



## PROCEDURES TO TRACK COSTS AND IN-KIND CONTRIBUTIONS

Under the terms of the HIE Cooperative Agreement Program, recipients of federal grant funds are expected to accurately and completely document and report the costs for which they are seeking reimbursement, as well as the value of the in-kind contributions that are applied to the grant's matching-funds requirements.

Grantees are required to assign costs to either the interstate HIE category or the intrastate HIE category. Unless an expense is explicitly related to one category or the other, it is WISHIN's policy to allocate costs to the two categories in the same proportion as the grant funds were awarded (39.14% interstate and 60.86% intrastate), to recognize that most WISHIN expenses will support or advance both intrastate and interstate HIE services.

A description of WISHIN's procedures to track its actual costs and document in-kind contributions follows.

### **Accounts Payable**

WISHIN's expenses are processed and recorded by the Wisconsin Hospital Association (WHA) Accounting Department and the WHA Human Resources Department. WISHIN's finances are maintained in a distinct and separate account from WHA's finances. All payment vouchers must be authorized by the CEO or the WISHIN Treasurer in writing.

#### - Personnel Costs, Fringe Benefits and Payroll Taxes

All WISHIN personnel are employees of WHA. WISHIN reimburses WHA for the actual salaries/wages, fringe benefits and payroll taxes applicable to WISHIN personnel as WHA incurs those costs.

The WHA Human Resources Department processes payroll twice per month. Employee paydays are on the 15<sup>th</sup> day of the month and the last day of the month, unless those days fall on a weekend or holiday, in which case the payday is on the preceding business day.

WISHIN personnel will complete a form for each pay period documenting time worked, by category (interstate/intrastate).

The WISHIN CEO must sign payment vouchers to reimburse WHA for these costs.

#### - Travel

Out-of-state business travel and related costs must be authorized in writing by the WISHIN CEO, or by the WISHIN Treasurer in the case of travel by the CEO, to ensure that the costs are reimbursable under the grant. WISHIN personnel will be reimbursed for mileage when they use their personal vehicles for business-related travel at the IRS-approved rate in effect when the travel occurred. Mileage and other travel-related costs (such as parking fees) must be documented on a WISHIN expense form signed by the WISHIN CEO, or by the WISHIN Treasurer in the case of the CEO's expenses.

- Contractual

WISHIN will pay for contracted services (e.g., technical management, office rent, administrative services, consultant resources) according to the terms of each applicable contract. WHA will not generate monthly invoices for office rent or the fixed-cost portion of the administrative services agreement. WHA will invoice WISHIN monthly for variable costs such as utilities, telephone, postage and copies. When costs are variable, an invoice and CEO-signed payment voucher will be required for each payment.

- Equipment, Supplies and Other

Payment vouchers for purchase of equipment and supplies for WISHIN's business needs must be approved in writing by the WISHIN CEO.

**In-Kind Contributions**

It is critical that WISHIN fully document the value of the time donated to the WIRED for Health project to ensure (a) that matching-funds requirements under the grant are met; and (b) that auditors can easily understand how in-kind services were accounted for.

WISHIN recognizes that it must encourage and facilitate stakeholder participation in WISHIN's governance and policy processes. It is WISHIN's intention to make the documentation process as uncomplicated as possible for those who are volunteering their time and expertise to the project.

WISHIN will provide mileage reimbursement forms to participants in official WISHIN meetings on which they may indicate their preference to forgo mileage reimbursement and authorize WISHIN to consider the forgone reimbursement as an in-kind contribution.

WISHIN will also document the time donated to the WIRED for Health Project by individuals participating in meetings of the Board, Board committees, work groups or other WISHIN activities. To the extent that individuals are donating other time, they will be asked to report the extent of these activities monthly.

WISHIN will ask such participants to either (a) provide an estimate of the hourly value of their donated time commensurate with that of their professional role or equal to that of a project consultant performing essentially the same type of work (including the value of fringe benefits), from which WISHIN can calculate a total value of their donated services; or (b) if they wish not to explicitly identify an hourly rate, provide a dollar estimate of the value of their donated services based on the number of hours they have donated. Those who choose option (b) must maintain detailed documentation and be prepared to produce justification for their calculations (hours by date and hourly rate) in the event of an audit.