



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Foreign
Agricultural
Services

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Independence Ave., SW
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Washington, DC
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FMD-178

SUBJECT: Nonexpendable Project Property

TO: Cooperators

ISSUE: FAS has identified inconsistencies in the way nonexpendable property is described and budgeted in the marketing plans.

BACKGROUND: Project funds may be used to purchase, lease and repair nonexpendable property needed to conduct project activities (see 11 FASG 401.3). All costs associated with the purchase, lease and repair of nonexpendable property must be within the budget approved by FAS in the marketing plan under the Administrative Cost Summary, cost code 70 (see 11 FASG 201.5(b)(3)(d)).

POLICY: To ensure the efficient use of public funds and to preserve consistency across all commodity programs, Cooperators must provide the following information in the marketing plan when using project funds to purchase, lease and repair nonexpendable property.

If the estimated cost of a nonexpendable item equals or exceeds \$1,000,

1) briefly describe the item and the corresponding cost in a footnote under the Administrative Cost Summary; and

2) include the cost of the item in the cost code 70 under the Administrative Cost Summary.

If the estimated cost of a nonexpendable item is less than \$1,000, simply include the cost of the item in cost code 70 under the Administrative Cost Summary.

This policy also applies to computer equipment and software and supersedes the requirements contained in 11 FASG for computer acquisitions.

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