REIMBURSEMENT GUIDELINES TRAINING

Provided by
the Professional Staff of:

The Department of Military Affairs
and
The Division of Emergency Management
PURPOSE

- To set forth standards for obtaining consistency, uniformity, and compliance among all federal grant reimbursement requests of non-federal entities expending federal awards
OBJECTIVES

- To provide guidance, education, support, and direction to ensure non-federal entities are in compliance with all applicable requirements and guidelines

- To expedite reimbursements to non-federal entities

- To ensure reimbursements are documented properly to withstand third-party scrutiny. (i.e. APA audits, FEMA site visits, OIG, internal audits, and sub-recipient monitoring)

- To achieve consistency among multiple federal grants
AUTHORITY

- Federal Requirements:
  2 CFR 200
  
  *Formerly:*
  44 CFR PART 13
  2 CFR 225 Cost Principles for State and Locals
  OMB Circulars A–87, A–102, A–133
  Federal Program Guidelines
2 CFR 200.302(b)(3) **Financial Management**

- Records that identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest **and be supported by source documentation**.

2 CFR 200.403(g) **Factors Affecting Allowability of Costs**

- **Be adequately documented.**
2 CFR 200.403(c) Factors Affecting Allowability of Costs
- Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-federal entity.

2 CFR 200.400(d) Policy Guide
- The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-federal entity. However, the accounting practices of the non-federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the federal award.
AUTHORITY – 2CFR 200

- 2 CFR 200.53(b) Improper Payment
  - Improper payment includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except such payment where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

- 2 CFR 200.420 Consideration for Selected Items of Cost
  - States in–part
    - Criteria outlined in 200.403 factors affecting allowability of costs must be applied in determining allowability.
2 CFR 200.430(i)(1) *Compensation–Personal Services*

- Standards for documentation of personnel expenses (1) charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:
  
  - Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
  
  - Be incorporated into the official records of the non–federal entity
AUTHORITY – 2CFR 200

- Reasonably reflect the total activity for which the employee is compensated by the non-federal entity, not exceeding 100% compensated activities;

- Encompass both federally assisted and all other activities compensated by the non-federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-federal entity’s written policy;

- Comply with the established accounting policies and practices of the non-federal entity;
Support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one federal award; a federal award and non-federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation basis; or an unallowable activity and a direct or indirect cost activity.

- 2 CFR 200.430(i)(3) **Compensation–Personal Services**
  - In accordance with department of labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR PART 516), charges for the salaries and wages of nonexempt employees, in addition to the supporting documentation described in this section, must also be supported by records indicating the total number of hours worked each day.
2 CFR 200.331(a)(2) **Requirements for Pass-Through Entities**
- All requirements imposed by the pass-through entity on the sub-recipient so that the federal award is used in accordance with federal statutes, regulations and the terms and conditions of the federal award.

2 CFR 200.331(a)(3) **Requirements for Pass-Through Entities**
- Any additional requirements that the pass-through entity imposes on the sub-recipient in order for the pass-through entity to meet its own responsibility to the federal awarding agency including identification of any required financial and performance reports.
2 CFR 200.79 **Personally Identifiable Information (PII)**
- PII means information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.

2 CFR 200.82 **Protected Personally Identifiable Information (Protected PII)**
- Protected PII means an individual’s first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother’s maiden name, criminal, medical and financial records, educational transcripts. This does not include PII that is required by law to be disclosed.

2 CFR 200.303(e) **Internal Controls**
- Take reasonable measures to safeguard protected personally identifiable information (PII) and other information the federal awarding agency or pass-through entity designates as sensitive or the non-federal entity considers sensitive consistent with applicable federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.
AUTHORITY – 2CFR 200

- 2 CFR 200.333 *Retention Requirements*
- 2 CFR 200.336 *Access to Records*
- 2 CFR 200.338 *Remedies for Non-Compliance*
- 2 CFR 200.207 *Specific Conditions*
2 CFR 200.77 *Period of Performance (POP)*
- Period of performance means the time during which the non–federal entity may incur new obligations to carry out the work authorized under the federal award. The federal awarding agency or pass–through entity must include start and end dates of the period of performance in the federal award.

2 CFR 200.309 *Period of Performance (POP)*
- A non–federal entity may charge to the federal award only allowable costs incurred during the period of performance and any cost incurred before the awarding agency or pass–through entity made the federal award that were authorized by the federal awarding agency or pass–through entity.
AUTHORITY

STATE REQUIREMENTS:

Kentucky Revised Statutes (KRS)
Kentucky Administrative Regulations (KAR)
Finance Cabinet Pre-Audit e-MARS Users Manual
Finance and Administration Policies (FAP)
Department of Military Affairs Procedures
KYEM Procedures
SECTION 3. All men, when they form a social compact, are equal; and no grant of exclusive, separate public emoluments or privileges shall be made to any man or set of men, except in consideration of public services; but no property shall be exempt from taxation except as provided in this constitution, and every grant of a franchise, privilege or exemption, shall remain subject to revocation, alteration or amendment.
AUTHORITY – KENTUCKY REVISED STATUTES

- KRS 13A Administrative Regulations

- KRS 42 Finance and Administration Cabinet
  - 42.0201 Office of the Controller

- KRS 45 Budget and Financial Administration
  - 45.121 – “The Finance and Administration Cabinet may rely on the pre-audit performed by a budget unit as a basis for issuing a warrant.”

- KRS 45A Kentucky Model Procurement Code
200 KAR 2:006(7)(4)(b)

- Mileage for in-state travel shall be based on the “Kentucky Official Highway Map”, mileage software or MapQuest website. Out-of-state mileage shall be based on the most recent edition of the “Rand McNally Road Atlas”, mileage software or MapQuest website.
AUTHORITY – PRE-AUDIT USER MANUAL

All Pre-Audit Processes Must Emphasize:
- Authenticity of the documents
- Legality of propriety of financial transactions
- Authorized approvals of financial transactions
- Review of financial transactions for appropriate accounting code and accuracy
- Generally Accepted Accounting Principles (GAAP)

The Pre-Audit Process Includes, But Is Not Limited To, Ensuring:
- Proper backup documentation is available to establish that the cost is properly allocable to the project to be charged
- Documentation is complete and understandable to an independent third party without additional information
- Payee, address, and accounting code information are complete and accurate
Documentation shall be sufficient, competent, and relevant in establishing the appropriateness of the transaction:

◦ Sufficient documentation is factual, adequate, and convincing so that a prudent, informed person would reach the same conclusion regarding the transaction as the individual(s) who authorized it.
◦ Competent documentation is reliable and the best attainable under the circumstances.
 ◦ Relevant documentation applies to the transaction.
AUTHORITY – FAP

- FAP 120–13–00 *Decentralization of the Pre–Audit Function*
  - Pre–Audit shall consist of verification of the validity of claims.

- FAP 110–10–00 *General Conditions and Instructions for Solicitations and Contracts*
  - Seller’s Invoices – shall contain at least the following information:
    - Contract and order number
    - Item numbers
    - Description of supplies or services
    - Sizes
    - Quantities
    - Unit price
    - Extended totals
FAP 111–45–00 *Payment Documents*
- The invoice shall be on the official invoice form of the vendor.

FAP 111–26–00 *Tax Exemption for Purchases*
- KRS 139.470(7) Provides that the Kentucky Sales and Use Tax shall not apply to purchases of tangible personal property or services made by any cabinet, department, bureau, commission, board, or other statutory or constitutional agency of the commonwealth.
RESPONSIBILITIES (NON-COMPLIANCE)

Grant program reimbursement requests must:
- Be approved by KYEM
  - Comply with local, state, and federal laws, regulations, policies, procedures, and agency or program guidelines
  - Not be all encompassing (case by case)
GENERAL REIMBURSEMENT GUIDELINES

1. Be necessary and reasonable for proper and efficient performance and administration of the applicable award or grant

2. Be allowable and allocable under the grant guidelines

3. Be allowable under the provisions of 2 CFR 200 and conform to any limitations or exclusions set forth therein
1. All required supporting documentation must be included when reimbursement requests are submitted.
2. Documentation must be complete and understandable to an independent third-party without additional information or explanation.
3. Supporting documentation must be uploaded to the appropriate program location in SharePoint when applicable.
4. Reimbursement requests must include required signatures.
5. If supporting documentation does not clearly identify the purpose or description of the item or service being purchased, then clarification should be provided with the invoice.

6. All Personally Identifiable Information (PII) should be omitted or redacted (blacked out or whited out) (i.e. social security number, date of birth, etc.)

7. All disbursement transactions must be accompanied by a receipt or invoice that is legible and complete.
1. Name and address of the vendor or establishment providing the product or service
2. Date the product or service was provided
3. Itemized description of all products or services
4. Unit price of products or services (if applicable)
5. Total amount charged
6. Kentucky Sales Tax is not typically reimbursable
1. Invoices submitted must include:
   - Vendor/payee invoice number, account number, and any other unique meaningful identifying number.
   - Vendor name, address, and telephone number

2. Services (such as mowing or cleaning) must include a complete invoice.
3. Quotes, bids, proposals, or prepaid invoices are not acceptable for reimbursement or advance payments.

4. Statements are generally not acceptable for reimbursement.

5. Invoices must be a legible copy of the original.

6. Invoices must be complete when received from the provider of the service.
ADDITIONAL OR PROGRAM SPECIFIC DOCUMENTATION

- Form 152/153
- Form 160
- Form 1801
- Risk Assessment
Cost Shares or Cost Allocations

Cost reimbursements for shared facilities, utilities, telephone bills, partial salaries, vehicles, and services must be indicated on Form 152/153.

Established cost share percentage for the program and the actual amount due must be indicated on the source document submitted for reimbursement.

1. Must provide a copy of the invoice showing the total amount due
2. Proof of Payment
FACILITY AND LAND LEASE

- Copy of lease agreement must contain:
  - Names of landlord and lessee
  - Dated signatures of both parties
  - Length of lease
  - When rent/lease payments are due
  - Lease amount
  - Agreement regarding utilities and maintenance responsibilities
  - Address of leased property
  - Proof of Payment
  - Property owned by the non-Federal entity, or affiliations, is generally not eligible for reimbursement

- Special Note (for cost sharing):
  - Provide cost allocation plan
  - Report on Form 152/153
EQUIPMENT AND COPIER COSTS

- Invoice from provider

- Indicate the location of the copier/equipment and the program it supports

- Proof of Payment

- Note: Copier invoices must reflect a per copy rate, or a copy of the lease must be provided.
OFFICE COMMUNICATIONS

- Complete copy (all pages front and back) of original bill (i.e. phone, cell phones, fax, internet)

- Indicate the supported program and location of the phone, fax, internet connection, or to whom the cell phone is issued.

- Proof of Payment
OFFICE COMMUNICATIONS

- Special Notes:
  - Submit only pages of the invoice that are applicable
  - Submit additional pages as necessary for clarification
  - Retain full bill at sub-recipient level for audit review
  - Specify on Form 152/153
    - County issued cell phones
    - Submit only pages of the invoice that are applicable
  - Reimbursement of personal cell phone
    - If possible, establish a flat rate policy or highlight applicable charges
    - Copy of the invoice
    - Proof of payment to employee for cell phone invoice
ADMINISTRATIVE SUPPORT

- Cost per hour of compensation and how this rate was determined
- Number of hours worked
- Total cost of compensation
- Timeframe and purpose
  - Time statements signed by employee and supervisor, designated official, or designee
- Proof of Payment
UTILITIES

- Copy of invoice
- Location of service
- Proof of Payment

Special note (for cost sharing):
  - Provide cost allocation plan
  - Report on Form 152/153
OFFICE SUPPLIES AND OTHER ALLOWABLE EXPENSES

- Copy of itemized invoice
- Purpose/Justification
- Proof of Payment
Travel reimbursement requests must be submitted in one complete request, per traveler, for each event.

Include all supporting documentation without split of expenses.
TRAVEL

- Complete and signed travel voucher
- Hotel folio must reflect zero balance due
- Meal receipts (unless paid under per diem rates)
- Miscellaneous travel receipts
- Proof of attendance to conferences, meetings, trainings, exercises
- Written authorization
- Air fare documentation
- Full and legible receipts
- Receipts must be provided for fuel purchases
- POV mileage will be reimbursed per sub-recipient travel policy
- All reimbursements must be paid in accordance with sub-recipient travel policy
PROGRAM HOSTED EVENT, TRAINING, OR EXERCISE

- Agenda or official public notification
- Registration list
- Sign-in sheets
- Meal receipts
- Itemized receipts for other authorized purchases
- Proof of Payment
For EMA and CSEP programs, all mileage must be reported on the “Mileage/Fuel Reimbursement Log”

All out-of-state travel must be supported with mileage software (I.E. Google Maps, MapQuest, etc.)

Mileage will paid at state rate*

If mileage claimed then fuel and maintenance cannot be claimed

If vehicle used by multiple programs then mileage must be claimed
For EMA and CSEP programs, all mileage must be reported on the “Mileage/Fuel Reimbursement Log”

- Copy of invoice
- If mileage claimed then fuel and maintenance cannot be claimed
- If vehicle used by multiple programs then mileage must be claimed
- Identify vehicle (VIN or Tag Number)
- Proof of Payment
**VEHICLE MILEAGE REIMBURSEMENTS**

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**MILEAGE/FUEL REIMBURSEMENT LOG**

<table>
<thead>
<tr>
<th>Date</th>
<th>Odometer</th>
<th>Total Miles</th>
<th>Purpose/Location</th>
<th>Date</th>
<th>Odometer</th>
<th>Total Miles</th>
<th>Purpose/Location</th>
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**ALL OUT of STATE TRAVEL** requires mileage software (i.e., Google Maps or MapQuest) directions.

**For conferences, meetings, trainings, etc. reported on this form, proof of attendance must be maintained at the county level for state or federal audit reviews.**

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**Claiming: FUEL or MILEAGE (circle one) — If claiming mileage, complete the following:**

**Travel Policy: STATE or COUNTY (circle one)**

- **Total Miles x Mileage Rate:** $ 

  - CNEPP: $ 
  - EMA: $ 
  - Other: $ 

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**Program Codes**

- **C-CNEPP**
- **E-EMA**
- **O-Other**

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**EMC/CNEPP Director Signature / Date**

**County Judge/Executive (or Designee) Signature / Date**

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**KYMD Form: Mileage/Fuel Reimbursement Log**

**Revised: 08/15**

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**COMMONWEALTH OF KENTUCKY**

**BUREAU OF EMERGENCY MANAGEMENT**

**PREPARE**
VEHICLE MILEAGE REIMBURSEMENTS

MILEAGE/FUEL REIMBURSEMENT LOG

Overview
This log is to be completed and submitted by a county seeking mileage or fuel reimbursement when county vehicles are utilized for federal grant program activities.

Key Points for Proper Submission
✓ If a vehicle is only used by one program, submit one complete mileage log for all of that vehicle’s mileage. Select whether the claim is for fuel or mileage. If claiming fuel for the vehicle, provide the mileage log and applicable fuel receipts/invoices.

✓ If a vehicle is assigned to/used by multiple programs, (for example: CSEPP, EMS, County EMS, etc.), submit one log for all mileage with specific use noted in “Purpose/Location”. Use provided program codes to identify to what program each entry pertains.

✓ Beginning and ending odometer entries must be sequential for all trips, with no unaccounted for gaps between entries. An exception would be vehicles not assigned to programs (i.e. motor pool vehicles).

✓ If claiming mileage, complete the information and mileage calculations in the box above the EM/CSEPP Director Signature line.

✓ If the mileage claimed is associated with an event, such as a training, conference, or a meeting, the sub-recipient must maintain documentation within its premises, attached to the appropriate mileage log, which indicates proof of attendance. Acceptable documentation includes, but is not limited to, any of the following: agenda, registration form, sign-in sheet, or authorization.

✓ If the reimbursed miles are for an out-of-state trip, include mileage software (i.e. Google Maps or MapQuest) directions that confirms the number of miles driven.

✓ When the form has been completed, obtain the required signatures, attach any applicable supporting documentation, and submit for reimbursement.
MAINTENANCE OR REPAIR OF EQUIPMENT

- Copy of invoice
- Specify specific equipment (inventory, serial number or VIN)
- Explanation to justify repair
- If mileage claimed then fuel and maintenance cannot be claimed
- Proof of Payment
SAVARY AND BENEFITS

- Daily work hours for each pay period are to be recorded on the KYEM Form “Time and Attendance Report”
  - Must account for all activity for which the employee is compensated

- Copy of the payroll register, payroll check with the pay stub attached, or payroll summary

- Submit program/grant specific salary reimbursement forms if applicable
SALARY AND BENEFITS

- Time and Attendance Report Must:
  - Reflect after-the-fact distribution of actual activity
  - Coincide with the actual pay periods
  - Contain the rate(s) of pay for the employee
  - Be signed and dated by the employee
  - Be certified correct by signature and date of the proper authority for the sub-recipient
  - Be supported by attachment of employee’s actual timesheet(s) submitted for sub-recipient payroll purposes
  - If time reported on the KYEM Time and Attendance Form differs from time on the submitted timesheet(s), a thorough explanation is needed.
# SALARY AND BENEFITS

## TIME AND ATTENDANCE REPORT

**LOCAL EMERGENCY MANAGEMENT AGENCY**

**Jurisdiction Name**

**Staff Member Name**

**Pay Period Covered**

**Date of Warrant/RFY**

<table>
<thead>
<tr>
<th>RECORD OF HOURS</th>
<th>TOTAL BY HOURS</th>
<th>DATE OF MONTH</th>
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<tbody>
<tr>
<td>Full Attendance Hours</td>
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<tr>
<td>Normal Day Hours EMA</td>
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<td>Normal Day Hours CSEPP</td>
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<td>Normal Day Hours Hazard Mitigation</td>
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<td>Normal Day Hours Public Assistance</td>
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<td>Normal Day Hours Other</td>
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<td>Additional Hours</td>
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<td>Additional Hours EMA</td>
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<td>Additional Hours Public Assistance</td>
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<td>Additional Hours Other</td>
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<td>Absence Hours Charged to</td>
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<td>Annual Leave (Vacation)</td>
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<td>Sick Leave</td>
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<td>Compensatory Leave</td>
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<tr>
<td>Other (i.e. Holiday, Administrative Leave)</td>
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</tbody>
</table>

### TOTALS

I, the undersigned, declare under penalty of perjury that I have examined this document, including all supporting documents, and certify that attendance, overtime and absences are correct, used for the preparation of payroll and support the identified grant programs in accordance with Federal award agreements.

### EMPLOYEE SIGNATURE

- **Employee Signature**: [Signature]
- **Date**: [Date]
- **EMA Pay Rate**: [Rate]
- **CSEPP Pay Rate**: [Rate]
- **Other Pay Rate**: [Rate]

### CERTIFIED CORRECT SIGNATURE

- **Certified Correct Signature**: [Signature]
- **Date**: [Date]

### FOR EYEM USE ONLY

- **Grant Distribution**: [%]
- **Comp Time Accrual**: [Accrual]
- **Multiple Pay Checks**: [Yes/No]
- **Extended Payroll**: [Yes/No]
- **T&A Form Adopted as Official Timesheet**: [Yes/No]

**KYEM Forms: Time and Attendance Report**

**Revised**: 06/16

**COMMONWEALTH OF KENTUCKY**

**PREPARE**

**EMERGENCY MANAGEMENT**
INSTRUCTIONS FOR COMPLETING TIME AND ATTENDANCE REPORT

1. Fill out all information at the top of the form.

2. Fill in each date of the month for the pay period under "DATE OF MONTH" (monthly/year indication is not necessary).

3. According to each work activity type or leave type identified in the three sections under "RECORD OF HOURS", fill in all applicable hours in the column corresponding to the "DATE OF MONTH" for each day/activity.

4. Compute total hours for each pay period by work activity type and leave type in the column "TOTAL BY HOUR TYPE FOR PERIOD".

5. Compute total hours worked each day (from "DATE OF MONTH" columns) on the bottom row, "TOTALS".

6. Compute total hours worked in the pay period in the last row of the "TOTAL BY HOUR TYPE FOR PERIOD" column.

7. Verify that the total hours computed in the "TOTAL BY HOUR TYPE FOR PERIOD" column matches the total of per day hours within the "DATE OF MONTH" columns.

8. Verify that the reported hours on the Time and Attendance Report match those hours recorded on the sub-recipient’s official timesheet(s). For exceptions, a thorough explanation should be provided.

9. For each sub-recipient funding source that compensates the employee, fill in the pay rate per month, week, or hour.

10. Employee must sign and date the Time and Attendance Report after reading the declaration above "Employee Signature".

11. Proper authority must certify the Time and Attendance Report to be correct through signature and date.
Supporting documentation for fringe benefits
- Proof of payment must be in the form of a cancelled check, acceptable payment register, or bank statement (referencing covered period)
- This documentation is not required if reflected on paystub, payroll summary, or payroll register

Audit findings relating to payroll – additional documentation required

Justification of overtime – additional documentation required
- Proof of attendance (i.e. meetings, trainings, etc.)
- Written documentation on tasks performed
- Proof of program/grant allowability
- Supervisor/KYEM approval
Any calculation should be clearly identified and understandable to a third party
- Proration
- Percentages
- Cost Allocations

All calculations must be identified on the appropriate supporting documentation

Handwritten notations must be initialed and dated
WHY MUST WE PRORATE?

- Period of Performance (POP)
  - 2 CFR 200.77
    - The time during which the non-federal entity may incur new obligations to carry out the work authorized under the federal award
  - 2 CFR 200.309
    - A non-federal entity may charge to the federal award only allowable costs incurred during the period of performance
PRORATE PROCEDURES

1. Determine the number of days in the billing service period
2. Determine the amount per day: divide the monthly billing amount by the number of days determined in #1
3. From the billing service period determine the number of billing days in September and then for October
4. Multiply the amount per day (found in #2) by the number of billable days in each month (found in #3) to find your prorated amounts for each month
5. The amount found above for September in item 4 will be included on the September Form 160
6. The amount found above for October in item 4 will be included on the October Form 160
NOTES AND CLARIFICATIONS

- These procedures cannot be all encompassing
- Not all reimbursable expenses are contained within these guidelines
- Not all listed expenses are reimbursable for every grant program
- Sub-recipients shall be notified of immaterial changes in reimbursement amounts (72 hours for protest)
- Specific questions should be directed to appropriate KYEM program staff
All reimbursement requests must include:
  ◦ Proof of Payment
  ◦ Copy of legible receipt or invoice
  ◦ Other necessary support documentation
Invoices and receipts must be itemized
Improper or inadequate documentation will be rejected and returned
Late Fees are NOT eligible for reimbursement
Memberships/dues to professional organizations are only reimbursable at agency level
NOTES AND CLARIFICATIONS

- Maintenance and repair reimbursements – the original program funding for the equipment may be requested to determine eligibility
- When travel involves multiple personnel reimbursement documentation must be for individual expenditures
  - An exception is group lodging of four (4) or more rooms which was paid as one (1) bill
- If combining personal travel with business travel
  - A statement must be provided that no personal expenses have been included
  - Travel time reflects only what was required for the program purpose
Counties must state on their form 152/153
   ◦ If they will adopt the state travel policy
   ◦ If they will follow their own written and approved county travel policy

Any portion of a sub-recipient’s policy that is less restrictive than state policies, program guidelines, or federal laws and regulations may not be honored

If a document copy for reimbursement is not legible one of the following must occur:
   ◦ Submission of the original document
   ◦ Fiscal officer makes a copy or scan of the original and writes in what is not legible (sign and date)
NOTES AND CLARIFICATIONS

- Altered documents are NOT acceptable
- Do not include any Personally Identifiable Identification (PII)
- It is the sub-recipient’s responsibility to ensure:
  - Proper lines of authority sign-off
  - Approve and submit the appropriate paperwork for reimbursement
- All written clarifications or notations must be signed (or full initials) and dated by authorized individual
- Final decisions of the allowance, reasonableness, and allocation for reimbursement will be made by appropriate staff of KYEM or DMA
NOTES AND CLARIFICATIONS

- All grant disbursements are subject to post reimbursement reviews
- Audit findings may result in delay or denial of reimbursement request until resolution
DEFINITIONS

- Allocation
- Allowable
- Invoice
- Legible
- Non-Federal Entity
- Personally Identifiable Information (PII)
- Proof of Payment
- Reasonable
- Receipt
- Sub-recipient
References

- Kentucky Revised Statutes (KRS)
- Kentucky Administrative Regulations (KAR)
- Kentucky Finance and Administration Policies (FAP)
- Department of Military Affairs Internal Controls
- Federal Grant Awards
  - Before 12/26/2014
    - 44 CFR PART 13
    - 2 CFR 225 (OMB Circular A–87)
  - After 12/26/2014
    - 2 CFR 200
ADDITIONAL INFORMATION IMPACTING REIMBURSEMENTS
RISK ASSESSMENTS

- Per 2 CFR 200.331(b)
  - The pass-through entity (KYEM/DMA) must evaluate the risk of non-compliance for each sub-recipient to determine the appropriate level of sub-recipient monitoring

- In order to receive a federal grant award, a risk assessment must be completed each year

- If sub-recipient receives more than one grant from KYEM—only one risk assessment needs to be completed
AUDIT REQUIREMENTS

- To ensure reimbursement – audits must be completed within timeframe
  - Single audit is required per federal regulation
  - County financial audit is required per state law
- Important dates
  - February 1 – CPA audits due to the Kentucky Auditor of Public Accounts
  - March 31 – single audit deadline (if applicable) – 2 CFR 200.512(a)
- It is *your* responsibility to ensure these deadlines are met
Federal grant funds are awarded for a specific “public purpose” and grantees must use those funds as agreed and within certain parameters including 2 CFR 200. A grant agreement is essentially a legally binding contract, and grantees are obligated to use their grant funds as outlined in the agreement, and to act with integrity when reporting their actual use of funds.

Unfortunately, fraud, waste, and abuse of these funds can, and do occur. These issues can range from poorly managed programs to the extremes of intentional criminal fraud schemes.
The consequences of grant fraud can include:
- debarment from receiving future funding
- administrative recoveries of funds
- civil law suits
- criminal prosecution
- a combination of all or some of these remedies
Common Grant Fraud Schemes

Most fraud, waste, and abuse of funds falls into one or more of three general categories:

1. Conflicts of Interest
2. “Lying” or Failing to Properly Support the Use of Funds
3. Theft
CONFLICTS OF INTEREST

Grantees are required to use federal funds in the best interest of their program. These decisions must be free of undisclosed personal or organizational conflicts of interest, both in appearance and fact.

The typical issues in this area include:

- Less than Arms–Length Transactions: purchasing goods or services or hiring an individual from a related party; such as a family member or a business associated with an employee of a grantee.

- Sub–grant award decisions and vendor selections must be accomplished using a fair and transparent process free of undue influence. Most procurements require full and open competition.
Grantees are obligated to properly track the use of funds and maintain adequate supporting documentation.

The typical issues in this area include:

- Unilaterally redirecting the use of funds in a manner different than outlined in the grant agreement.
- Failing to adequately account for, track, or support transactions (i.e. personnel costs, contracts, indirect cost rates, matching funds, program income, or other sources of revenue).
- Grantees must accurately represent their eligibility for funding and cannot provide false/misleading information in their application, subsequent narrative progress, or financial status reports.
THEFT

- Theft is the most common issue in almost all organizations—including those that receive federal grant funding.

- People that embezzle funds can be extremely creative and appear very trustworthy. This is precisely why they can do so much damage to an organization and remain undetected for extended periods of time.

- Poor or no internal controls lead to virtually inevitable theft. A lack of appropriate separation of duties is one of the most common weaknesses.
Kentucky County Judge/Executive (CJE) sentenced to more than 7 years in prison for a kickback scheme that the court said had hurt public confidence in government.

Kentucky county CSEPP financial manager sentenced to 32 months in prison and ordered to pay restitution for misappropriation of CSEPP funds for over 8 years. CJE expresses amazement that so many fraudulent transactions could take place over such a long period. County EMA Director resigns as a result.
Kentucky county Director of Public Safety sentenced to 18 months in prison and ordered to pay restitution for misappropriation of CSEPP funds. Before sentence was imposed, the convicted stated “I am glad that my mother didn’t live to see what I have done.”

Kentucky county clerk and deputy clerk plead guilty to misuse of public money after an audit found more than $15,000 missing from the clerk’s office. Both face fines and up to five years in prison.
Kentucky Emergency Management chief resigns after a blistering audit finds wasted taxpayer money, intimidated employees, and a hostile work environment. State auditor says current and former agency employees described an environment that discouraged them from reporting waste, fraud, and abuse.
WHY DO PEOPLE COMMIT FRAUD?

**Pressure/Temptation**
- A significant financial loss
- Personal debt or poor credit
- A gambling or drug habit
- Unexpected medical expenses

**Rationalization**
- I was only “borrowing” the money
- I have to pay those hospital bills
- I’ll stop once I pay my debt off
- I have mouths to feed

**Opportunity**
- Trust of one individual without verification
- Poor internal controls
- Poor record keeping
- Lack of supervision
- No consequences for prior issues
You Remove Opportunity

- Opportunity + Pressure/Temptation = Potential Fraud

- Having proper internal controls will greatly limit the opportunity a person has to commit fraud, or waste and abuse, of taxpayer money.

- The reimbursement guidelines are a VITAL internal control to mitigate the opportunity for fraud, waste, and abuse to happen.

You may just save someone from ruining their life and the lives of those around them!
WebEOC EMPG 2.0
# EMPG TRACKER v2.0

## County Status Summary

<table>
<thead>
<tr>
<th>Area: 03</th>
<th>Budget: $73,145.56</th>
<th>Allotment: $0.00</th>
<th>Spent: NaN</th>
<th>Split: NaN</th>
<th>Remaining: NaN</th>
</tr>
</thead>
<tbody>
<tr>
<td>152/153S</td>
<td>Work Plan Submitted</td>
<td>Contract Not Submitted</td>
<td>Assessment Submitted</td>
<td>EOP Concurrence Not Submitted</td>
<td></td>
</tr>
</tbody>
</table>

## Claim Status

- **Finalized**: NaN/0
- **In Progress**: NaN/0
- **Stopped**: NaN/0
- **Un-documented**: 0/0

[VIEW PAYMENTS]

[VIEW 152/153]

[VIEW WORK PLAN]

[VIEW BUDGET]

[VIEW TRAINING]
152/153 GUIDANCE

EMPG 2.0: County 152/153 Guide

1. EMPG Disclaimer: Contains information and expectations of participating in the performance grant.
2. Fiscal Year Summary: Contains the fiscal year summary information.
3. County Status Summary: Contains county spending, claim summary status, and links to: 152/153, Workplan, Budget, and Payments.

Note
The only required section on the 152/153 is the General Information section. The rest of the section only need to be completed if you intend to seek reimbursement.

Filling out the 152/153:

1. To start your 152/153, click the [VIEW 152/153] button.
Contact your claims specialist to ensure that you have uploaded your administrative code, payroll policy/procedure and travel & procurement policy to Sharepoint.
EMP 2.0: County Work Plan Guide

County EMPG Dashboard

1. EMPG Disclaimer: Contains information and expectations of participating in the performance grant.
2. Fiscal Year Summary: Contains the fiscal year summary information.
3. County Status Summary: Contains county spending, claim summary status, and links to: 152/153, Work Plan, Budget, and Payments.

Starting the County Work Plan:

1. To start your Work Plan, click the "VIEW WORK PLAN" button.
2. Click the "Workplan" button and fill out the subsequent form.

3. Be sure to select a Mission Area and Core Capability that best fits the Scheduled Activity.
4. After saving just can click again and repeat Steps: 2-3 until you have completed the Work Plan.
EMPG 2.0: County Budget Guide

County EMPG Dashboard

1. EMPG Disclaimer: Contains information and expectations of participating in the performance grant.
2. Fiscal Year Summary: Contains the fiscal year summary information.
3. County Status Summary: Contains county spending, claim summary status, and links to: 152/153, Work Plan, Budget, and Payments.

Starting the County Budget:

1. To start your Budget, click the VIEW BUDGET button.
2. Click the button and fill out the subsequent form.

Personnel:

Other:

3. Be sure to be as detailed as possible with the personnel of the budget if you plan to claim FICA, Retirement, Health Ins., Life Ins.

4. After saving just can click again and repeat Steps: 2-3 until you have completed the Budget.
Quick Reference Guide

EMPG 2.0: County Training Guide

County EMPG Dashboard
1. EMPG Disclaimer: Contains information and expectations of participating in the performance grant.
2. Fiscal Year Summary: Contains the fiscal year summary information.
3. County Status Summary: Contains county spending, claim summary status, and links to: 152/153, Work Plan, Budget, and Payments.

Adding Training:
1. To start your Work Plan, click the [View Training] button.
2. Click the [Add Training] button and fill out the subsequent form.

Helpful Hint:
If you do not see employee(s) on the Employee Training Summary, you have not completed the 152/153 Employee Section.
For each employee, there is an add training button.

3. After saving the individual training you can add more under that employee by repeating Steps: 2-3.
EMPQ QUARTERLY REPORT

County Quarterly Report

Total Spent: $8,668.07
Federal Split: $4,334.04

Quarterly Reports

Finalized Quarterly Spending:
1. $1,465.40
2. $1,596.59
3. $1,272.05
4. $0.00

Allotment: $6,645.07
Remaining Funds: $2,311.03
QUESTIONS????
CONTACT

- If you have questions contact the appropriate program manager

- For EMA reimbursements contact your EMA claim specialist

  Jessica Gordon  AREA 1 & AREA 4  (502)607-1771
  LeeAnn Gibson  AREA 3 & AREA 6  (502)607-3561
  Angie Dabrowski  AREA 2 & AREA 10  (502)607-1049
  Sherry Jenkins  AREA 7 & AREA 8  (502)607-5588
  Ginger Starrett  AREA 5 & AREA 9  (502)607-1183