**Section 596.110 Limitations on Use of Grant Funds**

Grant funds awarded by the Department may be used to support projects which develop new services or enhance existing services to meet the primary health care needs of rural, downstate designated shortage areas.

a) Grant funds may be used to *cover operations and facility construction and renovation expenses, including but not limited to the cost of personnel, medical supplies and equipment, patient transportation, and health provider recruitment.* (Section 4 of the Act)

b) Grant funds may be used for staff education and for expenses associated with participation in an interactive telecommunication system, to establish telemetry and other electronic communication capabilities.

c) Grant funds may not be used to offset existing indebtedness.

d) Grant funds may not be used to supplant existing funds which support a particular service, program or activity for which grant funds are requested.

e) Grant funds may not be used to purchase real property.