

**Eligible Expenses for all Project Direct Costs**  
**Innovating Digital Health Solutions Program (IDHSP)**

**Eligible Use of Funds (OCI contribution, Industry Cash):**

Eligible expenses include costs and activities directly related to achieving the objectives for which the OCI funding was awarded. All procurement activities must conform to [Broader Public Sector Accountability Act](#) (BPSAA).

**Retroactive Expenses:**

Costs incurred prior to the execution of the legal agreement with OCI will not be eligible.

**Capital Costs:**

Capital items (fixed assets) include equipment, testing tools, and instruments that have residual values as determined by Generally Accepted Accounting Principles (**GAAP**) at the end of the funding period.

The eligible expense items allowed by OCI are the cost of utilization/depreciation of capital item (fixed assets) specifically required for the delivery of the eligible project. The prorated cost should be entered under “Operating Expenses” along with the justification.

**Travel, Registration and Dissemination:**

Travel outside of the province of Ontario is not eligible unless stated otherwise in the program guideline. Registration, dissemination, and travel expenses for participation in events organized by OCI (including OCI Discovery) are not eligible.

**Notes:**

***GAAP is a collection of commonly followed accounting rules and standards for financial reporting. The purpose of GAAP is to ensure that financial reporting is transparent and consistent from one organization to another.***

***Residual Value of an asset, the estimated amount that it will be worth at the end of funding period.***

***Depreciation is the systematic reduction in the recorded cost of a fixed asset.***



<b>Operating Expenses</b>	
<b>Eligible Expenses</b>	<b>Ineligible Expenses</b>
<p><b>Capital Costs, Equipment and Supplies</b></p> <ul style="list-style-type: none"> <li>✓ Office supplies and services.</li> <li>✓ Costs involved in providing personnel with training and/or development in novel techniques required for the project.</li> <li>✓ Equipment purchase, usage charges and maintenance costs as determined by OCI on a case-by-case basis, with value pro-rated to the project.</li> <li>✓ Infrastructure costs associated with the demonstration project that are required to implement the technology (costs require justification and approval from OCI).</li> <li>✓ Lab analyses and related services.</li> <li>✓ The costs of training staff to use equipment or a specialized facility.</li> <li>✓ Costs for safe disposal of waste.</li> </ul> <p><b>Computers and Electronic Communications</b></p> <ul style="list-style-type: none"> <li>✓ Computers, tablets, modems, emerging technology, and other hardware and/or specialized software required for the project not normally provided by the institution, and with adequate justification.</li> <li>✓ Monthly charges for the use of the Internet from the institution or the home, only when this service</li> </ul>	<p><b>Capital Costs, Equipment and Supplies</b></p> <ul style="list-style-type: none"> <li>○ Overhead</li> <li>○ Tangible capital costs such as, but not limited to, land, buildings, vehicles, equipment.</li> <li>○ Insurance costs for equipment and research vehicles.</li> <li>○ Costs of the construction, renovation or rental of laboratories or supporting facilities.</li> <li>○ Infrastructure costs not associated with the project.</li> <li>○ Expenses associated with lobbying or government relations activities.</li> <li>○ Costs associated with activities or operations performed outside of Ontario.</li> <li>○ Costs not directly associated with meeting the deliverables and milestones as specified in the funding agreement with OCI.</li> <li>○ Allowance for interest on invested capital, bonds, debentures, bank or other loans together with related bond discounts and finance charges.</li> <li>○ Losses on investments, bad debts and related collection expenses, including interest.</li> <li>○ Losses on other projects or contracts.</li> <li>○ Amortization of unrealized appreciation of assets.</li> <li>○ Depreciation of assets.</li> <li>○ Expenses and depreciation of excess facilities.</li> </ul> <p><b>Computers and Electronic Communications</b></p> <ul style="list-style-type: none"> <li>○ Standard monthly connection or rental costs of telephones, including voicemail.</li> </ul>



<p>is required and not normally provided by the institution free of charge.</p> <ul style="list-style-type: none"> <li>✓ Cellular phones, smartphone or other electronic devices when they are necessary for project purposes (e.g., data collection), and/or for personnel safety reasons with adequate justification.</li> <li>✓ Monthly plan fees for electronic devices when being used for evaluation and/or adoption purposes (e.g., data collection), and/or for personal safety reasons only.</li> </ul> <p><b>Dissemination of Project Results</b></p> <ul style="list-style-type: none"> <li>✓ Costs of developing web-based information, including website maintenance fees.</li> <li>✓ Costs associated with the dissemination of findings, i.e., through traditional venues as well as videos.</li> <li>✓ Translation costs associated with dissemination of project information.</li> </ul> <p><b>Additional Limits &amp; Conditions</b></p> <ul style="list-style-type: none"> <li>✓ Goods and services provided by the applicants to the Project must be furnished at the applicants' actual cost and must not contain any mark-up.</li> <li>✓ Costs associated with professional services must not exceed fair market value.</li> <li>✓</li> </ul>	<p><b>Dissemination of Project Results</b></p> <ul style="list-style-type: none"> <li>○ Legal, accounting, insurance, and consulting fees in connection with the project.</li> <li>○ Sub-contractor and consultant fees.</li> </ul> <p><b>Additional Limits &amp; Conditions</b></p> <ul style="list-style-type: none"> <li>○ Expenses of a personal nature</li> <li>○ Ongoing cost of production</li> <li>○ Interest cost on capital leases</li> <li>○ General working capital requirement</li> <li>○ Cost of merger and acquisition</li> <li>○ Meals and entertainment expenses, gifts, and alcoholic beverages</li> <li>○ Tax expenses (including but not limited to sales taxes, tax filing, income taxes)</li> <li>○ Infrastructure costs</li> <li>○ Purchases made prior to grant approval.</li> <li>○ Physician time to support patient care</li> </ul>
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## OPERATING EXPENSES

TRAVEL AND LIVING	
Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> <li>✓ Registration fees and travel &amp; accommodation costs incurred and reimbursed in accordance with the <a href="#">Government of Ontario's Travel Meal and Hospital Expenses Directive</a> (except meals) and included in the project budget</li> </ul>	<ul style="list-style-type: none"> <li>○ Monthly parking fees</li> <li>○ Travel outside the Province of Ontario</li> <li>○ Commuting costs between residence and place of employment</li> <li>○ Passport and immigration fees</li> <li>○ Reimbursement for airfare purchased with personal frequent flyer points programs</li> </ul>

SALARIES AND BENEFITS	
Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> <li>✓ Salaries and benefits must only be claimed in proportion to the amount of time spent working directly on the project and required to maintain timesheets or appropriate payroll records for all employees working directly on the project</li> </ul> <p>*This may include requests for copies of GL's, Payroll Journal Entries, and redacted paystubs</p>	<ul style="list-style-type: none"> <li>○ Costs related to staff awards and recognition.</li> <li>○ Bonuses, dividends, and cash incentives</li> <li>○ Salaries for <b>project contributors who</b> do not have a technical contribution to the project and/or is over \$7500 per month</li> <li>○ Physician time to support patient care</li> </ul>