

## **Documentation Requirements for Wages Charged to Federal Programs Policy**

Purpose of this Policy: To ensure that County labor costs paid by federal funds are properly documented, easily audited, and fully supported as required by law.

(This website: [https://www.whitehouse.gov/omb/grants\\_docs](https://www.whitehouse.gov/omb/grants_docs) contains the actual guidelines, published by the United States Office of Management and Budget. This website contains complete, detailed information on federal regulations regarding costs charged to federal programs.)

### **Employees who spend 100% of their time on ONE federal program**

- 1) Charges for wages must be supported by certifications that the employees worked solely on that program for the period covered by the certification.
- 2) Certifications must be prepared **quarterly**.
- 3) Certifications must be signed by the employee or supervisory official who has first hand knowledge of the work performed by the employee.
- 4) Certifications must be retained in the department's grant files, attached to copies of the related reimbursement requests sent to the grantor, and available for internal audit at any time.
- 5) All grant records, including payroll certifications, must be retained for an appropriate period of time, as specified in the records retention requirements of the grant contract.

See attached "Federal Program Certification", a sample form that satisfies these requirements.  
(Microsoft Word document)

### **Employees who spend less than 100% of their time on one federal program**

If an employee works on multiple federal programs, or a combination of federal and non-federal programs, then TIME DISTRIBUTION RECORDS are required by law. These records must show that the employee worked an appropriate number of hours on each federal program. If not, charges to the federal program must be reduced to reflect the actual time spent on that program.

Documentation must meet the following standards:

- 1) Show actual number of hours worked on each activity for which employee was paid
- 2) Show total number of hours for which the employee was paid.
- 3) Prepare this documentation **at least monthly but preferably each pay period**, and reconcile to total payroll hours
- 4) Type or legibly print name of employee and supervisor on the document
- 5) Get signature of employee and supervisor on the document
- 6) Retain in the department's grant files, attached to copies of the related reimbursement requests sent to the grantor, and available for internal audit at any time.
- 7) All grant records, including time distribution records, must be retained for an appropriate period of time, as specified in the records retention requirements of the grant contract.

See attached "Time Distribution Record", a sample form that satisfies these requirements  
(Microsoft Excel spreadsheet)

### **Federal matching programs**

Some federal programs require the County to “match” federal costs with County costs. Labor costs used to meet such “matching” requirements must be documented and supported exactly the same as labor costs paid by federal funds. See the requirements above.

### **Construction Contractors**

Construction Contractors must comply with the Davis Bacon Act, and the County must monitor their compliance ***while the construction contract work is being performed.***

One requirement of the Davis Bacon Act is that the contractor must submit weekly certified payrolls to the County, and the County must retain the certified payrolls for an appropriate period of time as specified in the records retention requirements of the federal grant contract.

Certified payrolls must be retained in the department’s grant files, attached to copies of the related reimbursement requests sent to the grantor. Grant files should be labeled prominently so as to be easily located by anyone in the office, and should be available for internal audit at any time

Complete details of the Davis Bacon Act, as it relates to contractors’ weekly certified payrolls, can be found at this U.S. Dept of Labor website:

<http://www.dol.gov/whd/govcontracts/dbra.htm>