

**New York State Office for the Aging  
Grant-in-Aid Claiming Procedure  
Grants in excess of \$10,000**

The following applies to the submission of claims for grants in excess of \$10,000:

1. An initial advance of 25%-50% of the current award may be requested, depending upon the amount of the grant award. For grants of \$25,000 or less, a 50% advance may be requested; grants exceeding \$25,000 are eligible for a 25% advance payment. After the initial advance, subsequent payments will be made on a reimbursement basis. Expenditures should be submitted for reimbursement on a quarterly basis after the costs have been incurred and paid.
2. The final claim must be submitted within 90 days following the close of the contract period or 60 days after contract approval, whichever is later.
3. Copies of receipts or invoices must be submitted for certain expenditures (see below for Required Supporting Documentation to be submitted to NYSOFA).
4. Proper completion of forms and submission of all required supporting documentation will facilitate prompt payment. The Expenditure Report and Expenditure Report Supporting Schedule include detailed instructions on the back of each page. Generally, contractors should allow 3-4 weeks from the date claims are mailed for the receipt of the ACH deposit/check. Claims cannot be e-mailed as original signatures are required.
5. Total administrative expenditures cannot exceed 15% of the contract amount. Administrative expenditures are those which cannot be directly associated with the grant funded activities but relate to the development, operation and management of the organization. These include accounting, budgeting, data processing, preparation of funding applications and reports, general insurance coverage, administrative office space and equipment, legal expenses, employee bonding and general supplies.
6. The claiming forms were developed in Excel and include macros and formulas which reduce the amount of repetitive information that needs to be entered and automatically calculate most of the totals. All expenditures should first be listed on the Grant-in-Aid Expenditure Report Supporting Schedule and those totals will be transferred to the Grant-in-Aid Expenditure Report.

**TYPES OF CLAIMS**

Contractors may submit claims as follows:

**ADVANCE CLAIM:** A payment of 25-50% may be requested and made in the form of an advance (as noted in 1. above). NOTE: NYSOFA reserves the right to withhold an advance payment to a contractor if there are any outstanding issues of non-compliance with NYSOFA policies and/or procedures.

The expenses paid with advance funds must be reported on subsequent claims submitted for reimbursement. Required supporting documentation (as outlined on the following pages) must be submitted to substantiate the appropriate use of the full advance payment. The advance will be recouped from reimbursement claims submitted. If our Office has been unable to recoup the entire advance after the final claim has been processed, the unrecouped balance must be repaid to NYSOFA within 90 days of the end of the contract period.

**REIMBURSEMENT CLAIM:** After the advance payment, all subsequent payments will be made on a reimbursement basis. All expenses claimed must be incurred during the contract period and paid by the contractor. The following forms and/or documentation required are described below.

Mail completed claims to:

New York State Office for the Aging  
Attention: Division of Finance and Administration  
2 Empire State Plaza, 3rd Floor  
Albany, NY 12223-1251

**Note: Claims must be mailed as original ink signatures are required.**

### **REQUIRED FORMS**

Note: Instructions are provided on the back of all forms.

**State of New York Claim for Payment (AC3253-S)** – This is the standard claim form used for requesting an advance payment or reimbursement for expenditures. Submit the claim bearing an original signature in ink of an authorized official of your organization.

**Grant-in-Aid Expenditure Report** - This form is used to report program expenditures by line item category and compare expenditures to the current approved budget amounts. Submit one copy of this report bearing an original signature in ink.

**Grant-in-Aid Expenditure Report Supporting Schedule (4 pages)** - This form provides details on expenditures claimed.

**Indirect Costs Calculation Worksheet** – This form must be completed if any indirect or administrative costs have been budgeted and will be charged using an approved indirect cost rate (e.g., NYSOFA approved or another governmental agency, such as DHHS).

**Equipment Inventory & Disposition Form** - This form is used to report all purchases and dispositions of equipment having a unit cost of \$1,000 or more and a useful life of more than one year. Complete only if applicable.

**Grant Program Progress Report** – Payment of the final claim is contingent upon the proper and timely submittal of this form. The final payment will not be made until an acceptable report has been received by NYSOFA.

## **REQUIRED SUPPORTING DOCUMENTATION TO SUBMIT TO NYSOFA**

**MAINTENANCE & OPERATIONS** – for rent, a copy of the lease or rental agreement must be submitted the first time rent is charged or when a new agreement is executed.

**OTHER EXPENSES** – For each charge exceeding \$500, you must also include copies of receipts or invoices. No documentation is required for charges of \$500 or less. For audit expense, a copy of the final auditors' report must be received prior to reimbursement of this expense.

**SUBCONTRACTORS/CONSULTANTS** – A copy of each consultant agreement or subcontract must be provided before these expenses will be reimbursed. Invoices are not an acceptable substitute for this requirement.

**EQUIPMENT** - For each equipment item purchased having a unit cost of \$1,000 or more, a copy of a receipt or invoice marked "paid" with check number and date must be submitted. For all leased or rented equipment, a copy of the lease or rental agreement must be submitted.

### **ADDITIONAL INFORMATION**

If expenditures are claimed which support programs or services which generate program income (i.e., participant contributions), the actual amount of contributions received must be reported on vouchers submitted for payment, not the amount budgeted. If these services are also supported with other funds, a prorated amount of contributions should be reported. The amount of contributions received and reported on vouchers does not reduce the amount of cash available to a contractor under its GIA contract; however, it does increase the amount of total expenditures which need to be claimed. Only participant contributions should be included in the budget and reported on vouchers. Other grants, fundraising and public or private donations should not be included.

Documentation which is not specifically requested should not be submitted; however, it must be maintained on file (see below). NYSOFA reserves the right to request additional documentation for any expenditure.

If any of the required documents for claimed expenditures are not submitted or NYSOFA has questions on the claim, the contractor will be contacted. If the contractor does not provide the additional documentation or clarification within 45 days of the request, payment will be reduced accordingly. Expenses that are disallowed may be resubmitted on subsequent claims if the appropriate documentation is provided, unless the costs are unallowable. Certain costs cannot be charged to this program in accordance with program requirements and basic cost principles. Examples of expenditures which cannot be reimbursed under this program are late charges, overdrawn check charges, cash contributions to individuals or charitable organizations, gifts, alcoholic beverages, staff entertainment, interest, fines, or penalties. In addition, out of state trips are not reimbursable. Security deposits for rentals, utilities, phones, etc., cannot be reimbursed, as they will be returned to you later and are not expenditures.

## **REQUIRED SUPPORTING DOCUMENTATION TO KEEP IN YOUR FILES**

In addition to copies of all claims and required forms, the following is a list of the supporting documentation that must be maintained in your office for your contract:

**Personnel** - Time sheets that reflect employees' names, dates worked and hours worked on the grant-funded program. Time sheets should be signed by the employee and reviewed and certified by his/her supervisor. Records of leave accruals and copies of federal/state tax payroll reports must also be retained.

**Fringe Benefits** – Paid bills for each fringe benefit (e.g., health insurance, employer share of FICA/Medicare).

**Travel** – Invoices, rental agreements, insurance policies, and detailed records of all employee travel. Travel records should reflect the employee's name, dates of travel, means of transportation, destination(s), costs incurred, and the purpose of the travel. This report should be signed by the employee and reviewed and certified by the supervisor. For vehicles owned or leased by the organization, logs must be maintained that indicate the days used, mileage traveled, destination(s), number of passengers and purpose of trip.

**Subcontractors/Consultants** – Copies of contracts or agreements and any amendments; consultant or subcontractor billings showing the name of the service provider, services provided, dates of service, billing rate and total amount billed.

**Equipment** – Purchase Orders, invoices, and receiving reports; inventory lists and copies of Equipment Inventory and Disposition Forms.

**Maintenance & Operations** – Purchase Orders, bills, invoices, and/or receipts; for rent, a copy of the lease or rental agreement; all rent charged must be supported by a cost allocation plan.

**Other Expenses** - Purchase Orders, bills, invoices, and/or receipts; for audit expenses, all costs must be supported by a cost allocation plan.

Any documentation of competitive purchasing method used for equipment, subcontracted services and other purchases is also required. This includes verbal and written bids. These bids and/or quotes must be retained in the Contractor's files. Three verbal bids should be obtained for items with a unit cost of less than \$5,000; three written bids for those that are \$5,000 and over.

All bills or receipts should indicate the vendor, goods or services provided, the date and the cost. Once paid, the check number and date paid should be marked on the bills. All payments should be made by check, unless the Contractor has established a petty cash fund. Cancelled checks and bank statements must be maintained as part of the supporting documentation.

All receipts, cancelled checks and other payment documentation must be retained by the Contractor for a minimum of six years from the date the last expenditures were made.

In addition to maintaining the documentation noted above, the organization must be able to justify all costs. All expenditures submitted for reimbursement must be necessary to carry out the objectives of the project specified on the Legislative Initiative Form as provided to NYSOFA and the grant recipient. When expenses are charged to more than one funding source, the method for allocating costs must be reasonable and fully documented. The amount charged to each funding source should be clearly noted on each bill.

### **BUDGET MODIFICATIONS:**

Cost overruns of up to \$1,000 or 10%, whichever is greater, are generally allowed. A budget modification is required in either of the following situations:

- 1) Proposed changes to an approved budget which would result in an increase of over 10% or \$1,000 (whichever is greater) in a budget category (e.g., Personnel, Fringe Benefits, Other Expenses). For example, the current approved budget for the Personnel category is \$5,000, but the anticipated final expense is \$6,400. Since the \$1,400 anticipated excess in this category is more than \$1,000 and greater than 10% of the current amount budgeted (28%), a budget modification is required.
- 2) Expenditures are included in a budget category that had no costs previously budgeted.

When requesting a budget modification, a new budget should be completed in its entirety along with a Budget Modification Request form. Each budget category must include an amount sufficient to cover the expenditures which have already been submitted for payment under this contract as well as all additional expenditures you anticipate incurring through the end of the contract period. The total of all expenditures must equal the amount of your current award.

The Budget Modification Request form must include a brief explanation (justification) for the requested changes and must contain the signature of an official of the contracting agency.

Please keep in mind the following:

- In order to ensure that proposed costs are reimbursable and allow adequate time for approval by NYSOFA staff, all budget modifications should be submitted prior to incurring any unbudgeted expenditures and no later than 60 days prior to the end of the contract period.
- There may be situations where NYSOFA approval is necessary, even though a formal budget modification need not be approved. For example, a contractor may have Personnel already budgeted, but may wish to use some of its state funds for additional Personnel working on the GIA funded program which were not originally included. As long as the inclusion of these expenses will not cause the total for the applicable budget category to exceed 10% or \$1,000 (whichever is greater) of the original amount, the contractor can request approval of such changes by submitting a written request/explanation to NYSOFA.
- When a budget modification is necessary, you should review all previous expenditures

and project what your remaining expenditures will be and submit one request that will cover all changes. In most situations, modifications will not be necessary until near the end of the contract period.

To ensure prompt approval of your budget modification request, all forms must be filled out completely and accurately. Completed forms should be forwarded to the address indicated on page 2.

If you have any questions on vouchering or budget modifications, please contact the NYSOFA fiscal staff referenced in the letter transmitting your approved contract.

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