

Appendix XI
Allowable and Non-Allowable Expenditures*

| Allowable Expenditures | |
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| Compensation – Wages and Payments | Payroll Taxes – Employer and Employee Shares (as applicable) |
| Salaries and Wages | FICA – Social Security and Medicare |
| Employee Share of Taxes and Withholdings | Income Tax |
| Employer Share of Taxes and Withholdings | Workers’ Compensation Related Expenses |
| Regular Time | State Workers’ Compensation Premiums |
| Overtime Pay (for hours worked in excess of 40 hours/week) | Paid Claims for Employee (work-related injuries and illnesses) |
| Compensation of Approved Contracted Program Services | Insurance Premiums (employee work-related injuries and illnesses) |
| Compensation – Employee Benefits (Taxed) | Employer Support Expenditures |
| Bonus (hire-on, longevity, performance) | Advertising/Employee Recruitment |
| Vacation Leave | Employee Training |
| Sick Leave | Criminal History Checks (at actual cost only) |
| Other Leave (jury duty, funeral, etc.) | Equipment – must be employer/employment-related (e.g., internet service, fax machine, printer, phone or computer needed to complete employer/employment-related duties) |
| Employee Insurance Premiums (life) | Employer-Related Mailing Costs |
| Employee Mileage Reimbursement (e.g., commuting – not related to direct consumer services) CLASS Only | Employee Mileage Reimbursement (related to delivery of consumer services; employee is not taxed) |
| Employee Insurance Premiums and Paid Claims (health, medical, dental, disability) | Supplies (e.g., gloves) |
| Employer-Paid Contributions to Employee Deferred Compensation Plans, Retirement/Pension Plans, Child Day Care, Accrued Leave | Uniforms (e.g., employee aprons) |
| | Hepatitis B Vaccinations |
| | Copy Expenses |
| Payroll Taxes – Employer and Employee Shares (as applicable) | Travel Costs (other than mileage reimbursement) CLASS Only |
| Federal Unemployment Taxes (FUTA) | Court-Ordered Garnishments (alimony, child support, guaranteed education loans, etc.) and Employee Voluntary Withholdings/Accruals |
| State Unemployment Taxes (SUTA) | |
| Federal, State and Local Taxes | |

| Non-Allowable Expenditures | |
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| Program Specific | Other Excluded Expenses |
| Refer to the program rules and provider manual | Services, goods, items or supports provided to or benefiting someone other than the person receiving services |
| Third-Party Resources | Personal need items |
| Services covered by the State Medicaid Plan, Medicare, private insurance, public education, home-based schooling, community resources, and other sources of assistance and support | Services beyond the scope of the program service definition |
| | Room and board beyond the rate paid to a facility approved for out-of-home respite services |
| Fees and Assessed Penalties | Expenses related to unpaid caregivers |
| Late Fees and Assessed Penalties | Expenses related to a Designated Representative (DR) |
| Finance Charges | Expenses related to the spouse of the person receiving services, employer or DR |
| Stop Payment Cost | |

* List is **not** all-inclusive.