**Training Invoice Questionnaire**

The purpose of this questionnaire is to ensure that Recipients understand the Energy Commission’s invoicing and record-keeping requirements. Our goal is to educate new Recipients and help them avoid the most common issues identified in Energy Commission audits. Audit findings can result in the repayment of questioned costs and may put future grant opportunities at risk.

We ask that you submit specific documents and respond to the questions provided. If you have already submitted these documents this year for another grant, application, or request, please let us know—it may not be necessary to duplicate your efforts.

Please note that not all Recipient project managers will have access to the requested documents or answers. Staff from departments such as Accounting, Finance, Human Resources, or Payroll are often best positioned to assist. We encourage you to collaborate with the appropriate personnel to ensure that your responses are accurate and complete.

If you have any questions about Energy Commission requirements, please let your CAM know. Your CAM and the Energy Commission’s Auditor can provide clarifications when needed.

**GENERAL:**

1. Please disclose whether any Subrecipients, Vendors, or Equipment Suppliers are “related” to the Recipient. “Related” includes:

a) Directly or indirectly, partially or fully owns or controls Recipient. This includes, but is not limited to, owning 5% or more of Recipient’s stock.

b) Is directly or indirectly, partially or fully owned or controlled by Recipient. This includes, but is not limited to, having 5% or more of stock owned by Recipient.

c) Has one or more common employees, including, but not limited to, owners, officers, directors, or managers, with Recipient.

d) Shares a Parent Company with Recipient. For purposes of this Agreement, Parent Company is defined as an entity that directly or indirectly, partially or fully owns or controls both the Recipient and the Subrecipient or Sub-Subrecipient or shares the same employees with them. This includes, but is not limited to, owning 5% or more of stock in both the Recipient and Subrecipient or Sub-Subrecipient.

e) Does not, for any other reason, have an arm’s-length relationship (e.g., a relationship involving independent, competing interests) with the Recipient. This could be due to any reason, including but not limited to, both entities being part of the same business group or could stem from family or personal ties between officials of the two entities.

**ACCOUNTING SYSTEM:**

1. What accounting system do you use and when was it implemented?
2. Provide a chart of accounts (COA) of your accounting system
Does the COA include a list of your company’s accounts? The main account types include Revenue, Expenses, Assets, Liabilities, and Equity.

The purpose of this inquiry is to confirm you have a proper accounting system that tracks your grant income and expenses. **Please do not send confidential financial documents.**

**DIRECT LABOR:**

1. Are you seeking reimbursement (in this invoice and/or future invoices) based on actual rates paid to employees, rather than estimated rates?
2. What timekeeping system do you use to track time and when was it implemented?
3. Please provide three detailed timesheets for employees (If you have both salaried and hourly employees, please include an example of each) that:
* includes the employee’s name, signature and date
* includes the supervisor’s name, signature, and date;
* shows the time period in which the hours were incurred
* track all hours worked by an individual
* are broken down into specific activities/projects, including leave, training, administrative time, etc.
* can support that time billed is directly related to the grant scope of work.

Timesheets can either be hardcopy or electronic, but they must include evidence that they are completed by the employee, approved by a supervisor, and maintained in a format that cannot be changed after approval.  **Please do not send confidential information (e.g. social security numbers) in timesheets.**

1. Are the following job classifications included in Direct Labor?
* Executive Officers
* Accountants
* Personnel Officers
* Administrative or Clerical staff

These types of job classifications are typically included in Indirect Costs (i.e. Overhead, or General & Administrative) because individuals in these positions typically do not keep detailed timesheets that track hours charged to specific activities – a requirement for Direct Labor expenses.

However, these charges are acceptable if a Recipient can confirm that they would be able to provide the auditor with detailed timesheets as described above.

1. If the above classifications are included in Direct Labor, can you confirm that detailed timesheets as described above are kept for these individuals?
2. If the above classifications are included in Direct Labor, can you confirm that these job classifications are not double counted in the Indirect Costs?

**DIRECT LABOR AND FRINGE BENEFITS:**

1. Do any of the Direct Labor or Fringe Benefits rates charged in the invoice exceed the rates listed in the agreement budget? If so, please explain why these rates will not cause the Recipient to exceed the total budget for the Direct Labor or Fringe Benefits categories over the life of the grant. If the rates are likely to cause the Recipient to exceed the total budget for the Personnel category, the CAM and Recipient will need to discuss next steps. Some options are: (1) charge the excess as match share expenditures; (2) request a budget reallocation; or (3) forgo reimbursement for the overage. *(NOTE: This question is not applicable to non-ECAMS grants where rates in the budget are treated as maximum rates).*
2. Are any consultants being charged under Direct Labor? If so, are fringe benefits being claimed for their labor cost?

If Consultants are included in Direct Labor, Fringe Benefits should not be charged to that labor. Companies do not typically pay for benefits such as medical insurance or payroll taxes for consultants. Therefore, companies should exclude consultant labor costs when calculating the amount of fringe benefits to claim.

**FRINGE BENEFITS**

1. Are you requesting reimbursement (in this invoice and/or future invoices) based on actual Fringe Benefit rates paid, rather than estimated rates?
2. In the event of an audit, can you provide supporting documentation to support the actual Fringe Benefit rate?
3. Have you requested reimbursement by CEC Funds for any Fringe Benefits associated with Direct Labor charged as match share expenditures? CEC Funds can only be used for Fringe Benefits associated with Direct Labor charged to CEC Funds.

**INDIRECT RATE**

1. For entities using an indirect cost allocation plan – and not the CEC De Minimis Rate or a Federally-approved rate – are you requesting reimbursement (in this invoice and/or future invoices) based on actual indirect rates, rather than estimated rates?
2. In the event of an audit, can you provide supporting documentation to support the actual claimed indirect rate?
3. Have you requested reimbursement by CEC Funds for any indirect costs associated with costs charged as match share expenditures? CEC Funds can only be used for indirect costs associated with costs charged to CEC Funds in other budget categories.