

## EXHIBIT E

### **Eligible and Ineligible Costs**

In general, only direct costs for items within the scope of the project and the timeframe of the agreement are eligible for payment. Detailed staff costs may be requested prior to reimbursement or during the development of the contract workplan. Funds must be spent consistent with General Obligation Bond Law, Government Code section 16727.

#### **Eligible expenses may be incurred by the Contractor after DGS Office of Legal Services approval. Eligible activities and expenses include, but are not limited to:**

##### *Planning Agreements*

- review of existing data
- site analysis and base mapping
- preliminary project design necessary for environmental documentation
- opportunities and constraints analysis
- environmental review and documentation (including surveys and other environmental assessments)
- project administration
- interagency and public coordination and consultation
- preliminary specifications and cost estimates
- pre-acquisition activities (such as obtaining title reports, appraisals, legal descriptions and initial coordination with the property owners to determine if they are willing sellers. Purchase negotiations and escrow fees are not eligible expenses under planning agreements but are covered by acquisition grants.)
- pre-construction monitoring related to the goals of the project
- preparation of permit applications
- other relevant costs approved by Conservancy staff

#### **Ineligible activities and expenses include, but are not limited to:**

- indirect costs**
- all costs incurred before Conservancy Board authorization of agreement award
- all costs related to the preparation and submittal of the agreement application
- staff time to oversee contracted project management services
- staff time beyond administration of agreement products and requirements
- food, refreshments and decorations
- unauthorized marketing materials
- membership fees and associated costs for attendance at conferences
- ongoing project site operations and maintenance
- travel not expressly identified in the agreement budget
- disallowance of per diem and mileage expenditures or at levels above State-authorized per diem amounts. Current rates are available on line in chapter 700 (Travel) of the *California State Administrative Manual*
- funding for a purchase price above the appraised fair market value
- equipment that will be used for purposes that are unrelated to the project
- costs that are not substantially related to the project