

RFR Documentation Helpful Hints

Children's Justice Act (CJA) grants are paid on a cost-reimbursement basis. Expenses must be supported by sufficient cost documentation in order to be reimbursed. If it is not readily determinable from the supporting documentation how a CJA charge was calculated, the Request for Reimbursement (RFR) will not be paid until further explanations are provided by the subgrantee. To avoid delays in the payment of RFRs, please provide adequate supporting documentation and explanations with the original submission. If an expense is allocated to multiple funding sources, please include documentation that shows how the charge was allocated to the CJA grant (e.g. CJA FTEs/Total FTEs, etc). According to the federal *Cost Principles for Nonprofit Organizations*, costs should be allocated to a particular cost objective, such as a grant, in accordance with the relative benefits received. *2 CFR 230, App. A, A.4*

In the categories listed below you will find guidance on the various types of allowable expenses. This list is not all-inclusive; subgrantees should always refer to the *Cost Principles* to aid in the determination of allowable costs. Under each expense category you will also find examples of adequate supporting documentation suggested for RFR submission. If you have any questions as to the allowability of a cost or as to what constitutes adequate documentation, please contact the Texas Center for the Judiciary prior to the submission of your RFR.

Salaries

Charges for salaries and wages must be based upon documented payrolls. The distribution of salaries and wages to CJA must be supported by personnel activity reports that reflect an after-the-fact determination of the actual activity of each employee. Budget estimates (i.e. estimates determined before the services are performed) do not qualify as sufficient supporting documentation. *2 CFR 230, App. B, ¶ 8(m)*

- Supporting Documentation: Timesheets & Payroll Registers

Fringe

Fringe benefits are allowable expenses provided such costs are absorbed by all organization activities in proportion to the relative amount of time or effort actually devoted to each. Expenses should be supported with appropriate cost documentation. *2 CFR 230, App. B, ¶ 8(g)*

- Supporting Documentation: Itemized insurance invoices, worker's compensation rate documentation, unemployment tax rate documentation, etc.

Travel

Costs incurred by employees and officers for travel shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the non-profit organization in its regular operations as a result of the non-profit organization's written travel policy. In the absence of an acceptable, written non-profit organization policy regarding travel costs, the federal rates shall apply. *2 CFR 230, App. B, ¶ 51*

- Supporting Documentation: Receipts required by the non-profit organization's travel policy. In the event the non-profit organization's travel policy does not specify what documentation is required, all supporting documentation should be submitted to the Texas Center for the Judiciary.

Equipment

Capital expenditures for equipment are allowable as direct costs when approved in advance by the awarding agency. *2 CFR 230, App. B, ¶ 15*

- Supporting documentation: Invoice, procurement records (if applicable: 45 *CFR* 74.40 – 74.48).

Administrative/Operating

General Administrative expenses necessary to carry out the federal award are allowable.

- Supporting Documentation: Invoices and bills. Purchase Orders and online Order Notifications, alone, are not sufficient; proof-of-payment or billing invoices must be provided.

Contractual

Costs of professional and consultant services rendered by persons who are not officers or employees of the non-profit organization are allowable when reasonable and subject to the standards set forth in 2 *CFR* 230, *App. B*, ¶ 37.

- Supporting documentation: Invoice/Billing Statement & Contract/Agreement Terms

Unallowable Expenses

The following items are especially noteworthy:

- Alcoholic Beverages: Alcoholic beverage expenses are unallowable. 2 *CFR* 230, *App. B*, ¶ 3
- Entertainment Costs: Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable. 2 *CFR* 230, *App. B*, ¶ 14
- Food Expenses: Food and meal expenses are unallowable unless incidental to official meetings or conferences, the primary purpose of which is the dissemination of technical information. Regular business lunches or dinners are unallowable. 2 *CFR* 230, *App. B*, ¶ 29