**Section 950.350 Grant Use**

a) Except as otherwise provided in this Part, program funds shall only be used for the direct cost of administering, operating, and maintaining a program. Grant funds may not be used for indirect costs of more than 12% of the funding amount. The following direct costs are examples of those that may be incurred when specified in the grant agreement:

1) Personal services costs, including gross salaries and employer paid fringe benefits for full-time and part-time employees of the program.

2) Contractual services costs, including, but not limited to, fees for consultants and specialists, exclusive of consultant services for patient care; lab and other directly related test costs; conference registration fees; repair and maintenance of equipment; postage and postal services; training and education costs; software; and telecommunications costs.

3) Travel of personnel in carrying out authorized activities. Proper travel costs include the expenses for transportation, lodging, and subsistence for personnel who are on travel status on official business for the applicant. Out-of-State travel expenses require prior written approval of the Department.

4) Supplies and commodities, as required in the operation of the program, that are directly related to its operation. Supplies include, but are not limited to, office, medical, and educational supplies; equipment items costing less than $100 each; printing; and paper.

5) Equipment directly related to the operation of the program. Equipment includes only those items costing over $100 with a useful life of more than one year. Equipment costs include all freight and installation expenses. Purchase of equipment items, other than those included in the approved budget, require prior written approval from the Department.

b) Payments to the grantee shall be made on a reimbursement basis.

1) The grantee shall use the Department's Reimbursement Certification Form to request payment.

2) The grantee shall document actual expenditures incurred for the purchase of goods and services necessary for conducting program activities.

A) Expenditures shall be itemized on the Reimbursement Certification Form in such a manner as to establish an audit trail for future verification of appropriate use of grant funds.

B) Each item claimed on the reimbursement certification form must be based on an expenditure traceable through the grantee's internal accounting system and shall include at least the following items:

i) Check number or internal ledger transfer code.

ii) Date of payment.

iii) Dates goods or services were received for the reimbursement period.

iv) Description of the goods or services and gross amount of the check or transfer.

v) Amount claimed for reimbursement from the Department.

c) The grantee shall submit requests for reimbursement periodically as determined by the Department throughout the period of the grant. The final request for reimbursement shall be submitted within 45 calendar days after the end of the grant agreement period.

d) Requests for budget adjustments shall be submitted to the Department in writing and shall be received by the Department no later than 45 calendar days before the end of the funding period.