Payment Document Descriptions & Backup for Sponsored Awards

Texas A&M Forest Service
Grants Program Training Series
Document Descriptions

Descriptions on payment documents must adequately prove that expenses charged to awards are **allowable**, **reasonable** and **allocable**.
Allowable

In accordance with the terms and conditions of the award and as specified in the narrative & budget.

*(See 2 CFR 200.403)*
Requirements of Document Descriptions

Reasonable

What a “prudent person” would spend.

*(See 2 CFR 200.404)*
Allocable

Being necessary and charged in proportion to the benefit received.

*(See 2 CFR 200.405)*
Good Descriptions
Good Descriptions should contain the five W’s

- Who?
- What?
- Where?
- When?
- Why? (benefit to the award)
Travel by Employee X from 06/14/15 through 06/20/15 to San Antonio, TX, to attend and participate in the XYZ Conference for foresters and firefighters. 
...[list of daily commute & activities]

Information gained from this conference will enhance Employee X’s knowledge about the forestry issues related to Award Y.
Sample Description: Does it contain the five W’s?

- **Who?** Employee X
- **What?** XYZ Conference
- **Where?** San Antonio, TX
- **When?** 06/14/15 - 06/20/15
- **Why?** Enhance Employee X’s knowledge about the forestry issues related to Award Y
Good Descriptions

Types of documentation that should be attached to the payment document

*Invoices
*Receipts
*Correspondence
*Anything that provides a clear understanding of the charges and how they support the award
What happens if good descriptions and documentation are not provided?

According to 2 CFR 200.53

"...any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper"

can be deemed an improper payment and disallowed.
To ensure compliance and avoid disallowed costs, The TFS Grants Administrator and Accounts Payable staff verify adequacy of descriptions and supporting documentation, and request clarifications or additional documentation, as needed.