University of Colorado Boulder

Indirect Cost Waiver Request

For Non-Capital Equipment

ocgproperty@colorado.edu

OVERVIEW:

Capital Equipment, also known as fixed assets, embody the following attributes:

- Has a useful life of more than one year and a unit cost of $5,000 or more
- Upgrades to capital equipment costing $5,000 or more can be capitalized when any one of the following is met:
  - Creates a substantial increase in the functionality of the equipment which allows it to function or perform tasks it was previously incapable of performing.
  - Produces a substantial increase in the efficiency of the equipment, ie, an increase in the level of service provided by the equipment without the ability to perform additional tasks
  - Extends the estimated useful life of the equipment
- Charges that do not meet these eligibility requirements are accounted for as operating expenditures

Indirect Costs (F&A) are normally charged on equipment that does not meet the capital requirements listed above, whereas capital equipment is exempt from indirect costs. This form should be completed to request an indirect cost waiver for non-capital equipment purchases that were budgeted as capital equipment for the project but whose actual cost does not qualify as being a fixed asset.

INSTRUCTIONS:

Accurate budgeting for capital equipment rests with the project's Principal Investigator. Please explain why an indirect cost waiver for non-capital equipment is justified for the equipment listed below and attach a detailed project budget. Improving the competitive advantage of a proposal is not a legitimate justification for the waiver of indirect costs. Forward this completed form and equipment budget to ocgproperty@colorado.edu for OCG's review and approval.

Project # or SpeedType _____ **Principal Investigator** _____

Equipment Budget Total _____ **Cost of Equipment Covered by Waiver** _____

Justification for the Non-Capital Equipment purchase requested by this waiver:

Principal Investigator Signature _____ **Date** _____

Chair/Director Signature _____ **Date** _____