**Backup Documentation Survival Guide**

The purpose of this guide is to explain in simple terms how backup documentation for grants should work, both for those putting together the invoices and for those processing them.

This guide will not cover things exactly as lined out in the sample budgets sheets, but in a more organic (“common sense”) grouping.

Above all, when in doubt, remember: More documentation is better than too little. If you’re not sure if something needs to be included in your invoice, chances are you should include it.

**Supplies, Equipment, Software, Printing, Shipping, Advertising, Etc.**

The basis of all documentation is as follows: proof of purchase and business purpose. Really, all backup documentation boils down to proving that something was paid for and proving that it was necessary to your project. So, that’s why there are so many things grouped under this heading.

For almost everything in your invoice, what you need is a receipt and a business purpose. Sometimes the business purpose will be obvious if your budget is clear enough, but it never hurts to include the purpose along with your invoice.

If you don’t have a receipt, then send an invoice that is marked paid or has other proof of payment with it. If you only have purchase orders, then we need to see proof that what was ordered was actually bought and received.

If you are ever in doubt of what backup documentation you need, just remember: **proof of purchase** and **business purpose**.

**Paying People**

The documentation that you need for paying people naturally depends on how they are being paid. Are they on the payroll of your organization, and only a percentage of their salary is for time and effort on your project? Are they independent contractors? Are they participants that you are offering compensation?

**People getting paid on payroll:** If you’re looking for reimbursement for the time and effort for someone that gets paid through payroll, then you just need to provide proof of what they were paid for the time period in question. Generally, whatever records or documentation your accounting department already uses for this can be used. Things like check stubs can also be used. What you need to keep in mind though is that you should indicate how much of their time they’re spending on this project. If they only spent 10% of their work week on work for your project, then you should indicate this with a time and effort sheet (or something similar) and your invoice should show that you are only billing for 10% of the person’s total pay.

**Independent Contractors:** Backup documentation for contractors is extremely easy. With contractors, depending on how your project and contract works, you may be paying your contractor directly and asking for reimbursement on that payment, or you may want your PAPO to pay the contractor directly. If you have paid your contractor and are seeking reimbursement, then we will only need to see a copy of the invoice they submitted to you and proof that it is paid. Proof of payment can be as simple as the invoice being marked as paid by your accounting department, a copy of the check stub, or something similar. However, if you’re not paying your contractor directly, and would like your PAPO to reimburse your contractor instead, then you should submit their invoice separately along with their W9 to your PAPO office for payment.

**Stipends:** Another way to pay people is through stipends. This can be very simple. If you’re issuing them a stipend check directly, then simply state how much was paid to them and what the purpose of it was (such as what work they did on your project) and provide proof that the person received the payment. There are many ways to prove you gave the payment to the person. For example, you can ask the person you paid for a receipt (we suggest you generate one for them and ask them to sign it) or you could ask them to initial a meeting sign-in sheet in a column that indicates they received payment for attending the meeting. If you would like your PAPO to issue the check to them, then you must still indicate the amount and the purpose, and if it is over $500, then you must also include a W9 for the individual.

**Gift Cards**: Payment in the form of gift cards is very common, and can be very good, particularly for giving out rewards for participation. But the backup documentation can seem daunting at first glance, so make sure to pay close attention to this section if you think you may use gift cards for your project.

First, keep your receipt! Make sure you have a clean copy or scan of it that shows the date of purchase. Because gift cards are usually purchased in advance, it’s very important to keep track of the date.

Second, keep a sign-out sheet! For every gift card you give out, there should be a signature to show that someone received it. If your project deals with sensitive topics, in which participants may want to remain anonymous, then initials can be used in lieu of signatures. Simply, we cannot reimburse the purchase of gift cards that were not given out.

If you have leftover gift cards, there are a few options. You can simply hold on to them for later use, or you can use them as cash to buy other things for your project. The easiest thing to do is offer them as a bonus stipend to someone on your project. In that case, you just need them to sign for them, as with any other gift cards. You can also use them to purchase food or supplies for your project. In that case, remember that you still need to follow the backup documentation procedures for those items.

**Meeting Food**

Common sense would say food is food, and documentation for it should be all the same, but there are a few differences for meeting food that make it important to have its own section. Food that you buy for meetings needs slightly different backup documentation for food bought during travel. Please see the Travel section for food bought during travel, otherwise, refer to this section.

Here’s the important thing about food: it *should* fall within federal per diems (http://www.gsa.gov/portal/category/100120). This may seem unfair, but honestly, it’s just a measuring stick to make sure that you’re not overspending. And because in a meeting, you’re serving more than one person, we need to know how many people you were serving to figure out if you’re under per diem.

So, you need to keep a sign-in sheet for every meeting you have where food is served. Also, you need to have a meeting agenda for the meeting. The meeting agenda is essentially your business purpose; it’s why you’re there and why serving food was necessary. The sign-in sheet proves that people actually attended the meeting and ate the food and you didn’t just feed your family a bunch of sandwiches on the project dime.

Now, before you panic about going over per diem, there are a few cases where going over can be excused. If you went over because less people showed up than you planned for, then you simply need to tell us how many people you were planning on. In other cases, sometimes meeting venues, such as hotels, require that you buy catering through them. Whatever reason there may be, simply talk to your PAPO about your situation, and chances are they can work with you.

**Travel**

Travelling can be full of headaches, but getting reimbursed for it doesn’t have to be that way. Seriously.

Remember: **proof of purchase** and **business purpose**. Where did you go, why did you go there, and how much did it cost?

**Driving:** If you drove somewhere, you just need to tell us why you went there, and how many miles it was. The easiest way to prove your mileage is to print out a Google Map, Mapquest Map, or similar, showing your route. You can also use odometer readings. PCORI will reimburse for up to $0.56 per mile, but your organization may have different restrictions, and that’s fine too.

**Flying:** If you flew somewhere, we just need to see that you paid for the ticket and got on the plane. Thus we need a receipt for purchase and a copy of your boarding passes. We will only reimburse for coach tickets, not upgrades.

**Rental cars, taxis, etc.:** Proof of purchase (receipt), business purpose (the meeting agenda will suffice).

**Hotels:** There is a per diem rate for hotels. You should look up the rate for where you are staying (http://www.gsa.gov/portal/category/100120), and try to stick **close** to it. However, keep in mind that it is almost impossible to get those rates, and we understand that. (Federal employees get a discount card that gives them these rates. Chances are you don’t have one of those and so won’t get those rates.) Since you will almost certainly go over per diem, provide a receipt from your hotel with an explanation for why you went with that hotel: it was the most convenient for your purposes, it was the cheapest in the area, etc. Make sure you provide an itemized receipt that shows how many rooms were paid for, and provide a list of who stayed in the rooms and why they were there (the meeting agenda will suffice).

**Meals:** Typically, there are two ways to go about reimbursing for food bought during travel. The simplest way is to simply request the per diem. If you look up the per diem for the area you’re traveling in (http://www.gsa.gov/portal/category/100120), for a full day of travel you can request up to that amount for reimbursement without having to show any receipts for the food you actually bought. On the first and last day of travel, or travel that only lasts one day, you can request reimbursement for 75% of the per diem.

The other way to reimburse for food is to save your receipts. You still must look up the per diem for the area you’re travelling in and ensure that you stay under the per diem for each meal.

**Indirects**

Technically, no documentation is needed for indirect fees. The indirect is just a percentage of whatever you have billed on your invoice. PCORI caps indirect charges at 10%, so if your organization wants to charge indirects, then you would simply take 10% of the rest of your invoice and tack that amount on at the end. No explanation is needed other than the percentage you’re charging.