

CDC-RFA-IP21-2108 Cooperative Agreement – Allowable and Unallowable Costs Guidance
June 2, 2022

1. Does the CDC Office of Grant Services have a list of allowable and unallowable expenses, particularly related to incentives?

The CDC Office of Grants Services (OGS) does not maintain a full list of allowable and unallowable expenses. Inquiries regarding allowable and unallowable expenses, such as incentives, are handled on an individual basis since the type of funding mechanism, project activities, and expense amount are all factored when the Office of Grants Services and Project Officer make a determination.

For an overview of some allowable and unallowable expenses, please review the [HHS Grants Policy Statement](#) and [HHS Grants Policies & Regulations resource page](#).

2. May cooperative agreement funds be used to make incentive payments or purchase incentive items? For example, are vouchers, gift cards, cash cards, gas cards, mugs, or other incentives allowable?

Incentive payments to volunteers or clients participating in a grant-supported project or program are allowable. Incentive payments to individuals to motivate them to take advantage of grant-supported health care or other services are allowable if within the scope of an approved project.

Reasonably priced incentives (vouchers, gift cards, cash cards, gas cards, mugs, etc.) may be purchased with cooperative agreement funds.

OGS mentioned \$50 as the upper range amount for incentives. If incentives of higher amounts are to be provided, it is recommended that the recipient send an email request to the Project Officer, as well as upload a note in GrantSolutions detailing the proposed incentive and the project activity it would support. With this information, the Project Officer and OGS would then be able to determine if the higher incentive would be an allowable expense in relation to the activity.

3. Is it allowable for clients to receive incentive payments for getting vaccinated?

Incentive payments to volunteers or clients participating in a grant-supported project or program are allowable. Incentive payments to individuals to motivate them to take advantage of grant-supported health care or other services are allowable if within the scope of an approved project.

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4. Are incentive payments to employees allowable?

Incentive compensation to employees based on cost reduction, or efficient performance, suggestion awards, safety awards, etc., is allowable to the extent that the overall compensation is determined to be reasonable and such costs are paid or accrued pursuant to an agreement entered into in good faith between the non-Federal entity and the employees before the services were rendered, or pursuant to an established plan followed by the non-Federal entity so consistently as to imply, in effect, an agreement to make such payment.

5. May cooperative agreement funds be used to buy food for outreach events?

Light refreshments with minimal cost may be purchased with the cooperative agreement funds. Examples of light refreshments include bottled water, juices, crackers, granola bars, fruits, vegetables, and other snack foods.

If organizations are seeking to provide heavier food options that would more closely resemble a meal, providing a voucher or gift card would be a more suitable option. OGS mentioned \$50 as the upper range amount for incentives.

If incentives of higher amounts are to be purchased, OGS recommends that the recipient send an email request to the Project Officer, as well as upload a note in GrantSolutions detailing the proposed incentive and the project activity it would support. With this information, the Project Officer and OGS would then be able to determine if the higher incentive would be an allowable expense in relation to the activity.

6. May food be provided for volunteers who assist at events and trainings?

Light refreshments with minimal cost may be purchased with the cooperative agreement funds. Examples of light refreshments include bottled water, juices, granola bars, crackers, fruits, vegetables, and other snack foods.

If organizations are seeking to provide heavier food options that would more closely resemble a meal, providing a voucher or gift card would be a more suitable option. OGS mentioned \$50 as the upper range amount for incentives.

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7. May farm fresh produce be purchased as incentives? For example, a community-based organization works with local farmers to provide a produce distribution for community members.

Light refreshments with minimal cost may be purchased with the cooperative agreement funds. For tracking purposes, it would be preferable that vouchers or gift cards be purchased and given out as incentives in relation to this type of activity.

8. May Cash App be used to pay vendors? For example, using Cash App to pay vendors that will provide meal tickets as an incentive for clients attending an outreach event.

OGS advised that this would only be an allowable expense if the organization has a business Cash App that has no connection to an individual employee's financial institution. Since Cash App is a newer technology, accurately tracking and accounting for funding expenditures may be difficult. To best track and account for the incentives provided, vouchers and gift cards would be the preferable mechanism in this scenario.

9. May cooperative agreement funds be used to purchase personal protection equipment (PPE) supplies for program staff and event participants?

Personal protection equipment is an allowable cost, it can be itemized as a supply that directly benefits the grant-supported project or activity.

10. Are vaccine administration costs an allowable expense under the CDC-RFA-IP21-2108 cooperative agreement?

Vaccine administration is not an allowable expense under the CDC-RFA-IP21-2108 cooperative agreement. Under the NOFO's terms, only COVID-19 and influenza vaccine outreach and education activities are permitted.

For example, health care personnel may be utilized to conduct outreach and education activities but any time or efforts that are spent administering vaccine doses would not be an allowable expense under the cooperative agreement.

11. May COVID-19 vaccines and boosters, as well as influenza vaccines be purchased with the CDC-RFA-IP21-2108 cooperative agreement funds? Additionally, may supplies related to vaccine administration be purchased with the cooperative agreement funds, for example – refrigerators, syringes, needles, cotton swabs, alcohol, and band-aids?

Vaccine administration and the purchase of supplies to support direct vaccine administration are not allowable expenses under the CDC-RFA-IP21-2108 cooperative agreement. Under the NOFO's terms, only COVID-19 and influenza vaccine outreach and education activities are permitted.