**Section 970.240 Award and Use of Grant Funds**

a) Project funds shall be used only for the direct cost of administering, operating and maintaining a project. 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 project;

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

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

4) Supplies/commodities as required in the operation of the project 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; and

5) Equipment directly related to the operation of the project. (Equipment is defined as items costing over $100 each, with a useful life of more than one year. Equipment costs shall include all freight and installation costs. Purchase of equipment items, other than those included in the approved budget, requires 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 or a reasonable facsimile to request reimbursement.

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:

i) The check number or internal ledger transfer code;

ii) Date of payment;

iii) Dates goods or services were received for the period covered;

iv) A description of the goods or services and gross amount of

the check or transfer; and

v) The amount claimed for reimbursement from the Department.

3) The grantee shall submit requests for reimbursement periodically (monthly or quarterly) 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.

c) 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 grant agreement period.

(Source: Added at 30 Ill. Reg. 17924, effective October 27, 2006)