

SCHEDULE "D"

ELIGIBLE PROJECT COSTS GUIDELINES

Eligible Costs Guidelines for Calgary Homeless Foundation Funded Projects

The following are the Calgary Homeless Foundation ("CHF") general guidelines setting out how your Funding can be spent. Eligible Costs are defined in the Definitions section of your Agreement and are those costs that your Funding can be used for. Ineligible costs are those costs for which your Funding cannot be used.

The Recipient shall develop their own internal processes and controls in relation to the Funding and these guidelines (for example, the Recipient shall develop and follow processes for cheque requisites, signing authority, allocation of damage deposit, collection of damage deposit, etc.).

Please note: From time to time, these guidelines may be subject to revisions at the discretion of the CHF and/or the Donor. Any changes will be communicated as reasonable and appropriate to the Recipient.

Costs Allowed Under each Cost Category

The Eligible Costs set out below are generic eligible costs and should be considered in conjunction with the specific Project for which the Recipient has been provided Funding. Some costs described as eligible in these guidelines may be ineligible given the nature of your Project (for example while damage deposits are eligible expenses under a Rapid Rehousing program, it is not generally appropriate for these to be eligible under an Outreach program).

Based upon the nature of the Project and its target clients, there may be scope for negotiation. Where the Recipient believes it has a case for expenses not deemed here as eligible, written approval from CHF must be sought prior to incurring the expense. Approval is at the sole discretion of CHF.

CHF will consider requests from the Recipient for coverage of ineligible costs based upon the following factors:

- the benefit to the clients served by the Project and the relation to achieving housing outcomes;
- whether the funding for the relevant expense currently exists in the Project Operating Budget;
- CHF's own fiscal limitations;
- other available resources; and
- any other factors considered relevant by CHF in its sole discretion.

General Requirements

Proof of Expense: The Recipient is responsible for ensuring collection of all relevant documentation to support all eligible costs funded by CHF, and may be called upon at any time to produce evidence as requested during the course of CHF's monthly and annual financial monitoring procedures. Examples of suitable supporting documentation include, but are not limited to bank statements, receipts (original itemized receipts as opposed to credit card receipts), mortgage/lease agreements, invoices, letters of notice (relevant for payment of client rent subsidies), phone bills, utility bills, etc.

Allocated Expenses: Any expense that constitutes an allocation of head office expenses, or otherwise

allocated amount (for example head office administrative charge, audit expenses for the entire agency or rent expense of a portion of an agency’s office space), must provide the following upon request: Explanation of allocation method (for example, number of FTE or square foot); and total amount of expense prior to allocation, including all relevant documentation (in line with ‘Proof of Expense’ above).

Interest: Where the amount of interest earned on granted funds advanced is in excess of one hundred dollars (\$100.00), such interest shall be reported, is deemed to be part of CHF’s funding contribution and will be taken into account in the final calculation of the Project’s surplus or deficit. All relevant surpluses will be rolled forward to the following year as stated in your Agreement.

Purchases/Contracts for Services: All capital purchases and non-capital contracts shall be the result of a competitive bid process. For requests (capital and non-capital) for equipment and services exceeding \$25,000 (gross), this translates to sourcing of three (3) bids from different suppliers and a justification for selecting the preferred supplier. Documentation of this process and proof of bids must be retained and made available to CHF upon request.

Separate Bank Account: The Recipient is encouraged to establish a separate bank account for CHF Funding into which all CHF Funding is deposited and from which all CHF Eligible Costs are expensed.

Priority of Spending: CHF follows a ‘Federal Funds First’ priority spending approach. Therefore, if the Recipient receives both federal and provincial funding from CHF, where reasonably possible and in accordance with the terms of its Agreement(s) with CHF, the Recipient will spend the federal funding prior to the provincial funding.

Additionally, CHF assumes that where a Project has multiple funders, any surplus will be proportionally distributed between all funding sources (including other non-government funds), based upon their original contributions, giving consideration for spending restrictions (i.e.; if a donor requires that the entirety of their donation of \$50.00 is spent on staff and staff expenses are more than \$50.00 over budget, but the program is \$200.00 under budget, the donor will not receive a share of the surplus). Where CHF Project funds are augmented through the Recipient’s own general fund accounts, concession may be made, at the sole discretion of CHF, to allow surplus’ to be retained by the Recipient.

Financial reporting: Refer to Schedule “C” of your Agreement.

Financial Audits: Refer to the Reporting Requirements section of your Agreement allowing for the audit of the Project.

Material Change: Refer to the Negative Covenants section of your Agreement. If you wish to reallocate funds across line items, please contact your relevant CHF Program Specialist.

Start-Up Costs

Start-up costs are the initial costs incurred to set up a new Project or an expansion of current services. These expenses are a one-time cost and should not occur on a monthly basis. Eligible Costs include:

Cost Category	Eligible/Ineligible Information
<i>Moving Costs</i>	Costs incurred for moving to another location to accommodate an increase in staff. Eligible items include: <ul style="list-style-type: none"> - Moving vehicles and associated expenses - Moving personnel - Moving supplies

<i>Computer/ Telephones</i>	Eligible costs include the initial acquisition of computers and telephones and IT set up for new Project staff. Depreciation is an ineligible expense for any capital item.
<i>Desks and Furniture</i>	Eligible costs include the initial acquisition of desks and furniture for new Project staff. Depreciation is an ineligible expense for any capital item.

Staffing Costs

Staffing costs for staff directly involved in Project activities. Staff who are part of the “head office” or “administrative office” for the agency are covered under administrative costs. These are costs related to functions which, although they guide and enable effective program delivery, are not Project specific and not covered by any of the other expenditure categories listed. Cost categories deemed Staffing costs are included below.

Cost Category	Eligible/Ineligible Information
<i>Salaries and Wages</i>	<p>Gross salaries (including vacation, sick and compassionate leave, overtime).</p> <p>Salaries will be funded to the extent that they are aligned to industry averages and the credentials and experience of the staff as outlined in Schedule “A” of your Agreement.</p> <p>Wherever possible, the Recipient will categorize Project staff into the eligible positions outlined below, based upon the characteristics and definitions provided. Guidelines for eligible Project positions are:</p> <ul style="list-style-type: none"> • <i>Direct Service Staff</i>: staff involved in providing direct services to and with clients. This definition does not include administrative staff or clinical consultants when their responsibilities are consultative rather than providing direct service delivery. Commonly Eligible Cost examples of Direct Service Staff include: <ul style="list-style-type: none"> ○ Case Managers whose primary role is direct service delivery and client engagement, for example support workers, case workers, youth workers etc. Case Managers are typically an entry level position functioning under regular supervision. Credentials typically include college diploma or undergraduate degree. As per the caseload guidelines outlined in the CHF Case Management Standards, Case Managers are eligible for CHF funding at a maximum ratio of: <ul style="list-style-type: none"> - 1:10/15 for high acuity clients; - 1:20 for moderate acuity clients; - 1:25 for lower acuity clients. ○ Housing Locators are responsible for assessing clients’ housing needs, matching them to appropriate rental units and supporting ongoing landlord/tenant relationships. These positions may be eligible where housing location is a direct requirement of the Project. ○ Clinicians may include nursing and/or mental health staff. Credentials typically include training to a Masters level or higher and current registration with the appropriate college (e.g. College of Psychologists). These positions may be eligible where clinical support is a direct requirement of the Project. ○ All Other Direct Service Staff may be eligible depending upon the nature of the Project and its target clients. Examples of Other Direct Service Staff

Cost Category	Eligible/Ineligible Information
	<p style="text-align: center;">include shelter workers, outreach workers, etc.</p> <ul style="list-style-type: none"> • <i>Team Leader</i>: a Team Leader is typically a senior Direct Service Staff who provides informal supervision, support and mentoring to a team of four or more Direct Service Staff. A Team Leader may also carry a smaller case load to offset their leadership responsibilities on the team. A Team Lead is eligible for CHF funding if there are two (2) or more Direct Service Staff. • <i>Program Coordinator</i>: a Program Coordinator typically provides supervision to Direct Service Staff. Other accountabilities may include staff recruitment, preparing program reports, liaison between management and frontline staff, conducting file audits, etc. A Program Coordinator typically coordinates one program and is eligible for CHF funding at 0.2 FTE for each Direct Service Staff and/or team lead. • <i>Program Manager</i>: a Program Manager typically reports to the Executive Director or Director of Operations and is accountable for the effective development, delivery and evaluation of programs as well as operational functions that contribute to the achievement of the organization’s mission and goals. Other accountabilities may include preparation of submissions to funding and regulatory bodies, development and management of program budget, program priority setting, program risk management, participation in system planning, etc. Credentials typically include an undergraduate or graduate degree with numerous years of experience within the service sector. A Program Manager may have one or more projects to manage depending upon the size/complexity of the projects and are eligible for CHF funding at a maximum of 0.5 FTE for each Program Coordinator. Where a Program Manager exists for a Project at greater than 0.5 FTE per program coordinator, the remaining expense may be captured under administration expenses up to the agreed admin limit. • All other positions may be eligible depending on the nature of the Project and target clients and require a business case be approved by CHF at time of contract initiation or renewal. <p>Benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as vacation leave, sick leave, military leave, and the like, should be included in the gross salaries presented here and are an Eligible Cost in the same proportion as the employee’s salaries/wages are covered by the Project.</p>
<p><i>Mandatory Employment Related Costs (MERCs)</i></p>	<p>MERCs are limited to the following expenses at rates mandated by the Canada Revenue Agency:</p> <ul style="list-style-type: none"> • Employment Insurance (employer portion only) (http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/clcltng/ei/cnt-chrt-pf-eng.html) • Canada Pension Plan (employer portion only) (http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/clcltng/cpp-rpc/cnt-chrt-pf-eng.html) • Workers compensation premiums. <p>Note: Benefits in any form of leave (and the like) are included in the gross salaries and wages expenses above.</p>
<p><i>Project Staff</i></p>	<p>Cellular phones are eligible for program staff if the position requires them to be out of the</p>

Cost Category	Eligible/Ineligible Information
<i>Communications</i>	<p>office or on-call outside of office hours.</p> <p>Cellular phone costs are ineligible where the device is not primarily (>80%) used for work purposes.</p>
<i>Staff Benefits (Program Staff)</i>	<p>Staff benefits eligible here are limited to health and dental benefit plans for Program Staff only (this may include disability premiums forming a taxable benefit to the employee).</p> <p>Direct payment of health insurance premiums is eligible up to a maximum of 12% of personnel costs. In the event that the company has a documented whole-of-organization policy to offer payment in lieu of health insurance premiums, these are only eligible insofar as they are paid directly to the employee and do not exceed 12% of personnel costs. That is, direct payment to a third party for goods or services that flow to the employee, in lieu of health premiums, are ineligible. The company must pay the benefit to the employee directly.</p> <p>Benefits of any form of leave (and the like) are not included here, instead are included in the gross 'Salaries and Wages' expenses.</p>
<i>Staff Development (for Project Staff)</i>	<p>Includes professional fees, training, conferences, and staff learning media for Project staff.</p> <ul style="list-style-type: none"> • <i>Professional fees:</i> These are eligible costs insofar as they are for a professional body keeping consistent with the employee's position in the Project (e.g.; professional fees of a chartered accountant whose job title is a case worker, are ineligible for CHF funding). • <i>Training/Conferences:</i> Expenses for training or attendance at conferences are allowed where there is a direct link to improving client service, or where it constitutes training requirements for professional membership. Eligible costs allowable under this category include tuition, fees, training materials, and textbooks. All attempts must be made to attend training locally if possible. <p><i>Where travel is required:</i> For all legitimate travel reasons, travel costs are eligible in line with CHF's own travel policy and at a maximum up to the levels set out in the National Joint Council of Canada's (NJCC) Travel Directive (http://www.njc-cnm.gc.ca/directive/travel-voyage/index-eng.php). These are outlined in Appendix 1.</p>

Client Costs

Client costs are incurred by supporting Project clients. Projects must demonstrate efforts made to access and transition clients to public funds and services, such as Alberta Works, Assured Income for the Severely Handicapped (AISH), Legal Aid, Food Bank, thrift shops, etc., before using Project Funding to cover client costs.

Projects must use significant judgment with regards to the application of these expenses and the general guidance of what would be considered reasonable under the circumstances. It is required that Projects develop and follow specific policies for client eligibility for all of the following eligible client expenses.

Cost Category	Eligible/Ineligible Information
<i>Damage Deposit</i>	<p>This is the damage deposit paid directly to landlords on the clients' behalf at lease inception.</p> <p>Damage deposits are eligible to a maximum of one month's rent (as per Residential Tenancies</p>

Cost Category	Eligible/Ineligible Information
	<p>Act).</p> <p>It is expected that all damage deposits be collected by the program from the relevant landlords as and when they are redeemable. For budgeting purposes, these funds must be used again for future damage deposits under the CHF budget and would be represented by a funds flow in the revenue section under 'Returned Damage Deposits'.</p>
<i>Rental Subsidy</i>	<p>This includes only rental subsidies paid by the program directly to the landlords on the client's behalf. Where rents are leased in bulk by the program in advance, the rent collected from the clients by the program must be included in the revenue line item and it is expected that these rents are re-invested in rent subsidies (no other expense).</p> <p>Affordable rent (typically including heat, water and sewer expenses) is calculated to cost no more than 30% of a household's total gross monthly income (Rent Geared to Income).</p> <p>Eligible rent subsidies are calculated based on the difference between 30% of a household's income and the average market rent for the unit type. Average market rents in Calgary are surveyed by Canada Mortgage and Housing Corporation (CMHC) and reflected in CMHC's fall 2010 market survey. For 2010, refer to https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?lang=en&cat=109&itm=1&fr=1314303889800. A 10% variance above the Average market rent is allowable.</p> <p>The CHF's minimum requirements are that all housing placements meet both of:</p> <ul style="list-style-type: none"> - Government of Alberta Modesty Assurance Guidelines available at http://www.housing.alberta.ca/documents/ModestyAssuranceGuidelines.pdf; - Minimum Housing and Health Standards available at http://www.health.alberta.ca/documents/Standards-Housing-Minimum.pdf.
<i>Client Transportation</i>	<p>This includes all client travel expenses. Eligible Costs are:</p> <ul style="list-style-type: none"> • Bus tickets and other public transportation costs for clients to attend support services, get to work (if not able to afford this themselves) <p>Taxis and other non-public transportation costs for clients are eligible where public transportation is not practical as part of service delivery, in exceptional circumstances (e.g. client has a health issue) or if there is no public transport option available.</p>
<i>Food/Meals/Gift Cards (for food)</i>	<p>This is any purchases for food items for the direct benefit of, or use by, the client.</p> <p>The following expenses are eligible:</p> <ul style="list-style-type: none"> • Prepared meals for clients in a shelter or group home setting • Grocery purchases for clients as either direct food donations or indirect (reimbursement of grocery expenses/gift cards) • Light meals or drinks during client meetings. Meeting meal expenses are only eligible to a reasonable level under the individual circumstances. <p>All efforts should be made where possible to maximize the use of other mainstream resources including connecting the client with the Calgary Food Bank.</p> <p>Alcohol is an ineligible expense. Hospitality expenses for other non-client purposes should be captured in Administration Costs.</p>
<i>Move In and Set Up (furniture)</i>	<p>In alignment with the CHF Case Management Standards, move-in/moving support should be provided where appropriate. Efforts should be made to provide basic furniture and necessities to the client in a cost-effective manner.</p> <p>The following are eligible move-in costs:</p>

Cost Category	Eligible/Ineligible Information
	<ul style="list-style-type: none"> • Bed and related items (e.g. linen, pillows) • Toiletries • Basic cookware and dishes (e.g. pots, pans, cutlery) • Telephone or cell phone • Dishes and utensils • Other furniture <p>These items do not need to be new, and it is encouraged to use thrift stores to purchase these goods with the client.</p> <p>The transportation cost of moving clients into new properties is not covered under this expense item but is an eligible expense under ‘Travel for Client Purposes’.</p>
<i>Utility Bills Subsidy</i>	<p>This includes the cost of providing basic utilities to the client to ensure safe and comfortable housing. The following utility expenses are eligible for subsidy:</p> <ul style="list-style-type: none"> • Heating • Water • Electricity • Basic phone bill <p>Note that rent typically includes heat, water and sewer expenses. These should not be accounted for under both ‘Utility Bills Subsidy’ and ‘Rental Subsidy’ in such cases.</p> <p>Payments must be made directly to utility companies.</p>
<i>Other Project Expenses</i>	<p>A small allowance for ‘Other Project Expenses’ are eligible in so far as they are directly aligned with the Project and client outcomes.</p> <p>Eligible activities include:</p> <ul style="list-style-type: none"> • Community integration • Finding and maintaining employment • Health related items, only where not covered elsewhere. <p>The Recipient shall use significant judgment with regards to these expenses and the general guidance of what would be considered reasonable and useful in the circumstances.</p>
<i>Staff Travel for Client Purposes</i>	<p>This includes only staff travel costs for the direct delivery of client service or for activities directly related to the Project. Eligible Costs are:</p> <ul style="list-style-type: none"> • Servicing and maintaining a company vehicle used solely for direct client service delivery. This includes lease expenses, insurance, maintenance and gas. • Use of a staff member’s personal vehicle for Project related uses. <p>For all legitimate travel reasons, travel costs are eligible in line with CHF’s own travel policy and at a maximum up to the levels set out in the National Joint Council of Canada’s (NJCC) Travel Directive (http://www.njc-cnm.gc.ca/directive/travel-voyage/index-eng.php). These are outlined in Appendix 1.</p> <p>Staff travel that is not for direct client service is included either under Staff Development (for travel to conferences or staff training) or Administrative Costs (travel for staff meetings or management meetings), and does not apply here (for example travel to conferences).</p> <p>Staff travel for board meetings are ineligible expenses.</p>

Administrative Costs

Administrative activities shall constitute no more than 10% of the total program budget (90% remaining for other client-related program costs). Costs for items deemed ‘administrative’ are specifically ineligible to be claimed in any other section or sub-section of the budget. Cost categories deemed administrative are included below:

Cost Category	Eligible/Ineligible Information
<i>Other Staff Benefits</i>	<p>Benefits covered here include:</p> <ul style="list-style-type: none"> • Direct payment of health insurance premiums for overhead staff (any staff where salaries &/or wages are covered as part of Administration). This may include payment of disability premiums forming a taxable benefit to the employee. • All other benefit provided to <i>any staff</i> including severance payments, staff rewards including Christmas parties. <p>Direct payment of health insurance premiums is eligible up to a maximum of 12% of personnel costs. In the event that the company has a documented whole-of-organization policy to offer payment in lieu of health insurance premiums, these are only eligible insofar as they are paid directly to the employee and do not exceed 12% of personnel costs. That is, direct payment to a third party for goods or services that flow to the employee, in lieu of health premiums, are ineligible. The company must pay the benefit to the employee directly.</p> <p>Benefits of any form of leave (and the like) are not included here, instead are included in the gross ‘Salaries and Wages’ expenses.</p>
<i>Rent/Mortgage</i>	<p>Rental costs are eligible to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property; market conditions; available alternatives; and the type, life expectancy, condition, and value of the property. Rental arrangements shall be reviewed periodically to determine if circumstances have changed and other options are available.</p> <p>For guidance, CHF will reference the average Class A Calgary downtown core rent per square foot as the maximum eligible rent for any Project, sourced from the most recent Avison Young market report. At August 2011, the most recent market report shows an average rent for the downtown core of \$27/square foot/month (Online at http://www.avisonyoung.com/library/pdf/Calgary/Research/AY_The_Office_Report_Q2_-_Email.pdf).</p> <p>Depreciation is an ineligible expense for any capital item.</p>
<i>Insurance</i>	<p>Costs of insurance required or approved, and maintained, pursuant to the requirements of your Agreement, are eligible. Costs of other insurance maintained by the program in connection with the general conduct of its operations are allowable insofar as the types and extent of coverage are in accordance with sound business practice and the rates and premiums are reasonable under the circumstances and prorated for the application to Project activities only.</p> <p>This paragraph does not apply to vehicle insurance for vehicles used for client service (under ‘Travel for Clients’) or insurance which represents fringe benefits for employees (e.g. health insurance, under ‘Staff Fringe Benefits’).</p>
<i>Utilities</i>	<p>Including electricity, water, heating and gas. This does not include telephone costs which</p>

Cost Category	Eligible/Ineligible Information
	should be budgeted under communications.
<i>Licenses, Permits and Fees</i>	<p>Includes the following costs:</p> <ul style="list-style-type: none"> • <i>Licenses and Permits:</i> Costs of obtaining licenses and permits are eligible in so far as they allow the normal operations of the business. • <i>Memberships and Subscriptions:</i> Costs of the non-profit organization's membership in and subscriptions to in business, technical, and professional organizations and periodicals are eligible. Costs of membership in any civic or community organization are also eligible. Costs of any other membership (for example in any country club or social or dining club or organization) are ineligible.
<i>Banking Fees and Interest Charges</i>	<p>Regular bank fees are eligible costs with the following exceptions:</p> <ul style="list-style-type: none"> • interest expense on credit cards or any other balances are ineligible • penalty fees for late payments or any other reason, are ineligible.
<i>IT, Internet and Communications</i>	<p>Includes the following costs:</p> <ul style="list-style-type: none"> • <i>Advertising and public relations:</i> Costs are generally ineligible for CHF funding. Ineligible expenses include but are not limited to advertising media (magazines, newspapers, radio, exhibits, electronic transmittals, etc.), resulting administrative costs and activities to maintain/promote the image of the funded Project. The following items may be eligible if not specifically ineligible elsewhere: <ul style="list-style-type: none"> - Recruitment advertising expenses - Preparation and printing of annual financial and community reports. • <i>Fundraising costs</i> are ineligible. • <i>Internet:</i> Costs for internet and other IT services/personnel are eligible for servicing of computers purchased with funding dollars or substantially used in the operation of the Project.
<i>Equipment and Furniture</i>	<p>Eligible costs for replacement and maintenance of Project assets, such as:</p> <ul style="list-style-type: none"> • Computers • Lights • Printers • Chairs • Desks <p>Specifically, the following rules apply for all of the Eligible Cost items listed above:</p> <ul style="list-style-type: none"> • <i>Capital >\$5k:</i> All capital purchase requests for equipment greater than \$5,000.00 must be accompanied by documentation of 3 (three) bids from different suppliers and a justification for the purchase and for the preferred supplier. • <i>Depreciation:</i> Note that all capital purchases will be funded at the time in which the cash flows for the item. The program will <i>not</i> be eligible to claim recovery of depreciation for any capital purchases, particularly items previously funded. • <i>Idle Facilities/Capacity:</i> Costs of completely or partially unused facilities that are excess to the non-profit organization's current needs are ineligible unless they are necessary to meet fluctuations in work load.
<i>Office Supplies</i>	General Office Supplies/Services: Costs for internet, fax, telephone services (excluding

Cost Category	Eligible/Ineligible Information
	staff cell phones), stationery, minor equipment (<\$100), printing, photocopying, telegrams, postage, messenger, couriers, electronics or computer transmittal services and the like that are maintained on office premises and held for business use are eligible.
<i>Contractors (Admin)</i>	<p>Individuals hired by the Project for which the Project does not pay payroll taxes. Includes the costs of consultants for audits, evaluations and assessments. Eligible Costs include:</p> <ul style="list-style-type: none"> • <i>Audits:</i> The costs of audits required by, and performed in accordance with the audit clauses of your Agreement. • <i>Legal fees:</i> Cost of legal fees associated with the normal operations of the business unless otherwise specifically designated as ineligible. • <i>Janitorial:</i> Reasonable costs incurred to clean office space. • <i>Evaluation and Assessments:</i> Evaluation and assessments regarding the outcomes of the Project are eligible; however, agency-wide evaluations are ineligible. <p>For all contractor costs, retainer fees are ineligible unless supported by evidence of bona fide services available or rendered. The cost of hiring a training consultant should NOT be included here and will only be payable under the ‘Staff Development’ cost category.</p>
<i>Organizational Infrastructure</i>	<p>These expenses are incurred for services rendered to the Project by a “head office” or “administrative office” for the agency. These are costs related to functions which, although they guide and enable effective Project delivery, are not Project specific and not covered by any of the other expenditure categories listed. Eligible costs include:</p> <ul style="list-style-type: none"> • A portion of the Director/Senior Manager’s position • A portion of the Accountant’s position • A portion of the Volunteer Coordinator’s position • Hospitality expenses for non-client purposes such as staff meetings • Staff travel for purposes not directly attributable to client service. <p>Ineligible costs include but are not limited to any expense (excluding office supplies) associated with the Recipient’s board meetings.</p>

Specifically ineligible costs

Costs other than those allowed in this schedule are ineligible unless specifically approved in writing prior to the time costs are incurred.

Notwithstanding that the following costs may have been, or may be, reasonably and properly incurred by the Recipient during the performance of Project activities, they are considered ineligible:

- Losses from other projects or contracts
- Federal and provincial taxes (except for payroll and GST)
- Amortization of unrealized appreciation of assets or depreciation of any assets
- Fines and penalties of any kind
- Alcoholic beverages
- Software development or hardware costs for software/hardware that either (a) performs similar function to Homeless Individuals and Family Information System (HIFIS) software or (b) is incompatible with HIFIS is not an eligible cost for Homelessness Partnering Strategy (HPS - federal) funds.
- Staff bonuses

Appendix 1 - Guidelines on Travel Costs

For all legitimate travel reasons, travel costs are eligible in line with CHF's own travel policy and at a maximum up to the levels set out in the National Joint Council of Canada's (NJCC) Travel Directive (<http://www.njc-cnm.gc.ca/directive/travel-voyage/index-eng.php>). These are outlined below.

- Mileage rates for reimbursement on a per kilometer basis are established annually (by NJCC as above). For 2011, the allowable reimbursement rate is 53.4 cents (\$0.534) per kilometer. This gross amount covers the cost of gas, and an assumed contribution to maintenance expenses. Fees of Project employees obtaining licenses are ineligible.
- Air Travel will be eligible up to the standard commercial airfare in economy, for the given route. Wherever possible, tickets should be booked directly with either WestJet or Air Canada.
- Taxi charges are only eligible for legitimate business purposes and where other more cost effective alternatives are not available. For example, for travel within the downtown core it is expected that the LRT or public transit is utilized unless outside regular business hours where a taxi may be used for safety purposes.
- Meal allowances will be eligible when authorized persons are required to be away from their residence during normal meal times and when the meal is not otherwise supplied and the employee incurs a direct expense. Meal claims must be reasonable and the following allowances are offered as a guideline.
 - Breakfast \$15.00
 - Lunch \$15.00
 - Dinner \$30.00

Claims for reimbursement should not ordinarily exceed sixty dollars (\$60.00) for a continuous 24 hour period. For meal allowances for shorter periods than 24 hours, please refer to the Travel Directive. Alcoholic beverages are ineligible.

Accommodation is eligible only when travel is for legitimate business purposes (including legitimate staff development) and it is unreasonable, unavailable or uneconomical for the program employee to return home at the end of the day. If for a legitimate business purpose, the eligible amount includes only standard hotel rooms, single accommodation. Movie rentals are ineligible.