



## ESG Expenditure Documentation Requirements

In order to be in compliance with HUD and MSHDA standards, ESG sub-grantees need to provide expenditure documentation with invoices and expenditure reports. This resource provides sub-grantees with guidelines on what is required with an invoice submission.

### Due Dates

Invoice and required documentation are due monthly by the 15<sup>th</sup> of each month. For example, for the month of September, the invoice is due October 15<sup>th</sup>. If this date falls on a weekend, the submission is due the Monday after the due date. The ESG fiscal year is October 1-September 30, hence the first invoice is due November 15<sup>th</sup>. The ESG-CV fiscal year varies by contract. Please refer to the ESG and ESG-CV billing schedule to determine due dates.

### Required Documentation

#### Invoice, Expenditure Report, & General Ledger

An invoice and an expenditure report must be submitted monthly (or quarterly, where permitted) with the proper documentation attached (as described in the next sections). An invoice template and expenditure report template will be sent to your agency at the beginning of each fiscal year. **See attachments for examples.** In addition, detailed General Ledgers for ESG and ESG-CV expenses are required.

#### Homelessness Prevention & Rapid Re-Housing Direct Assistance Documentation

With each monthly invoice, grantees must submit the following detail to support any direct assistance expenditures for homelessness prevention (HP) and rapid-rehousing (RRH).

- A document that details the following for each prevention/RRH expenditure: date of payment, purpose of payment (i.e., security deposit, rental assistance, etc.), landlord name, address, amount paid, name of client/HMIS number, and address of the rental unit.
- Scanned copies of all checks.
- In the case of utility payments, the following must be included: copy of shut off notice, proof of payment, and agency paid
- For landlord incentives – repairs/maintenance, subrecipients must submit a copy of the invoice/bill for the repairs, proof of payment, and agency paid. Signing bonuses should be documented in the Rental Assistance Agreement.

## Shelter Essential Services & Operations Documentation

Subrecipients must submit detailed documentation for shelter expenses. For hotel/motel costs, this includes a copy of the hotel/motel bill (detailing rooms occupied and dates charged), proof of payment, and date paid. In addition, subrecipients must maintain a log of clients staying at the hotel, for which dates, and room numbers. For other shelter operations costs, subrecipients must submit copy of bills, proof of payment, and date paid.

Shelter essential services (including staff time) should follow the payroll documentation guidelines below.

## Payroll Documentation

For payroll documentation (including HP and RRH case management, emergency shelter, and administrative staff) your agency may provide the following:

- Date/time log for the employee being paid with ESG funds. Housing Resource Specialist staff must also include the client identifier (HMIS number) showing who was assisted.
- Payroll register to verify the amounts the employee(s) have been paid.

**-OR-**

- Staff detail signed and certified by each staff paid by the grant.

## Staff Paid Out of More Than One Grant

If payroll funds are drawn from more than one source, a detailed time sheet noting the number of hours worked and on which grant the employee was working is required. This includes allocating time worked to match the correct grant. Hours cannot be comingled and must be identified separately on the payroll documents. This involves specifying salary, fringe benefits, travel, software and other expenditures that were drawn from the appropriate grants.

## Staff Paid Out of One Grant

If 100% of payroll funds are drawn from one grant, recipients and sub recipients are only required to submit a semi-annual certification for payment. This involves verifying (see documentation above) every six months that the agency is using only one grant source for 100% of payroll expenditures.

## Administrative Documentation

Eligible administrative expenses include salaries, wages, and related costs of the agency staff engaged in program administration. In charging costs to this category, the agency may either include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rate share of the salary, wages, and related costs of each person whose job includes any program administration assignments. In addition, administration includes services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.

All non-personnel administrative expenditures must be documented with the copy of bills, proof of payment and date paid.

### **Reimbursement**

Fiduciary will review the submitted invoice and supporting documentation within 5 business days of receipt. Fiduciary may ask for corrections and additional documentation. If all documentation is accurate, the invoice will be processed and paid within 10 business days of receiving submission.