

Tip: Think of Your NEA Project Budget As a Pizza

In this example, the NEA can support pepperoni, but NOT mushrooms. Why? Mushrooms represent unallowable costs. Unallowable costs can **never** be included in your NEA project budget.

Therefore, the NEA's slice of the pizza (your NEA award) and your organization's slice of the pizza (the matching funds) cannot have mushrooms.

The rest of the pizza (representing your overall project budget) can include mushrooms and any other toppings-- both allowable and unallowable. These are legitimate project costs, but they cannot be included in your NEA project budget because either they are incurred prior to the project start date, are otherwise unallowable, or the costs are difficult to track/document. The NEA and the matching slices may only include allowable, allocable, and verifiable costs.

Keep this in mind as you prepare your project budget, payment requests, and other financial reports for your award.

