



## Community Safety Investment Framework

### Eligible Expense Guide

When applying for funding, it is important to know which expenses funding can and cannot be used for. The following eligible expense guidelines set parameters around City of Calgary funding.

#### **ELIGIBLE EXPENSES**

##### *Direct program expenses*

Direct program expenses are expenses that can be directly attributed to the program that funding is intended for.

##### **Personnel**

The salaries and wages of employees who work on the program, such as intake workers, counsellors, case workers, program coordinators, and other related staff are fully eligible expenses. Mandatory Employment Related Costs (MERCs) and benefits for direct program staff are also eligible.

The City of Calgary aims to support organizations in paying employees a living wage that enables them to meet their basic needs. In 2023, Vibrant Communities Calgary calculated the Living Wage in Calgary to be \$23.70/hour. More information on the methodology behind this figure is available [here](#).

There are some instances where a position may only partially support the program you are requesting funding for. For roles that only provide occasional direct program delivery (e.g. a program manager who steps in for case managers, or a part-time accountant who provides financial skills training), only the portion of their time that is dedicated to program delivery is eligible as a direct program expense. The remaining amount would be considered an indirect/administrative expense. In cases such as this, indicate the percentage of time the role spends on the specific program.

When completing a funding application and budget:

- Salaries on the budget should line up with salaries included in the Salary Information section of the application.
- Each part-time and full-time position, if applicable, should be listed by job title and grouped in the same category.
- MERCs and other benefits need to be individually listed, including the average percentage of wages they represent.

##### **Travel and Parking**

Staff travel expenses that are necessary for the direct delivery of client service or program related activities. Transportation expenses for clients, if part of program delivery, are also eligible. For outreach services, this could include costs associated with leasing and insuring vehicles used for client transportation. The purchase of vehicles is not eligible.

## Materials and Supplies

Program materials and supplies that are necessary for the direct provision of services for the program are eligible expenses.

Examples of materials and supplies may include:

- Technology expenses, such as computers or software used by program participants, and staff communications such as cellular phones for client-serving purposes.
- Program materials and supplies for client use.
- Food or shelter as part of a primary or secondary crisis response. These supports may only be provided on a short-term basis (24-48 hours).

## Other

Other direct program expenses could include:

- General liability insurance, as required by the City of Calgary funding agreement.
- Financial audit expenses, as required by the City of Calgary funding agreement.
- Staff and volunteer recognition related to the program.
- Staff and volunteer training expenses related to program delivery.
- Honorariums for elders.
- Programming space and other space utilized for client-oriented activities.
- Organization's dues/memberships related to the program delivery.

## *Indirect or administrative expenses*

The City of Calgary recognizes that a good program requires a healthy organization and administrative supports. Indirect or administrative expenses (also referred to as 'overhead') are expenses that are necessary for the completion of the program but cannot be directly attributed to it. These indirect/administrative expenses can be included in an organization's funding request.

Examples of indirect or administrative expenses may include:

- Salaries for management or leadership.
- Salaries for support roles (e.g. human resources, finance, information technology, etc.).
- Office space for management and support roles.
- Office supplies.
- Staff recruitment costs.
- Security costs, as required.

City of Calgary funds are prioritized for direct program delivery and cannot be used to sustain an organization. **Indirect or administrative expenses should not exceed 15% of the requested program funding. Funding applications that include requests beyond this threshold may not be approved for funding.**

Indirect expenses should be identified as such in the budget to show what the requested funds will be used for. Do not bundle these expenses into a single budget line.

## INELIGIBLE EXPENSES

City of Calgary funding **cannot** be used for the following:

- **Capital expenditures:** Expenses related to the purchase, construction, renovation, maintenance, or depreciation of significant capital assets such as:
  - Land or buildings
  - Construction or renovation of a building
  - Motor vehicles
- **Municipal property taxes and levies.**
- **Any payments to a member of a board or a committee.**
- **Fundraising events or campaigns.**
- **Entertainment and hospitality:** Expenses related to organizational entertainment and hospitality, such as meals, alcohol, events, or gifts.
- **Fines, penalties, or legal fees.**
- **Pre-agreement expenses:** Expenses that were incurred prior to the beginning of the agreement term.
- **Organizational sustainment:** Any expenses required to sustain an organization that do not relate to direct service delivery under the program.

## OTHER CONSIDERATIONS

- **Eligible time frame:** Eligible expenses should be incurred within the specific time frame of the funding agreement. It is important to carefully manage expenses to ensure that they fall within the time frame specified.
- **Reasonable expenses:** Expenses must be reasonable and necessary to carry out the program that the funding is intended for. For example, purchasing a luxury item that is not directly related to the program would not be considered a reasonable expense.
- **Compliance with regulations:** Organizations must comply with all applicable laws and regulations when using funding. This includes compliance with applicable Federal, Provincial, and Municipal laws, as well as any regulations specific to the program.
- **Documentation:** All expenses must be documented, auditable, and supported by appropriate records, such as invoices, receipts, and timesheets. It is important to keep accurate records to ensure that all expenses are eligible for funding.