

Unallowable Uses of RW Funds

BACKGROUND:

To comply with the federal regulations within the Title XXVI of the Public Health Service Act, 42 USC. Section 300ff-11s as amended by the Ryan White HIV/AIDS Treatment Extension Act of 2009 (P.L.111-87); The OMB Uniform Guidance 2 CFR 200/HHS Title 45 Subtitle A, Sub-chapter A, Part 75; Department of Health and Human Services (HHS) Grants Policy Statement; and HRSA/HAB policy clarification notices, letters, and guidelines.

POLICY:

Consistent with the Ryan White legislation, OMB Uniform guidance, and policy clarification notices, ISDH defines unallowable costs in the context of either a particular type of activity or a particular type of cost. Unallowable costs cannot be charged either directly or indirectly to the Ryan White Part B grant.

DOCUMENTATION:

Policies and Procedures on unallowable Ryan White Part B costs and documentation of compliance.

GUIDANCE:

Ryan White HIV/AIDS Program (RWHAP) funds may not be used for the following activities or to purchase these items: (PCN 10-02):

- **Drug Use and Sexual Activity:** RWHAP funds cannot be used to support AIDS programs or materials designed to promote or encourage, directly, intravenous drug use or sexual activity, whether homosexual or heterosexual (PHS ACT 2684).
- **Purchase of Vehicles without Approval:** No use of RWHAP funds by subrecipients for the purchase of equipment more than \$5,000, to include vehicles without written approval of HRSA Grants Management Officer (GMO).
- **Employment and Employment-Readiness Services:** Prohibition on the use of RWHAP funds to support employment, vocational, or employment-readiness services (PCN 10-02).
- **Syringe Services:** RWHAP Part B funds may be used to support some aspect of syringe service programs with prior approval and in compliance with HHS and HRSA policy (Consolidated Appropriations Act, 2016, Public Law 114-113).

Ryan White HIV/AIDS Program (RWHAP) funds may not be used for the following activities or to purchase these items: (PCN 10-02):

- Drug use and sexual activity
- Syringes

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- Clothing
- Funeral, burial, cremation or related expenses
- Local or State personal property taxes (for residential property, private automobiles, or any other personal property)
- Household appliances
- Pet foods or other non-essential products
- Off-premise social/recreational activities or payments for a client's gym membership
- Purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility
- Pre-exposure prophylaxis and Non-Occupational Post-Exposure Prophylaxis
- International travel
- Employment and Employment Readiness
- Purchase Vehicles without Approval
- Purchase of land, construction, or renovations -2612(f)
- Cash payments to intended recipients of RWHAP services
- Funding liability risk pools 2615(b)
- Developing materials that may be perceived to promote or encourage injection drug use 2684
- Services not compliant with legislation or PCN 16-02

The following is a sample list of expenses that may be unallowable or have special OMB requirements in some or all circumstances:

- Illegal drugs, narcotics or controlled substances
- Cash advances from purchasing gift cards
- Firearms or weapons purchases
- Items for personal use
- Membership fees for private clubs or social organizations
- Traffic citations for either personal or university vehicles
- Parking citation reimbursement
- Expenses that supplant normal costs
- Costs of entertainment, including amusement, diversion, social activities, and any associated costs are unallowable, except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency.

EXCEPTIONS:

None

REFERENCES:

Ryan White Legislation

<https://hab.hrsa.gov/about-ryan-white-hiv-aids-program/ryan-white-hiv-aids-program-legislation>

Policy Clarification Notice (PCN) #10-02:

<https://hab.hrsa.gov/sites/default/files/hab/Global/1002eligibleindividualallowableusesoffunds.pdf>

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