

Attachment A

Definition of Eligible Expenses

ELIGIBLE EXPENSES

The Term “Eligible Expenses” are incurred and paid by Grantee during the term of this Agreement in implementing the terms of the Grant Plan.

To qualify as Eligible Expenses, costs must:

1. Expended before the funding request is submitted (no advances of Grant Funds).
2. Expenses must be paid by Grantee or its officers, directors and employees.
3. Must be included in budget line item in your Grant Budget.
4. All grant-funded activities must take place within the City and County of San Francisco.

Eligible expenses for grant reimbursement may include: (Please refer to table Definitions & Eligible Expenses).

INELIGIBLE EXPENSES

The following expenses are not eligible for reimbursement or funding:

1. Personal or Business Expenses Unrelated to Program Outreach
This includes, but is not limited to:
 - Meals, catering, transportation, or lodging not connected to program outreach
 - Fundraising or political activities
 - Staff meals and snacks, birthday celebrations, holiday meals, retreat meals and alcohol beverages (water, coffee, and tea for office staff are eligible)
 - Installment and repair of system or equipment permanently affixed to the rental property (HVAC, plumbing, etc.)
 - Gift Cards
 - Sugar-Sweetened beverages as defined by San Francisco Administrative Code Chapter 101
 - Property taxes and security deposits
 - Late fees
 - Citations and traffic violations
2. Staff travel or rides (e.g., Uber/Lyft) to non-program-related events.
3. Excessive Tips
 - Tips for food service and ride share are eligible up to a maximum of 15% of the total cost. Any amount above 15% is not eligible.
4. Capital Expenses

- Capital improvements (e.g., building upgrades such as door, window, or sink replacements, HVAC) are not eligible unless prior written approval is obtained from DBI.

This table below is intended to provide guidance on the most requested expenses for the program. It is not an exhaustive list of eligible expenses. Grantees should confirm or obtain pre-approval for expenses not listed prior to incurring them.

EXPENSE CATEGORY	DEFINITIONS & ELIGIBLE EXPENSES
DIRECT EXPENSES	
Personnel Expenses	
	Salaries of staff working on multiple programs must be allocated to the program based on timesheets or another appropriate and consistently applied methodology. When charging indirect expenses, salaries of administrative staff (director, legal counsel, HR, finance, etc.) should be excluded.
Salary	Salaries of all program staff, supervisory staff, and support/clerical staff that work directly on the program, including paid leave, legal holidays, and sick time.
Fringe Benefits	Fringe benefits such as FICA, SUI, health and medical benefits, retirement benefits, and worker's compensation. Lump sum payment of unused vacation or leave entitlement is <u>not</u> eligible.
Non-Personnel Expenses	
	Shared direct costs must be allocated to the program using square footage, FTE, or another appropriate and consistently applied methodology.
Rent	Occupancy costs associated with office space for program staff and storage for program materials. Occupancy costs such as property taxes and security deposits are <u>not</u> eligible.
Utilities	Utilities such as gas, electricity, telephone, Internet, and garbage/recycling used by the program.
Repair & Maintenance	Facility upkeep and maintenance including repairs, painting, alarm system, security camera, and custodial services costs. Installment and repair of system or equipment permanently affixed to the rental property (HVAC, plumbing, etc.) is <u>not</u> eligible unless such responsibilities are assigned to the tenant under the rental agreement.
Office Supplies and Materials	Office supplies and materials for general use, including printing, postage, office supplies (paper, pens, etc.), small office furnishings (desks, chairs, etc.), and office software licenses. Water, coffee, and tea for office staff are eligible. Staff meals and snacks are <u>not</u> eligible.
Computer Equipment	Computer equipment for general use, including desktops, laptops, tablets, and printers.
Equipment Lease	Equipment lease cost for general use, including multi-function printer, postage machine, etc.

Staff Training & Development	Staff training and development activities to build capacity for the program. Eligible costs include registration fees for workshops and conferences, travel, lodging, food or per diem expenses for out-of-town conferences. Cost of staff meeting and retreat such as meals and refreshment are <u>not</u> eligible.
Professional Services	Percentage allocation of professional services such as IT services, management consulting, accounting, graphic design, and interpretation for staff meetings.
Administrative Costs	Payroll services, benefit administration services, recruitment and job posting services, insurance, and membership dues.
Program Specific Expenses	
Program Materials	Supplies and materials used specifically for program events, meetings, and workshops such as supplies, printed materials, and signs. Limited purchase of party supplies, prizes and swag are eligible with prior approval. Gift cards are <u>not</u> eligible.
Food	Food and refreshment for program events, meetings, and workshops. The quantity of food must be reasonable for the number of attendees and the types of food served must be appropriate for the occasion. The Department limits the cost of food per person to the GSA per diem rate. When costs are allocated to multiple funding sources, this limit applies to the total of amount from all City funding sources. Tips are limited to 15%, in accordance with the City's guidelines.
Event Costs	Cost of services used for program events, meetings, and workshops such as space rental, event and street use permits, sound/AV, advertising, entertainment, and interpreters.
Transportation	Staff travel to program events, meetings, and workshops. As a general rule, public transportation should be used whenever possible/reasonable for travels within the City. Taxis/rideshares are eligible when the circumstances meet the requirements under the grantee's policy. Tips are limited to 15%, in accordance with the City's guidelines. Rideshare upgrades are not reimbursable.
Stipend	Stipend payment as incentives for program participants.
Subgrantee	Services performed by subgrantee carrying out part of the program's scope of work. Subgrantee must be approved by the department as part of the grantee's solicitation process. Grantees must have a contract in place with each subcontractor, clearly outlining the scope of work, deliverables, and budget. Eligible expenses and required documentation are the same as those for the primary grantee. It is the primary grantee's responsibility to review and confirm that subcontractor expenses are eligible and supported by the required documentation.
INDIRECT EXPENSES	
Grantees may elect to charge indirect expenses at a pre-approved indirect expense rate	

Indirect expenses	<p>Indirect expenses are those that are incurred for common or joint objectives and cannot be readily identified and allocated to a particular final cost objective.</p> <p>The indirect expense rate must be supported by the grantee's audited financial statement and is capped at 15% of the direct expenses.</p> <p>The grantee may charge indirect expenses at the approved indirect expense rate on the first \$50,000 of each subcontractor's expenses. Additional subcontractor expenses beyond \$50,000 must be excluded from the indirect expense calculation.</p>
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