**UNALLOWABLE ON F&A FOR GENERAL FUNDS**

**Unallowable on F&A removes expenses from the Facilities & Administration (overhead) calculation.**

Unallowable (formerly known as X-coding) is used on general funds only.

Unallowable on F&A is done in SAP Concur through a checkbox on the line-item expense called “Unallowable on Facilities & Administration.” The entire report can be marked unallowable on the Report Header through a checkbox.

Unallowable on F&A is done in Simba and Shop Onlion by using a specific GL account that ends in “1” and can be found in the Simba GL Accounts & Payment Decision Matrix at [https://apps.powerapps.com/play/e/default-7cf48d45-3ddb-4389-a9c1-c115526eb52e/a/dccdc7d5-4501-420e-b57b-10aad7fa5ab0?tenantId=7cf48d45-3ddb-4389-a9c1-c115526eb52e#](https://apps.powerapps.com/play/e/default-7cf48d45-3ddb-4389-a9c1-c115526eb52e/a/dccdc7d5-4501-420e-b57b-10aad7fa5ab0?tenantId=7cf48d45-3ddb-4389-a9c1-c115526eb52e)

Items that need to be marked unallowable for most of our purposes include:

* Advertising/Marketing promoting Penn State
* Alumni activities
* Commencement costs including cap and gown rentals
* Fundraising activities
* Group meal/meetings/events
  + Group meals/meetings with 100% PSU employees with clear business purpose
  + Group meals if alcohol is purchased with meal, alcohol should be charged to gift funds. If the meal has been charged to general funds, the meal needs to be marked 100% unallowable
  + Group meal with no alcohol purchased with the meal does NOT need marked unallowable
  + Refreshments purchased for and consumed by University employees/students
  + Team building meals and activities where only employees are in attendance
  + Tables for a group at a function (such as Martin Luther King Day)
* Memberships
  + Institutional should have percentage marked unallowable based on the membership and allowability chart. When dues/fees are paid by the University, membership in a professional society or association is considered to be an institutional member in the name of the University.
  + Individual memberships should be marked 100% unallowable
* Moving expenses are 100% unallowable unless actual expenses are claimed
* Non-refundable airfare tickets (includes cancellation fees) and/or unused hotel expenses/no show fees
* Recruiting expenses
  + Undergraduate student recruiting expenses: x-code 100%
  + Fellows recruiting expenses: x-code 100%
  + Graduate students recruiting expenses: x-code 50%
  + Postdoctoral recruiting expenses: do NOT x-code
  + Grad App Fee Waivers: x-code 100%
  + Spouse expenses for faculty candidates
* Student activities and student group expenses