

CABHI Eligible Expenses Guideline

PRINCIPLES:

1. **Efficient and Ethical Use of Funds:** All funds must be utilized effectively and economically, consistent with the principles of ethical public fund administration.
2. **Direct Project Costs:** Funds are allocated exclusively towards the direct costs and objectives of the awarded project. Existing personnel and operating expenses are typically not covered unless they can be distinctly identified and directly attributed to the project.
3. **Indirect Costs and Overhead:** Indirect costs, such as facilities, basic utilities, office equipment maintenance, administrative costs, insurance, and basic communication devices (e.g., telephones, computers, fax machines), are the responsibility of the host organization. These costs are related to the general operation of the host organization and cannot be charged as direct project expenses. Flat-rate charges for administrative and corporate costs (indirect overhead) or percentage-based allocations are not eligible.
4. **Travel Expenses:** All travel must be conducted using the most practical and economical options available. If air travel is necessary, only economy class fares are reimbursable. All travel plans must receive prior written approval from CABHI, and expenses must align with the National Joint Council's [Travel Directive](#), as detailed in the Final Project Charter or a submitted Project Travel Plan.
5. **Capital Expenditures:** Capital expenses are restricted to no more than 20% of the total project funding and are subject to additional limitations. Costs for items such as land, buildings, vehicles, equipment, and depreciation of assets are not eligible for funding. In specific project-related circumstances, CABHI may grant exceptions to these restrictions.
6. **Preparatory Expenses:** Costs related to site preparation, pre-development, or product readiness testing are limited to no more than 20% of the total project costs. In specific project-related circumstances, CABHI may grant exceptions to these restrictions.
7. **Final Determination of Expenses:** The final decision on the eligibility of expenditures lies with CABHI.

For any inquiries or further clarification, please contact the CABHI office at info@cabhi.com or reach out to the CABHI Program team as listed on the program website.

ELIGIBLE EXPENSES:

Eligible expenses mean the dollar amount of the actual and verifiable expenses made by the host organization which are directly attributable to the Project and necessary for the completion of the Project, in accordance with activities under the Project Charter. Such eligible expenses are incurred and accrued by the host organization as of the start date through to and including the end date. Eligible expenses are net of applicable HST input tax credits and other rebates, credits, or refunds the host organization has received, will receive, or is expected to receive. Expenses not described in the categories below require prior written approval of CABHI to be considered eligible expenses.

SALARIES & BENEFITS

Eligible Expense	Ineligible Expense
<ul style="list-style-type: none"> ✓ Direct Compensation: Funding may cover salaries and benefits for existing staff, new hires (whether permanent or temporary), and personnel from other organizations seconded to the project. This includes individuals under employment contracts and costs associated with replacing or backfilling clinical or front-line staff at the trial site who are dedicated to the project. ✓ Direct Time on Project: Compensation for salaries, wages, and benefits can only be claimed for the portion of time employees spend working directly on the project. Proponents are required to maintain accurate timesheets or other appropriate records documenting the direct involvement of all personnel in the project. 	<ul style="list-style-type: none"> × Indirect Compensation: Salaries, benefits, and fees paid that are unrelated to the completion of the project such as extended benefits not included in employee group benefits plans by virtue of the collective agreement or the letter of employment, performance pay, bonus, severance, separation, termination payments, maternity leave (including top up – portion not covered under EI), and compensation during extended absence. × Staff Consulting: Payments to the project lead(s), co-applicant(s), and/or collaborators as consulting fees or honoraria that exceed the individual's normal salary. × Salary Premiums: Salaries paid at consultancy rates or those exceeding fair market value within the not-for-profit sector. × Proposal Development: Costs associated with the development of the funding proposals to CABHI.

ADMINISTRATIVE & CORPORATE SUPPORT

Eligible Expense	Ineligible Expense
<ul style="list-style-type: none"> ✓ Direct, Incremental Costs: Expenses that are unique and directly attributed to supporting the project, with adequate justification required. Corporate costs will be closely scrutinized by CABHI and are subject to approval. 	<ul style="list-style-type: none"> × Overhead: Flat-rate charges for administrative and corporate costs (indirect overhead) or percentage-based allocations are not eligible.

TRAVEL & ACCOMMODATIONS

Eligible Expense	Ineligible Expense
<ul style="list-style-type: none"> ✓ Travel and Subsistence costs: including reasonable out-of-pocket expenses for field work and dissemination activities, are covered. Automobile travel may be reimbursed at rates established by the Canada Revenue Agency (CRA). All expenses must comply with the National Joint Council's Travel Directive. ✓ All travel must be pre-approved in writing by CABHI, either through a Project Charter or a submitted Project Travel Plan. 	<ul style="list-style-type: none"> × Unrelated & Personal Costs: Non-project related meals and accommodation expenses, including alcohol and personal entertainment expenses. × Airfare Reimbursements: Reimbursement for airfare purchased with personal frequent flyer points programs. × Commuting Costs: Commuting costs between residence and place of employment.

OPERATING EXPENSES

Eligible Expense	Ineligible Expense
<ul style="list-style-type: none"> ✓ Direct Materials and Supplies: Costs for materials and supplies specifically identified and used exclusively for the project, prorated for the project's duration. ✓ Professional and Technical Services: Costs for services such as consulting, technical support, translation, incremental legal and accounting provided by professionals. ✓ Prototyping and Testing: Expenses related to materials for creating prototypes, configuring, and testing production processes and systems, as well as training related to these activities. ✓ Participant Recruitment: Includes expenses related to the recruitment and engagement of participants. ✓ Technology Implementation Costs: Costs for hardware and software implementation, installation, and setup are covered if they are essential for the project and not typically provided by the host organization. This includes cell phones and tablets required for data collection of ensuring personnel safety. ✓ Software and IT Charges: Expenses for software licenses and monthly internet charges are eligible when these services are necessary for the project and not generally provided by the host organization. ✓ Minor Equipment: Costs associated with acquiring or using minor equipment, such as computers and IT equipment, prorated for the project's duration and capped at 20% of the project's funding. ✓ Training and Development: Expenses for training and developing personnel in new techniques essential for their roles within the project. ✓ Safety-Related Expenses: Costs for safety measures during fieldwork, such as protective gear and immunizations, are eligible. ✓ Meetings, Space, and Events: Expenses related to organizing and hosting meetings and events, renting work or lab space specific to the project. Major catering costs are excluded, although reasonable catering, such as light refreshments are allowed. ✓ Knowledge Mobilization: Expenses involved in disseminating findings, including costs for conducting seminars and workshops, developing posters, updating websites, and creating other knowledge artifacts. 	<ul style="list-style-type: none"> × Non-Direct Costs: Expenses not directly connected to the project's specified deliverables and milestones. × Personal Expenses: Costs that are personal in nature. × Staff Recognition: Expenses related to awards and recognition for staff. × Meals, Entertainment, and Gifts: Costs for entertainment, gifts, or alcoholic beverages, including hospitality expenses for meetings attended only by project staff. × Lobbying Activities: Expenses associated with lobbying or activities related to government relations. × Taxes: Any expenses related to taxes, including sales taxes, tax filings, and income taxes. × Proposal Development Costs: Fees for legal, accounting, and consulting services incurred during proposal development. × Fines and Penalties: Any fines or penalties incurred. × Utilities: Costs associated with basic utility services. × Donations and Goodwill: Donations or expenses related to goodwill and other intangibles such as intellectual property, including licenses and patents. × Opportunity Costs: Losses incurred from not engaging in other beneficial activities due to participation in the project. × Discounts & Losses: Standard discounts, interest charges, losses on investments, bad debts, losses incurred from other projects or contracts, and related collection efforts. × Capital Costs: Expenses related to tangible capital assets such as the purchase or lease of land, buildings, vehicles, and infrastructure, including asset depreciation. × Unreasonable Costs: Any costs that cannot be deemed reasonable according to the nature of the project and the funding mandate of CABHI.