

7035.5400 ELIGIBLE COSTS.

Subpart 1. **Grant eligible costs.** The following costs are grant eligible:

- A. salaries of staff persons, consultants, and other persons employed to develop and publish an acceptable plan;
- B. costs associated with the drafting and execution of necessary contracts between the grantee and other units of government or qualified consultants employed to develop or publish an acceptable plan, including reasonable attorney's fees;
- C. costs associated with holding meetings to inform the public of the development of the plan and to provide an opportunity for the public to participate in and comment on the development of the plan, including costs associated with providing notices of and recording the meeting;
- D. costs associated with the printing and distribution of plans and draft plan materials;
- E. costs of any travel in the state, the primary purpose of which is to attend meetings or gather information needed for the development and publication of an acceptable plan, including reimbursement for mileage consistent with state allowances;
- F. overhead costs; and
- G. costs of any necessary supplies required for the development and publication of an acceptable plan. The costs of any commodities, materials, capital expenditures, and equipment which could be used after the plan is completed shall not be considered supplies and are, therefore, not grant eligible under parts 7035.5000 to 7035.6000.

Subp. 2. **Limitation to grant amount.** The amount of the grants available under parts 7035.5000 to 7035.6000 is limited as follows:

- A. For planning by a regional development commission, joint planning by two or more contiguous counties, or joint planning by political subdivisions located in two or more contiguous counties:
 - (1) Except as provided in item E, the agency shall award grants to cover 90 percent of the eligible costs specified in the grant application or the percentage of eligible costs requested in the grant application, whichever is less; and
 - (2) The grantee shall assume the responsibility for the remaining costs of completing the planning efforts.
- B. For all planning efforts other than that described in item A:
 - (1) Except as provided in item E, the agency shall award grants to cover 50 percent of the eligible costs specified in the grant application or the percentage of eligible costs requested in the grant application, whichever is less; and

(2) The grantee shall assume the responsibility for the remaining costs of completing the planning efforts.

C. For item A grants and item B grants, the maximum amount that a grantee shall be awarded to complete the plan is 90 percent and 50 percent, respectively, of the total project cost detailed by the grantee in its application. Within these maximums, adjustments between funds awarded to cover the costs specified in this part shall be made if the agency and the grantee determine that the adjustments will result in the development of an acceptable plan in a more efficient manner.

D. If, while working to complete the grant, a grantee finds that more funds are needed, the grantee shall not be awarded additional funds unless the grantee makes application for an additional grant in accordance with the grant application procedures set out in part 7035.5600. The agency shall treat an application for an additional grant in the same manner as it treats applications for original grants, as provided in part 7035.5800.

E. If available funds are not adequate to meet the funding requests of all applicants assigned to group number one under part 7035.5800, subpart 3, item B, the agency shall reduce the state share of the eligible costs sufficiently to enable all applicants assigned to group number one to receive funding, but the size of the grant awards in item A, subitem (1) and item B, subitem (1) shall not be less than 60 percent and 33 percent, respectively. If available funds are not adequate under this reduced funding level to meet the funding requests of all applicants assigned to group number one under part 7035.5800, subpart 3, item B, grants shall be awarded at the reduced amount in the order established under part 7035.5800, subpart 3, item C.

Subp. 3. **Performance of tasks.** Grants shall be awarded to cover the eligible costs of only those tasks which are undertaken and completed during the grant period established in the grant agreement. Grants shall not be awarded to cover any cost associated with tasks performed prior to the award of a grant or after the expiration of the grant agreement.

Subp. 4. **Availability of funds.** The availability of funds is a precondition to the award of any grant by the agency.

Statutory Authority: *MS s 115A.42*

Published Electronically: *September 7, 2006*