

Documentation Requirements for Remote Monitoring of Financial Transactions

1. Documentation of the Expense

- a. Source documentation, including specifically what items are being purchased/paid for and to confirm the amount paid. This will originate directly from the vendor, for example an invoice, or receipt.
- b. Payments for salaries/wages must be supported by timesheets or similar documentation showing actual time worked by the payee in each specific activity. Timesheets must show all time worked by the employee during the payment period; *not* just time spent working on the Federal grant/cost center.
- c. Some transactions, such as participant rent payments, are not paid based on invoices. In such a case, the documentation that Finance staff uses to make those payments must be submitted. This may be a list of rent payments, a copy of the lease – whatever your organization uses to confirm the amount and payee.

2. Support for Eligibility

- a. The eligibility of some transactions, such as fringe benefits, is determined in part by the agency policy regarding this cost. For example, an agency may choose to provide employees with a monthly parking stipend. In this case, the policy must be submitted with the transaction documentation.

3. Procurement

- a. When there is a contract in place for the goods/services being paid for, the contract must be provided for review.
- b. If the annual amount of an expense exceeds the threshold requiring multiple bids, documentation of those bids must be provided in accordance with your agency's written policies and procedures and 2 CFR 200.

4. Support for Allocation

- a. For all staff-related costs, and any cost that is allocated among multiple cost centers, documentation is required to show the basis and calculations used to arrive upon that allocation. For example, if the transaction is allocated based on square footage, adequate support would be documentation stating that square footage was the basis used to allocate, as well as the mathematical method used to allocate the costs. Allocation of employee benefits (included 100% allocation to a single cost center) could be supported by timesheets or an allocation schedule with an explanation of the basis for the schedule including how often percentages are re-examined.

5. Proof of Payment

- a. Proof that confirms that the expense was paid is required. This can be a copy of the check or check stub, or in the case of electronic payment, a screenshot or printout of a bank account or credit card statement confirming that the electronic payment was made and showing the amount, date, and payee.
- b. For salaries/wages transactions adequate proof of payment is a check stub or payroll report confirming amount of wages paid and including the pay period and either the hourly pay rate or salary amount.