

**California Department of Public Health  
STD Control Branch  
Use of Local Assistance Funds**

Allowable Use of Funds		Non-Allowable Use of Funds	Authority
State	Local		
Contracts with local government (county, city, district, or other local public body)			State Contracting Manual (SCM) Vol 1: 3.05 - allows for contracts with a county, city, district, or other local public body; must include a resolution, order, motion, ordinance, or other similar document authorizing execution of the agreement.
Contracts with other governmental entities and public universities			SCM Vol 1: 3.06 - allows for agreements for services and consultant services without competitive bids or proposals with California state agency, state college or university; state agency, state college, or state university from another state; local governmental entity; auxiliary organization of CSU or California community college; federal government; foundation organized to support the Board of Governors of the California Community Colleges; auxiliary organization of the Student Aid Commission.
Subvention and local assistance			SCM Vol 1: 3.17 - allows for contracts that provide assistance to local governments and aid to the public directly or through an intermediary.

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Contracts with non-profit organizations	Contracts with non-profit organizations		SCM Vol 1: 3.15 - allows contracts between the State and a private entity that is a non-profit corporation; bidding requirements apply unless exempt by statute or the contract is for subvention or local assistance.
Grants			<p>Must have specific statutory authority to award grants - either H&amp;SC 131085(b) and the activities funded must be consistent with H&amp;SC 131085(a) or specific statute authorizing the program to issue grants. Activities must relate to the protection, preservation, and advancement of public health studies, demonstrations of innovative methods, evaluation of existing projects, provision of training programs, or dissemination of information.</p> <p>Grants are not subjected to the Public Contract Code and Department of General Services (DGS) review.</p>
	New and existing staff who work on the contract activities at the local level		SCM Vol 1: 3.17.1(A) - State must identify classifications whose salaries exceed comparable State classifications, the reason for the higher rates, and how the State's interests are served by the contract.
	Screening in correctional settings		H&SC 101230 (d) and (f).

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	Major Equipment - items greater than \$5K		<p>SCM Vol 1: 3.17.2 (B) (2) - If purchase of equipment is a reimbursable item, the equipment to be purchased should be specified. The contracting State agency should arrange for purchase of all other major equipment items by the DGS/Procurement Division. All equipment must be reported, tagged, and inventoried annually.</p> <p>Major Equipment is property of the State and must be returned by the end of the contract. Prior approval for purchases exceeding \$2,500 or more must be secured in writing by the CDPH Program Contract Manager. CDPH may, at its discretion, authorize the continued use of state equipment for performance of work under a different CDPH agreement.</p>
	Major Equipment - Nonprofit organizations		Exhibit D limits equipment purchases to \$50,000 annually. Anything in excess of the limit must be purchased through CDPH's Purchasing Unit.
Laboratory equipment (centrifuges, incubators, NAAT platforms)	Laboratory equipment (centrifuges, incubators, NAAT platforms)		As long as it's below \$5K or it becomes major equipment purchases.
Clinic equipment (microscopes, dark field scope)	Clinic equipment (microscopes, dark field scope)		As long as it's below \$5K or it becomes major equipment purchases.

Allowable Use of Funds		Non-Allowable Use of Funds	Authority
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		Construction, renovation, alteration, improvement or repair of privately owned property that enhances the value of the property	SCM Vol 1: 3.17.2(C).
Out-of-State travel	Out-of-State travel		SCM Vol 1: 3.17.2(A)(4) - prior written approval for out-of-state travel must be obtained from State.
In-state travel	In-state travel		SCM Vol 1: 3.17.2(A)(4) - reimbursement for travel is in accordance with CalHR rates.
	Client incentives (transportation vouchers/tokens, food vouchers)		Use of incentives must be included in the Scope of Work with method of distribution and tracking participation in the activities for which incentives will be provided.
		Free items considered "swag" (pens, cups, coasters)	
	Communication (service plans, equipment, accessories, apps)		
	Rental of space		SCM Vol 1: 3.17.2(A)(3) - need to specify the unit rate, such as the rate per square foot.
	Conference fees		
Staff training	Staff training for positions listed in the budget		
Educational materials, brochures, pamphlets, DVDs	Educational materials, brochures, pamphlets, DVDs		

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Printing	Printing		Material for printing must be done in-house. If the printing will be done through an outside vendor, the contractor must obtain a waiver from OSP. Line items that exceed \$50,000 for the term of the contract must be sent to OSP for review and approval. This requirement is not applicable if the agreement type is a grant.
	Marketing, public outreach campaigns, promotional media, advertising (bus ads, media, etc.)		Contracts and procurements for public relation services that exceed \$100,000 must have the written approval by the California Health and Human Services Agency Secretary. Public relation services includes, but is not limited to, marketing, advertising, communications, promotional media, public outreach campaigns, media relations, non-technology web development, and graphic design. (Management Memo 12-07)
Medication	Medication		
General office expense (paper, pens, pencils, envelopes)	General office expense (paper, pens, pencils, envelopes)		
	Lab services		
Lab tests, test kits, reagents	Lab tests, test kits, reagents		
Condoms, lubricants	Condoms, lubricants		
		Dishwasher, refrigerators	
Subcontracts with CBOs, non-profits	Subcontracts with CBOs, non-profits		All subcontracts must follow the requirements for competitive bidding. SCM Vol 1: 3.17.2(D), Exhibit D(3) provide guidance on the use of subcontracts.

Allowable Use of Funds		Non-Allowable Use of Funds	Authority
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Laptops, tablets	Laptops, tablets		
LexisNexis (Accurint)	LexisNexis (Accurint)		
Office furniture (desks, chairs, file cabinets)	Office furniture (desks, chairs, file cabinets)		Furniture less than \$5K is considered minor equipment. Provisions in Exhibit D(2) regarding equipment ownership/inventory/disposition must be followed.
	IT infrastructure, Electronic Health Records		Items cannot directly interface with CDPH's IT infrastructure.
	Vehicles		SCM Vol 1: 3.17.2(B)(2) allows for the use of funds for the purchase of vehicles from the DGS, Procurement Division. The SOW must clearly identify how the vehicle will be used. The vehicle must be purchased during the first year of the agreement and at the expiration of the agreement the vehicle must be returned to the State. Exhibit D(2)(g) provides guidance on the purchase/reimbursement of vehicles and insurance requirements.  Leasing or renting vehicles is also an option, especially if funds aren't sustainable.

Non-Allowable Use of Funds:

- Construction, renovation, alteration, improvement or repair of privately owned property that enhances the value of the property.
- Free items considered "swag" (pens, cups, coasters, t-shirts, hats)
- Appliances (dishwashers, refrigerators, microwaves, etc.)

Link to Management Memos: <http://www.dgs.ca.gov/osp/Resources/SAMMM.aspx>