



ELIGIBLE EXPENSE DOCUMENTATION GUIDE

City of Irvine Childcare Provider Relief Program

ELIGIBLE EXPENSES

Awardees will be reimbursed for eligible expenses incurred from January 1, 2022 - present (as long as other relief program funds were not received for the same expense). Eligible expenses and receipts include, but are not limited to the following:

- BUSINESS OPERATING EXPENSES**
Documentation for expenses may come in a variety of ways. The documentation should disclose how expense was incurred and that it falls within the eligible categories.
- ACCOUNTS PAYABLE**
Appropriate documentation would include a bill or invoice with proof of payment.
- INVENTORY AND SUPPLIES**
Appropriate documentation will include a receipt or invoice paired with proof of payment.
- PAYROLL**
Payroll records should show the amount of wages and payroll taxes paid. Gross pay is the eligible amount. Relevant documentation can include quarterly 940, 941 or 944 payroll tax reports or payroll reports that include taxes paid and number of employees.
- RENT**
Rent payments for the location of the business should be made to the landlord. If payments are made to an individual and not a property management company, documentation should include a rental or lease agreement.

ACCEPTABLE DOCUMENTATION

- RECEIPTS FROM RETAILER**
Receipts from a major retailer demonstrate what was purchased, the amount of the purchase and that the expense incurred.
- INVOICE WITH PROOF OF PAYMENT**
The invoice should be addressed to the business for goods or services received and include corresponding proof of payment.
- BILL WITH PROOF OF PAYMENT**
A bill addressed to the business for goods or services with a corresponding proof of payment.
- PROOF OF PAYMENT – CHECK**
Both sides of the cancelled check should be provided with a bank stamp showing the check has processed. Some banks only provide a copy of the front side of the check, this is acceptable if the full page is provided showing the funds were debited from the account.
- PROOF OF PAYMENT – STATEMENT**
Bank or credit card statements are acceptable proofs of payment. If it is clear from the statement that the payment was for an eligible expense, they are sufficient by themselves. Most times they will need to be accompanied by an invoice or bill that shows what the payment was for.

INELIGIBLE EXPENSES

INDEPENDENT CONTRACTORS/SELF EMPLOYED/SOLE PROPRIETORSHIP
Generally, independent contractors operate as self-employed or as a sole proprietorship, and not as an incorporated entity such as an S-Corp or LLC. As such, they do not have payroll. They cannot use these funds to pay for their lost income/profits.

1099 EMPLOYEES
This is the same as independent contractors. Grant funds cannot be used to pay for lost income or lost profits. Employees must be on a payroll; payroll reports must meet the outlined criteria.

TAXES
Grant funds cannot be used to pay taxes, this is considered tax revenue replacement and not allowed use of CARES funding. Examples of taxes include property tax, employer payroll taxes, health permit fees, Federal or State income tax bills.

ANNUALLY BILLED EXPENSES
Annual billed expenses can include memberships, some insurance premiums. Eligible expenses are only allowable from January 1, 2023 to the present, annual expenses do not meet this criterion.

CREDIT CARD BILL/BUSINESS LOAN
Grant funds cannot be used to pay a business credit card bill or business loan unless the statement is provided, and all the charges fall with the eligible categories. If only certain charges are eligible, partial payment with grant funds is allowable and the paid charges should be highlighted on the statement.

MORTGAGE PAYMENTS (HOMEBASED BUSINESSES)
While rent is an eligible expense, Grant funds cannot be used to pay for home mortgages payments. Any business mortgage must not include property tax.

UNACCEPTABLE DOCUMENTATION

COMPUTER GENERATED RECEIPTS
Receipts or invoices generated by the awardee with programs such as Excel, QuickBooks, and Word are not acceptable. Emailed receipts from online purchases are acceptable.

CASH PAYMENTS
Any payments made with cash require a receipt from the seller that shows what was purchased and the cost. Handwritten receipts are not acceptable with cash payments.

HANDWRITTEN RECEIPTS/INVOICES
Handwritten receipts or invoices should only be acceptable with proof of payment addressed to the business. Handwritten receipts or invoices should not be accepted with cash payments or payments addressed to individuals.

PAYMENTS TO INDIVIDUALS
Any payment to an individual should be accompanied by an invoice or bill that show that the good or service provided. Ideally all payments should be made to the business that provided the goods/service.

OUT OF COUNTRY EMPLOYEES
If a business has employees who are out of the country and cannot provide a payroll report that includes taxes paid, the business will have to provide evidence that the individual(s) receiving payments are employees.

For further questions on Eligibility and Expenses, contact Charitable Ventures by email at irvinerelief@charitableventuresoc.org or by phone at (714) 597-6630 ext. 134.
(Available 8am – 5pm, M-F – except holidays)