

Record Keeping and Documentation

Obtaining and retaining the proper documentation to substantiate program expenditures is a critical element of financial management.

- All expenditures and financial transactions must be supported by documentation, e.g., brief descriptions, agendas, reports, and invoices, that support why the transaction is allowable for grant purposes.
- Accounting records must trace back to source documentation.

Documentation must demonstrate that costs are:

- Reasonable, allocable, and allowable;
- Within grant limits;
- Treated consistently; and
- Determined in accordance with Generally Accepted Accounting Principles (GAAP) and the applicable OMB cost principles.

Source Documentation

Accounting records must be supported by such source documentation as canceled checks, paid bills, canceled invoices, packing slips, payroll documents, time and attendance records, and subgrants/cooperative agreements.

Organizations should design a system to organize, group, and retain the related information for each grants and activity. Documents and items should be kept and maintained so that staff can easily access information. Items to retain for each grant or activity and keep in an “official file” include:

- Complete original applications with approved budget;
- Service site, subgrants, and station agreements;
- Contracting documentation, including Notice of Grant Award, and amendments, if applicable;
- General correspondence to and from CNCS, including monitoring reports; and
- Financial reports with supporting worksheets.

Types of Documentation

All expenses that are reported on the Federal Financial Report (FFR), including match contributions, as applicable, should be clearly documented. Information related to documentation requirements can be found in the applicable OMB cost principles for the particular type of organization.

Personnel Costs

All salaries and wages charged to CNCS grants must be supported by signed

time and attendance records, except:

- State, local, and Indian Tribal governments must comply with [OMB A-87](#), and
- Educational institutions must comply with [OMB A-21](#).

For salaries and wages, there are several items required to demonstrate proper documentation. Information is needed that substantiates the amount paid to the employee, proof of the amount paid, and proof that the employee received the payment. Typical documentation for salaries and wages includes:

- Timesheets signed by employee with written approval by the immediate supervisor;
- Quarterly payroll returns (Forms 941) or payroll register;
- Personnel files with salary/wage information, employment contract, or other information that clearly describes duties and wages; and
- Cancelled checks or direct deposit schedule.

Personnel Fringe Benefits

Program budgets generally reflect an estimated fringe benefit calculation. However, each organization must have supporting documentation for actual amounts charged to the CNCS grant. Typical documentation includes:

- Health insurance receipts and other benefits-paid invoices, and
- A cost allocation plan of how the amounts were equitably distributed.

Staff or Member Travel

Typical travel documentation should include:

- Travel authorization, if required;
- Agenda of meeting/training/conference attended;
- Original paid travel-related receipts or invoices;
- Per diem rates (applicable to region);
- Mileage calculations (indicating location and reason for travel);
- Travel reimbursement requests;
- Reconciliation of advances to payments; and
- Site visit reports, if any.

<p>Tip Make certain that travel reimbursements and rates are consistent with organizational policies and procedures.</p>

Equipment

OMB circulars define *equipment* as an article of nonexpendable, tangible personal property having a useful life of more than one (1) year and an acquisition cost that equals or exceeds the lesser of the capitalization level established by the organization or \$5,000.

OMB circulars also require that equipment records be maintained accurately and include the following:

- Description of the equipment;
- Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number;
- Source of equipment, including grant number;
- Whether title vests in the organization (grantee) or the federal government;
- Acquisition date (or date received, if the equipment was furnished by the federal government);
- Cost;
- Information from which one can calculate the percentage of federal participation in the cost of the equipment
- Location and condition of the equipment and the date the information was report;
- Unit acquisition cost; and
- Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the federal awarding agency for its share.

Supplies

Documentation for program supplies should include:

- Paid invoices/receipts that clearly show amount as reported on the FFR and other financial reports;
- Clear allocation methodology, if used to allocate expense, that demonstrates consistency of treatment; and
- Uniform treatment of costs for both federally-financed and other activities within the organization.

Staff or Member Training

Typical training documentation should include:

- Training agenda,
- Course description and cost,
- Sign-in sheet,
- Consultant/trainer agreement, and
- Paid invoices.

Evaluation

Programs should keep the following documentation on evaluation services performed:

- Consultant agreement,
- Paid invoices,
- Evaluation results, and
- Other relevant documentation, such as salary documentation if in-house staff used as a trainer.