

Michigan Works! Southwest
Chart of Line Item Descriptions

The following contains a description of the line items that appear on the budget documents in RFP Instructions and any contract that is issued as a result of a successful proposal. Therefore, the language contained herein is in the context of a "Chart of Line Item Descriptions" in a contracting instrument.

5010 Wages (Staff)

- a. Compensation for personal services includes remuneration, paid currently or accrued, for services rendered during the period of performance under the program, including but not necessarily limited to wages, salaries, and supplementary compensation. The costs of such compensation are allowable to the extent that total compensation for individual employees: (1) is reasonable for the services rendered; (2) follows an appointment made in accordance with State or local government laws and rules and which meets Federal merit system or other requirements, where applicable; (3) is determined and supported as provided in b. below; and (4) is consistent with approved personnel policies and procedures of the Subrecipient.
- b. Amounts charged to program activities for personal services, regardless of whether treated as direct or indirect costs, will be **based on payrolls documented and provided in accordance with generally accepted accounting practices of the State or local government. Payrolls must be supported by certified time and attendance or equivalent records for individual employees.** Salaries and wages of employees chargeable to more than one grant program or other cost category will be supported by distribution of time and effort.

Documentation Requirements*

Time sheets indicating actual time spent on program activities which are signed by the staff member and their supervisor. The program activity must be designated on the time sheet prior to certification.

5090 Benefits (Staff)

Costs identified are allowable to the extent that total compensation for employees is reasonable and is in conformance with the Subrecipient's personnel policies and procedures.

Benefits in the form of employers' contribution or expenses for social security, employees' life and health insurance plans, unemployment insurance coverage, worker's compensation insurance, pension plans, severance pay, etc., are allowable provided such benefits are granted under approved plans and are distributed equitably to the program and to all other activities.

Documentation Requirements*

Actual cost of fringe benefits are billed up to the limitations identified in the contract. If the rate of a fringe benefit changes, written authorization from the source must be provided to the Michigan Works! Agency. Vendor invoices should be submitted if available.

6060 Copies and Scanning

Costs for copying and scanning services necessary for program operation and accomplishment including but not limited to forms, reports, manuals, media related material, and informational literature, are allowable. Rental or repair of duplication equipment is an appropriate charge to this category.

Documentation Requirements*

Copies of paid receipts, paid vendor invoices, or certified printing/copy logs where an outside vendor is not used. Copy of rental agreement.

6070 Data Acquisition

The cost of data acquisition-related services will be charged to this

category. Data Processing-related services include data conversion, computer rental, usage, storage, and repair and maintenance. (Prior written Michigan Works! Agency approval required)

Documentation Requirements*

Method of cost identification and computer printouts defining cost of services rendered. Copies of vendor invoices.

6250 Equipment Purchase >\$5000

- a. Includes cost for non-expendable property, including computer software, with a useful life of one or more years and a unit or system acquisition cost (inclusive of shipping, set-up, etc.) of \$5,000 or more. All equipment in this category requires prior Michigan Works! Agency approval.
- b. Acquisition of automated data processing equipment (by purchase or lease) including hardware/software and programming services are not allowed without prior written approval of the Michigan Works! Agency
- c. The Subrecipient is responsible to maintain an inventory of all equipment (per unit cost of \$5,000 and above) purchased through this agreement.

Documentation Requirements

Procurement and inventory documentation, invoices for equipment purchases provided upon receipt of equipment.

6270 Equipment Purchase <\$5000

Includes purchases for individual property, equipment and computer software costing less than \$5,000. The Subrecipient shall maintain proper controls to ensure adequate inventory and tracking of these items.

Documentation Requirements*

Copies of vendor invoices

6280 Insurance

- a. Cost of insurance incurred for general liability, building, property and participant.
- b. Costs of other insurance in connection with the general conduct of activities are allowable subject to the following limitations:
 - (1) Types and extent and cost of coverage will be in accordance with general State or local government policy and sound business practice.
 - (2) Personal liability insurance for WDB members is allowable
 - (3) Insurance policies offering protection against debts established by the Federal Government and State are not allowable.
 - (4) Costs of insurance or contributions to any reserve covering the risk of loss of, or damage to, Federal Government property are not allowable.
- c. Contributions to a reserve for a self-insurance program are allowable to the extent that the type of coverage, extent of coverage, and the rates and premiums would have been allowed had insurance been purchased to cover the risks. (REQUIRES PRIOR APPROVAL)

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- d. Actual losses which could have been covered by permissible insurance (through an approved self-insurance program or otherwise) are not allowable. However, costs incurred because of losses not covered under nominal deductible insurance coverage and minor losses not covered by insurance, such as spoilage and breakage which occur in the ordinary course of operations, are allowable.

Documentation Requirements*
Copies of vendor invoices

6290 Internet Charges

Internet and online access, charges, and usage fees as well as telephone line costs for direct internet connection.

6420 Marketing/Advertising

Included are costs for advertisements in periodicals, newspapers, classified advertisements, news announcements through electronic and printed media, production of news releases, and promotional materials for the purpose of outreach, promotion, and public notice.

Advertising costs must be in compliance with CFR 200.421 Advertising and public relations.

Documentation Requirements*
Copies of vendor receipts, invoices, for services rendered.

6510 Miscellaneous Expense

Includes costs not identifiable with any of the categories identified herein. Membership dues are allowable when related to the program. All miscellaneous costs require specification in the operational budget.

Documentation Requirements*
Copies of paid receipts, vendor invoices, statements, and logs.

6550 Postage/Mailing

These costs would include those which are associated with postage/handling, (i.e., stamps, postage meter payment to U.S. Post Office, packaging, private courier costs, UPS, Federal Express, etc.). These items must normally be treated as indirect (F&A) costs.

Documentation Requirements*
Logs, copies of paid receipts, paid vendor invoices, or priced requisitions where an outside vendor is not used.

6580 Professional Development

All cost with relation to professional development, including educational seminar fees, travel costs for seminars and all related travel expenses with relation to seminars attended.

6590 Professional Fees

Costs of consulting/professional fees rendered by individuals or organizations not part of the Subrecipient organization are allowable, within the terms of the agreement.

Documentation Requirements*
Copies of vendor invoices.

6730 Space/Facility Rental

Includes the cost of space in a building for the benefit of the activity and all parking fees incurred while building is used for program use. Also includes security, maintenance supplies, elevator service, maintenance of grounds, normal repair and alterations.

The cost of space, whether in a privately or publicly owned building, may not exceed the cost of comparable space and facilities in a privately-owned building in the same locality. The cost of space procured for program usage may not be charged to the program for periods of non-occupancy exceeding thirty days. (REQUIRES PRIOR APPROVAL)

Documentation Requirements*

Copies of paid receipts, invoices and copy of Rental Agreement.

6740 Space/Facility Usage

Costs of space/facility usage are allowable where "rental rate" systems, or equivalent systems that adequately reflect actual costs, are employed. Security, maintenance supplies, elevator service, maintenance of grounds, normal repairs, alterations, and the like, are charged to this category.

Such charges must be determined on the basis of **actual cost** including operation and maintenance. Where these costs are included in usage charges, they may not be charged elsewhere, and must occur within the term of the agreement.

. Capital improvements financed by federal funds require prior written USDOL approval.

Documentation Requirements*
Copies of vendor invoices and submittal of a Cost Allocation Plan.

6810 Special Services

Services provided within the Subrecipients organization which are associated with the production of products or service under the agreement. Costs include: services of a "central office"; human resource services; marketing/public relations; accounting/bookkeeping; disbursing services (cover check or warrant processing), budget preparation (development, preparation, presentation and execution of budgets required for the program), and payroll preparation, etc. No payments will be allowed without submittal of an approved Cost Allocation Plan.

Documentation Requirements*
Copies of cost allocation plan and all supporting documentation.

6940 Supplies - Office

The cost of materials and supplies necessary to carry out the program is allowable. Purchases made specifically for the program should be charged at their actual prices after deducting all cash discounts, trade discounts, rebates, and allowances received by the grantee.

Withdrawals from general stores or stockroom should be charged at cost consistently using any recognized method of pricing. Shipping or delivery charges are a proper part of supply cost.

The cost of books and/or subscriptions to civic, business, professional, and technical periodicals is allowable when related to the program.

Documentation Requirements*
Copies of paid receipts, paid vendor invoices, supply documentation where an outside vendor is not used, or price per unit.

6950 Telephone

All communication costs including telephone calls or services, mobile phone plans, facsimile, wide area telephone service (WATS), Centrex, telpak (tie lines),

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messenger service, repair of equipment, and similar expenses are included.

Purchase of communications hardware and software are not charged to this category. These are charged to "equipment"

Documentation Requirements*

Copies of invoices, vendor receipts and logs for allowable communication charges.

6955 Travel (Staff)

Travel costs are allowable for transportation, subsistence, all travel arrangements including: training conference costs (registration, lodging, air/ground transportation, subsistence), food for meetings, staff workshops, job club food, and related items **incurred by employees specified in the agreement** who are in travel status on **official business** incident to this agreement. Such costs may be charged on an actual basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two provided the method used is applied to an entire trip, and results in charges consistent with those normally allowed in similar circumstances according to established Subrecipient travel policies.

Cost of entertainment, travel not related to specific services specified in this agreement, and alcoholic beverages, are costs not chargeable to this agreement.

Such costs must be charged on an actual basis which result in charges consistent with those normally allowed in similar circumstances according to established Subrecipient policies.

NOTE: For use of private vehicles, the Subrecipient must ensure that proper insurance is provided. If the Subrecipient in conducting activities under this agreement uses motor vehicles, the Subrecipient shall ensure that it is protected, and the MICHIGAN WORKS! AGENCY is held harmless against claims arising from the ownership, maintenance, or use of motor vehicle.

This protection is limited to automobile liability insurance covering bodily injury and property damage. The Subrecipient shall provide the insurance through a private commercial insurance policy.

If in DOL program purposes, the DOL shall prorate its share of the premiums, including any additional coverage required to conform to requirements of this paragraph, in accordance with the vehicle's actual use in conducting activities under this agreement.

Michigan Auto Law requires minimum bodily injury liability coverage of \$250,000 per person and \$500,000 per accident. It is also required to have a minimum of \$10,000 of property damage coverage. Michiganautolaw.com/buying-car-insurance/Michigan-car-insurance-laws-requirements

Transit services used to transport students between training activities/locations, is allowable under line item 7140 – "Participant Supportive Services"

Documentation Requirements*

Copies of the log which is maintained by the staff member indicating the destination, number of miles, date, travel time, the rate per mile, receipts and vendor invoice, rental agreements, lodging receipts, etc.

6980 Utilities

These costs include expenditures for gas, electric, oil, water, bottled water, sewage, or other public/private provided utility services.

Documentation Requirements*

Copies of vendor invoices.

7120 Participant - Wages

a. Compensation for personal services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under the program, including but not necessarily limited to wages, and benefits. The costs of such compensation are allowable to the extent that total compensation for individual employees: (1) is reasonable for the services rendered; (2) follows an appointment made in accordance with State or local government laws and rules and which meet Federal merit system or other requirements, where applicable; and (3) is determined and supported as provided in b. below. No payment will be paid for hours not worked.

b. Payroll and Distribution of Time: Amounts charged to the program for personal services, regardless of whether treated as direct or indirect costs will be based on payrolls documented and provided in accordance with generally accepted accounting practices of the State or local government.

Documentation Requirements*

Payrolls must be supported by certified time and attendance or equivalent records for individual participants.

7130 Participant - Fringe Benefits

Benefits allowed for participants whose wages are subsidized by program funds are restricted to employees' contribution or expenses for social security and worker's compensation provided such benefits are granted under approved plans and are distributed equitably to the program and to all other activities.

Documentation Requirements*

The rate which allowable fringe benefits are charged is identified in the contract. If the rates of a fringe benefit changes, written authorization from the source must be provided. Vendor invoices should be submitted if available.

7140 Participant - Supportive Services

Services to enable eligible individuals to participate when they cannot afford to pay for these themselves and support from other sources is not available.

Cost of providing transportation for participant to training site including tokens, passes, and parking. (**Cash payments to participants are not allowed**). The cost of providing transportation and/or medical services is included. Medical services required for training/employment or for emergency care due to accident, illness or other employment needs such as TB, x-ray and/or lab tests.

Documentation Requirements*

Vendor invoices, logs, documentation of need. Michigan Works! Agency must approve supportive service procedures before implementation.

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NOTE: Lines items 7150, 7160, and 7170 below are for costs training related attributed to non-ITA training. **ITA costs for tuition, fees, and training materials are to be included on the ITA Voucher and are not to be recorded on these line items.**

7150 Participant – Training (For costs not included in an ITA Voucher)

Costs of training which represent instructional costs which have a direct and immediate impact on participants, single unit charges which represent the direct cost of training (when established as reasonable).

Documentation Requirements*

Copies of invoices, vendor receipt, etc.

7160 Participant – Fees (For costs not included in an ITA Voucher)

Costs of registration, computer and other fees related to entrance into training programs.

Documentation Requirements*

Copies of invoices, vendor receipt, etc.

7170 Participant - Training Materials (For costs not included in an ITA Voucher)

Included are all training materials used in the training of participants including DVDs, software, power point materials, audio-visual presentation, transcripts of audio presentations, computer manuals, textbooks consumable materials used by participants while on the job or in training, safety equipment, protective clothing, etc.

Documentation Requirements*

Copies of invoices, vendor receipt, etc.

7180 Participant - OJT Employer Reimbursement and Incentive

Payments to employers which represent extraordinary costs associated with the training of unskilled workers. (Specific formulas for making this determination require prior approval of the Michigan Works! Agency.) SUCH COSTS ARE RESERVED FOR MICHIGAN WORKS! AGENCY'S USE UNLESS OTHERWISE SPECIFIED BY THE MICHIGAN WORKS! AGENCY.

Documentation Requirements*

Provided by the Michigan Works! Agency.

7185 Participant Training - Incumbent Worker

A portion of the cost for employee training that is designed to meet the special requirements of an employer. IWT assists workers by helping them acquire the skills necessary to retain employment, therefore allowing the employer to retain a skilled workforce and avert layoffs.

Note: Employers, or group of employers, must pay for a portion of the cost of providing IWT.

Documentation Requirements*

Copies of payment logs, transcripts, attendance logs and/or verifications, etc.

7190 Participant-Training Other

Cost of other types of trainings such as Pre-Apprenticeship Training, Entrepreneurial Training, Job Readiness Training, Cooperative Education Program, Adult Education and Literacy Activities,

Occupational Skills Training and other types of trainings allowable by the funding source.

Documentation Requirements*

Copies of payment logs, transcripts, attendance logs and/or verifications, etc.

7195 Participant-Performance Payments

Payments made to participants for the achievement of pre-established performance. Participants eligible for performance payments, minimum payment and performance benchmark are established in the Workforce Development Board Guidance Statements and Administrative policies.

Documentation Requirements

Copies of payment logs, transcripts, attendance logs and/or verifications, etc.

* Exempt from submittal with invoice. Will be retained by the Subrecipient and must be maintained to document a clear audit trail for all expenditures charged to this line item.