

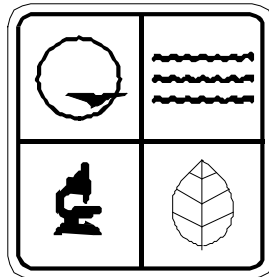
# REIMBURSEMENT PROCEDURES

*for*

**Fiscal Year**

**2016-2017**

**Solid Waste Management District Grants**



Missouri Department of Natural Resources

Attachment #7  
Revised 2/16

# REIMBURSEMENT PROCEDURES

Accounting records **must be** supported by source documentation such as cancelled checks, paid bills, payrolls, time and attendance records, contract and contract award documents, if applicable, and agreement and subgrantee award documents. Appropriate electronic verification of cleared checks may also be considered source documentation in lieu of actual cancelled checks.

Documentation **must be** available by the district or district subgrantee upon request (10 CSR 80-9.050).

## ELIGIBLE COSTS

In order for costs to be eligible for reimbursement, they must meet the conditions listed below:

- > Costs must be incurred within the project period. This is the date identified in the financial assistance agreement (FAA).
- > Costs must relate directly to the approved scope of work, budget, and terms contained in the agreement.

Following is an excerpt from the Code of State Regulations (10 CSR 80-9.050, (2)(D) Costs) describing examples of Plan Implementation and Project eligible and ineligible costs:

### *ELIGIBLE COSTS*

- A. Collection, processing, manufacturing or hauling equipment;
- B. Materials and labor for construction of buildings;
- C. Engineering or consulting fees;
- D. Salaries and related fringe benefits directly related to the project;
- E. Equipment installation costs including installation, freight or retrofitting of the equipment;
- F. Development and distribution of informational materials;
- G. Planning and implementation of informational forums including, but not limited to, workshops;
- H. Travel necessary for project completion;
- I. Overhead costs directly related to the project;
- J. Laboratory analysis costs; or
- K. Professional services.

### *INELIGIBLE COSTS*

- A. Operating expenses, such as salaries and expenses that are not directly related to district operations or project activities;
- B. Costs incurred before the project start date or after the project end date;
- C. Taxes;
- D. Legal costs;
- E. Contingency funds;
- F. Land acquisition;
- G. Gifts;
- H. Disposal costs, except for projects as indicated in (2)(B)(6).;
- I. Fines and penalties;
- J. Food and beverages for district employees, board members, or subgrantees at non-working meetings;
- K. Memorial donations for board members, district employees, or subgrantees;
- L. Office decorations, except as indicated in paragraph (3)(A)(4).; or
- M. Lobbyists, pursuant to section 105.470, RSMo.

The Solid Waste Management Program allocates funding for the costs that are reasonable and necessary for the proper and efficient performance and administration of the district. District operation costs must be specifically for the purpose of district operations and may include:

1. Salaries and related fringe benefits of employees;
2. Cost of materials and supplies acquired, consumed or expended;
3. Rental or leasing of office space;
4. Office decorations costing less than five hundred dollars (\$500) per year;
5. Equipment and other capital expenditures;
6. Travel expenses incurred;
7. The cost of utilities, insurance, security, janitorial services, upkeep of grounds, normal repairs and alterations and the like to the extent that they keep property at an efficient operating condition, do not add to the permanent value of property or appreciably prolong the intended life and are not otherwise included in rental or other charges for space;
8. Contracted services for eligible costs acquired through a competitive bid process;
9. Non-cash service awards which are reasonable in cost; and
10. Legal costs for contract review and other costs directly related to district grant administration.

## **BIDDING REQUIREMENTS\***

Recipients of Solid Waste Management Fund financial assistance are required to obtain bids for all purchases according to the schedule defined in the Revised Statutes of Missouri (RSMo) 34.040. The following is a summary only. We recommend that 34.040, RSMo through the Secretary of State's Website be accessed for complete information.

To paraphrase this statute:

Purchases of \$0-2,999.99	Do not require bids.
Purchases of \$3,000.00-24,999.99	Require a minimum of three (3) competitive bids, but do not have to be advertised.
Purchases of \$25,000.00 or Higher	Require a minimum of three (3) competitive bids, advertised in at least two daily newspapers at least five days before bid opening.

- ◆ PLEASE NOTE: District subgrantees must submit bid documentation to the solid waste management district. At this time, the Solid Waste Management Program (SWMP) does not require routine submission of bid documentation to the SWMP. However, as part of the SWMP's monitoring process periodically, a district may be requested to submit bid packets for review. All districts and district subgrantees must adhere to the requirements listed above, and documentation must remain in the subgrantee's and the district's files. Failure to comply with applicable bidding procedures may result in forfeiture of funding.
- ◆ The SWMP or its designee reserves the right to request additional documentation, or perform an announced or unannounced audit, on-site inspection, or monitoring to verify any aspects of the project, at any time.

## **BLANK FORMS**

Two (2) forms are included for use in reporting mileage and to organize documentation of expenses, along with completion instructions (i.e., PERSONNEL, PROFESSIONAL SERVICES, EQUIPMENT, SUPPLIES, TRAVEL, and OTHER). These forms are not required to be used, but provide guidance related to the required items of information need to adequately document requests for reimbursement.

Quarterly and Final Program Status Reporting forms and completion instructions as well as the Quarterly Financial Summary Report worksheet are being provided in hard copy and electronic format, as a part of the Financial Assistance Agreement package.

*\*All professional or contractual services are subject to the bidding requirements of the purchasing law.*

# PERSONNEL

If personnel expenses are claimed for this period, please provide the following:

- > **Personnel Account Sheet**
- > **Monthly Employee Time Record** (for each employee)
  - \*timesheets used by your organization may be substituted if they supply the same information
- > Cancelled **checks** (copies of both sides)

Examples of eligible personnel expenses:

- > Employees (Hours X Pay Rate)
- > Fringe (Maximum allowable **fringe** for the **FY2014** cycle is 46.90 percent through July 2014 at which time it may be **amended**.)\*
- > In-house training

\*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, employee insurance, pensions, and unemployment benefit plans. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, governmental unit-employee agreement, or an established policy of the governmental unit.

The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, holidays, court leave, military leave, and other similar benefits are allowable if: they are provided under established written leave policies; the costs are equitably allocated to all related activities, including Federal awards; and, the accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the governmental units.

The cost of fringe benefits in the form of employer contributions or expenses for social security, employee life, health, unemployment, and worker's compensation insurance; pension plan costs and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits, whether treated as indirect costs or as direct costs, shall be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities.

(NOTE: This is not a complete listing; please reference Cost Principles in the General Terms and Conditions, Attachment 2, for additional information. Rate information contained in this document is as of May 28, 2013, and is based on the FY13 rate. FY14 rates will be forwarded to the Solid Waste Management Districts when known.)

**Please make additional copies of forms as needed.**

*All professions and services other than those of physicians, attorneys, and expert witnesses are subject to the requirements of the purchasing law.*

# PROFESSIONAL SERVICES

If professional services expenses are claimed for this period, please provide the following:

- > **Professional Services Account Sheet**
- > **Invoice(s) or Contract(s)**
- > Cancelled **checks** (copies of both sides)

Examples of eligible professional services expenses:

- > Consultant
- > Engineers
- > Architects
- > Bulk mailings
- > Sign making
- > Photography
- > Other subcontractors
- > Slide reproduction

(NOTE: This is not a complete listing; please reference Cost Principles in the General Terms and Conditions, Attachment 2, for additional information or call if you have questions.)

**Please make additional copies of forms as needed.**

All professions and services other than those of physicians, attorneys, and expert witnesses are subject to the requirements of the purchasing law.

# **EQUIPMENT**

(This category is reserved for those items with a useful life greater than one year and a purchase price of \$5,000.00 or more)

If equipment expenses are claimed for this period, please provide the following:

- > **Equipment Account Sheet**
- > **Invoices or Contract**
- > **Cancelled checks (copies of both sides) or proof of electronic transaction**

Examples of eligible equipment expenses:

- > Computer hardware
- > Machinery
- > Vehicles
- > Copy machines

(NOTE: This is not a complete listing of allowable equipment, please call if you have questions.)

**Please make additional copies of forms as needed.**

# **SUPPLIES**

(This category is reserved for those items with a useful life of less than one year or a purchase price of less than \$5,000.00)

If supply expenses are claimed for this period, please provide the following:

- > **Supply Account Sheet**
- > **Invoice(s) or Contract(s)**
- > Cancelled **checks** (copies of both sides)

Examples of eligible supply expenses:

- > Office supplies for use in-house (project related)
- > Computer software
- > Paper
- > Pens and pencils
- > Miscellaneous

(NOTE: This is not a complete listing; please call if you have questions.)

**Please make additional copies of forms as needed.**



# **GIFTS AND PROMOTIONAL ITEMS**

Unallowable advertising and public relations costs include the costs of promotional items and memorabilia, including models, gifts, and souvenirs.

1. Costs considered ineligible for district grant funding include the costs of gifts as provided in 10 CSR 80-9.050(2)(D)2.
2. Nominally priced educational items containing recycled materials are allowable, but shall not exceed 10% of the total subgrant project budget. These educational items shall be directly related to a measureable subgrant project outcome. The educational items may promote the project or overall reduce/reuse/recycle goals. The educational item shall be necessary to accomplish the purpose of the subgrant and shall have a direct effect on the success of the project.

# TRAVEL

Travel will be conducted according to the District's written travel policy and procedures with the following additional limitations imposed by the SWMP which are based on Internal Revenue Service guidelines:

1. Travel expenses are limited to actual expenses that are reasonable and necessary as determined by the Department. The method of travel shall be that which is most economical and advantageous to the grant or subgrant funds.
2. Out-of-state travel must be approved in advance of travel by the SWMP. The District or District Subgrantee must provide a written justification for such travel, which shall include the purpose of the trip and how it relates to the scope of the project. The District or District Subgrantee shall not incur out-of-state travel expenses on project business until receiving written approval by the SWMP. Out-of-state travel requests may be included as part of the annual District Operations or Subgrant approval process or separately as the need for travel arises after original approval of District Operations or the Subgrant.
  - a. Travel by personal vehicle instead of air travel, shall be limited to the District or District Subgrantee's established mileage allowance as stated in their written travel policy (not to exceed the state rate) plus any actual expenses that would have been allowed or provided if taking air transportation.
  - b. If traveling by air, the total allowable costs cannot exceed the reasonable coach fare available at the time to the same destination.
  - c. No meals, additional lodging, or incidentals will be reimbursed for personal extended stays while traveling.
  - d. Reimbursement for out-of-state travel by train or bus shall not exceed the actual cost of the train or bus fare, plus any actual expenses that would have been allowed or provided if taking air transportation.
3. Meal costs shall be allowed during project-related travel, in-state or out-of state, provided that there are at least twelve consecutive hours of travel involved. The District or District Subgrantee will indicate on the travel expense voucher "twelve hour status" and provide time records as back up documentation. Twelve-hour travel status includes the allowable breaks for meals in the District's or District Subgrantee's travel policy. A definition of eligible meals is provided in Section III. When in twelve-hour travel status, an eligible meal is as defined in Section III.
4. Reimbursement shall be provided for reasonable meal and hotel expenses as specified in the State of Missouri Travel Regulations or the District's or District Subgrantee's Travel policy, whichever is less. The website link provided herein may be utilized as

reference for State of Missouri Per Diem Rates <http://oa.mo.gov/travel/>.

If in-state travel expenses are claimed for this period, please provide the following:

- > **Travel Account Sheet**
- > **Rate** (Maximum allowable **mileage** is \$.37/mile)
- > **Mileage Record (for each employee)**  
\*mileage logs used by your organization may be substituted if they supply the same information as shown in our example
- > **Invoices or contract** (if applicable for meals/lodging)
- > Cancelled **checks** (copies of both sides)

(NOTE: Rate information contained in this document is as of April 10, 2014, and is based on the FY14 rate. FY15 rates will be forwarded to the Solid Waste Management Districts when known.)

**Please make additional copies of forms as needed.**

# FOOD

Food purchases for events, meetings, etc. must be approved in advance by the SWMP. The events must fit the scope of work and provide a benefit to the success of the subgrant project. The District or District Subgrantee shall not make food purchases until receiving written approval by the SWMP. Food purchase requests may be included as part of the annual District Operations or Subgrant approval process or separately as the need for such purchases occur.

- a. The SWMP shall allow Districts and District Subgrantees to provide food in conjunction with official District or District Subgrantee business and district grant or subgrant sponsored activities within parameters outlined below.
  - b. As used in this section, “official business” includes council, advisory council, and board meetings, and similar functions when they are conducted as part of the District or District Subgrantee’s scope of work.
  - c. As used in this section, “other agency sponsored activities” include board meetings, workshops, and other specific subgrant related activities. Costs associated with such events are allowable to the extent the primary purpose is the dissemination of technical information.
1. Districts and District Subgrantees are to be accountable for their decisions to provide food at official or sponsored functions within the limits of this section. Districts and District Subgrantees are expected to establish sufficient controls to ensure agency-provided food expenses are incurred only when appropriate and in compliance with this section and with written approval from the SWMP granted prior to the event at which food is to be served.
  2. Food at Official Business Functions
    - a. The District or District Subgrantee may provide food to serve during official District and District Subgrantee business functions when it is determined that providing food or beverage service will promote the efficient conduct of a specific project activity (e.g., workshops, cleanup events or collection events) and such purchases have been approved by SWMP in writing prior to the event at which food or beverages are to be served. Under no circumstances, however, will alcoholic beverages be a permitted or allowable cost.
    - b.. During meeting breaks, light snacks and beverages may be provided. Costs for snacks and beverages should be at a nominal charge per person.
    - c. Lunch or dinner may be provided if there is a substantial reason for doing so that directly and demonstrably creates a benefit to the scope of the District or District Subgrantee’s work, and if the cost of which is reasonable and necessary as determined by

the SWMP.

- d. Official business functions does not include those where the only individuals in attendance are employees of the District or District Subgrantee. Food shall not be allowed for the District's or District Subgrantee's general staff meetings or other similar functions that only relate to day-to-day operations.
- e. Lunch expenses shall not automatically be allowed when incurred in conjunction with a District or District Subgrantee's related meeting. Typically lunch expenses will only be allowed when a meeting extends through the typical lunch periods or an all-day meeting, training, etc.

### 3. Food at Other Agency Sponsored Activities

- a. Districts or District Subgrantees may purchase light refreshments in conjunction with board or council meetings, advisory committee meetings, sponsored workshops, sponsored conference, or like activity. Costs for such events should be at a nominal charge per person and be prior approved by SWMP.
- b. Lunch or dinner may be provided for similar events if there is a substantial reason for doing so which demonstrates a benefit to the District or District Subgrantee's scope of work, be at a reasonable cost and be prior approved by SWMP.

### 4. Meals Provided to Public Officials

Expenditures made for food for public officials, except those meals that are given to a public official or employee when such person is acting in his or her official capacity with the District, or District Subgrantee should be reported to the Missouri Ethics Commission as lobbying expenses as provided in 105.470-473 RSMo.

# OTHER

If other expenses are claimed for this period, please provide the following:

- > **Other Account Sheet**
- > **Invoice(s) or Contract(s)**
- > Cancelled **checks** (copies of both sides)

Examples of eligible other expenses:

- > Postage
- > Buildings
- > Indirect (Maximum allowable **indirect** is 25.66 percent for the **FY14** cycle. Maximum allowable **indirect** is 25.50 percent for the **FY15** cycle. Indirect is calculated on the sum of wages, fringe, and supplies).

NOTE: Indirect costs are those incurred for a common or joint purpose benefiting more than one cost objects, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved.

(NOTE: This is not a complete listing; please call if you have questions. Rate information contained in this document is as of April 10, 2014.)

**Please make additional copies of the forms as needed.**



