
- ATTACHMENT A -

The following are lists of allowable and unallowable grant expenses. Note that projects will be evaluated on the efficiency and effectiveness of resource allocation.

ALLOWABLE COSTS

Accounting- Establishing and maintaining accounting and other information systems specifically required for the management of EZ programs.

Advertising- Media including newspapers, magazines, radio and television, which address the scope of services for which the EZ monies were provided.

Auditing- Audits necessary for the administration and management functions related to EZ programs.

Computer Equipment- Purchase of computer equipment is an allowable cost.

Consultant Services- Consultants to perform specific duties as described in the EZ scope of services. The use of consultants must be explained under, "Part Two: Project Information, I. Explanation of the Project."

Educational Programs and Exhibits- Programs and exhibits directly related to the EZ activity.

Employee Fringe Benefits- Benefits including insurance, sick leave, vacation, pensions and worker's compensation provided such benefits are charged proportionately to the employee's percentage of EZ related work as reflected in their wages.

Equipment- Equipment includes items such as the purchase of computers; fax machines, copiers, file cabinets, and telephones. The lease of these items is allowable.

Field Trips- Field trips that are educational in nature or relate directly to program goals.

Food- Food is an unallowable cost unless it is specifically necessary as an element of the funded activity. Examples of allowable use include snacks and meals for school age day care/after school programs, trainings, meetings and/or conferences. See "travel" for exceptions.

Furniture- Furniture is an allowable cost as an element of the funded activity. Furniture includes office furnishings such as desks, lamps chairs, etc.

Indirect Costs- Indirect costs are unallowable unless the subrecipient completes an indirect cost allocation plan and the EZ approves it.

Insurance Costs- Insurance payments on property or persons directly and solely involved in the implementation of the EZ activity.

Legal Expenses- Legal expenses necessary for the administration of EZ programs. Legal expenses for the prosecution of claims against the Federal Government and/or the St. Louis Empowerment Zone are unallowable.

Management Studies- Studies which enable the accomplishment of the EZ scope of services. Management studies must be explained under, "Part Two: Project Information I. Explanation of the Project."

Materials and Office Supplies- Materials and office supplies necessary to carry out the EZ program. Computer software is allowable.

Meetings and Conferences- Costs are allowable only when the primary purpose of the meeting is dissemination of technical information related to EZ activities and attendance is consistent with regular practices followed for other activities of the subrecipient.

Parking Charges- Parking charges are allowable only for employees performing EZ related activities away from their primary workplace. Monthly parking costs are not allowable.

Payroll Preparation- Preparation of payrolls and maintaining necessary related wage records.

Personnel Service Contracts- Personnel services contracts that enable the accomplishment of the EZ scope of services, and reasonably reflect, in cost, the level of service provided.

Postage- Postage for mailings directly related to the implementation of EZ activities.

Printing and Document Reproduction- Printing and reproduction of documents directly related to implementation of EZ activities.

Professional Services- Professional services that enable the accomplishment of the EZ scope of services, and reasonably reflect, in cost, the level of service provided.

Rent- Rent may be paid on facilities based upon the percentage of EZ related work performed at that location. The EZ may pay additional rent with prior approval if other activities performed at the facility are eligible under federal guidelines.

Salaries- Compensation must not exceed the amount paid for similar work in government. In cases where a similar rate is not available, a comparable private sector rate may be acceptable. In no case should the annual rate of salary increase on multi-year projects exceed the Consumer Price index rate of inflation by more than two points.

Subscriptions- Books and subscriptions to civic, business, professional and technical periodicals when related to the EZ program.

Training and Education- In-service training customarily provided for employee development that directly support the funded activity. Out-of-service training of more than one day is allowable only upon prior approval by the EZ.

Transportation- Transportation necessary for the successful implementation of the funded activity such as the short-term rental of vans or buses. The purchase and lease of vehicles is not an allowable expense.

Travel- Travel costs for expenses of transportation, lodging, meals and related costs incurred by employees who are on official business incident to an EZ program. Per diem expenses should not exceed those utilized by EZ employees. Contact the EZ for current per diem rates. The EZ may disallow lodging and transportation costs deemed excessive by comparison with standard rates.

Utilities- Utilities paid on facilities based upon the percentage of EZ related work performed at that location. The EZ may pay additional utilities with prior approval if other activities performed at the facility are eligible under federal guidelines.

UNALLOWABLE COSTS

Bad Debts- Any costs arising from uncollectable accounts and other claims, and related costs are unallowable.

Contingencies- Contributions to a contingency reserve or any similar provision for unforeseen events is unallowable.

Contributions and Donations- Any contributions or donations to other agencies, institutions or organizations are unallowable.

Entertainment- Cost of amusements, social activities, and incidental costs relating thereto, such as meals, beverages, lodgings, rentals, transportation and gratuities are unallowable.

Fines and Penalties- Costs resulting from violations or failure to comply with federal, state, or local laws and regulations are unallowable.

Fundraising- Fundraising is not an allowable cost.

Interest and Other Financial Costs- Interest on borrowings, bond discounts, costs of financing, or refinancing operations, finance/bank charges, and legal or professional fees paid in connection therewith, are unallowable.

Memberships- Memberships for individuals in any civic, business, technical or professional organization is prohibited. Upon prior approval by the EZ, agency memberships are allowable if the cost is reasonable relative to the benefit and the activity is specifically related to the EZ activity.