

**261—404.4(15) Project budget.**

**404.4(1)** Only expenditures directly related to the implementation of the funded grant activity will be reimbursed. Vehicle and equipment purchases are eligible only when the purchase is an integral part of the funded grant activity and must be approved by the board at the time the award is made.

**404.4(2)** Ineligible expenses include but are not limited to:

- a. Purchase or rental of buildings.
- b. Office equipment.
- c. Furniture and fixtures.
- d. Intangible assets.
- e. International travel.
- f. Insurance.
- g. Phone expenses.

**404.4(3)** Other budget requirements include the following:

- a. Indirect costs shall not exceed more than 20 percent of a grant award.
- b. IEC grant funds shall not be used as cost share to a federal grant award.
- c. Vehicle and equipment purchases or other expenses relating to vehicles or equipment are not eligible if the purchase or expense supports the proposed grant activity but is not an integral part of the proposed grant activity. If a vehicle or equipment purchase is an integral part of a grant activity but a recipient fails to obtain board approval prior to the purchase, then the purchase is ineligible.

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