

§ 1484.51

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(3) The contribution is made during the period covered by the project agreement.

(c) Subject to paragraph (b) of this section, eligible contributions are:

- (1) Cash;
- (2) Compensation paid to personnel;
- (3) The cost of acquiring materials, supplies, or services;
- (4) The cost of office space;
- (5) A reasonable and justifiable proportion of general administrative costs and overhead;
- (6) Payments for indemnity and fidelity bond expenses;
- (7) The cost of business cards;
- (8) The cost of seasonal greeting cards;
- (9) Fees for office parking;
- (10) The cost of subscriptions to publications;
- (11) The cost of activities conducted overseas;
- (12) Credit card fees;
- (13) The cost of any independent evaluation or audit that is not required by FAS to ensure compliance with program requirements;
- (14) The cost of giveaways, awards, prizes and gifts;
- (15) The cost of product samples;
- (16) Fees for participating in U.S. government activities;
- (17) The cost of air and local travel in the United States related to a foreign market development effort;
- (18) Transportation and shipping costs;
- (19) The cost of displays and promotional materials;
- (20) Advertising costs;
- (21) Reasonable travel costs and expenses related to undertaking a foreign market development activity;
- (22) Payment of employee's or contractor's share of personal taxes;
- (23) The cost associated with trade shows, seminars, entertainment and STRE conducted in the United States;
- (24) Product research that is undertaken to benefit an industry and has a specific export application; and
- (25) Consumer promotions.

§ 1484.51 What are ineligible contributions?

(a) The following are not eligible contributions:

(1) Any portion of salary or compensation of an individual who is the target of a promotional activity;

(2) Any land costs other than allowable costs for office space;

(3) Depreciation;

(4) The cost of refreshments and related equipment provided to office staff;

(5) The cost of insuring articles owned by private individuals;

(6) The cost of any arrangement which has the effect of reducing the selling price of an agricultural commodity;

(7) The cost of product development or product modifications;

(8) Slotting fees or similar sales expenditures;

(9) Funds, services, or personnel provided by any U.S. government agency;

(10) Capital investments made by a third party, such as permanent structures, real estate, and the purchase of office equipment and furniture;

(11) The value of any services generated by a Cooperator or third party which involve no expenditure by the Cooperator or third party, e.g., free publicity;

(12) Membership fees in clubs and social organizations; and

(13) costs included as contributions for any other federally-assisted project or program.

(b) The Deputy Administrator shall determine, at the Deputy Administrator's discretion, whether any cost not expressly listed in this section may be included by the Cooperator as an eligible contribution.

§ 1484.52 What are the guidelines for computing the value of non-cash contributions?

(a) *Computing the value of an individual's time.* If an individual's salary is known, allocate the individual's salary on the basis of time spent on foreign market development activities. If the individual's salary is unknown, claim up to the equivalent of a step 10, GS-15 for professional personnel and up to the current estimated industry rate at the person's level of employment for non-professional personnel.

(b) *Computing the value of indirect expenditures.* Allocate value on the basis of sound management and accounting

procedures when considering indirect expenditures, such as overhead and facilities, which are furnished by the industry.

§ 1484.53 What are the requirements for documenting and reporting contributions?

(a) Each claimed contribution must be documented by the Cooperator, showing the method of computing non-cash contributions, salaries, and travel expenses.

(b) Each Cooperator must keep records of the methods used to compute the value of non-cash contributions, and

(1) Copies of invoices or receipts for expenses paid by the U.S. industry and not reimbursed by the Cooperator for the joint activity; or

(2) If invoices are not available, an itemized statement from the U.S. industry as to what costs it incurred pursuant to the joint activity; or

(3) If neither of the foregoing is available, a statement from the U.S. industry as to what goods and services it provided; or

(4) If none of the foregoing are available, a memo to the files of the U.S. Cooperator's estimate of what contributions were made by the U.S. industry, item by item, and the method used to assign a value to each.

(c) Each Cooperator must report its contributions as described in § 1550.70 (a).

§ 1484.54 What expenditures may FAS reimburse under the Cooperator program?

(a) A Cooperator may seek reimbursement for an expenditure if:

(1) The expenditure is reasonable and has been made in furtherance of a market development activity; and

(2) The Cooperator has not been or will not be reimbursed for such expenditure by any other source.

(b) Subject to paragraph (a) of this section, FAS will reimburse, in whole or in part, the cost of:

(1) Production and placement of advertising in print or electronic media or on billboards or posters;

(2) Production and distribution of banners, recipe cards, table tents, shelf talkers, and similar point of sale materials;

(3) Direct mail advertising;

(4) Food service promotions, product demonstrations to the trade, and distribution of promotional samples;

(5) Temporary displays and rental of space for temporary displays;

(6) Fees for participation in retail and trade exhibits and shows, and booth construction and transportation of related materials to such exhibits and shows;

(7) Trade seminars, including space rental, equipment rental, and duplication of seminar materials;

(8) Production and distribution of publications;

(9) Part-time contractors, such as interpreters, translators, and receptionists, to help with the implementation of promotional activities, such as trade shows, food service promotions, and trade seminars;

(10) Giveaways, awards, prizes, gifts, and other similar promotional materials, subject to the limitation that FAS will not reimburse more than \$1.00 per item;

(11) Compensation and allowances for housing, educational tuition, and cost of living adjustments paid to U.S. citizen employees or U.S. citizen contractors stationed overseas, subject to the limitation that FAS shall not reimburse that portion of:

(i) The total of compensation and allowances that exceed 125 percent of the level of a GS-15, Step 10 salary for U.S. Government employees, and

(ii) Allowances that exceed the rate authorized for U.S. Embassy personnel;

(12) Foreign transfer, temporary lodging, and post hardship differential allowances for U.S. citizen employees;

(13) Approved salaries or compensation for non-U.S. citizens and non-U.S. contractors. Generally, FAS will not reimburse any portion of a non-U.S. citizen employee's compensation that exceeds the compensation prescribed for the most comparable position in the Foreign Service National (FSN) salary plan applicable to the country in which the employee works. However, if the local FSN salary plan is inappropriate, a Cooperator may request a higher level of reimbursement for a non-U.S. citizen in accordance with § 1550.20 (b)(8);