

Ohio Division of EMS Grants

Grant Budget Policies and Guidelines



Supplanting

By submitting a complete application, the grantee is certifying to ODPS/OEMS that awarded funds will not be used to supplant federal, state or local funds. Funds must be used to supplement existing funds for project activities and not replace those funds, which have been appropriated for the same purpose. Potential supplanting will be the subject of pre-award and post-award monitoring, and auditing.

Allowable costs

Allowable costs are those costs identified by the state or federal granting authority and the expenses in budgeted categories and line items that have been approved by ODPS/OEMS and specified in the Grant Guidance. The authorized budget categories for ODPS/OEMS grants are Personnel, Contractual, Supplies, Equipment, and Other. Allowable costs include all grantee expenditures, whether paid by grant funds, applicant funds, or program income.

The NOA, which constitutes approval of the original program budget or a subsequently approved budget revision, is used to approve line item expenditures as allowable costs. To be allowable under ODPS/OEMS, grantee project costs must be budgeted and must meet the following general criteria:

- a. Be necessary and reasonable for proper and efficient performance and administration of the program; be allocable to the program under the proper cost principle, and not be a general expense required to carry out overall agency responsibilities;
- b. Be authorized or not prohibited under State or local laws or regulations;
- c. Conform to ODPS/OEMS grant guidelines and any limitations or exclusions set forth in Federal or State laws, terms and conditions of the award, or other governing regulation/limitations on types or amount of cost items;
- d. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal or State awards and other activities of the grantee agency;
- e. Be accorded consistent treatment through the application of generally accepted accounting principles appropriate to the circumstances;
- f. Be supported by adequate documentation;
- g. Not be allocable to or included as a cost or used to meet cost sharing or matching requirements of any other state or federally funded program in either the current or a prior period; and
- h. Are net of applicable credits (refers to those receipts or reductions of expenditure-type transactions that offset or reduce expense items allocable to Federal awards as direct costs). This may include vendor rebates, discounts, or refunds granted to project expenditures.

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, consideration shall be given to:

- a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the agency or the performance of the Award;
- b. The restraints or requirements imposed by such factors as sound business practices; arm's length bargaining; Federal, State and other laws and regulations; and, terms and conditions of the award;
- c. Market price for comparable goods or services;
- d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the agency, its employees, the public, and the Federal or State Government;
- e. Significant deviations from the established practices of the agency, which may unjustifiably increase the cost of the program.

Note: If a line item is deemed noncompliant with rules and regulations, that cost will be disallowed.

Note: Refer to your Grant Guidance to determine whether Client Incentives and Enablers are allowed.

Even if a federal program or cost principle allows an expense, ODPS/OEMS reserves the right to be more restrictive and disallow the cost for simplicity or to reduce the burden of monitoring certain expenses.

Unallowable Costs

Grant costs cannot be considered allowable by ODPS/OEMS unless they meet the appropriate OMB cost principles and have been approved either in the initial application budget or in a subsequent approved budget revision. Funds must be used solely for the purpose as specified in the grant announcement or the Grant Guidance. However, costs that were previously approved on a budget, but have been found to be unallowable through a site monitoring visit or an audit, will be disallowed. The use of funds for prohibited purposes will result in the loss of grant funds and may require the grantee to return funds to ODPS/OEMS.

Grant funds **may not** be used for the following:

1. Fringe Benefits
2. Advancement of political or religious points of view
3. Fund raising and investment management costs
4. Dissemination of factually incorrect or deceitful information
5. Consulting fee for salaried program personnel to perform activities related to grant objectives
6. Advertisement – other than for recruitment or procurement or if required by the specified program's Grant Guidance
7. Bad debts of any kind
8. Contributions to a contingency fund or reserve

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9. Entertainment
10. Alcoholic Beverages
11. Fines and penalties
12. Legal fees incurred in defense of any civil or criminal fraud proceeding
13. Membership fees
14. Loan or the principle amount of mortgage payments
15. Contributions made by program personnel
16. Costs to rent equipment or space owned by the funded agency
17. Inpatient services
18. Purchase or improvement of land; the purchase, construction or permanent improvement of any building
19. Satisfying any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds
20. Lodging, travel and meals
21. Training longer than one week in duration, unless prior approved by ODPS/OEMS
22. Contracts, for compensation, with advisory board members
23. Goods or services for personal use regardless if reported as taxable income to employee
24. Payments to any person for influencing or attempting to influence members of Congress or the Ohio General Assembly in connection with awarding of grants or other lobbying costs
25. Gas Card/Vouchers may be used for participant incentives only
26. Promotional items (include items with slogans, logos, agency name/address, messaging). Promotional like items must be preapproved prior to submitting in agency grantee program budget (e.g., to water bottles, t-shirts, totes that do not include slogans, logos, agency name/address, messaging)
27. Purchase of office furniture or computer equipment, to include TV/CD players
28. Cash Incentives
29. Fire Trailers
30. Indirect cost rates are not permitted

Allowable Costs:

<p>Labor/Personnel</p>	<p>Project funds may be used to compensate employees for the time and effort devoted specifically to the execution of a grant program. Employees are individuals that are entered into the grantee's employment system, receive fringe benefits (i.e., unemployment and worker's compensation), are eligible to participate in the grantee's retirement program and are subject to grantee's personnel policies. Individuals who do not meet these criteria are not considered employees but are considered contractual personnel.</p> <p>Compensation must follow the Ohio Department of Administrative Services regulations and meet federal merit system or other requirements, where applicable.</p> <p>Compensation will be considered reasonable as long as it is consistent with compensation paid for similar work in other activities of the grantee's agency.</p>
<p>Contractual Services</p>	<p>A Contract is defined as a written agreement with a person(s) or organization(s) that is not an employee of the grantee's agency to perform services or provide goods for the project. No employee of the grantee's agency or Board Member is eligible to participate as a Contractor within the ODPS/OEMS project. Obtaining goods and services for project support through contractual means may be an allowable cost for project funds.</p> <p>Grantees shall not contract for extra compensation with its employees to provide services to the project without prior written authorization of ODPS/OEMS. Consideration will only be given in the following situation: a salaried faculty member of an educational institution when the consultation is across departmental lines or involves a separate or remote operation, and the work performed by the consultant is in addition to his regular departmental load.</p>
<p>Supplies</p>	<p>Material and Supplies are defined as items used to carry out the project activities and meet the definition of equipment for which early obsolescence is expected, such as office supplies specific to the grant, cd's/dvd's, videos, software, books, and participant incentives.</p>
<p>Equipment</p>	<p>Equipment is defined as any single item of tangible property and includes, but is not limited to computers, office equipment, furniture and furnishings. Items that meet the definition of equipment for which early obsolescence is expected, such as films, tapes, videos, and books, are not classified as equipment should be budgeted and reported as supplies.</p>
<p>Other</p>	<p>All other costs associated with the project.</p>

In-kind Contributions

In-kind contributions are defined as the value of non-cash contributions provided by the grantee or third parties for project activities. In-kind contributions made by non-federal third parties may be used as cost sharing or matching funds if they have not been counted toward any other federal grant, federal procurement contract, or any other award of federal funds on a matching or cost sharing stipulation of specific grants, if these contributions are normally considered allowable costs. All in-kind contributions counted as allowable or matching cost sharing funds must be documented and assigned dollar values at the rates established for comparable items or services. In-kind contributions may consist of charges for real property and non-expendable property, and the value of goods and services directly benefiting and specifically identifiable to grantee project activities. The grantee may not retain grant funds or program income as compensation for in-kind contribution provided.