DRAFT

POLICY AND PROCEDURES FOR AGENCY MONITORING REPORTS, ANNUAL AUDITS AND REIBMURSEMENT

MONITORING REPORTS

- Monitoring reports must be submitted by the second Monday of each month. Even if there is no activity, a monitoring report must be submitted denoting that there is no activity.

ANNUAL AUDITS

- A current Agency annual audit or financial statement (see contract) must be on file in DMD in order to receive CDBG funding and/or reimbursements.

REIMBURSEMENT

Claims should only include items that were requested on the agency's proposal budget page and approved by the Department of Metropolitan Development.

- You must submit one signed original Operating Agency Invoice Form containing all supporting documentation and a copy of that material. (2 complete sets) A summary sheet should be included in each set of materials.
- All claims must have supporting and **legible** documentation.
- No fax copies will be accepted.
- Claims **must** be submitted on a monthly basis.
- Claims and all documentation should be on 8 ½ X 11 paper.
- Claims must be submitted for the current funding year.
- **Do not exceed two characters in the blank for invoice number.**

Item of Cost	Supporting Documentation
Salaries and Fringe Benefits	Time sheets denoting amount of time spent on program, Copy of paycheck and paycheck stub denoting benefits; and/or Professional Accountant's payroll summary sheet
Supplies	Copy of legible receipt; and Copy of credit card bill (if applicable); and Copy of payment check (if applicable) and bank statement showing payment of check
Professional Services	Copy of detailed services provided, Copy of invoice; and Copy of payment check and bank statement showing payment of check
Printing Costs	Copy of printed material, Copy of legible receipt/invoice; and Copy of payment check and bank statement showing payment of check
Travel / Training	Travel Request Form from DMD, Pre-approval from DMD, Copy of verification of training, and Outline of travel agenda: ➢ Seminar registration fees (copy of check) ➢ Transportation ➢ Lodging ➢ Meals Receipts must accompany: transportation, lodging & meals
All Other Items	All claims must have: ➢ Legible receipts and invoices, ➢ Detailed description of goods or services, and ➢ Copy of payment check and bank statement showing payment of check

Failure to submit any of the above will result in no reimbursements.
Continued noncompliance will result in non-funding of future contracts.

ALLOWABLE AND UNALLOWABLE COSTS FOR
COMMUNITY DEVELOPMENT BLOCK GRANT
EMERGENCY SHELTER GRANT FUNDS
(2011)

Item of Cost	Unallowable	Allowable
Contributions to others	✓	
Entertainment	✓	
Equipment	✓	
Fines, penalties, late charges	✓	
Food	✓ *	
Fringe benefits **		✓
Goods / Services for personal use	✓	
Lobbying	✓	
Maintenance / Repair	✓ *	
Mileage		✓
Postage		✓
Professional services		✓ *
Printing & Publication costs		✓
Rental (office/equipment)		✓ *
Salaries (full & part time)		✓
Supplies / Materials (office/project)		✓
Travel / Training		✓
Utilities (gas, electric, and water)		✓

Refer to definitions listed below
****Must meet OMB standards**

All claims submitted *must* have proper and legible supporting documentation (payroll time sheets, receipts, copies of paid checks, and bank statements).
Claims should *only* include requested amounts listed on the agency's proposal budget page filed with DMD.
Claims *will not* be paid until the monthly monitoring report is received.
Failure to comply *will* result in denial of reimbursement claims.

CONTRIBUTIONS TO OTHERS
Contributions and donations by the organization to others are unallowable.

ENTERTAINMENT
Cost of amusement, diversion, social activities, ceremonials, and costs relating thereto, such as meals, lodging, rentals, transportation, and gratuities are unallowable.

EQUIPMENT
"Equipment" means an article of nonexpendable, tangible personal property having a useful life of more than one year. Equipment is an unallowable cost.

FINES, PENALTIES, LATE CHARGES
Costs of fines and penalties resulting from violations of, or failure of the organization to comply with Federal, State, and local laws and regulations are unallowable. Late charges incurred on any invoice/bill are unallowable.

***FOOD**
Unless specifically denoted in the DMD approved agency proposal, as in agencies offering services in the food category, food is an unallowable expense.

FRINGE BENEFITS
Fringe benefits in the form of employer contributions or expenses for social security, employee insurance, and the like are allowable with proper documentation and denoted in the agency's proposal.

GOODS OR SERVICES FOR PERSONAL USE
Costs of goods or services for personal use of the organization's employees are unallowable.

LOBBYING
Attempts to influence the outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in kind or cash contributions, endorsement, publicity, or similar activity are unallowable.

***MAINTENANCE/REPAIR**
Maintenance and repair (costs incurred for necessary maintenance, repair, or upkeep of buildings which neither add to the permanent value of the property nor appreciably prolong its intended life) are unallowable, unless specifically denoted and approved by DMD in the agency's proposal. Construction or rehabilitation should have a separate proposal submitted.

MILEAGE
Mileage that is directly related to the designated program is allowable with proper documentation and denoted in the agency's proposal.

POSTAGE
Postage directly related to the designated program is allowable with proper documentation and denoted in the agency's proposal.

***PROFESSIONAL SERVICES**
Professional services directly related to the designated program are allowable with approval from DMD, denoted in the agency's proposal and proper documentation.

PRINTING & PUBLICATION COSTS
Publications costs include the costs of printing (including the processes of composition, plate-making, press work, binding, and the end products produced by such process), distribution, promotion, mailing, and general handling. Any newsletters, brochures, postcards, leaflets, circulars, signs, etc. must have the following disclaimer printed in a clear and conspicuous way:

- *These materials are provided through the Community Development Block Grant Program, City of Evansville, Indiana. The views expressed herein are not necessarily the views of the City of Evansville.*

All printed material must accompany claim submissions along with a copy of the receipt and check. Failure to provide the disclaimer will result in no reimbursement.

***RENTAL**
Office space rental is allowable to the extent that the rates are reasonable in light of such factors as rental costs of comparable property. Rent should be prorated based on the space used by the project. Any other rental of equipment and the like is unallowable unless denoted and DMD approved in the agency's proposal.

SALARIES
Salaries (full and part time) directly related to the designated program are allowable with proper documentation:

- Documentation (time sheets signed by employee and supervisor) of hours worked on designated program,
- Time allocation sheets for agencies with multiple projects/funding sources; and
- Copy of paycheck or paycheck stub denoting taxes, FICA, etc; or
- Payroll summary from professional accountant denoting taxes, FICA, etc.

SUPPLIES / MATERIALS

The costs of materials and supplies necessary to carry out an award are allowable. Such costs should be charged at their actual prices after deducting all cash discounts, trade discounts, rebates, and allowances received by the organization. Any purchase of materials or supplies must have proper supporting documentation.

TRAVEL / TRAINING

Travel costs incurred for travel/training (specifically designated for the agency's funded project) is allowable by completing a Travel Request form and approval from DMD. Supporting documentation such as seminar verification must be provided. Travel expenses listed below are eligible for reimbursement with proper documentation.

- Transportation
- Lodging
- Seminar registration fees
- Meals (if meals are supplied at the seminar, that meal will not be reimbursed)

UTILTIES

Utilities directly related to the designated program are allowable with proper documentation and denoted in the agency's proposal. (gas, electric, and water)

Please note: State Board of Accounts does not classify telephones as a utility. It is classified as a contractual service.

TIMELINE FOR SUBMISSION OF CLAIMS

All claims for January through June 2011 must be submitted to DMD no later than August 20th, 2011. All other claims must be submitted within 45 days of the end of the month. No claims for 2011 expenses will be accepted after February 18, 2012. **Claims not submitted in this timeframe will not be reimbursed without prior approval from DMD!**

I have read and understand the "Allowable and Unallowable" CDBG costs and the "Agency Monitoring Reports, Annual Audits and Submitting Invoice Claims for CDBG Reimbursement". Any item that may be in question should be determined and approved by DMD prior to the agency's expenditure.

Agency: _____

Project: _____

Signature: _____ Date:_____