for FICA, pension plans, medical and dental insurance, and other insurance plans. Fringe benefits may also include payments to employees for something other than work such as paid sick leave, paid holidays, and paid vacation.

MATERIALS AND SUPPLIES. The cost of materials or supplies consumed from inventory or purchased for immediate use. Materials and supplies include tangible products such as fuel and lubricants; tires; equipment maintenance supplies and spare parts; and office supplies. Freight-in charges, discounts, and sales tax are to be included.

UTILITIES. Payments to utility companies for their resources.

Payments to utilities are made for such resources as gas, water, electricity, telephone service, etc.

LIABILITY AND CASUALTY COSTS. Payments for insurance programs that protect a project from losses incurred or caused by the project; payments to others for their losses caused by the project.

TAXES. Taxes levied on a project by federal, state, and local governments, but not including income taxes.

PURCHASED TRANSPORTATION SERVICE. Payments to other organizations for the provision of transportation service. Other organizations would typically include another county agency; a "Section 5310" grantee or other private, nonprofit corporation; a public transit system; or private contractors such as school bus operators, taxi firms, or lift-equipped van services.

OTHER PURCHASED SERVICES. Payments to other organizations for services supporting the provision of specialized transportation service. Other purchased services could include maintenance of vehicles or other related equipment; professional and technical services; advertising or promotion; printing; custodial services; temporary help; accounting and auditing.

LEASES AND RENT. Payments for the use of equipment or facilities owned by other organizations. Items typically leased or rented include vehicles; two-way radio equipment; and office or storage space.

PURCHASE OF EQUIPMENT. Purchase of equipment with which to provide specialized transportation service. Specialized transportation typically includes passenger-carrying vehicles; vehicle mounted wheelchair loading and securement devices; two-way radio equipment; office and maintenance equipment; and other durable goods or equipment used in the provision of specialized transportation service. If equipment is shared with non-specialized transportation functions, then only that part of the equipment's cost which is proportional to its use in specialized transportation is eligible.

TRAVEL. This cost includes the expenses of transportation, meals, out-of-town lodging and related expenses such as parking that are incurred by employees, volunteers and other individuals as authorized by the county. Travel is allowed for: specialized transportation service provided by project employees or volunteers to eligible passengers; official business of the project; and travel by the elderly or disabled, using personal or other available means of transportation, when authorized by a project (includes "user-side" subsidies).

INTEREST. Interest on money borrowed over a short term (one year or less) for operating expenses or over a long term (more than one year) for equipment purchases.

ADVERTISING. Cost of media such as newspapers, magazines, newsletters, radio, television, direct mailing, posters, handouts, etc. The subjects of advertising may include the recruitment of paid or volunteer personnel; solicitation of bids for goods and services; sale or disposal of property or services; announcements of hearings or other public meetings; and the announcements of service information such as routes, schedules, contact persons, etc. All advertising must pertain to the projects of specialized transportation.

VOLUNTEER HONORARIUMS AND RECOGNITION EVENTS. Costs of gifts, mementos, dinners and ceremonies in recognition of volunteered services. No more than one event or group of presentations per project per year shall be eligible under this Grant Agreement.

SUBSCRIPTIONS AND MEETINGS. The cost of books and periodicals are allowable if they directly pertain to the management, planning and operation of transportation services. Such items must be procured for agency and not individual use. Meeting or conference fees are allowable when the primary purpose of the meeting is the dissemination of technical information. Fees for conferences or meetings designed to influence legislation are not allowed.

Allowable with Approval of the Department

AID HELD IN TRUST. State aid may be held in trust over multi-year periods for future equipment acquisitions or maintenance when specifically allowed by the Department under s.85.21(3)(c), Wis. Stats. Effective January 1, 2006, the balance of aid held in trust may not exceed an average daily balance on a quarterly basis of \$80,000.

Unallowable Costs

DEPRECIATION. Depreciation accrued by public operators, depreciation on facilities or equipment purchased with public (federal, state or local) capital grants, depreciation on an intangible asset, and depreciation in excess of the rate used for income tax purposes.

ENTERTAINMENT. The costs of amusements, social activities, and related costs.

FINES AND PENALTIES. Costs resulting from violations or failures to comply with laws and regulations.

CHARITABLE CONTRIBUTIONS AND DONATIONS.

BAD DEBT. Losses arising from uncollectible accounts or other claims.

RESERVE FUNDS FOR FUTURE EXPENSES. State aid may not be saved or carried-over from one year to another for any purpose, except as set forth in the Trust Fund Plan.

LOBBYING. The cost of any activity designed to influence law making is not allowable.

ADVISORY COMMITTEES OR COUNCILS. The cost of advisory committees or councils is not allowed except when the function of such groups is solely to advise or assist in the preparation of a technical study. The life or term of any such group may not exceed the term of the study.

GENERAL PUBLIC ADMINISTRATION. The cost of general county or local government as it incidentally pertains to the activities covered by this Grant Agreement is not allowed. This typically would include meetings of the county board and its subcommittees and activities of general county administrative positions not covered by an indirect cost allocation or time study.

CONSTRUCTION. The cost of building or modifying fixed facilities such as garages, shelters and other buildings is not allowed.

LAND ACQUISITION.

Attachment II –TRUST CONDITIONS

The following conditions are based on administrative rules adopted by the Wisconsin Department of Transportation under Chapter TRANS 1, Wis. Admin. Code, on November 15, 1983. The conditions apply to state financial aid received under s.85.21, Wis. Stats., and held in trust as allowed by s.85.21(3)(c), Wis. Stats.

1. Authority to Hold State Aid in Trust. Only the Recipient may hold state aid in trust. The Recipient may not delegate its authority to hold aid in trust to any other organization or person.
2. Separate Accounting. State aid retained in trust shall be accounted for separately from current aid and funds from other sources or programs.
3. No Cash Segregation Necessary. Recipient need not physically segregate the state aid that it holds in trust from other funds.
4. Investment Allowable. Recipient may invest the state aid that it holds in trust separately or it may pool the aid with other funds for investment. Aid may be invested in such manner as Recipient is authorized to invest its funds.
5. Interest to be added to Aid Held in Trust. Any interest earned by aid held in trust shall be added at least annually to the aid held in trust. Interest earned from a pooled investment shall be determined from the average annual rate of return for all funds with which the aid is invested and the average monthly balance of aid held in trust during the year.
6. Allowable Use of Aid Held in Trust. Aid held in trust may only be spent for the purpose of acquiring or maintaining transportation equipment used for transportation services allowed under s.85.21, Wis. Stats., or for future transportation activities allowed under Trans 1 of the Wisconsin Administrative Code.
7. Grants Allowable. Recipient may make grants for the purchase or maintenance of equipment from the state aid that it holds in trust to other organizations that provide approved specialized transportation services. The grants may not exceed the amount of eligible expenses actually incurred.
8. Plan for Use of Aid Held in Trust. The balance of state aid held by Recipient in trust and the expenditures of those aids shall be consistent with a plan prepared by Recipient and approved by Department. The plan must indicate the purpose for which aids are to be held in trust; describe the equipment to be acquired, replaced or maintained; identify the owner of the equipment; and indicate the projected dates and amounts of outlays from the aid held in trust for capital or operation items. The plan may be amended with the Department's approval at any time.
9. No Permanent Minimum Balance. All aid held by Recipient in trust must be available for expenditure. A permanent minimum balance of aid may not be established.
10. Maximum Balance. Effective January 1, 2006, the balance of aid held in trust may not exceed an average daily balance on a quarterly basis of \$80,000.
11. Record Keeping. Recipient shall maintain records showing the dates and amounts of additions to the aid held in trust; the dates, amounts and purposes of expenditures from the aid; and the dates and amounts of interest earned. The records may be kept separately or as an integral part of Recipient's bookkeeping system.

