



## DNRC CARDD Grant Reimbursement for Personnel Expenses

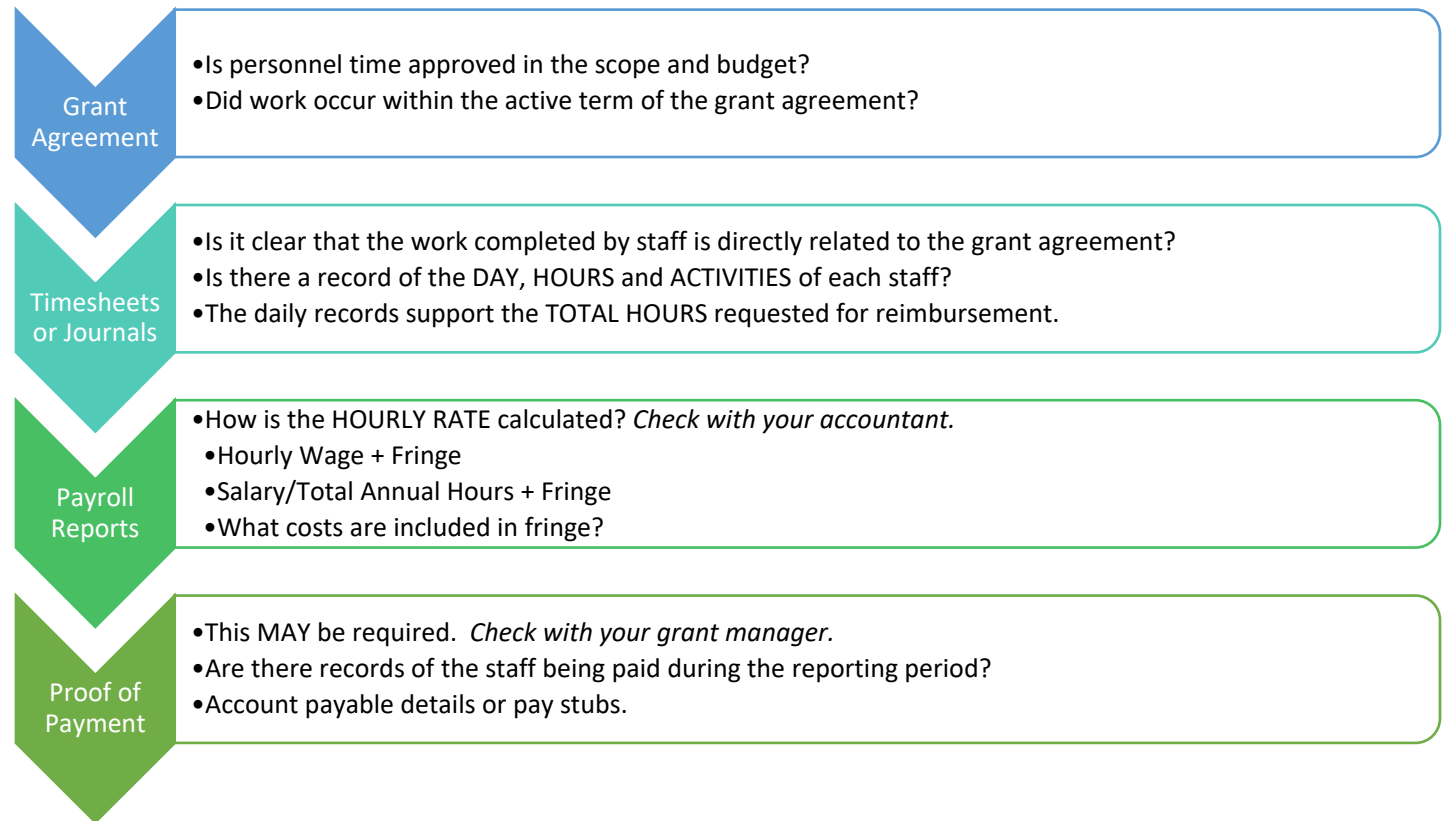
DNRC CARDD grants may reimburse **DIRECT COSTS**<sup>i</sup> for personnel expenses (staff time) for approved projects. Reimbursement for personnel expenses may NOT include **INDIRECT COSTS**<sup>ii</sup>.

Personnel expenses can include staff time for **GRANT ADMINISTRATION**<sup>iii</sup>, project management or engineering. DNRC grants can reimburse **TOTAL COST** of the employee rendered during the active term of the grant agreement. Total costs may include, paid currently (take home pay, insurance and taxes) and accrued benefits (annual/sick). To calculate **TOTAL COST**, DNRC must be able to verify the actual **HOURLY RATE** for staff, which must demonstrate an employee's wages<sup>iv</sup>, salaries<sup>v</sup> and fringe benefits<sup>vi</sup>.

$$\text{TOTAL COST} = \text{HOURLY RATE} \times \text{TOTAL HOURS}$$

Budget estimates **do not qualify** as supporting documentation for grant reimbursement. Example: grant recipients **may budget** for 10% personnel services for grant administration, but in order to request reimbursement, **proof of actual costs** must be submitted to DNRC.

### Reimbursement Checklist:



### DNRC Requires:

- ✓ Reimbursement requests be supported by records that accurately reflect the work performed.
- ✓ Detailed records that verify that the employee activities are reasonable and directly related to the scope of work and budget in the executed grant agreement.
- ✓ Documents are supported by a system that can demonstrate reasonable assurance that charges are accurate, allowable and properly allocated and documented by the grant recipient's records.



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- ✓ Documents are supported by generally accepted accounting principles.
- ✓ Documentation of wage, salary and fringe are supported by account detail and do not include indirect costs.
- ✓ Federal grants must comply with 2 CFR 200.430.

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<sup>i</sup> **DIRECT COSTS** or ACTUAL COSTS are those costs that can be identified specifically with a particular award, or project, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

<sup>ii</sup> **INDIRECT COSTS** are costs of an organization that are not readily assignable to a particular project but are necessary to the operation of the organization and the performance of the project. Examples of costs usually treated as indirect include those incurred for facility operation and maintenance, depreciation, and staff salaries for administration of a program or organization. **DNRC cannot reimburse indirect costs.**

<sup>iii</sup> **GRANT ADMINISTRATION** costs are administrative and clerical salaries/wages and other expenses accrued from complying with the terms of the DNRC grant.

Grant Administration tasks may include grant reporting, tracking project expenses and submitting reimbursement requests, legal fees to meet grant compliance, audit or accounting expenses and completion of start-up documentation.

<sup>iv</sup> **WAGES** generally includes all payments made to an employee as remuneration (total amount paid to an employee) for employment.

<sup>v</sup> **SALARY** means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis.

<sup>vi</sup> **FRINGE BENEFITS** are 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. The costs of fringe benefits are allowable provided that the benefits are reasonable and are required by law.



## DNRC CARDD Grant Reimbursement for Personnel Expenses

### Example:

**Subrecipient: Small Town is requesting \$750 for personnel charges for administration during the reporting period: February 1, 2023 – April 30, 2023.**

- ✓ GRANT AGREEMENT: - Are personnel services included in the scope and budget of the executed grant agreement? **AND** Did the personnel services occur within the active term of the grant agreement?

***Yes. The executed grant agreement includes \$15,000 for personnel services for grant administration for the Small Town Water Project. Yes. The grant agreement covers eligible expenses incurred from March 3, 2021 – December 31, 2025.***

- ✓ TIMESHEET: Is it clear that work completed by staff is directly related to the grant agreement?

- ✓ TIMESHEET: Is there a record of the day, hours and activities of the personnel services provided?

***Yes. See Attached.***

- ✓ PAYROLL REPORTS: Is there a document calculating the **HOURLY RATE** for each employee included?

***Yes. Staff name hourly rate = wage + fringe = \$56.25 + 18.75 = \$75/hour. Grantee attached payroll summary report.***

- Is there documentation of how fringe is calculated?

***Yes. Fringe = \$18.75 which includes insurance, annual and sick leave and retirement. Grantee attached payroll summary report.***

- ✓ PROOF OF PAYMENT (may be required): Is there documentation that staff were paid during the reporting period?

***Yes. Grantee attached accounts detail noting payments made to employee during the reporting period.***

<b>STATE OF MONTANA VENDOR INVOICE</b>		COMPLETE VENDOR INVOICE FOR REIMBURSEMENT ATTACH COPIES OF SUPPORTING DOCUMENTATION SIGN AND DATE BELOW BEFORE SUBMITTING TO DNRC FOR REIMBURSEMENT	
VENDOR'S NAME AND ADDRESS <i>SMALL TOWN ADDRESS CITY, MT ZIP</i>		DNRC-CARDD PO Box 201601 Helena, MT 59620-1601	
Grant Agreement #	<i>AC-22-000X</i>	Project Name	<i>SMALL TOWN WATER PROJECT</i>
DNRC Grant Manag	<i>DNRC GM</i>	Claim Number	<i>2</i>
<b>QUANTITY</b>	<b>DESCRIPTION OF GOODS DELIVERED OR SERVICES RENDERED</b>		<b>AMOUNT</b>
	Vendor <i>SMALL TOWN</i>	Invoice Number <i>5/1/2023</i>	Dates of Service <i>2/1/23 - 4/30/23</i>
		Task Description <i>Grant Administratio</i>	\$ <i>750.00</i>
<b>GRAND TOTAL</b>			\$ <b>750.00</b>

<b>STATE USE ONLY APPROVED FOR PAYMENT</b>		<i>I certify that this invoice is correct in all respects and that payment has not been received.</i>	
		Vendor Name (Authorized Person)	<i>SMALL TOWN MAYOR</i>
DNRC Authorized Signature		Date Processed	<i>5/1/2023</i>
Date		Vendor's Signature	<i>MAYOR SIGNATURE</i>
		Title	<i>Mayor</i>

**STAFF TIME JOURNAL**

<b>Grant Recipient:</b>	SMALL TOWN
<b>Project Title:</b>	SMALL TOWN WATER PROJECT
<b>Grant Agreement Number(s):</b>	AC-22-000X
<b>Employee Name:</b>	CLERK
<b>*Hourly Rate:</b>	\$75

<b>Date</b>	<b>Hours Worked</b>	<b>Task - Description of Work</b>
2/10/2023	2.5	Grant Administration. Small Town Water Project Call. Draft progress report. Review invoices for reimbursement
2/20/2023	2	Grant Administration. Small Town Water Project. Review engineer report, call with engineer regarding charges. Draft progress report.
3/10/2023	1	Grant Administration. Small Town Water Project. Submit progress report and request for reimbursement.
3/20/2023	1.5	Grant Administration. Small Town Water Project Call. Draft progress report. Review invoices for reimbursement
4/1/2023	1.5	Grant Administration. Draft progress report. Prepare invoices for council meeting.
4/15/2023	1	Grant Administration. Submit progress report.
4/25/2023	0.5	Grant Administration. Call with DNRC regarding invoices.
<b>TOTAL</b>	<b>10</b>	<b>\$750</b>

\*Hourly Rate can include wage, salary and fringe benefits. Grant recipients must provide DNRC with proof of the actual hourly rate for each staff.

### HOURLY RATE CALCULATION

Staff Name:	Hourly Wage	Social Security	Medicare	Retirement	Unemployment Insurance	Health Benefit	Leave Accrual	Total Fringe	HOURLY RATE
CLERK	\$56.25	\$2.63	\$1.63	\$3.50	\$0.09	\$4.99	\$5.90	\$18.75	\$75.00

Profit & Loss Detail						
February 1 through April 10, 2023						
Date	Num	Name	Class	Debit	Credit	Balance
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
<b>Government Grants</b>						
<b>State grants</b>						
04/06/2023	2023 Q1	Department of Natural Resources 2021 WMO	Programs..		2,322.00	2,322.00
		Total state grants		0.00	2,322.00	2,322.00
		Total Government Grants		0.00	2,322.00	2,322.00
		Total Income		0.00	2,322.00	2,322.00
		Gross Profit		0.00	2,322.00	2,322.00
<b>Expense</b>						
<b>Payroll Expenses</b>						
02/10/2023	DD1137	Department of Natural Resources 2021 WMO	Programs..	837.68		837.68
02/10/2023	2301F...	Department of Natural Resources 2021 WMO	Programs..	63.75		701.21
03/10/2023	DD1142	Department of Natural Resources 2021 WMO	Programs..	137.69		838.90
03/10/2023	2302F...	Department of Natural Resources 2021 WMO	Programs..	71.55		910.45
03/10/2023	DD1144	Department of Natural Resources 2021 WMO	Programs..	605.27		1,515.72
04/10/2023	DD1147	Department of Natural Resources 2021 WMO	Programs..	327.84		1,843.56
04/10/2023	2304F...	Department of Natural Resources 2021 WMO	Programs..	32.78		1,876.34
		Total Payroll Expenses		1,876.34	0.00	1,876.34
<b>Contract Services</b>						
<b>Outside Contract Services</b>						
03/31/2023		Department of Natural Resources 2021 WMO	Programs..	152.70		152.70
		Total Outside Contract Services		152.70	0.00	152.70
		Total Contract Services		152.70	0.00	152.70
<b>Travel and Meetings</b>						
<b>Travel</b>						
03/10/2023	2302W...	Department of Natural Resources 2021 WMO	Programs..	81.87		81.87
		Total Travel		81.87	0.00	81.87
		Total Travel and Meetings		81.87	0.00	81.87
		Total Expense		2,110.91	0.00	2,110.91
		Net Ordinary Income		2,110.91	2,322.00	211.09
		<b>Net Income</b>		<b>2,110.91</b>	<b>2,322.00</b>	<b>211.09</b>