May 15, 2013

To: Interested Parties

From: Shabbir Olia  
CED Programs Manager

Re: Revision of Policy Letter #3 Related to Equipment Rates

In an effort to streamline the equipment rate process, Policy Letter #3 has been revised removing the requirement of State pre-approval of equipment to be used and equipment rates charged for projects including in-kind match. Effective immediately, the attached revised forms are to be used by the grantee in conjunction with FEMA’s Schedule of Equipment Rates found on-line at: www.fema.gov/schedule-equipment-rates, to determine equipment rates. The revised “Equipment Rental Rate” form must be completed with a list of equipment and rates to be used and submitted to ADECA along with the Notice of Start of Construction. The “Weekly Employee Man Hours and Equipment Usage Report” is still required and should be kept on file for monitoring purposes.

If you have any questions, please contact the Program Supervisor assigned to your project.

SAO:WAJ:tn
April 1, 2013

Alabama CDBG Intergovernmental Policy Letter #3 (Revision 3)

To: Interested Parties

From: Beatrice M. Forniss
Chief, Community and Economic Development Division

Re: POLICY ON THE USE OF MATCH IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AS RELATED TO MAN HOURS AND USE OF EQUIPMENT

In order for there to be an auditable record of force account projects for the purpose of either local contribution or in lieu of contracting labor or equipment, statewide uniform standards are necessary. As such, any community using man hours or equipment usage as match should adhere to the following:

LABOR

1. Time sheets must be kept on each individual for each week throughout the life of the project. All hours worked each week according to service performed and project worked on must be shown to include all hours both on usual city/county work and CDBG project work.
2. Hourly rates should be in accordance with OMB A-87 and may not exceed actual compensation paid. Fringe benefits may not be counted.
3. Costs should be journalized on a weekly basis with time and equipment converted to cash credit in accordance with payroll timeframes.

EQUIPMENT

1. Equipment purchased with federal funds may not be used as credit toward local contribution.
2. Equipment must be in actual operation performing eligible work in order for reimbursement to be eligible.
3. FEMA’s Schedule of Equipment Rates is to be used to determine rates charged. This Schedule can be found at: www.fema.gov/schedule-equipment-rates. This document is updated as necessary and a copy of the Schedule should be printed on the date equipment rates are determined, and kept in the program files to enable review for proper rate determination.

4. For any equipment that is not listed on FEMA’s Schedule, please contact the ADECA Program Supervisor assigned to the project for the rate.

BF:WAJ:tn
STATE OF ALABAMA CDBG PROGRAM
EQUIPMENT RENTAL RATES

City/County: ______________________________________

Project Number: __________________________________

<table>
<thead>
<tr>
<th>FEMA Cost Code</th>
<th>Make/Description</th>
<th>Size/Capacity/ Horsepower</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>8283</td>
<td>Excavator</td>
<td>2.5cy/260hp</td>
<td>$120.00</td>
</tr>
<tr>
<td>8252</td>
<td>Dozer, Crawler</td>
<td>155hp</td>
<td>$65.00</td>
</tr>
</tbody>
</table>

Equipment Rates are to be obtained at: www.fema.gov/schedule-equipment-rates

A "Weekly Employee Man Hours and Equipment Usage Report" should be available for review in the project files at all times.

For questions about equipment types, please contact:
Al Jones
334-353-2028
al.jones@adeca.alabama.gov
### Equipment Usage (E+H)

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
<th>Total Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
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<td>Total Hours</td>
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</tbody>
</table>

**Totals**

<table>
<thead>
<tr>
<th>S</th>
<th>O</th>
</tr>
</thead>
<tbody>
<tr>
<td>S</td>
<td>O</td>
</tr>
</tbody>
</table>

**Work Description**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
<th>Total Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Rate</td>
<td>Total Hours</td>
</tr>
</tbody>
</table>

**Period Ending**

**Period Beginning**

**Project Location (City, State)**

**Project Name**

**도 코드 투표 번호**

**Employee**

**Approval**

**Supervisor Signature**

**Employee Signature**

**Date**

**Weekly Employee Man Hours and Equipment Usage Report**
Equipment Rental Rate: Enter the hourly equipment rental rate.

Project Equipment Use: Enter the number of hours the equipment used the equipment on the CDBG project for the day.

Project Gross Pay: Enter the employee’s total project gross pay (A x C) for the day.

Total Gross Pay: Enter the employee’s total gross pay (A x C) for the day.

Rate of Pay: Enter the employee’s hourly rate of pay (B) - Straight Hourly Rate and (O) Overtime Hourly Rate.

Project Hours: Enter the total number of hours the employee worked on the CDBG project for the day. Distribute the hours by:

Overtime (O) and Overtime (O).

Project Hours: Enter the total number of hours the employee worked for the day. Distribute the hours by Straight (S) and

Over Time (O).

Work Description: Enter the work description, including equipment used.

Date: Enter the date (Month/Date/Year) of the work day.

Period Beginning: Enter the beginning date of this payroll period.

Period Ending: Enter the ending date of this payroll period.

Payroll Number: Enter the payroll number. Payrolls should be numbered as first through final.

Project Location: Enter the location of the project.

CDBG Project Name: Enter the name of the CDBG project.

CDBG Project Number: Enter the CDBG project number.

Employee: Enter the name of the employee.

Instructions for Completion

Weekly Employee Man Hours and Equipment Usage Report
and the General Ledger.

Compute the Total of All Employees' Man Hours and Equipment Usage for the Week and Make Appropriate Entries in the Journals.

(Total Project Man Hours and Equipment Usage: Enter the Employee, Total Project Man Hours and Equipment Usage for the Week)

Approval Date: Have the Payroll Clerk Verify the Correctness of the Report by Attaching His Signature and the Date.

Date: Enter the Date the Supervisor Signs the Report.

Supervisor Signature: Have the Supervisor Certify the Validity of the Report by Attaching Signature.

Date: Enter the Date the Employee Signs the Report.

Employee Signature: Have the Employee Certify the Validity of the Report by Attaching Signature.

TOTALES: Enter the Totals for Columns A through H.

Total Equipment Rental: Enter the Employees' Total Equipment Rental Charges for the Day.