

Exhibit B to Agreement
Unallowable Expenditures

Unallowable Expenditures: City Funds under this Agreement may not be expended for the following purposes listed below and such other additional purposes as may be determined by KHA to be inconsistent with the STOP the Violence Neighborhood Intervention and Prevention Mini-Grants Program intent:

- Any expense not approved in the approved budget submitted in the Response, including field trips.
- Staff bonuses or severance pay
- Losses arising from uncollectible accounts and other claims, and related costs
- Contributions to a contingency reserve or a similar provision for unforeseen events
- Contributions and donations to other groups or organizations
- Debt financing - interest on borrowing, cost of financing and refinancing, bond payments, etc.
- Mortgage or Rent Payments for facilities
- Fines, Penalties, Late Payments and Cancelation Fees
- Lobbying Activities
- Non-cash Expenses – such as depreciation, compensated absences and accruals for estimates
- Cost of Audits and/or Legal fees and any costs resulting from collecting these funds
- Cost associated with fundraising activities
- Sales Tax – If a recipient is a tax-exempt organization a tax-exempt certificate should be provided prior to payment
- Equipment costing more than \$1000
- Incentives
- Incidental costs Related to Program (e.g. costs of amusement, awards, social activities, meals, and beverages in excess of 2%)
- Funds may not be used for “self-enrichment” as outlined on the conflict of interest form