

## Appendix B

### USE OF GRANT FUNDS

1. Use of Grant Funds. Grantee shall use the Grant Funds solely for the purpose of the Project.

2. Allowable Expenses. Grant Funds may be used to fund allowable expenses. Grantee shall provide the Governing Board with reasonable proof that Grantee has dedicated the Grant Funds to allowable expenses. Allowable expenses must be *appropriate, necessary, reasonable and applicable to the Grant Program* and may include but are not limited to:

- Costs that comply with the limitations of the Grant Agreement as well as other applicable federal, state, and county laws and regulations
- Costs that are accounted for consistently and in accordance with generally accepted accounting principles
- Rental or purchase of necessary equipment, expansions of current facilities, and/or renovation/remodeling of current facilities
- Speaker or trainer fees for services rendered
- Purchase of supplies for scheduled training if the supplies are received and used during the project performance period
- Food and non-alcoholic refreshments for scheduled training events up to \$15 per individual, per training, when justified as an integral and necessary part of a training event (i.e., a working meal where business is transacted)
- Stipends for non-salary employees\*\*
- Travel costs for staff. Travel shall be limited to the relevant days plus the actual travel time to reach the destination location by the most direct route and shall be economy class. Grant funded expenses for meals and lodging shall not exceed per diem rates set forth by the United States General Services Administration.
- All or part of the reasonable and appropriate salaries and benefits of professional

personnel, clerical assistants, editorial assistants, and other non-professional staff in proportion to the time or effort directly related to the Project

- Conferences and trainings, including necessary recording of proceedings, simultaneous translation, and subsequent transcriptions
- IT Expenses
- H-1B visa employee procurement expenses including marketing, filing fees, legal fees, premium processing, relocation assistance of up to \$1,000 per visa holder, and public access file maintenance expenses

*\* All expenses must be comprised in a budget previously approved by Governing Board staff.*

*\*\*Common stipend recipients include Clinical Interns, Volunteers or Community Partners.*

3. Unallowable Expenses. Grant Funds shall not be used to fund unallowable expenses. Grantee shall refund to the Board any Grant Funds expended for unallowable expenses. Unallowable expenses include but are not limited to:

- Alcohol
- Bad debt expenses
- Defense and prosecution expenses, including but not limited to prosecuting claims against the Governing Board or defending or prosecuting certain criminal, civil or administrative proceedings and related legal fees and costs
- Entertainment costs (unless specifically written into the budget and approved by the Governing Board), including costs of amusement, diversion, social activities, ceremonials, and related incidental costs, such as bar charges, tips, personal telephone calls, and laundry charges
- Fines and penalties
- Traffic citations, including but not limited to parking citations
- Fundraising or lobbying costs
- Advertising (unless specifically written into the budget and approved by the Governing Board)
- Memorabilia or promotional materials
- Honoraria or other payments given for the purpose of conferring distinction or to symbolize respect, esteem, or admiration
- Goods or services for personal use, including automobiles, and personal living expenses or services

- Investment management fees
- Losses on other sponsored projects
- Lease/purchase of land, buildings, or new construction
- Firearms
- Membership dues, including but not limited to memberships in civic, community or social organizations, or dining or country clubs
- Travel outside of the state of California
- Direct legal fees and costs incurred in development and implementation of the Project provided by individuals who are not employees of Grantee.\*\*\*

4. Determination of Allowable and Unallowable Expenses. It is recommended that expenses be included in Grantee's budget with sufficient detail and that such budget is approved by Governing Board staff prior to expenditure or, alternatively, expenditures be otherwise approved by the Governing Board staff prior to expenditure. The Board shall determine whether an expense is an allowable or unallowable expense as provided in this Agreement. The Governing Board's determination shall be in its sole discretion and shall be final.

*\*\*\*Such direct legal fees and costs that are both appropriate and reasonable may be included in Grantee's administrative and/overhead expenses directly attributed to the Project as set forth in the Agreement.*