
cost reporting guidelines



A department of MPS

Partnership for the
Arts and Humanities

MILWAUKEE RECREATION

Partnership for the Arts & Humanities (PAH)

Cost Reporting Guidelines

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|--------------------------|--|
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Section 1

The Basics

Overview



The Partnership for the Arts & Humanities (PAH) is an allocation of \$1.8 million dollars approved annually by the Milwaukee Board of School Directors to support afterschool and summer arts and humanities-related opportunities for children, youth and families.

Funds are released after a rigorous application review process, to community-based organizations planning to partner with schools and/or youth serving agencies. A dollar-for-dollar match requirement encourages new partnerships between community-based organizations, schools, youth serving agencies and the funding community, and promotes the use of matching funds for programming during the school day.





Introduction

Thank you for partnering with Milwaukee Recreation to provide high quality arts and/or humanities experiences for our city's young people.

Along with all the activities you and your staff will be doing with youth, there are financial responsibilities associated with receiving funds from the Partnership for the Arts & Humanities. The expenses that are aligned to the program, allowable by contract, and approved by the Supervisor of the Partnership for the Arts & Humanities will be reimbursed through a Cost Report. This guide is intended to assist you with this process.

Per the Partnership for the Arts & Humanities contract, your organization is required to provide documentation of program-related expenses in the areas of: personnel, fringe benefits, contractual/purchased services, program materials and supplies, equipment purchase / rental, general program costs, and administrative / indirect costs. Documentation is two-fold and includes (a) documentation of proof of the purchase (such as an invoice, contract, bill, etc.) AND (b) documentation that the expense was paid (such as a receipt, credit card statement, payroll records, check copy, etc.). Note: for the 2020-21 contract period, organizations will automatically receive reimbursement for administrative costs if they included administrative costs in their approved budget. Documentation will not be required for this category.

For example, let's say your organization hires an instructor on a contract basis to deliver programming and they've put in 30 hours on the project in the given pay period. To receive reimbursement for the wages you've paid the instructor, you will need to submit:

- a. *documentation (such as an invoice) that shows what the instructor was paid per hour, the number of hours they worked, and total amount to be paid. Typically, this comes in the form of an invoice or sometimes a contract with the instructor that states the number of hours they agree to work and total compensation, and*
- b. *documentation that shows the instructor was paid for their services. This typically comes in the form of a copy of the actual check they received.*

The above would all be tracked via a document called a Cost Report and submitted to Milwaukee Recreation for reimbursement. Read on to learn even more about the cost reporting process.



Section 2

What is Cost Reporting



What is a Cost Report?

A Cost Report is a packet of information that you will submit to Milwaukee Recreation as your request for reimbursement for program-related expenses.

The packet consists of (1) a cover sheet, which summarizes your cost reporting past and present, (2) schedule sheets, which are used to record and total costs in each of the following categories: personnel, fringe benefits, contractual / purchased services, program materials and supplies, equipment purchase / equipment rental, general program costs, administrative / indirect costs, and (3) documentation of program-related expenses as outlined in each schedule sheet.

You have been provided a customized Cost Report spreadsheet to help you with this process. The spreadsheet consists of a cover sheet and subsequent schedule pages to report expenses. You are responsible for providing copies of documentation related to your costs as outlined in this guide book.

Per your contract, you are required to submit a Cost Report monthly, bi-monthly or for the summer months (May-August) following the Cost Reporting schedule on the following page. You selected the schedule you will follow at the beginning of the contract period. If you do not remember which schedule you selected, you can look on the Cover Page of your Cost Report.

Table 1.0 – Cost Report Cover Page (Reporting Schedule)

| Contract #: C000000 | | | | Return to: Milwaukee Recreation Attn: Michelle Walters 5225 W. Vliet St., Room 162 Milwaukee, WI 53208 | |
|---|--|------------------------------|-----------------------------|--|---|
| Vendor #: V000000 | | | | | |
| Organization: April's Cool Organization | | Name and Date: | | | |
| | | Phone/Email: | | | |
| Contract \$ Amount: \$20,000 | | Payment Address: | | | |
| Report #: 1 | | <div>MPS USE ONLY</div> | | | |
| Report Start Date: | | | | | |
| Report End Date: | | | | | |
| Cost Report Due: 15 days after end of reporting period. | | | | | |
| | | | | | |
| Cost Category | Project Budget (Partnership for the Arts & Humanities Funds ONLY) | Previous Report Expenditures | Current Report Expenditures | Costs-To-Date (Total of all Reimbursements Requested To Date) | Budget Balance (Project Budget less Costs-To-Date) |
| Personnel | \$ 10,000.00 | - | \$ - | \$ - | \$ 10,000.00 |
| Fringe Benefits | \$ 1,000.00 | - | \$ - | \$ - | \$ 1,000.00 |
| Contractual / Purchased Services | \$ 3,500.00 | - | \$ - | \$ - | \$ 3,500.00 |
| Program Materials & Supplies | \$ 1,500.00 | - | \$ - | \$ - | \$ 1,500.00 |
| Equipment Purchase / Rental | \$ - | - | \$ - | \$ - | \$ - |
| General Program Costs | \$ 1,000.00 | - | \$ - | \$ - | \$ 1,000.00 |
| Administrative Costs / Indirect Expenses (no more than 15%) | \$ 3,000.00 | - | \$ - | \$ - | \$ 3,000.00 |
| TOTALS | \$ 20,000.00 | - | \$ - | \$ - | \$ 20,000.00 |
| I certify that the information contained in this report is correct, is recorded as such on the books of this agency, and that the expenditures reflected herein were made in accordance with conditions of the agreement of this agency with MPS. | | | | | |
| Organization Representative | | | | Date: | |

Cost Reports should be mailed to (hand delivery is suspended until further notice):

Michelle Walters, Financial Planning & Budget Coordinator III
Department of Recreation and Community Services
Milwaukee Public Schools
5225 W Vliet Street, Room 162
Milwaukee, WI 53208

Reimbursement for expenditures outlined in your submitted Cost Report will be made in approximately 45 days from submission date, as long as you have complied with all of Milwaukee Recreation's fiscal requirements and have supplied all required documentation. If your organization does not submit the Cost Report by the deadline, it may take longer than 45 days for reimbursement to be completed. Acceptance of late Cost Reports is at the sole discretion of the Supervisor of the Partnership for the Arts & Humanities. If an extension is granted, there is no guaranteed timeline for the reimbursement.

Note: Organizations will ONLY receive reimbursements for allowable expenses (per their approved budget) and must have completed all other requirements of the contract. You are required by contract to retain all supporting documentation for a minimum of seven years. Milwaukee Recreation may request any documentation at any time. Failure to have adequate documentation may result in non-renewal of contract or request for reimbursement.



Cost Report Schedule

Below is the schedule of when Cost Reports are due. Cost reports not following the below schedule will be returned for proper reporting and will be considered late and could take longer than the 45-day turnaround for reimbursement.

Table 2.0 – Cost Report Submission Schedule

| MONTHLY | | BI-MONTHLY | |
|------------------|--------------|-------------------|--------------|
| September Report | October 15 | Sept - Oct Report | November 15 |
| October Report | November 15 | Nov - Dec Report | January 15 |
| November Report | December 15 | Jan - Feb Report | March 15 |
| December Report | January 15 | Mar - Apr Report | May 15 |
| January Report | February 15 | May - Jun Report | July 15 |
| February Report | March 15 | Jul - Aug Report | September 30 |
| March Report | April 15 | | |
| April Report | May 15 | | |
| May Report | June 15 | | |
| June Report | July 15 | | |
| July Report | August 15 | | |
| August Report | September 30 | | |

SUMMER - ONLY PROGRAMS

| | |
|-------------------------|--------------|
| May - Aug Report | September 30 |
|-------------------------|--------------|

Note: Organizations are not required to submit a Cost Report for reporting periods in which they do not have expenses (or do not have expenses to submit to Milwaukee Recreation).



Section 3

Categories of a Cost Report



Categories of a Cost Report

All program-related expenses must be directly related to the services provided to and /or for the authorized participants of the funded program. See the “Support Documentation/Backup” section on page 10 for a list of documentation (proof of cost/purchase and proof of payment) that is allowable per each of the following categories. The following categories are reimbursable: 4

PERSONNEL

Personnel: Compensation (salary or wages) provided to program employees for services rendered in the direct operation of the funded program. A “program employee” is defined as, an employee that is critical to the implementation of the funded program. This includes employees that manage the program and employees that implement the program.

Documentation submitted shall include information on employee’s pay rate, hours, pay period, check number and authorized deductions. If requesting reimbursement for a portion of a person’s salary, a written explanation is required regarding how that percentage was obtained. Example, “Sally works in the arts program directly and works in another program within our organization”.

Note: You may claim gross salary (as opposed to net salary) in this category. As per your contract, your employees must earn a “living wage” as determined by the City of Milwaukee. You can find a copy of the table on the City’s website at <http://city.milwaukee.gov/Purchasing/Forms.htm#.WNKZhtlXz4>. Click on Living Wage Rates, History & Updates. As of March 1, 2021, the new rate is \$12.21.

FRINGE BENEFITS

Fringe Benefits: Benefits that employers provide in an employee’s (personnel) compensation package. They can include, but are not limited to, costs of leave, insurance (disability, health, dental, or life), social security contribution, Medicare contribution, pensions, unemployment benefit plans, retirement, Worker’s Compensation, etc. When submitting for reimbursement for benefits, provide all documentation related to payments, employees receiving the benefit, and show how you arrived at your calculation.

Note: You cannot claim benefits on a Cost Report if you have not claimed salaries.

CONTRACTUAL / PURCHASED SERVICES

Contractual / Purchased Services: Costs associated with the purchase of professional services, under a contract by a firm or individual not employed by the organization. This service shall be required for the successful operation of the program and can include expenses for hiring program subcontractors. Copies of all subcontracts and professional service agreements, invoices, and proof of payment must be submitted with the Cost Report if reimbursement is being requested.

Note: Your organization has the sole responsibility for ensuring that proper contract/procurement procedures are used in securing contracts and that all relevant legislation pertaining to non-discrimination and “fairness” is followed.

Difference between Personnel and Contracted individuals?

Personnel are individuals hired by your organization who receive a payroll check and benefits package. A contracted individual does NOT work for your organization but is hired via contract to perform a service related to the program. For example, Joe Smith is an art teacher who is hired by your organization. You pay Joe via your payroll system and payroll taxes are deducted from his check that you submit to the IRS, etc. Sally Jones owns her own company, but you hire her (or contract with her) to lead a drawing program once a week for 12 weeks. Sally submits an invoice to you with the dates she worked, and amount owed to her. You pay Sally with a check from your checking account, but her time does not get entered into the payroll system. Joe is considered personnel; Sally’s time would be recorded under contractual services.

Program Materials & Supplies

Program Supplies and Materials: Costs associated with the purchase of tangible goods and other expenses necessary for carrying out the program operation. They include supplies having purchase price less than one hundred fifty dollars (\$150). Examples of these expenses include but are not limited to program materials and instructional supplies.

Equipment Purchase / Rental

Equipment purchases and rentals: Costs associated with the purchase or rental of tangible personal property that have a unit acquisition cost equal to or over three hundred dollars (\$300) and a useful life of one year or longer. They can include, but are not limited to, digital photo/video equipment, musical instruments, and audio/visual equipment. Equipment purchases made with Partnership for the Arts & Humanities funds must be related to the objectives of the funded program. Equipment purchases that have a unit acquisition cost equal to or over three hundred dollars (\$300) must be pre-approved by Milwaukee Recreation and shall be purchased for the organization’s program usage only. All equipment purchases equal to or over \$300 remains the sole property of Milwaukee Public Schools and shall be identified by an inventory number that is tagged on any equipment.

General Program Costs

General Program Costs: Identified and documented costs paid for services provided to and/or for participants in the fulfillment of the arts program goals and objectives. These costs can include, but are not limited to, event/activity admission fees, program advertising and printing, duplicating costs, mileage for staff, program publications, staff/participant apparel, meals or snacks for program participants, and family events approved in your original budget.

Administrative Costs

Administrative costs are defined as the expenses of doing business that are not readily identified with a grant, contract, project function or activity, but are necessary to conduct the activities it performs. For

the 2020-21 contract period, organizations will automatically receive reimbursement for administrative costs if they included administrative costs in their approved budget. These expenses will be reimbursed at a rate of up to 15% of each Cost Report until the maximum amount (15% of your total budget) is met. If your organization included a different administrative amount (i.e. 8% or 10%) you will be reimbursed accordingly. If your organization did not include administrative cost in your approved budget, this section does not apply to you. See below for an example of an organization with 15% overhead in their budget:

COST REPORT 1

Subtotal of all expenses on the cost report (personnel through general program costs): \$4,650

15% admin calculation: $\$4,650 \times .15 = \697.50

Total to be reimbursed: $\$4,650 + \$697.50 = \$5,347.50$

COST REPORT 2

Subtotal of all expenses on the cost report (personnel through general program costs): \$11,908

15% admin calculation: $\$11,908 \times .15 = \$1,786.20$

Total to be reimbursed: $\$11,908 + \$1,786.20 = \$13,694.20$



Section 4

How to Complete a Cost Report



How to Complete a Cost Report

The key to proper cost reporting is having proper documentation. The three most common documentation items include:

1. Legible copies of all paid receipts, invoices and contracts.
2. Copies of organizational checks used for payment of authorized expenses; and
3. Copies of payroll ledger forms and other relevant data (identifying payee, check number, hourly rate, gross wages and authorized deductions).

If you are uncertain whether an item is allowable, or your documentation is adequate, you should contact the Milwaukee Recreation Financial Planning and Budget Coordinator at Michelle@milwaukeeerecreation.net or (414) 475-8101.

Table 3.0 – Bi-Monthly Cost Report Cover Page

MPS Partnership for the Arts and Humanities Cost Report Cover Sheet

| | | | | | |
|---|--|---|--|---|--|
| Contract #: | | | | Return to: Milwaukee Recreation Attn: Brenda Saucedo 6225 W. Vliet St., Room 162 Milwaukee, WI 53208 | |
| Vendor #: | | | | | |
| Organization: | | | | | |
| Contract \$ Amount: | | | | | |
| Report #: 1 | | Name and Date: | | MPS USE ONLY | |
| Report Start Date: | | Phone/Email: | | | |
| Report End Date: | | Payment Address: | | | |
| Cost Report Due: 15 days after end of bimonthly reporting period. | | | | | |
| Cost Category | Project Budget (Partnership for the Arts & Humanities Funds ONLY) | Previous Report Expenditures | Current Report Expenditures | Costs-To-Date (Total of all Reimbursements Requested To Date) | Budget Balance (Project Budget less Costs-To- Date) |
| Personnel | \$ - | - | \$ - | \$ - | \$ - |
| Fringe Benefits | \$ - | - | \$ - | \$ - | \$ - |
| Contractual / Purchased Services | \$ - | - | \$ - | \$ - | \$ - |
| Program Materials & Supplies | \$ - | - | \$ - | \$ - | \$ - |
| Equipment Purchase / Rental | \$ - | - | \$ - | \$ - | \$ - |
| General Program Costs | \$ - | - | \$ - | \$ - | \$ - |
| Administrative Costs / Indirect Expenses (no more than 15%) | \$ - | - | \$ - | \$ - | \$ - |
| TOTALS | \$ - | - | \$ - | \$ - | \$ - |
| I certify that the information contained in this report is correct, is recorded as such on the books of this agency, and that the expenditures reflected herein were made in accordance with conditions of the agreement of this agency with MPS. | | | | | |
| Organization Representative | | | | Date: | |

On the cover page of your Cost Report template, the following information has been completed for you (green and orange cells): Contract #, Vendor #, Organization, Contract \$ Amount and the Project Budget.

You will need to complete the following:

Section A:

1. Report # - 1, 2, 3, 4, etc.
2. Report Start/End dates – The period of the report (see Cost Report schedule).

Section B:

1. Name and Date, Phone/Email, Payment Address – Contact information for person who completed the report.

Section C:

1. Signature – The organization's representative must approve and sign the Cost Report.
2. Date – The date the report was completed.

Note: The cover page of the Cost Report includes the submitted and approved budget. The worksheet is designed to calculate how much of the contract amount is expended each month. It will also keep an accumulative total to assist in knowing how much of the contract has been expended in total. The Budget Balance column helps you determine how much can be submitted on upcoming Cost Reports.

When an expense is disallowed, the organization will be notified by email. The email will identify whether the expense is either (a) not allowed and being denied or; (b) is missing documentation and being omitted from the current report. If the report is missing documentation, the organization will be allowed to be resubmit for reimbursement with proper documentation on a separate Cost Report. It should be identified as a "Corrective Report" and include the month that it originated from. Example, "Corrective Report – January/February".

Note: If an expense is not allowed on a report, it is the organization's responsibility to adjust the Cost Report amount on their end to have an accurate remaining balance.

Each report also has a place for approval signature. All Cost Report cover sheets must be signed by a representative from the organization. No Cost Report will be accepted without a signature.

Table 3.1 – Schedule of Paid Costs - Personnel

| MPS Partnership for the Arts and Humanities Schedule of Paid Costs | | | | | | | |
|--|-----------|-----------------------------|-----------------|--------------|-------------------|------------------------|-----------------------------------|
| Bimonthly Report - Personnel | | | | | | | Report #: 1 |
| To Be Completed by Contractor | | | | | | To be Completed by MPS | |
| Check #, CC or Cash | Date | Payee & Purpose of Purchase | Total Amount | % Claimed | Amount Claimed | Adjustments | Comments |
| 1123 | 9/8/2018 | Jane Doe | \$ 800.00 | 100% | \$ 800.00 | | |
| DD | 9/8/2018 | Mike Wise | \$ 1,450.00 | 60% | \$ 870.00 | | Mike works another program for us |
| 1124 | 9/8/2018 | Sammy Slaw | \$ 600.00 | 100% | \$ 600.00 | | |
| 1125 | 9/8/2018 | Debby Downer | \$ 45.00 | 100% | \$ 45.00 | | |
| 1230 | 9/22/2018 | Jane Doe | \$ 850.00 | 100% | \$ 850.00 | | |
| DD | 9/22/2018 | Mike Wise | \$ 1,450.00 | 60% | \$ 870.00 | | |
| 1231 | 9/22/2018 | Sammy Slaw | \$ 600.00 | 100% | \$ 600.00 | | |
| 1232 | 9/22/2018 | Debby Downer | \$ 53.00 | 100% | \$ 53.00 | | |
| | | | \$ - | #DIV/0! | \$ - | | |
| | | | \$ - | | \$ - | | |
| | | | \$ - | | \$ - | | |
| | | | \$ - | | \$ - | | |
| | | | \$ - | | \$ - | | |
| | | | \$ - | | \$ - | | |
| | | | \$ - | | \$ - | | |
| Budget Category Total | | | \$ 5,848.00 | | \$ 4,688.00 | | |

This Form Must Accompany the Cost Report Cover Sheet.
Expenditures will not be authorized unless the following are included with your Cost Report:
(1) purpose of each purchase and (2) proof that each purchase was made AND paid.

The Schedule of Paid Costs is the list that describes what the organization is seeking reimbursement (which will be supported by backup documentation from the organization). The top of the page indicates which cost category reimbursement is being requested for, such as personnel, fringe benefits, and program supplies, etc. Complete one sheet for each cost category (you will need to scroll down to see the schedules for other cost categories).

When completing each schedule sheet, include:

Section A:

1. Check #, CC or Cash – Complete this for the payment that was made. This would be either the payroll check number or DD for direct deposit. If an item was purchased by credit card indicate CC in the box.

Section B:

1. Date - The date of the payment. For store receipts use the date on the receipt of the actual purchase. For invoices use the date the payment was made, not when the invoice was created.

Continued on next page>

Section C:

1. Payee Description / Purpose of Purchase - Examples of payee descriptions include: employee name on personnel sheets, name of the store where the items were purchased, etc. Notice that the form indicates 'purpose of purchase'. There should be a small description included. Examples of purpose of purchase include: salaries, payroll, supplies for ballet event, family event expenses, etc. Many expenses may require a flyer or other explanation of the event.

Section D:

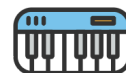
1. Total Amount - The total amount of the purchase or payroll. For instance, if the receipt total was \$85.00 then \$85.00 should be written in this column.
2. % Claimed - The percentage of the reimbursement being sought from the total amount. If Johnny works directly with the arts partnership program Monday through Thursday and on Fridays works on other projects not related to the arts partnership program, indicate that you are seeking a 90% reimbursement of his wages, and explain this situation.
3. Amount Claimed - The total amount being requested for reimbursement. In the example of above, if Johnny's payroll was \$1,000, 90% of that amount would be \$900 and that would be the amount indicated in this column.

Section E:

- a. Budget Category Total - The total amount requested for reimbursement under this cost category. Each sheet will have a total and that total will be indicated on the cover sheet within the "Current Month Expenditures" column (see table 3.0).

If documentation is missing or if the expense is not allowable, Milwaukee Recreation will deduct the amount until proper documentation is provided. Typically, this would occur in a corrective cost report.

Remember, all documentation must have an explanation to be reimbursed. It is not always obvious how an item is being used within the Partnership for the Arts & Humanities program.



Allowable Cost Items

The following items are allowed within each cost category.

Personnel (direct costs)

- a. Direct program employee's salary / wages expense

Fringe Benefits (direct costs)

- a. Insurance (disability, health & dental, life)
- b. Medicare
- c. Retirement
- d. Social Security
- e. Unemployment compensation
- f. Workers compensation

Contractual / Purchased Services (direct costs)

- a. Subcontracted services, including bus transportation for participants

Program Supplies & Materials (direct costs)

- a. Instructional materials
- b. Program materials

Equipment Purchase / Rental (direct costs)

- a. a) Photo/video/audio equipment
- b. b) Musical instruments

General Program Costs (direct costs)

- a. Event/activity admission fees
- b. Program advertising and printing (must include the Partnership for the Arts & Humanities logo)
- c. Duplicating
- d. Healthy meals or snacks for program participants

Administrative (indirect costs no more than 15% of Partnership for the Arts & Humanities budget)

- a. See page 5 for guidelines regarding administrative costs.

Note: All cost reimbursement requests must be directly related to services provided to and/or for the authorized participants of the Partnership for the Arts & Humanities program.



Unallowable Cost Items

The following items are not allowed and will not be reimbursed:

- a. Purchases or salaries not within the scope of the funded program
- b. Salaries or wages for staff and/or subcontractors that do not meet the City of Milwaukee's current livable wage requirement
- c. Fees or purchases associated with in-school programming
- d. Alcoholic beverages
- e. Late charges or fees
- f. Credit card fees
- g. Contributions, donations or tips¹
- h. Promotional/marketing items or materials not related to the funded program
- i. Taxes, such as sales tax (exception: federal taxes)
- j. Mortgage, rent or lease payments
- k. Unpaid credit card purchases that do not have the original receipt and are not related to the funded program
- l. Door prizes and incentive items for staff and participants
- m. Fundraising-related expenses such as mailings, event expenses, etc.
- n. Video game systems, accessories or games
- o. Food not directly used for the program and/or unhealthy food
- p. Equipment purchases over \$300 for a single item without prior approval²
- q. Gasoline and/or maintenance for vehicles³
- r. Agency or program signage to be placed within or outside any MPS facility without the Partnership for the Arts & Humanities logo
- s. Program audit or evaluation fees
- t. Photo or video documentation of the program to be used to market the program in the future

¹ Delivery fees and shipping costs are acceptable expenses.

² Approved items purchased at or above \$300 will become property of Milwaukee Public Schools and will need to be inventoried and tagged.

³ Requesting reimbursement for program-related mileage is acceptable.



Section 5

Supporting Documentation



Support Documentation / Backup

Each cost that is listed on the Cost Report requires support documentation regarding the expense. It is the organization's responsibility to demonstrate that there is a need for each cost. Below is a list of the most commonly used support documentation for each cost category. If there is any question regarding whether a support document will suffice, the organization should contact Milwaukee Recreation.

Payroll Check / Register

Whether a payroll check (Table 3.2) is used or a payroll register (Table 3.3), there are key components that must be present.

- Organization name
- Employee name
- Check number
- Pay date (pay period is typically also on both but reimbursement is based on pay date)
- Pay rate (keep in mind that all employees must be earning a livable wage effective the start of the contract period)
- Gross wages
- Tax amounts

Gross wages are used on the Schedule of Paid Costs. The fringe benefits on the wages that are reimbursable include Medicare and Social Security and are reimbursed at a rate of 7.65%. They are easily displayed on the paycheck stub. In the sample below the gross wages are \$1,000 and the fringe benefits would be \$76.50 – 1,000 X 7.65%.

Table 3.2 – Sample Payroll Check

| Sample Company Name, Sample Company Address, 95220 | | | | EARNINGS STATEMENT | | |
|--|----------------|-------------|---------------|--------------------|---------------|--------------|
| EMPLOYEE NAME | SOCIAL SEC. ID | EMPLOYEE ID | CHECK No. | PAY PERIOD | PAY DATE | |
| James Robert | XXX-XX-6565 | 454545 | 259248 | 01/23/14-01/29/14 | 01/31/14 | |
| INCOME | RATE | HOURS | CURRENT TOTAL | DEDUCTIONS | CURRENT TOTAL | YEAR-TO-DATE |
| GROSS WAGES | | | 1,000.00 | FICA MED TAX | 14.50 | 72.50 |
| | | | | FICA SS TAX | 62.00 | 310.00 |
| | | | | FED TAX | 159.50 | 797.48 |
| | | | | CA ST TAX | 44.26 | 221.31 |
| | | | | SDI | 10.00 | 50.00 |
| YTD GROSS | YTD DEDCTIONS | YTD NET PAY | TOTAL | DEDUCTIONS | NET PAY | |
| 5,000.00 | 1,451.28 | 3,548.72 | 1,000.00 | 290.26 | 709.74 | |

Table 3.3 – Payroll Register Sample

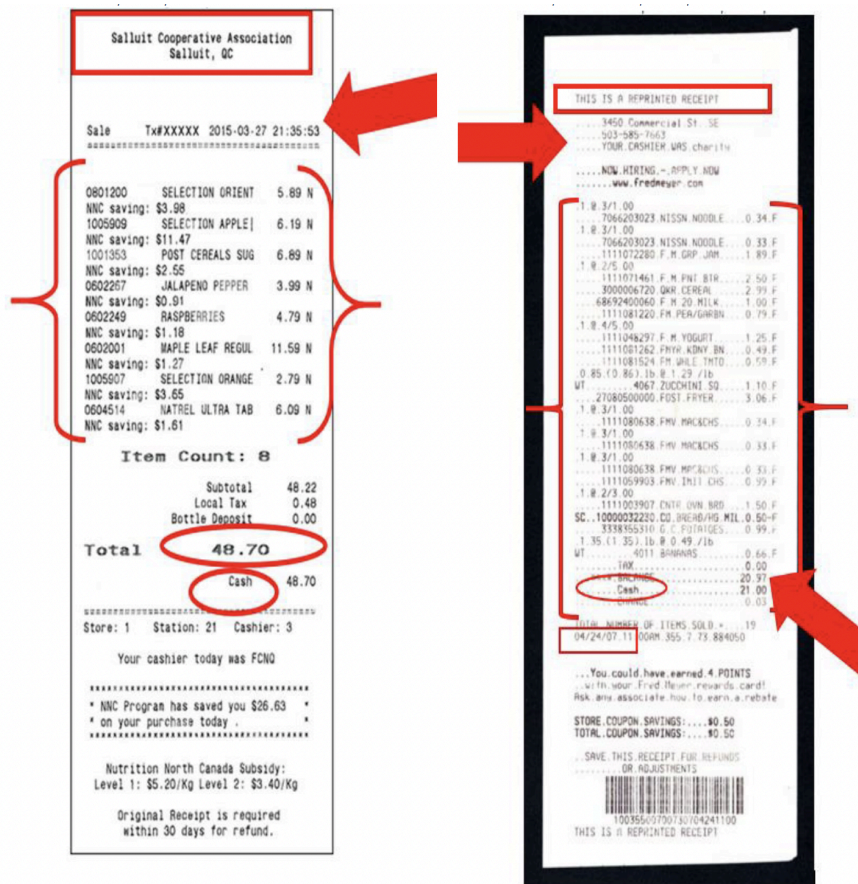
Per your Partnership for the Arts & Humanities contract and Cost Report guidelines, organizations can receive reimbursement for Health, Dental, Life, and Disability Insurance; retirement plans, unemployment compensation, and worker's compensation costs. Proof of the cost(s) (via invoice, or other documentation from the company), along with proof of payment will be needed for reimbursement. A list of employees receiving these benefits is also required.

Receipt

When items are purchased for the program and a receipt is used for reimbursement, the following items must be visible:

- Name of the business from who the item was purchased.
- Date and time the transaction occurred.
- Items purchased (must be program related)
- How the item(s) were purchased (Cash, credit card)
- Amount of the purchase (less sales tax)

The items must be clear and legible. An explanation for the purchase should be included with the receipt or on the Schedule of Paid Costs sheet in the Cost Report. Not submitting a clear receipt can result in a denial of reimbursement. There may be the need to have a receipt reprinted from the store location. This is acceptable provided the necessary items above are included on the reprinted receipt.



Invoice

An invoice is different from a receipt. A receipt is an acknowledgement of amount(s) paid for certain goods and services. An invoice is a detailed list of goods shipped or services rendered, with an account of all costs. One primary purpose of an invoice is to communicate the requirement to pay for goods. When submitting an invoice for reimbursement, proof of the payment must be included. Keep in mind that reimbursements are based on when payments are made, not when invoices are received from the vendor. For instance, if an invoice is received on September 14th but the check issued for payment is dated October 5th, a copy of the invoice and check would be submitted with the Sept/Oct report.

Items that should be included on an invoice:

- Billing company name and address and contact information
- Who is being billed (organization)
- Date of the invoice
- Date the items were purchased, or the services were rendered
- Detailed list of the items purchased
- Amount of the purchase (less any sales tax)

Not having these items on the invoice can result in a delay in processing or denial of reimbursement.

Table 3.6 – Invoice Sample

Xin Cube Inc.
380 Francisco St
San Francisco
CA 94133
United State
Phone: (415) 989-1188 Fax: (415) 989-2288
Email: admin@xincube.com
Website: 74-2999.12

Delivery Note
Code: DN13030001
Date: 29-Mar-2013
Reg No:

Bill To: Stanley
Light Packet
14 Main St
Woody Creek CO
US
Phone: 970-923-5552 Fax: 970-923-5555

Ship To: Stanley
Light Packet
14 Main St
Woody Creek CO
US
Phone: 970-923-5552 Fax: 970-923-5555

Sales Person: Charles Gordon
Order No.: OR281-12
Shipping Date: 29-Mar-2013
Shipping Terms: -
Shipping Method: FOB

| No. | Quantity | Item Code | Description | Gross Weight | Net Weight |
|-----|----------|-----------|---|--------------|------------|
| 1 | 20 PC | STK000001 | APPLE IPAD CASING - WHITE | 0.00 | 0.00 |
| 2 | 20 PC | STK000002 | APPLE IPAD CASING - BLACK | 0.00 | 0.00 |
| 3 | 30 PC | STK000003 | SAMSUNG GALAXY TAB 10.1" CASING - BLACK | 0.00 | 0.00 |
| 4 | 30 PC | STK000004 | SAMSUNG GALAXY TAB 10.1" CASING - WHITE | 0.00 | 0.00 |

Note:
Thanks for your business!
This delivery note is generated using Xin Inventory 2.0
Received By:

Gross Weight: 0.00
Net Weight: 0.00

Contract

A contract is used when seeking services from an individual outside of the organization. There are several different forms of contracts and each organization will use one suited to their needs. All contracts are binding between the two parties.

When using a contract there should be:

- defined expectation of the services to be performed;
- the timeframe in which these services should be completed;
- an agreed upon price that is anticipated to be received for the services; and signatures of all parties involved.

Once the services are rendered, the contractor will invoice the organization for his/her time. When the invoice is received, there should be definitive knowledge that the services were performed according to the terms in the contract. When submitting for reimbursement, a copy of the contract, the invoice, and the payment must be used as documentation. Failure to submit a signed contract and invoice with the Cost Report could result in a delay of reimbursement.

Other

When seeking reimbursement for Milwaukee County Transit bus tickets or M•CARDS, you must include the list of students who received the bus tickets or M•CARDS with the proof of purchase.

When seeking reimbursement for tickets for a field trip or activity, a list of individuals who used the tickets must be included with the proof of purchase. If seeking reimbursement for 15 tickets, but only 10 students showed up for the field trip (with 3 chaperones), please include the names of the 10 students and 3 chaperones. This would indicate to us that the 2 tickets that did not get used were due to student A and student B not attending. When in doubt, write us a brief note explaining the situation.



Section 6

Frequently Asked Questions



Frequently Asked Questions (FAQs)

Here are some of the most commonly asked questions regarding the submission of Cost Reports.

I received an invoice in October, but I didn't pay it until January. When should I submit for reimbursement?

Because the payment was made in January, the reimbursement would fall in Jan/Feb Cost Report. However, because the invoice is dated October, you will have to indicate on the Cost Report that payment was not made until January. Without the explanation, an auditor will look at the Cost Report and wonder if an organization is trying to submit for reimbursement more than once.

One of my employees pay was denied due to her pay being below the living wage for the contract year. If back pay is given to the employee can I resubmit the wages for reimbursement?

If pay has been denied on one Cost Report due to the living wage, you can resubmit for reimbursement on a "corrective cost report". The original documentation of pay that was NOT at the livable wage along with documentation of pay that makes the employee's earnings at a livable wage are required. For example, if John worked 10 hours on paycheck A and 5 hours on paycheck B of the month, at a rate of \$10.00 an hour, you would need to provide the paycheck stubs or register for both checks at the \$10.00 rate. Then you would also have to show that there was a payment made for at least \$22.80 (15 hours at \$1.52 to reach the total hourly wage of \$11.52) to be reimbursed for John's wages.

We have kids that come late and miss snack, or we want to reward kids with special treats. Can we purchase snacks?

Any meals or snacks purchased for the program should be included in your budget and must be healthy in nature. Rewards are not reimbursable per contract so be careful what you purchase items for within your program. Keep in mind that MPS provides final approval on "healthy options" so if you are unsure whether you will be reimbursed or not for a purchase, contact Michelle at michelle@milwaukeeerecreation.net.

What payrolls should I include in my cost report?

You should submit the payroll checks that fall in the time of the Cost Report, not the checks that include the days of that month. Only check dates of that month should be submitted. (Mar/Apr Cost Reports should only include Mar/Apr check dates, not any check dates from May even though the May check may include days from April).

Why do I keep getting my expenditures declined?

There could be many reasons why expenditures are declined, but the major reason is that there is not an explanation for the expense. Never assume the purpose of the item purchased is obvious as outlined on a receipt. Explanations are required for all purchases. A simple explanation of "art supplies for spring concert", or "ballet class supplies" may be all that is needed. Another reason is that the expense was not included in your approved budget. Be sure to refer to your approved budget as you complete your Cost Reports.

What if I need more time to complete my cost report?

If you know you are not going to make the deadline, you should email April Heding hedingal@milwaukee.k12.wi.us to request an extension. If an extension is granted, keep in mind that the 45-day turnaround time is no longer in effect and Milwaukee Recreation will process as soon as possible from the time the late Cost Report is submitted.



Section 7

Contacts



Milwaukee Recreation Contacts

If you have any questions, contact the following:

FOR PROGRAMMING-RELATED QUESTIONS

Christina Dresang, Supervisor – Partnership for the Arts & Humanities

Milwaukee Recreation

dresanc@milwaukee.k12.wi.us

(414) 475-8508

April Heding, Manager – Partnership for the Arts & Humanities

Milwaukee Recreation

dresanc@milwaukee.k12.wi.us

(414) 475-8508

FOR COST REPORT QUESTIONS

Michelle Walters, Financial Planning and Budget Coordinator III

Milwaukee Recreation

michelle@milwaukeeerecreation.net

(414) 475-8101

