

POLICY

The Poverello Center, Inc. executive leadership (Board of Directors and CEO) shall ensure that all funds provided to the agency are used only for the specific purposes for which they were awarded and in full compliance with applicable grant terms, the Ryan White HIV/AIDS Program legislation, and the Uniform Administrative Requirements at 2 CFR Part 200 and 2 CFR Part 300. Ryan White HIV/AIDS Program funds shall supplement, and not supplant, existing state, local, or other funds that would otherwise be available for the same purpose.

PROCEDURE

I. Encumbered Funding (Restricted / Grant-Specific Funds)

All funding provided the agency for specific programming, cooperative agreements, contracted work or in response to a request for funding shall be used for the specific purpose originally proposed in the funding request, cooperative agreement or contract.

There are three specific requirements for use of encumbered funding. It shall be:

- A. **Reasonable** – was this expenditure expected or commonly understood as needed under the project? If not, the item may not be obtained through these funds.
- B. **Allowable** – given the funder's rules, are these type expenses prohibited? If prohibited, the item may not be obtained through these funds.
- C. **Allocable** – is there a way to fairly divide up responsibility for these costs and only use the part that should reasonably be charged to the funder? If not, the item may not be paid through these funds.

Source documentation for expenses incurred because of encumbered funding shall be maintained according to the agency's record retention policy.

II. Unencumbered Funding (Unrestricted Donations and Social Enterprise Revenue)

All funding provided to the agency through its social enterprises, general fundraisers, gifts, donations, bequests or other means are used for the purposes set forth in the agency mission, vision and values. III. Prohibited Uses of Ryan White HIV/AIDS Program Funds

III. Ryan White funds (whether encumbered or unencumbered portions of the award) shall never be used for any of the following:

- a. Broad fundraising events or activities

- b. Lobbying or political activities
- c. Syringe or needle exchange programs
- d. Construction or major renovation
- e. PrEP, nPEP, or PEP medications
- f. Cash payments to clients
- g. Gifts, entertainment, or alcohol
- h. Any expenditure prohibited by the annual appropriations act or HAB policy notice

IV. Cost Sharing:

All designated cost sharing shall be noted on financial reporting instruments for internal use so that the obligation for cost sharing is accomplished according to plan. These costs shall be:

- A. Verifiable through agency records.
- B. Specific and accounted for as unique, not shared among components that may require cost sharing. In other words, one unit of shared cost may not be accounted for two different purposes.
- C. Necessary and reasonable to accomplish the project objectives.
- D. Allowable under the applicable agreements, principles or contract.
- E. Pre-planned as part of the budgeted project.
- F. Conform to applicable laws, guidelines, standards and principles.

V. 120-Day Expenditure Rule Ryan White HIV/AIDS Program funds received by the agency shall be expended or properly obligated within 120 days of receipt in accordance with HAB requirements.

Reference: 2 CFR Part 200 & Part 300

Approvals:

Signature:  Date: 11/27/25
Thomas S. Pietrogallo, CEO

BOD Approved Date: 6.22.2016

Date Established: 06.09.2016

Date Revised: 06.09.2016; 07/08/17; 11/27/2025