

## SUPPORTING DOCUMENTATION GUIDELINES FOR ADMINISTRATIVE EXPENSES

Grantees reporting under the Single Audit Act (submitting an A-133 audit) are exempt from submitting supporting documentation for administrative expenses with their requests for reimbursement. However, NCDOT may require some grantees (who normally would be exempt) to submit documentation, when additional monitoring is necessary.

Grantees exempt from submitting supporting documentation must maintain this documentation in their files. NCDOT reserves the right to periodically request supporting documentation on a random basis.

All object codes except 481 should be for direct expenses. Direct expenses include: 1) charges billed directly to and only to the transit system; and/or 2) transit system's share of shared/joint direct expenses where the agency receives a consolidated bill for all of its departments/programs. Transit's share of shared/joint direct expenses can be charged to the grant if there is an equitable method for splitting the costs among various departments/programs. This is only if the same costs are not already included in grantee's indirect cost plan.

The expenses claimed should be for eligible expenses that the grantee **paid** during the period covered in reimbursement request. Expenses must be necessary, reasonable, and be allowable under the grant/project agreement. Invoices that support expenditures on request for reimbursement should be highlighted, grouped and staple together by object codes. NCDOT will reimburse the grantee for actual net costs—the price paid minus any refunds, rebates, or other items of value received by the grantee that have the effect of reducing the cost actually incurred. NCDOT will not reimburse the grantee for past due costs, late fees, or finance charges.

The department does not participate in reimbursement of **sales tax expenses** for which grantees can file for tax refunds with the North Carolina Department of Revenue. Supporting documentation for purchases should be a receipt or invoice that clearly shows subtotals prior to taxes. **Taxes** that **PTD will reimburse** include taxes paid by grantees/employees on the following:

- Utilities (electricity, piped natural gas, telephone services, etc.);
- Purchase of transportation or lease/rental of motor vehicles (by **employee for travel purposes**);
- Travel/business expense **reimbursements** to employees or individuals.

The following chart identifies, by object class/code, the types of documentation required to support public transportation grant fund expenditures.

Object Code	Title/Description	Documentation to send to PTD	Special Notes
12X	Salaries and Wages – (direct <b>employees</b> of the grantee)	Payroll detail registers by each position for which reimbursement is being requested, signed by the authorized official or designee.	<p>This is for <b>Gross</b> salaries/wages for administrative positions approved in the grant. If only a percentage of employee's time is spent on transportation administrative tasks (as indicated in the approved grant budget) only that percentage of salaries/wages is eligible for reimbursement.</p> <p>If an employee's time is split between (for instance) rural and urban funding programs, only the percentage of time devoted to the rural program should be charged to the CTP grant.</p> <p>If a grant-funded position becomes vacant, you must request a Budget Revision (Salary and Wage Detail Revision) before claiming salary expenses for a different position.</p> <p>In addition to payroll records, grantees must maintain (in local file) time sheets/cards that document time worked for any salaries/wages charged to a grant. Salaried workers who are paid a set salary, regardless of hours worked, can sign a statement indicating that they fulfilled their job obligations, rather than document actual number of hours worked on a daily basis.</p>
18X	Fringes – (direct <b>employees</b> of the grantee— <b>employer's share or employer's contribution</b> for additional fringes paid by the employer that are not included in employee's gross wages)	Payroll detail registers/payroll summary reports by each position for which reimbursement is being requested.	This is only for additional fringes paid by the employer that are not included in employee's gross wages. <b>It only pertains to positions funded in the grant.</b> If only a percentage of a position is funded, then only that percentage of applicable fringes is eligible for reimbursement.

Object Code	Title/Description	Documentation to send to PTD	Special Notes
191	Accounting – (accounting services and audit fees paid to an outside, professional accounting firm)	Invoice from accounting firm.	<p>The department must have a copy of the engagement letter or third-party contract on file between the grantee and the <b>accounting firm</b>.</p> <p>To be eligible to use federal funds for A-133 audit, federal funds received, used, or expended must be greater than \$500,000. A-133 audits that are completed, but not required, are not eligible for reimbursement. When federal funds received, used, or expended are less than \$500,000 and an A-133 audit is not required, federal funds may be used for annual financial, yellow-book, or other audit, as required.</p> <p>If you contract with another nonprofit agency or a local government/public agency for accounting/management services, use object code 396.</p>
192	Legal	Invoice from attorney.	The department must have a copy of the engagement letter or third-party contract on file between the grantee and the attorney.
195	Management Consultant	Invoice from management/consulting company that shows management fees.	The department must have a copy of the third-party contract on file between the grantee and the management firm.
196-198	Drug Testing/Medical Review	Invoice from drug testing/medical review company that shows fees charged.	The department must have a copy of the third-party contract on file between the grantee and the contractor.
2XX	Supplies & Materials	Vendor invoices or receipts.	

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311	TRAVEL - Reimbursement to employees for <b>mileage in personal vehicle</b> for business use and travel costs for transportation (other than 314) by employees who are in travel status on official business incident to the project. Includes reimbursement to employees for mileage, toll charges, parking fees, and commercial carrier fares.	Copy of local expense voucher, and mileage receipts signed by grantee's approval authority using State mileage rate in accordance with the State travel policy ( <b>after agency reimburses employee</b> ). <b>Statutory mileage rate – .585 per mile.</b>  <b>If &lt; 100 miles .585 per mile for personal Car or when motor-pool vehicle is not available</b>	Administrative travel expenses for Admin positions funded in the grant—other than employee development object code 395.  Amount reimbursed is limited to the State of North Carolina travel policy.  Grantee maintains copies of required receipts and other supporting documentation.															
312	TRAVEL SUBSISTENCE - Expenses incurred, other than travel, by an employee while acting in the course of employment while away from assigned duty station, including <b>food, lodging, and conference registration fees.</b>	Copy of receipts, local expense voucher, and receipts for meals, lodging, conference registration etc. signed by grantee's approval authority, and recorded in accordance with Sate travel policy ( <b>after agency reimburses employee</b> ).  <table border="0" data-bbox="785 1003 1272 1166"> <thead> <tr> <th></th> <th>Instate</th> <th>Out of State</th> </tr> </thead> <tbody> <tr> <td>Breakfast</td> <td>7.50</td> <td>7.50</td> </tr> <tr> <td>Lunch</td> <td>9.75</td> <td>9.75</td> </tr> <tr> <td>Dinner</td> <td>16.75</td> <td>19.00</td> </tr> <tr> <td>Lodging</td> <td>63.75</td> <td>75.50</td> </tr> </tbody> </table>		Instate	Out of State	Breakfast	7.50	7.50	Lunch	9.75	9.75	Dinner	16.75	19.00	Lodging	63.75	75.50	Administrative travel expenses for Admin positions funded in the grant—other than employee development object code 395.  Amount reimbursed is limited to the State of North Carolina travel policy.
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314	TRAVEL – MOTOR-POOL OR LEASED VEHICLE - Contract cost and/or operating cost of <b>rental vehicle</b> used in travel away from assigned duty station.	Copy of local expense voucher, signed by grantee's approval authority, in accordance with state travel policy (after agency reimburses employee).	Administrative travel expenses for Admin positions funded in the grant—other than employee development object code 395.  Does not include vehicles used in the provision of contracted transportation services.															

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314 (cont.)	<p>Including but not limited to vehicle rental, gasoline, motor oil, toll charges and parking fees.</p> <p>If <b>Motor-Pool vehicle</b>, or transit system administrative (non-revenue) vehicle is used, reimbursement will be based on <b>mileage at Motor-Pool rate</b> in accordance with grantee's travel policy. Grantees may also use the current State Motor-Pool rate.</p>	<p>If &gt;100 miles use <b>Motor-Pool rate (.33cents) per mile</b></p>	
32X & 33X	Telephone & Utilities Service	Monthly invoices/statements including summary pages with detailed expenses.	Statements of charges are acceptable only if the vendor issues no other form of billings. If billed in this manner, reimbursement should be requested only for current charges.
325	Postage	Receipts.	If postal meter is used, use object code 432 for costs associated with postal meter.
34X	Printing & Binding	Copies of vendor invoices or receipts.	For Printing/Repro costs associated with <b>in-house marketing</b> , use object code <b>371</b> .
35X	Repairs & Maintenance	Copies of vendor invoices or receipts.	
37X	Advertising/Promotion	Copies of vendor invoices or receipts.	Object code 371 (Marketing – Paid Advertisements) may now include cost of printing/reproduction associated with <b>in-house marketing</b> .

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38X	Computer Programming/ Support Services – Contracted	Copies of vendor invoices or receipts.	
391	Legal Advertising	Copies of vendor invoices or receipts.	
393	Temporary Help - Contracted	Copies of vendor invoices or receipts.	Cost of clerical or manual labor hired from another employer (Temp Agency).
395	Employee Development – (Applies to <b>all</b> transit system personnel—eligible expenses for training and development activities. Does not include admin-related travel, such as mileage for routine admin travel and employee travel expenses for the two public transportation conferences, see object code 31X above.)	Vendor invoices/receipts for eligible training/development expenses paid by grantee directly to vendor; or  Local expense voucher, signed by grantee’s approval authority, in accordance with state travel policy (after agency reimburses employee).	Grantee maintains copies of required receipts and other supporting documentation. Grantees should reimburse their employees for eligible public transportation-related employee development expenses, in accordance with their state travel policy, prior to requesting reimbursement from the division.
396	Management Services	Copy of invoice (from management company or other agency providing management/administrative services to the grantee) for services rendered during the period covered.	The department must have a copy of the third- party contract on file between the grantee and the management firm.
41X	Lease of Real Property	Copy of lease agreement should be submitted with first invoice.	
43X	Lease of Equipment	Copy of lease agreement.	

Object Code	Title/Description	Documentation to send to PTD	Special Notes
44X	Service & Maintenance Contracts	Vendor invoices or receipts.	
45X	Insurance & Bonding	Vendor invoices or receipts.	
481	Central Services – Indirect Costs	Approved Indirect Cost Plan/Cost Allocation Plan must be on file with the department. Reimbursement will not exceed amount in approved budget. Once indirect cost plan is reviewed by NCDOT, no additional supporting documentation is required to be submitted with requests for reimbursement.	Expenses should normally be charged in equal amounts either on a monthly or quarterly basis.  If only a portion of indirect cost is approved in budget (due to funding cap) and unexpended funds remain in other line items at year-end, grantee may revise budget and move up to the max eligible amount for indirect into line 481.
491	Dues and Subscriptions	Vendor invoices or receipts.	