



Revised: 1/24/2017

## **FLAGGING FAQ'S**

### **What is the “equipment vehicle” additive?**

The equipment vehicle rate is recalculated annually and the cost is shared by all customers. It covers the use of vehicle including maintenance, fuel, etc.

### **What is the “force acct ins” additive?**

The cost is shared by all customers. It is required by the FRA and covers the insurance premium for liability and reasonable medical expenses arising from injury or death to Company employees and physical damage to property owned or leased by the Company.

### **What is the “standard admin” additive?**

The standard admin additive is recalculated annually and is a cost shared by all customers. It covers administrative costs, including supervisor, payroll and bill processing.

### **What is the “standard labor” additive?**

The standard labor additive is recalculated annually and is a cost shared by all customers. It covers fringe benefit costs associated with direct labor, including vacation, holiday, health and welfare, Railroad Retirement withholding, unemployment, sick and personal leave.

### **What is the per diem rate for gang labor?**

Agreement employees receive a daily per diem required by their union agreement to cover meals, lodging, travel, and/or general living expenses.

### **\*IF I AM A SUBCONTRACTOR AND I RECEIVED THIS BILL WHAT SHOULD I DO?\***

**Union Pacific bills the “Bill Service To” party listed on the Agreement for Services form. This information was provided by an individual representing the company/contractor working at the project site on the day flagging services were required. Per this agreement, the billing is the responsibility of the party on this form and it is the responsibility of the subcontractor to seek reimbursement from a third party as needed.**

### **What is the meal and lodging allowance?**

Meals and lodging allowance represents per diem that the gangs are paid based on their labor agreements to cover meals, lodging, travel, and living costs. Some employees do not receive lodging per diem as dictated by their labor agreement; and therefore, these employees must use the Corporate Lodging Corporation (CLC) program. Per diem is a bimonthly average applied to the number of hours worked and paid to employees during each pay period (bimonthly, 1st - 15th and 16th - last day of month). The per diem paid to employees is not project specific, so it does not matter if a gang is working on one project, or many projects. It is pro-rated and applied accordingly to each project based on the number of hours worked.

### **What is corporate lodging?**

Corporate Lodging Corporation (CLC) is a company Union Pacific contracts with in order to obtain reduced hotel rates. All management and gang employees who do not receive lodging as part of per diem use the CLC program. CLC approved hotels bill CLC, who in turn will bill back UP once a month. Charges are allocated to the project (work order) based on the associated gang labor.

### **Why was there no receipt for the corporate lodging charges included with the bill?**

Corporate lodging is not a personal expense so no receipt will be included.

### **How is the hourly rate for each flagger calculated?**

Gang labor is reported at the gang level and not by each individual employee. The hourly rate represents the average labor rate of the gang working on the project.

## **FLAGGING FAQ'S**

### **Why am I being charged for 8 hours if my crew worked for less?**

Per the Agreement for Services form, minimum daily billing for flagging services is 8 hours because the flagger is being pulled away from other railroad duties for the entire day.

### **Why am I charged for overtime when my crew did not work over 40 hours?**

Overtime is earned on a daily basis after 8 hours. Also, flaggers charge for travel and setup time which can lead to overtime hours being charged.

In addition to the hours a flagman works with your crew, they have other duties they are required to fulfill. For example, one hour before and one hour after they are required to be on the track, they are setting up the required equipment for the flagging services. Also, they must report back to a railroad office at the end of the day (30 min) and are allowed to be paid through lunch (30 min). All of this work is included in the billable hours to the customer.

The flagmen gangs have set work hours considered as straight time. Any labor performed outside these parameters would be considered overtime. Example: If his regular work hours are from 7:00 to 3:30 and he has travel and set up time prior to 7:00 or after 3:30, it is automatically overtime.

### **Why is there other railroad flagmen listed on the invoice that did not work on this project?**

Gang labor is reported at the gang level and not by each individual employee. The intent of the Gang Member Detail report is to limit all employees who may have worked on the project according to their gang assignment, report date and class of time. Consequently, the total hours displayed may be greater than reported on the summary report and bill detail. There may be additional names that do not pertain to your particular project. If you want to know the hours you were billed look at the "Gang Labor Summary" document.

### **Why was more than one flagger needed on-site?**

An additional flagger may be needed depending on the scope of the project.

### **Why are different gangs entering time?**

It is not always possible for a gang to be on the same project every day. In this case, UPRR will provide another gang to provide protection. Also, per union labor agreements, gangs are allowed to bid on working flagging jobs. The employee with the most seniority will be awarded the bid.

### **Why is a flagger entering time on the weekend?**

When flagging is requested for a Monday, preparations (paperwork, equipment, etc.), are made on Sunday in order for work to start first thing on Monday morning.

### **What is the average charge per day?**

While the actual costs vary based on individual circumstances and customer requirements, we have seen customers averaging between \$800 and \$1,200 per day.