



DISALLOWED COSTS

- Providing services to clients not eligible for services (age, county eligibility)
- Entertainment costs – Gift cards, wine glasses, movie tickets, etc.
- Fundraising costs – Costs for the activity of fundraising (personnel, materials) for an event
- Lobbying expenses – Costs incurred and related to attempting to influence legislation must be less than 30% of the staff person's time
- Alcoholic beverages
- Tobacco purchases
- Equipment not included in the approved budget
- Exceeding the 10% variance per budget line without a formal approval
- Training/Travel not approved by a First 5 Fresno County (F5FC) Contract Manager and not in the personnel section of the approved budget
- Mileage for non-F5FC activities or trainings – travel to non-related F5FC trainings/conferences
- Program expenses that do not benefit the participants
- Unhealthy snacks or food
- Expenses incurred in a different fiscal year (i.e. trainings, purchases of materials and supplies, etc.)
- Expenses not delineated in the original approved budget without prior consent of the Commission.
- Fines and penalties – Speeding tickets and parking tickets
- Severance pay
- Employee moving expenses
- Losses on other grants or contracts – Any excess costs over income on any grant are not allowable as a cost of any other grant or contract.
- Contributions or donations
- Expenses allocable to other federal programs
- Incentives/Stipends – For attending program activities (i.e. workshops, meetings, events)
- Not meeting cash match and/or other funding requirements stated in the contract.

The above is not intended to be a comprehensive list of all F5FC disallowed expenses. F5FC along with federal regulations requires all expenses be reasonable, justifiable, and necessary to accomplish the purpose of the grant or contract. If a service provider is ever in doubt pertaining to disallowed costs criteria they should contact their assigned Contract Manager with questions.