

The following is intended to provide guidance related to allowable vs. unallowable expenditures on the Research & Extension capacity funded projects.

The overall guiding principal is: All costs must be necessary to meet the project objectives and meet State of Nebraska and USDA expenditure guidelines.

The most common unallowable expenditures that cannot be posted on capacity funded projects (no special authorizations allowed)

- alcohol
- alumni activities
- awards or certificates of achievement and any associated costs
- bad debt and collection costs
- capital expenditures to purchase new buildings or land
- clerical and administrative staff support
- commencement and convocation costs
- contingency provisions
- defense and prosecution of criminal and civil proceedings
- donations and contributions
- entertainment costs, including breakfast and dinner provided during a meeting
- fines and penalties
- fund raising and investment costs
- general office computers, printers, software, supplies, etc. for all faculty, staff, and students
- goods and services for personal use
- housing and personal living expenses
- incentive costs, such as gifts, promotional items, giveaways, clothing items
- interest expense
- lobbying costs
- losses on other sponsored agreements of contracts
- memberships, subscriptions and professional activity costs in civic, community, dining or social organizations
- office supplies for general work use, such as paper, folders, staples, copies, pens, pencils, binders, etc
- office equipment, such as calculators, chairs, furniture, staplers, etc.
- phone and data connection costs for general work use, including monthly phone service, wireless connection, data port, wireless cards, etc
- scholarships and student aid costs including tuition remission
- selling & marketing costs
- severance pay
- subawards to another institution

The following items could be allowable if appropriate justification is provided to ARD or Extension Director for review and approval:

- equipment (items with a purchase price of \$5,000 or more)
- equipment repair or maintenance costs
- foreign travel (for research projects only-must provide a clear benefit to US Agriculture)
- lab computers and other related software and supply costs
- lab phone, data connection, or wireless access costs
- lunch meal provided during a meeting (necessary for continuity of meeting, with agenda & participant list)
- memberships, subscriptions and professional activity costs in business, technical, or professional organizations (must be in department or unit's name)
- patent or royalty costs
- rental costs of buildings, equipment and land