Community Grants Reinvestment Fund

Payment Claims Supporting Documentation & Indirect Cost Guidance

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1. General Guidance

Under the Cost Reimbursement method of funding, the grantee is required to finance its operations with its own working capital with payments being made to reimburse the grantee for actual cash disbursements supported by adequate supporting documentation. Grantees can request a one-time advance payment of 25% after contract execution to eliminate or reduce the amount of working capital needed to finance project activities.

Grantees are responsible for the proper stewardship of state funds and must comply with the contractual terms set forth in your agreement with the state. Grantees are advised to review section III. E. Records and Audit and Attachment D – Payment and Reporting. All costs must be submitted according to Attachment D, Schedule A: Claiming Requirements by submitting Financial Reports (expense reports) in eGrants. Costs must align with approved budget categories.

Proof of payment is required for all expenses being claimed on reimbursement requests.

Every expense that a grantee has requested reimbursement for must be supported by adequate documentation showing that the expense:

1. occurred within the grant period,
2. is allowable,
3. is reasonable, and
4. is supported by verification of payment.

Record Retention

Adequate documentation is one of the most important aspects of comprehensive award management and is an integral part of grant management. Grantees must maintain adequate documentation to ensure that all requests for payment meet the parameters of the approved project criteria.

The grantee is required to retain and produce upon request for the balance of the term of the Contract, and for a period of six years from the later of the date of (i) the Contract and (ii) the most recent renewal of the Contract, all Records necessary to substantiate upon audit, the proper deposit and expenditure of funds received under the Contract (please refer to section III. E. Records and Audits of your signed contract for additional detail).

Grantees should always contact OCM with specific fiscal questions at communitygrants@ocm.ny.gov.

2. Budget Category Definitions and Required Documentation

This section provides guidance on supporting documentation for each budget category. Since this list does not contain every possible item or scenario that could be included in an approved budget, items not covered by this guidance should be discussed with OCM to determine appropriate supporting

documentation. The guidance should not be read as a list of all supporting document that must be provided for each cost category. Generally, supporting documentation should be clear, detailed, and complete enough to substantiate the expense upon review or audit.

Please note invoices and receipts should generally include:

- Name of organization, vendor or service provider
- Dates and description of service and/or itemized list of items purchase
- Location of service and/or purchase
- Date of payment
- Proof of payment
- Amount paid

The budget categories provided in the table below align with the budget categories submitted in each proposal and reflected in each contract:

Budget Category:	Types of Supporting Documentation:
Personnel	• **Paystubs & Payroll Reports** showing time period covered by the claim, Employee name, Unit time, rate of pay and total pay per employee. For organizations utilizing payroll reports, the reports must be generated directly from your payroll software • **Further Supporting Documentation includes** Cancelled Checks, related bank statements, time and attendance records, payroll journals, cash and check disbursement records, vouchers and invoices, timecards, work schedules and logs, employee personal history reports, and general ledgers • **Time and Effort Report:** If staff has contributed less than 100% of their time toward work associated with project funded, please provide documentation with the time and cost breakdown for all relevant work.
Fringe Benefits	• **Paystubs or Payroll Reports** listing all employer-paid benefits for grant funded employees • **Invoices from Outside Organizations**. If paystubs do not show employer paid benefits, such as health insurance, unemployment and workers compensation you must provide copies of the monthly/ quarterly/ yearly invoices from the outside organization(s) your organization utilizes.
Travel	Travel documentation should show the itemized and total cost, date of travel, destination of travel, and purpose of travel as reported in the project budget. Examples of proper documentation include but are not limited to: • **Invoice** • **Taxi/Ride Sharing Receipts** • **Hotel, Train & Airfare Receipts** If travel expenses are an approved expenditure under the Contract, travel expenses shall be reimbursed at the lesser of the rates set forth in the written standard travel policy of the Contractor, the OSC guidelines, or United States General Services Administration rates (here). No out- of-state travel costs shall be permitted unless specifically detailed and pre-approved by the State.
Equipment	Equipment is tangible, nonexpendable organizational property having a useful life and an acquisition cost of $1,000 or more per unit. • **Receipts or invoices for purchased equipment.** • **Shipping/Packing Slips**
Supplies	Supplies are all other items of tangible personal property that are not equipment. • **Invoices/receipts** • If your organization is not claiming all the items purchased, please indicate which item(s) on the receipt or invoice that you wish to claim.
Contractual Services	• **Proof of Services Rendered:** Copies of contracts, consultant agreements or construction bids if not previously submitted and Invoice/receipt

	• **Proof of Payment:** Canceled checks (copy of front and back), Bank statements and Credit card statements
Other Costs	• **Receipts/Invoices** • **Cancelled checks and related bank statements** • **Stipends:** Proof of payment documentation (e.g., bank transaction statement, copy of cleared check, etc.), name of recipient, date of payment, and stipend receipt signed by stipend recipient.

Indirect Costs	**Policy on Indirect Cost Reimbursement and Claims**
	
	Overview: All awards will have a total budget of $100,000, with up to $10,000 budgeted for indirect costs. Indirect costs are reimbursed proportionally based on each claim, calculated using an **award-specific indirect cost rate**.
	
	Calculating the Award-Specific Indirect Cost Rate:
	• The indirect cost rate for each award is determined by dividing the **budgeted indirect costs** by the **budgeted direct program costs** (which is $100,000 minus the budgeted indirect costs).
	
	Example:
	• If an awardee budgets **$5,000** for indirect costs:
	  ○ Direct costs = **$95,000**.
	  ○ Indirect cost rate = **$5,000 / $95,000 ≈ 5.26%**.
	• If an awardee budgets **$8,000** for indirect costs:
	  ○ Direct costs = **$92,000**.
	  ○ Indirect cost rate = **$8,000 / $92,000 ≈ 8.70%**.
	• If an awardee budgets **$10,000** for indirect costs:
	  ○ Direct costs = **$90,000**.
	  ○ Indirect cost rate = **$10,000 / $90,000 ≈ 11.11%**.
	
	Applying the Indirect Cost Rate:
	• For each payment claim, **indirect costs** are calculated by multiplying the **claimed direct costs** in that period by the **award-specific indirect cost rate**.
	
	Final Reconciliation:
	If, due to rounding or timing, the total indirect costs reimbursed are less than the total indirect costs budgeted, the remaining balance will be reimbursed in the final payment, ensuring the full $100,000 is used appropriately.