

COST GUIDELINES

Direct Project Costs and Delivery Allowance

Listed below are the definitions of each cost element related to performing Forest Investment Program (FIP) related work.

| Cost Element | Cost Basis | Type of Costs Included | Expense Category |
|--|-----------------------------|--|---------------------|
| Recipient's Employee Compensation and Benefits | Refer to Table 1 on page 4. | <ul style="list-style-type: none"> On-ground/project work (including pre-work meetings, on-site crew training and travel time). Preparation and delivery of prescriptions that are signed off by a professional for the specific project treatment. Developing, tendering and negotiating contracts for approved Activities. Quality control work performed for approved Activities. | Labour |
| | | <ul style="list-style-type: none"> Direct supervision of on-ground/project work (and travel to and from the work site). | Project Supervision |
| | | <ul style="list-style-type: none"> Planning work – researching, developing, prioritizing, scheduling and preparing Activities that are approved by FIP, including standards, work plans and carrying out First Nations information sharing. Planning and preparation of FIP Investment Schedule and Project Plans (including submissions to PwC). Program management and administration costs, such as management involvement in prioritizing projects. Matters relating to the Recipient Agreement with PwC. Planning and preparation of Progress / Exception / Amendment reporting and Completion documents required by FIP. Costs incurred to attend meetings or conferences with the Ministry associated with FIP work, but not a specific Activity and/or Location. | Delivery Allowance |
| Audits | Actual Cost | <ul style="list-style-type: none"> Costs incurred to arrange, attend and participate in financial and performance audits, unless otherwise previously approved by PwC. | Delivery Allowance |

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| Travel – Meals, Accommodation, and Transportation | Actual costs to a maximum of the Recipient's internal travel policies and Appendix A (Expenses Payable to Service Contractors). | <ul style="list-style-type: none"> • All travel costs (non-labour) to and from specific Activity sites including meals and accommodation. | Material |
| | | <ul style="list-style-type: none"> • Costs related to vehicle usage (should be consistent with equipment usage below). | Equipment Charges |
| Recipient's Equipment Usage | A reasonable cost basis would be the equipment usage divided by the estimated useful life of the equipment multiplied by the Recipient's capital cost. | <ul style="list-style-type: none"> • Capital equipment charges for the Recipient's equipment that is used for approved Activities. | Equipment Charges |
| Materials/Supplies | Actual Cost | <ul style="list-style-type: none"> • Cost of all consumable (project specific) operating materials and supplies used to prepare, schedule, and perform approved FIP Activities. | Material |
| | | <ul style="list-style-type: none"> • Allocation of Recipient's total office administrative costs (space, utilities, office supplies) and finance and accounting costs that can reasonably be attributed to the recipient's FIP work. | Delivery Allowance |
| Contractors / Consulting Services | A reasonable cost basis would be the charge that is applicable to the period that the personnel / equipment were used on the project. | <ul style="list-style-type: none"> • Contracted or purchased services for use in: <ul style="list-style-type: none"> <input type="checkbox"/> On-ground work (project specific) • Quality control work performed for approved Activities | Contracted Material / Labour |
| | | <ul style="list-style-type: none"> • Contracted or purchased services for use in: <ul style="list-style-type: none"> <input type="checkbox"/> Activities that are related to delivery allowance activities if the Recipient were to take the work themselves. | Delivery Allowance |
| Licenses, Permits, and Approvals | Actual Cost | <ul style="list-style-type: none"> • Cost of licenses, permits, and approvals required to perform on-ground work of approved Activities. | Material |
| Insurance | Actual Cost | <ul style="list-style-type: none"> • Cost of incremental premiums associated with on-ground work of approved Activities | Material |
| GST | Actual Cost | Recipient is GST registered: | GST |

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| | | <p>Claim an Input Tax Credit on any GST it incurred - e.g, on direct costs, subcontractor fees, etc.</p> <p>Charge GST on its service fee</p> <p>Charge GST on any reimbursements/disbursements that it bills for</p> <p>Recipient is not GST registered:</p> <p>Not be entitled to claim any ITCs in respect of GST it incurs</p> <p>May be entitled to a partial rebate of GST incurred (e.g., 50% for charities and certain NPOs)</p> <p>Not charge any GST on its services (may be able to include any GST it could not recover)</p> <p>Not charge any GST on reimbursements/disbursements (may be able to include any GST it could not recover)</p> <p>Please contact PwC for further clarification on how to report GST.</p> | |
|--|--|--|--|

Note: All expenditures will be subject to audit by FIP except for the Delivery Allowance. However, items related to Delivery Allowance will be audited if the types of costs that should be Delivery Allowance costs are being claimed as a Direct Cost.

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Table 1: Recipient's Employee Compensation and Benefits

| Level | Experience (yrs) | Technical (\$/hr) | Professional (\$/hr) |
|--------------|------------------|-------------------|----------------------|
| Junior | 0-5 | \$49.50 | \$60.50 |
| Intermediate | 6-15 | \$55.00 | \$71.50 |
| Senior | 15+ | \$60.50 | \$82.50 |
| | | | |

Note 1: Rates include benefits as defined above

Note 2: "Yrs" is defined as years as professional or years in a technical role. Supporting documentation (eg. Resume, etc....) may be requested.

Note 3: To claim professional rates, individuals must have a relevant professional designation (e.g., RPF, RFT, RPBio, PEng. PAg).

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Appendix A EXPENSES PAYABLE TO SERVICE CONTRACTORS (Recipients)

(While on travel status within British Columbia)

Meals:

| Breakfast Only | Lunch Only | Dinner Only | Full Day | B & L Only | L & D Only | B & D Only |
|----------------|------------|-------------|----------|------------|------------|------------|
| \$22.00 | \$22.00 | \$28.50 | \$55.12 | \$30.00 | \$41.86 | \$39.78 |

Eligible Meals:

- Breakfast
 - Travel commencing prior to 7:00 am
- Lunch
 - Travel commencing prior to 12:00 pm
- Dinner
 - Travel complete after 6:00 pm

Vehicle Use: Private vehicle usage will be reimbursed using an all-found rate, or at a maximum, based on the government's "Blue Book" rates (see the summary below). This vehicle allowance does not apply when using leased or rental vehicles.

| | |
|-------------------------------------|-------------------------------------|
| 4 x 2 less than 2800 kg = \$0.50/km | 4 x 4 less than 2800 kg = \$0.54/km |
| 4 x 2 2801 - 3600 kg = \$0.59/km | 4 x 4 2801 - 3600 kg = \$0.67/km |
| 4 x 2 3601 - 4500 kg = \$0.67/km | 4 x 4 3601 - 4500 kg = \$0.80/km |
| Trucks > 4500 kg = \$0.98/km | |

Rented Vehicle Use*: Cost of rented vehicles may be claimed, if required in order to perform the Services and if approved by the Administrator. Collision Damage Waivers (CDW) and Personal Accident Liability (PAL) will not be reimbursed.

Accommodation*: Actual amount payable for overnight hotel / motel accommodation. Where private accommodation is used, a maximum of \$34.93 per day is payable - no receipts required.

Parking*: When a vehicle is utilized by a Recipient while engaged in the fulfillment of his/her obligations under the Contract, receipted parking charges will be reimbursed at cost.

Ferry Travel*: Full cost of passenger and / or vehicle ferry travel will be reimbursed. Receipts or legible copies are required. Costs of using private boats are not reimbursable.

Air Travel*: Cost of economy class fare is payable when the passenger copy of the air ticket (or a legible copy) is submitted - a requirement even when fare is paid through a travel agency.

Bus / Taxi Costs:** Travel by bus or taxi costs when traveling point-to-point will be reimbursed. Receipts are not required, unless daily charges are in excess of \$20.00.

Business Long Distance Telephone, Postage, FAXCOM, Courier and other legitimate communication expenses incurred as part of the Contract are reimbursable when detailed by invoice or statement. For expenses where receipts have been issued (eg. courier expenses, telephone), receipts or legible copies must be submitted to substantiate these claims.

* Expense receipts or legible copies must be submitted.

** Receipts or legible copies must be submitted if expenses exceed \$20.00 per day.