**Section 1540.20 Establishment of Cost**

a) Plant and plant material costs shall be determined annually.

b) The following items will be considered in establishing plant and plant material costs:

1) Plant and plant material production costs will be determined on a fiscal year basis.

2) Plant and plant materials with similar growth characteristics and cultural requirements will be grouped for administrative and bookkeeping purposes, e.g.:

A) Red and white pine

B) Other conifers

C) Black walnut

D) Oaks

E) Other hardwoods

F) Wildlife species

G) Prairie forbs

H) Prairie grasses

3) Cost may include: seed procurement and preparation; seedbed fumigation; seedbed preparation; seeding; mulching; irrigation; weeding; fertilization; top and/or root pruning; field inventories; digging; transporting; grading; counting; packaging; shipping and all related materials; acquisition of plants and plant materials; maintenance and repairs of equipment, structures and grounds; printing of forms, information and materials; personnel costs; contractual services; telephone services; motor vehicles and equipment; travel; rental; utility and water; and professional services.

4) Total cost for producing a group divided by the number of plants or amounts of plant materials distributed and/or sold in that group will establish unit costs.

5) The unit price of the current year's plant and plant materials will be based on the previous year's cost information.

6) Purchase price will be reviewed and adjusted, if necessary, annually.

(Source: Amended at 12 Ill. Reg. 5296, effective March 8, 1988)