Potential Updated List of Eligible Expenses (Preliminary Subcommittee Approval, 9/9/2026, 9/23/2026, 10/14/26, 10/26/26)

Eligible expenses are expenses that can be paid for using appropriated dollars from the Environment and Natural Resources Trust Fund (ENRTF) without additional justification needed for work plan approval. All potential expenses listed would only be eligible if they:

1) Are included in the approved work plan budget.
2) Are solely incurred through project activities that are directly related to and necessary for producing the project outcomes described in the proposal or work plan.
3) Occur after work plan approval or July 1 of the appropriation year, whichever is later, and prior to the project completion date.

All expenses must be documented and verified once spending occurs.

Line	Expense	Current Status	Conditions
1	Salaries or wages for employees of non-government organizations and universities	Eligible Expense	The salary or wages are for a position fully or partially dependent on fundraised or grant funds. Exclusion/Exceptions (see the generally ineligible or prohibited lists for additional details): – Board of directors' or officers' salaries (Prohibited)
2	Fringe benefit expenses, such as mandatory payroll taxes (FICA/Social Security/Medicare), retirement, and health insurance of recipient's employees	Eligible Expense	In the same manner and rate as any employee in a similar position within the agency or organization. Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – Employee workplace parking (Prohibited) – Merit awards and bonuses (Prohibited)
3	Tuition for graduate students	Eligible Expense	Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – Tuition for graduate students attending an out-of-state institution (Prohibited)

Line	Expense	Current Status	Conditions
4	Services (including for construction) that are rendered by individuals or organizations not a part of the recipient entity	Eligible Expense	Named service contracts in an approved work plan budget do not constitute a funder-designated subrecipient or approval of a sole-source or single-source contract. No contractor is approved unless it has been selected according to the contracting rules identified in state law and policy for organizations that receive ENRTF funds through direct appropriations, or in the DNR's reimbursement manual for non-state organizations. These rules may include competitive bidding and prevailing wage requirements. Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – Advertising and marketing for project-specific purposes (Generally Ineligible) – Advertising and marketing for organization purposes (Prohibited) – Artwork commissions (Generally Ineligible) – Attorney fees (Generally Ineligible) – AI services (Prohibited) – Background checks (Generally Ineligible) – Communication expenses incurred for telephone calls, web access, postage, and similar services (Generally Ineligible) – Employee professional development (Generally Ineligible) – Entertainment, including artistic and cultural performances (Prohibited) – Food and refreshments (Generally Ineligible) – Maintenance and Repairs (Generally Ineligible) – Mitigation (Generally Ineligible) – Office or storage rental fees (Prohibited) – Out-of-state services (Generally Ineligible) – Stipends or honoraria (Generally Ineligible) – Website hosting fees (Generally Ineligible)
5	Subawards	Eligible Expense	ENRTF spending requirements and, for non-state ENRTF recipients, grant agreement requirements, flow down to the subaward recipients. Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – Out-of-state subawards (Generally Ineligible)

Line	Expense	Current Status	Conditions
6	Internal service fees (Fees charged between departments of larger organizations for the use of common facilities or services)	Eligible Expense	Billing rates must be based on a pre-existing fee schedule that is uniformly applied for services received and without regard to source of funds.
7	Software subscriptions	Eligible Expense	Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – Office software (Prohibited) – AI services (Prohibited)
8	Equipment, tools, materials, and supplies specific to the project and incoming freight charges and related sales taxes for them	Eligible Expense	Named vendors/suppliers or product brands in an approved work plan budget do not constitute a funder-designated subrecipient or approval of a sole-source or single-source contract or procurement. No purchase is approved unless it has been selected according to the contracting and purchasing rules identified in state law and policy for organizations that receive ENRTF funds through direct appropriations, or in the DNR's reimbursement manual for non-state recipients. These rules may include competitive or targeted group purchasing. Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – Communication devices, such as pagers, cell phones, or smart phones (Prohibited) – Computers, tablets, computer hardware, or audiovisual equipment (Generally Ineligible) – Decorations (Prohibited) – Equipment, tools, materials, or supplies (including clothing) that will be kept by employees, volunteers, or project participants (Generally Ineligible) – Food and refreshments (Generally Ineligible) – Gifts or prizes (Prohibited) – Maintenance and repairs (Generally Ineligible) – Office materials and supplies (Generally Ineligible) – Purchase of art (Prohibited)

Line	Expense	Current Status	Conditions
9	Capital equipment (i.e., expenditures greater than $5,000 per unit for equipment or tools)	Eligible Expense	May only be approved if it is demonstrated satisfactorily for each item how the equipment or tool purchased will continue to be used for the same program through its useful life, or if the use changes, a commitment to pay back to the ENRTF an amount equal to either the cash value received or a residual value approved by the director of the LCCMR if it is not sold. Named vendors/suppliers or product brands in an approved work plan budget do not constitute a funder-designated subrecipient or approval of a sole-source or single-source contract or procurement. No purchase is approved unless it has been selected according to the contracting and purchasing rules identified in state law and policy for organizations that receive ENRTF funds through direct appropriations, or in the DNR's reimbursement manual for non-state recipients. These rules may include competitive or targeted group purchasing. Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – Lease of a car, van, or truck (Generally Ineligible) – Purchase of a car, van, or truck (Prohibited)
10	Transportation and travel expenses, including lodging, meals, and mileage, for employees of the recipient entity	Eligible Expense	In the same manner and in no greater amount than provided for in the current "Nonrepresented Employees Compensation Plan" promulgated by the Commissioner of Management of Budget or, for University of Minnesota projects, the University of Minnesota plan. Exclusions/Exceptions (see the generally ineligible or prohibited lists for additional details): – In-state conferences (Generally Ineligible) – International travel (Prohibited) – Out-of-state conferences (Generally Ineligible) – Out-of-state transportation and travel expenses (Generally Ineligible) – Seasonal lodging (Generally Ineligible) – Transportation and travel expenses for employees of other organizations or agencies to conduct project work or participate in project meetings outside of a subaward (Prohibited) – Transportation and travel expenses for youth, volunteers, and participants in project events (Generally Ineligible)

Line	Expense	Current Status	Conditions
11	Publication and printing/copying expenses to publish project results in a peer-reviewed journal or necessary for contract administration, work products production, and semi-annual reports relating to accomplishments	Eligible Expense	