

Attachment B

Billing Invoice Requirements for Department Research Projects

Purpose:

In order to ensure adequate accountability to taxpayers, the Nevada Department of Transportation's (DEPARTMENT's) Project Managers are required to verify that billed costs are accurate and properly supported. The purpose of cost support documentation is to allow DEPARTMENT to independently verify that all costs billed are valid and properly documented and that the billing invoice is mathematically correct.

If the DEPARTMENT's review reveals any error or undocumented costs in the billed costs, a corrected billing invoice must be resubmitted.

Direct Labor Costs

Invoiced labor and fringe must be supported by backup documentation generated from the University that details the monthly project expenditures. Labor costs must be itemized separately from any multipliers and be verifiable using acceptable documentation. Fringe rates must be clearly indicated.

Billing for normal administrative personnel and Departmental Administrators included in the Universities facilities and Administration (F&A) rate is not allowed as a direct cost.

Other Direct Costs:

Other Direct Costs must also be supported with backup documentation.

Normal administrative costs are already recovered in the University's F&A rate and must not be included as direct project costs. It is the University's responsibility to ensure that its project budget estimates and subsequent billed costs are in compliance with the cost principles of 2 CFR Part 200 Uniform Guidance.

Materials and Supplies can be allowable if they are unique or specific to the project, i.e. a butterfly net for a butterfly related project. As stated above, normal administrative or clerical supplies are already factored into the F&A costs rate and therefore must not be directly billed unless a part of a major project or program.

Vehicle reimbursement is limited to *either* the cost of the rented vehicle plus fuel costs (only if fuel is not included in the rental agreement) *or*, for State owned vehicles, the vehicle usage rate charged by the Nevada State motor pool or the University motor pool. The destination should be clearly noted on the individual's travel claim. A vehicle mileage log must support all mileage claimed.

Travel Costs:

Travel and Per Diem costs are limited to the rates and time limitations allowed State employees. Private vehicle use will be reimbursed in accordance with the terms of the State Administrative Manual.

Facility and Administrative Costs:

[Indirect cost rates that are consistent with Governor's Finance Office memo dated August 28th, 2017 are accepted and documentation for indirect cost rate approved by a cognizant agency need to be submitted at the time of agreement processing. **FOR NSHE AGREEMENTS**] OR [Twenty-three percent (23%) of modified total direct costs shall be applied as the Indirect Cost Rate for all DEPARTMENT research Agreements in the Research, Development, and Technology Transfer (RD&T) program. **FOR NON-NSHE AGREEMENTS**] The Indirect Cost Rate refers to the rate of facilities and administrative costs used for compensation of the expense on building, equipment, operation and maintenance, library and administrative components. The modified total direct costs consist of all salaries and wages, fringe benefits, materials, supplies, services, travel, subgrant or subcontract (regardless of the period covered by the subgrant or subcontract), but shall exclude equipment, capital expenditures, tuition remission, rental costs of office facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

Audit:

All project costs are subject to the DEPARTMENT audit. Billed costs must then be supported by original source documentation that substantiates Balance and Activity Report costs. Documentation will be available for review from the research institution.