



# Cost Documentation Guidance

U.S. Election Assistance Commission | Office of Grants Management

EAC grantees are required to maintain documentation for all Help America Vote Act (HAVA) expenses. Proper documentation is critical to grant management and ensures costs are supported in the event of an audit. Grantees shall establish an effective process for tracking these expenditures.

Documentation requirements for HAVA grants are provided in 2 CFR § 200 and further defined by HAVA, EAC policies, and state laws and procedures. The EAC Office of Grants Management (OGM) has created this guide to help grantees meet these requirements.

**EAC grant recipients and subrecipients must keep records showing that their grant costs are allowable. Every expense must have supporting documentation.**

**All cost documentation must meet the following criteria:**

- Be allowable, reasonable, and allocable ([2 CFR § 200.403](#)).
- Comply with the requirements of the HAVA.
- Be treated consistently.
- Align with accepted accounting principles and OMB cost principles.

## Grant Financial Documentation

There are four main areas of cost documentation for grantees to consider in their internal controls policy: authorization, time and effort tracking, transactions, and budget.

### Authorization

All purchases must be approved following internal policies and procurement standards, federal requirements, EAC guidance, and HAVA. If a purchase is not properly authorized or if the documentation is not maintained, it may be considered unsupported and unallowable under the federal award.

**Authorization examples include:**

- Supervisor's approval of purchase orders
- Pre-approved travel authorization
- Signed contracts or agreements
- Signed subaward agreements or reimbursements

**Best  
Practice:**

**Save cost-related  
emails from the  
EAC with your  
grant records.**



## Prior Approval

Certain grant expenses should be approved by the EAC prior to purchase. Examples include equipment, land, or building purchases or improvements, and food and beverage expenses. Written communication from the EAC giving prior approval should be maintained with grant records. More information may be found in [2 CFR §200.407](#).

## Time and Effort Tracking

Staff salaries charged to federal awards must be supported by timesheets that accurately reflect the work performed on grant activities. These records must comply with the requirements in [2 CFR §200.430\(g\)](#).

### **When developing internal timekeeping policies, grantees should consider the following:**

- Salaries that are included in a grant budget cannot automatically be charged to the federal award. Grant funds must only be used for staff time spent on program activities.
  - *Example: A state has budgeted HAVA funds for 50% of the Election Program Manager's salary. The Program Manager records their time spent on HAVA activities using a timesheet. The time recorded for the current period is 40% HAVA activities and 60% non-HAVA activities. The Program Manager should be paid using no more than 40% HAVA funds for this period.*
- Timesheets should clearly show how an employee's time is spent on different activities, including HAVA program activities, non-federal match, other federal award activities, and general state operations (unallowable grant activities).
- Timesheets should be approved by (e.g., signed by) an authorized supervisor who has firsthand knowledge of the employee's work and can confirm the timesheet is accurate.

### **Compliance Quick Check | After reviewing a timesheet, can you determine:**



- What award was worked on
- When the work was done
- Who completed the work
- Who verified the timesheet
- How much time was reported

## Substitute Processes

The EAC OGM will consider substitute processes or systems for allocating salaries and wages per [2 CFR §200.430\(g\)\(5\)](#). Grantees interested in implementing a substitute process should email [grants@eac.gov](mailto:grants@eac.gov).

## Transactions

Every grant transaction must be documented with a receipt or paid invoice. Quotes and bids are not adequate expense documentation. Receipts should provide sufficient detail about the transaction, including:

- Description of the item purchased
- Date of purchase, and
- Who authorized/made the purchase



**Consider the grant program in three years — will the program manager be able to describe this purchase?**

## Budget

Every grant purchase, regardless of type, must be reflected in the approved budget worksheet and narrative and assigned to the appropriate budget category. Per [2 § CFR 200.302\(b\)](#), a **grantee's financial management procedures must allow a comparison of what was spent with what was budgeted.**

Changes to the approved budget of over 10% require a budget amendment. States can request amendment instructions from the OGM by emailing [grants@eac.gov](mailto:grants@eac.gov).

## Other Types of Documentation

### Travel

Travel costs, which include transportation, lodging, and subsistence, must comply with the state's established written travel policy. Specific requirements are found at [2 CFR § 200.475 Travel costs](#). Prior authorizations, vouchers, and travel justifications should be maintained with the grant documentation.

### Contractual

Contracts must comply with state procurement policies and include the applicable provisions described in Appendix II of [2 § CFR 200.327](#). Documentation should be accurate, compliant, allowable, approved, and correctly account coded. Additionally, the documents should show the payment amount, the correct vendor, and the payment address. Before payment, invoices must be approved by the program's authorizing agent. Invoices should contain the following:

- Vendor's name and date of invoice(s)
- Purchase order number and invoice number
- Full description, price, and quantity of the service

- Other necessary documentation required by the contract
- Complete contact information of the contract person

Grantees must verify that contractors and vendors are not debarred or suspended from receiving federal funds through the System for Award Management (SAM.gov).

## Subawards

If awarding subgrants, grantees must ensure that every subaward is clearly identified to the subrecipient and includes the requirements at [2 CFR § 200.332\(b\)](#). Documentation requirements are passed on to the subgrantee. In addition to required subaward monitoring ([2 CFR §200.332\(e\)](#)), grantees should consider policies and procedures that:

- Ensure subgrantee compliance with document retention
- Include training for subgrantees
- Include regular review of subaward documentation

## Audit Preparedness

Documentation-related findings are some of the most common and consequential grant audit findings. This includes inadequate documentation, unsupported costs, and documentation that does not follow a state's laws and policies. If an audit finds expenses that are not properly documented, those costs must be reviewed and often must be paid back to the grant or the EAC if they cannot be reconciled otherwise.

**The following are useful tips to ensure your organization is well prepared in the event of an audit:**

- Keep receipts and invoices easily accessible and well organized.
- Maintain up-to-date financial tracking procedures, whether manual or part of an accounting system.
- Ensure separation of duties — all accounts payable documents are reviewed and approved by two separate individuals.
- Make sure all income and expenses are assigned to the correct account, i.e., federal, match, interest.
- Departments meet regularly to reconcile grant expenses, ensure expense documentation, and allowability.



**All financial records should trace directly from the general ledger back to source documentation such as receipts or invoices.**

## Records Retention

HAVA grant awards must comply with the record retention requirements in 2 CFR § 200. Generally, HAVA grants are awarded and remain open until fully expended. For HAVA grants, all related documentation for the grant must be retained for a three-year period, starting from the date of submission of the final expenditure report. The same guidance should be applied to any subgrants. Records to be retained include, but are not limited to, financial records, supporting documentation, and statistical records. [2 CFR § 200.334](#)

## Resources

If you have questions about this guide, contact the Office of Grants Management at [grants@eac.gov](mailto:grants@eac.gov).

### Additional Information

[EAC Food and Refreshments Guidance](#)

[EAC Federal Funds to Implement Federal Requirements Memo](#)

[EAC Cybersecurity Enhancements Memo](#)