

INVOICE DOCUMENTATION CHECKLIST

The purpose of this document is to provide examples of acceptable supporting documentation. This checklist is not an all-inclusive as fiscal staff may request additional information. **It is required to adequately document each expense with sufficient detail to determine if the expense is allowable, reasonable and necessary.**

Personal Services (salaries and wages)

Must be based on records that accurately reflect the work performed. Records must be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; be incorporated into the agency's records; reasonably reflect the total activity for which the employee is compensated; encompass all activities compensated; comply with the established accounting policies and practices of the entity; and support the distribution of the employee's salary or wages among specific activities or cost objective if the employee works on more than project.

Time Sheets (see example on page 4)

Detailed pay stubs (see example on page 5)

Entity's documented personnel and accounting policies

Personal Services (fringe benefits)

Allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation, family related, sick or military), employee insurance, pensions, and unemployment benefit plans.

Allocation plan for determining the fringe rate charged

Entity's documented fringe policy

Supplies and Operating

Itemized invoices and/or receipts for each expense

If expense is allocated to more than one project, entity's documented allocation methodology

Funded entity hosted meeting or conference expenses

- o Agenda
- o Purpose of meeting or conference
- o Meeting minutes or notes
- o Attendees and affiliated organizations
- o Date of meeting
- o Invoices and/or detailed receipts for meeting materials, speaker fees, allowable food and venue expenses

Entity's documented purchasing policy

*Food and beverage expenses for staff meetings or individual project staff are unallowable.

Funded entity provided training or classes (DPP classes, First Aid Courses)

- o Purpose for training opportunity
- o Attendees and affiliated organizations
- o Date(s) of service
- o Attendee signed or initialed sign-in sheets with date of service
- o Detailed agreement with venue location
- o Detailed facilitator or speaker invoices

Entity's documented purchasing policy

Funded entity attended training or conference

- o Purpose for training opportunity
- o Date(s) of service
- o Receipt for payment of training or conference
- o Agenda

Entity's documented purchasing policy

Travel

Detailed travel expense form to include:

- o Google (or other) maps
- o Explanation / purpose of travel
- o Date of travel
- o Address of starting and ending points
- o Detailed receipts for travel related expenses (e.g. gas, hotel, rental car)
- o Mileage log (fleet vehicle)
- o Meeting or conference agenda

Entity's documented travel policy

Other Costs

Itemized invoices and/or receipts

If expense is allocated to more than one project, entity's documented allocation methodology

Entity's documented policy

Contractual Payments

Detailed sub-contractor invoices

Detailed receipts for expenses

MOU or executed agreement between entities to include:

- o Dates of engagement
- o Subrecipient or contractor determination
- o Scope of work, budget and or deliverables

Entity's documented policy for subrecipient/subcontract monitoring

Indirect

If your entity has a negotiated indirect rate through a federal cognizant agency the approved indirect cost rate must be on file with CDPHE Internal Audit Unit.

If you do not receive funds directly from a federal agency, CDPHE Internal Audit Unit will negotiate a rate with your entity. CDPHE only negotiates and approves submitted written indirect cost agreements with organizations that receive funds as a subrecipient from CDPHE.

If you elect to use the de minimis indirect cost rate, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.

If using the de minimis rate, 10% of modified total direct costs, documentation may be requested to support rate claimed. The de minimis indirect cost rate is only available to organizations that have never had a negotiated indirect cost rate.

*CDPHE requires all indirect rates to comply with generally accepted accounting principles and be fully supported by actual cost data.

Personal Services (salaries and fringe) Expenses

Must be based on records that accurately reflect the work performed. Records must be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; be incorporated into the agency’s records; reasonably reflect the total activity for which the employee is compensated; encompass all activities compensated; comply with the established accounting policies and practices of the entity; and support the distribution of the employee’s salary or wages among specific activities or cost objective if the employee works on more than project.

Figure A lists 100% of the employee’s actual time spent working and adequately documents how the percentages were calculated. In this example an employee enters their time in the lower table, listing the hours worked on each grant. A description of the work completed can be entered in the “work” column. The total of hours worked each day is calculated in the last column labeled “total”. The last row totals each of the Grant columns and lists total hours worked during the pay period where the total row and total column meet.

This time and effort report allows the supervisor and employee to sign the time and effort report. Although not mandatory, a certification statement on the time sheet certifying employee hours is best practice.

Figure A

Employee:
Time Period:
Submit Date:

John Smith

Project	% Effort	Regular Hours	Holiday, PTO	Total Hours
Grant 1	19.44%	14	1.56	15.56
Grant 2	0.00%	0	0.00	0.00
Grant 3	2.78%	2	0.22	2.22
Grant 4	8.33%	6	0.67	6.67
Grant 5	0.33%	0	0.67	6.67
Grant 6	16.28%	11	1.22	12.22
Grant 7	8.33%	6	0.67	6.67
Grant 8	8.33%	6	0.67	6.67
Grant 9	1.39%	1	0.11	1.11
Grant 10	5.56%	4	0.44	4.44
Vacation Sick	22.22%	16	1.78	17.78
Holiday	0.00%	0	0.00	0.00
Totals	100.00%	72	8.00	80.00

Dates:	Work:	HOURS WORKED										Vacation Sick	Holiday	Total	
		Grant 1	Grant 2	Grant 3	Grant 4	Grant 5	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10				
Monday		4	0		2	2	1	1		2					8
Tuesday				2	2				2		2				8
Wednesday						1					1	4			8
Thursday													8		8
Friday														8	8
Monday		6	0		2										8
Tuesday		4				4									8
Wednesday													8		8
Thursday								4	4						8
Friday															8
Totals		14	0	2	6	6	11	6	6	1	4	16	8	80	

I certify the hours shown above are correct and the activities fairly reflect my work effort.

Employee Signature _____ Date _____

Supervisor Signature _____ Date _____

Personal Services (salaries and fringe) Expenses

The amount of time documented on the timesheet in Figure A should correspond to the Paystub shown in Figure B below.

Fringe benefit expenses are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits are employer paid portions only and may include, but are not limited to, the costs of leave (vacation, family related, sick or military), employee insurance, pensions, and unemployment benefit plans. The bottom of the paystub in Figure B lists the employer paid contributions.

Figure B

ABC Corp		Check/Advice No		0412345					
1234 Broadway		Check/Advice Date		09/20/2015					
Ste 567		Period Beginning		09/01/2015					
Denver CO		Period Ending		09/15/2015					
USA		Pay Frequency		Bi Weekly					
PAY STUB									
John Smith		FED	M	0	0	ST EMP	CO	LC1	2151
789 Logan Way		ST1	M	0	0	ST TXD	CO	LC2	
Littleton CO 99999		ST2	S	0	0	2ND ST		LC3	
Emp ID: 78945644						ST RES	CO	LC4	
X								LC5	
CURRENT GROSSES									
TTL	6,519.00	FWT	5,805.82	ST	5,805.82	SDI	6,519.00		
FUT	6,519.00	SUT	0.00			2ST	0.00		
FCA	0.00	MED	6,310.67	XCS	4.35	LC1	6,519.00		
LC2	0.00	LC3	0.00	LC4	0.00	LC5	0.00		
YTD GROSSES									
TTL	58,118.15	FWT	52,203.72	ST	52,203.72	FCA	0.00		
FUT	0.00	SUT	11,800.00			2ST	0.00		
MED	56,743.16								
EARNINGS									
Earnings		Hours		Gross Amount					
REGULAR		80.00		6,519.00					
DEDUCTIONS									
	Current	YTD		Current	YTD				
PRE-TAX DEDUCTIONS									
PERA DC EMP	504.85	4,539.44	FLEX HEALTH	208.33	1,374.99				
Total Pre-Tax Deductions				\$713.18	\$5,914.43				
TAXES WITHHOLDING									
FEDERAL TAX	686.50	6,171.19	STATE TAX	236.00	2,118.00				
MEDICARE DED	91.51	822.78	LOCAL TAX #1	5.00	45.00				
Total Taxes Withheld				\$1,019.01	\$9,156.97				
OTHER DEDUCTIONS/AFTER-TAX DEDUCTIONS									
LIFE-EMPLOYEE	40.00	360.00	LIFE-SPOUSE	36.00	324.00				
LIFE-DEPENDENT	1.00	6.00							
Total Other Deductions				\$77.00	\$690.00				
(A) Gross Earnings	6,519.00	(B) Total Deductions		\$1,809.19					
Net Pay : (A) Earnings - (B) Deductions	6,519.00	- \$1,809.19			\$4,709.81				
Employer Contributions									
	Current	YTD		Current	YTD				
PERA DC CONT	640.53	5,759.42	PERA AED	265.05	2,383.21				
MEDICARE CONT	91.51	822.78	PERA SAED	252.43	2,269.74				
STATE LIFE	8.80	68.40	SHORT TRM DISAB	12.39	121.32				
Total Employer Contributions				\$1,270.71	\$11,424.87				

Supplies and Operating Expenses

An itemized receipt for a purchase needs to be included in the supporting documentation.

This is acceptable documentation because it contains the following:

- a. date
- b. price per item
- c. description of items purchased
- d. total of purchase
- e. shipping and billing information

amazon.com

Final Details for Order #111-0224950-3543454
Print this page for your records.

Order Placed: April 28, 2017
Amazon.com order number: 111-0224950-3543454
Order Total: **\$129.98**

Shipped on April 28, 2017	
Items Ordered 2 of: <i>VXi BlueParrott B350-XT 95% Noise Canceling Bluetooth Headset (Certified Refurbished)</i> Sold by: Tech Union (seller profile) Condition: New	Price \$64.99
Shipping Address: AURORA, CO 80016-2190 United States	Item(s) Subtotal: \$129.98 Shipping & Handling: \$0.00 ----- Total before tax: \$129.98 Sales Tax: \$0.00 ----- Total for This Shipment: \$129.98 -----
Shipping Speed: Two-Day Shipping	

Payment information	
Payment Method: Bank Account	Item(s) Subtotal: \$129.98 Shipping & Handling: \$0.00 -----
Billing address AURORA, CO 80016-2190 United States	Total before tax: \$129.98 Estimated tax to be collected: \$0.00 ----- Grand Total: \$129.98

To view the status of your order, return to [Order Summary](#).

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Supplies and Operating Expenses

This is unacceptable documentation because it lacks the following detail:

- a. date
- b. price per item
- c. description of items purchased
- d. name of entity purchased from
- e. name of person purchasing items

INVOICE	
SEQ #:	0079
Batch #:	0075
App. Trail Code:	000455
Entry Method:	073392
Mode:	Swiped
	Online
PRE-TIP AMT	\$5.45
TIP	2.00
TOTAL AMOUNT	8.45

Allocating Expenses

Per the OMB Super Circular 2 CFR 200, Section 200.405, if a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit.

Direct costs are those costs that can be easily identified to a specific cost objective or award.

- Direct costs may be allocated based on a line by line allocation or a bottom line allocation. Line by line relies on actual rate of usage of each cost for example rent expense based on square footage used by each program and phone by number of phones each program uses.
- At a rate by which all costs are distributed proportionately. May be by FTE or square footage, in example below the expense has been allocated based on a predefined rate if using the first option or they could charge the program receiving each headphone directly.

The circular further states that if a cost benefits two or more projects or activities in proportions that cannot be determined, the costs may be allocated with any reasonable documented basis.

amazon.com

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Supplies and Operating Expenses

Examples of costs an entity may allocate include, but are not limited to:

In the example below, the entity runs 5 programs and has determined the square footage each program occupies and has used the percentage of square feet to calculate the amount of rent expense each program will incur.

Rent \$4,920.83

Program	Square Footage	%	Rent
A	350	35%	\$ 1,722.29
B	200	20%	\$ 984.17
C	150	15%	\$ 738.12
D	125	13%	\$ 615.10
E	175	18%	\$ 861.15
Total	1000	100%	\$ 4,920.83

In this example below, the entity has 8 programs and allocated the phone expense by the FTE for each of the programs. The percentage of FTE has been used to calculate the phone expense each program will incur.

Phone

**COMCAST
BUSINESS**

9602 S 300 W, STE 5 SANDY UT 84070-3302
8632 2670 MO-RF 21 012220-17 NNNNNYNN 01 300633-0600

Account number

Payment due

Please pay



Feb 15, 2017

\$523.55

Allocated by FTE

Program	FTE	%	Phone
A	7	18%	\$ 96.44
B	4	11%	\$ 55.11
C	2	5%	\$ 27.56
D	1	3%	\$ 13.78
E	5	13%	\$ 68.89
F	13	34%	\$ 179.11
G	2	5%	\$ 27.56
H	4	11%	\$ 55.11
Total	38	100%	523.55

Travel Expenses

Expense Statement												
Employee Information												
Name			Employee #			Address			Cost Center			
									147559			
City, State, Zip			Description Mileage									
		5325060	5325061	5325062	5325063	5325280	5325290	5325290	Other Categories		5325220	Code Below
Notes	Date or Month	Travel - Other	Travel - Airfare	Travel - Hotel	Travel - Rental Car	Bus. Meals (Breakfast)	Bus. Meals (Lunch)	Bus. Meals (Dinner)			Mileage	Misc. Category
											TOTAL	\$ 141.29

Employee Signature:	Cost Center	Account	Amount
	147559	5325060	
	147559	5325061	
	147559	5325062	
	147559	5325063	
	147559	5325290	
	147559	5325220	\$ 141.29
	147559		
	147559		

Misc. Category (See Above)		
Cost Center	Account	Amount
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -

When an expense item needs to be split between cost centers, use Misc. Category.

Employee Signature: _____
By signing, I acknowledge that I have read the Central Travel and Expense Policy and the submitted expenses comply with the policy.

Manager Approval: _____
By signing, I acknowledge that I have read the Central Travel and Expense Policy and the submitted expenses comply with the policy.

Manager Print Name: _____ Date: 3/30/16

The travel reimbursement form should have a place for employee signature, supervisor signature (or approving official), list type of expense, and be maintained in accordance with entity policy. Travel expenses should correspond with the time and effort documentation.

Travel Expense (Continued)

DATE	PURPOSE OF TRIP	FROM	TO	MILEAGE	DATE	PURPOSE OF TRIP	FROM	TO	MILEAGE
01/13/16				10.00					
01/27/16				10.00					
01/29/16				10.00					
02/01/16				10.00					
02/10/16				10.00					
02/18/16				10.00					
03/09/16				10.00					
03/08/16				10.00					
03/08/16				10.00					
03/28/16				10.00					
Central Plains Mileage Worksheet for Non-Central Locations									
DATE	PURPOSE OF TRIP	FROM	TO	MILEAGE	DATE	PURPOSE OF TRIP	FROM	TO	MILEAGE
02/24/16				38					
02/24/16				38					
02/25/16				38					
02/25/16				38					
03/02/16				4.5					
03/02/16				4.5					

The travel reimbursement form shall list the purpose of the trip and the starting and ending mileage.

Additional documentation to support travel expenses may include:

- Maps (to support mileage claimed)
- Hotel Receipts
- Rental car receipts
- Fleet vehicle logs

Other Costs and Contractual Expenses

OMB Super Circular 2 CFR 200, Section 200.331 requires all pass through entities to monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward, and that subaward performance goals are achieved.

Noteworthy:

- Oversight includes (from the business dictionary) “contract implementation, measurement of work completed, and computation of payments. It also includes monitoring contract relationship, addressing related problems, incorporating necessary changes or modifications in the contract, ensuring both parties meet or exceed each other’s expectations, and actively interacting with the contractor to achieve the contract’s objective(s). Also called contract administration.”
- Subrecipient personnel shall identify whose responsibility it is to monitor progress of contractors hired. Subrecipient’s personnel shall inspect contractor’s deliverables before official acceptance of the good/service to ensure fulfillment of contract requirements. Progress reports should be required of the contractor who reports on the agreed-upon milestones.
- Subrecipient should review and confirm all invoicing by the contractor before payment is made.
- Costs included in the invoice MUST be reasonable, allowable, and in compliance with the contracts terms.

For additional guidance, see Uniform Guidance Subpart E - Cost Principles § 200.400 to 475.

Definitions

Pass-Through Entity (PTE). A Recipient that provides a Subaward to one or more Subrecipients to carry out part of a federal program. Where the State is the Recipient of a Federal Award that will be subsequently awarded to one or more Subrecipients, the PTE for purposes of the OMB Uniform Guidance shall be the specific State Agency program that administers and monitors the Subawards. (See 2 CFR §200.74)

Award: An award of funds by a State Agency or a federal awarding agency or by a recipient of an award of State or federal funds Subawards.

Recipient. A non-Federal entity that receives a Federal Award directly from a federal awarding agency to carry out an activity under a federal program. The term does not include a Subrecipient. (See 2 CFR §200.86).

Subaward. An Award of federal funds provided by a PTE to a Subrecipient for the Subrecipient to carry out part of a Federal Award received by the PTE. A Subaward does not include payments to a Contractor or payments to an individual that is a beneficiary of a federal program. (See 2 CFR §200.92).

Subrecipient. A non-federal entity that receives a Subaward from a Recipient to carry out part of a federal program, not including an individual beneficiary of such program. A Subrecipient may also be a Recipient of other Federal Awards directly from a federal awarding agency. (See 2 CFR §200.93).

