

SELECTED COST ITEMS FOR FEDERALLY-FUNDED PROJECTS

This table is for general guidance only. Your sponsor's terms and conditions may be different. Please contact Sponsored Projects Services with questions.

Item	Allowable	Allowable with Restrictions	Not Allowable	Notes
Administrative and Clerical Costs		✓		Administrative and clerical costs are normally treated as F&A. They may be charged directly if incurred for a major project or activity.
Advertising		✓		Advertising for personnel recruitment, purchase of goods or sale of surplus materials is allowable if specifically related to the project, such as recruitment of dedicated personnel.
Alcoholic Beverages		✓		Alcoholic beverages are not allowable as an entertainment expense, but may be allowable if within the scope of an approved project.
Alumni Activities			✓	Alumni relations and alumni service costs are not allowable.
Alternation and Renovation		✓		See the specific guidelines from the granting agency.
Animals		✓		Allowable for the acquisition, care, and use of experimental animals, contingent upon compliance with the applicable requirements for the Humane Care and Use of Laboratory Animals
Audiovisual Activities		✓		Allowable if within the scope of the approved project. Audiovisuals produced under a federally-funded project must bear the appropriate acknowledgment and disclaimer.
Audit Costs		✓		Allowable as a direct cost if limited to a single project or program.
Bad Debts			✓	Losses from uncollectible accounts, collection costs and related legal costs are not allowable
Bid and Contract Proposal Costs			✓	Facilities and Administrative cost.
Books, Journals and Subscriptions		✓		Books, journals and subscriptions to professional and technical publications are

				allowable if specifically related to the project.
Bonding				
Books and Journals			✓	Facilities and Administrative cost.
Building Acquisition		✓		Allowable if specifically authorized under the grant award.
Child Care Costs		✓		Allowable if incurred to assist individuals to participate as subjects in research projects. May be allowable as a fringe benefit for individuals working on a grant-supported project
Commencement/ Convocation			✓	Costs of ceremonies and receptions are not allowable.
Communications		✓		Costs include local and long-distance telephone calls, telegrams, express mail, and postage, and usually are treated as F&A costs, unless specifically required for the project.
Consortium Agreements / Contracts under Grants		✓		Allowable to carry out a portion of the programmatic effort or for the acquisition of routine goods or services under the grant. May require prior approval from sponsor.
Construction		✓		Allowable only when authorized by sponsor.
Consultant		✓		Consultant services (an individual hired to perform professional, short-term services) are allowable if specifically related to the project.
Contingency Funds			✓	Provisions made for events that are uncertain as to actual occurrence, timing or extent are not allowable.
Customs and Import Duties		✓		Allowable under grants to domestic organizations when performance will take place entirely within the United States, its possessions, or its territories, or when foreign involvement in the project is incidental to the overall grant-supported project.
Defense, Prosecution, Claims and Appeals			✓	Defense, prosecution, claims and appeals are not allowable.
Depreciation or Use Allowances			✓	Facilities and Administrative cost.
Depreciation			✓	The cost of an asset spread over the

				asset's useful life is considered indirect and not allowable.
Donations and Contributions			✓	Donations and contributions at a fundraising event, including gifts, memorials and purchase of tables, are not allowable.
Donor Costs		✓		Allowable as payment to volunteers or research subjects who contribute blood, urine samples, and other body fluids or tissues that are specifically project-related. Donor costs are not considered a research patient care expense
Drugs		✓		Allowable if within the scope of an approved research project.
Dues or Membership Fees			✓	Facilities and Administrative cost.
Entertainment			✓	Amusement, social activities, and related costs, including tickets, meals, lodging and gratuities, are not allowable.
Equipment		✓		Allowable for purchase of new, used, or replacement equipment as a direct cost or as part of F&A costs, depending on the intended use of the equipment. General purpose equipment is an F&A cost and is not allowable.
Fines and Penalties			✓	Costs resulting from violations of laws and regulations are not allowable.
Fringe Benefits	✓			Allowable as part of overall compensation to employees in proportion to the amount of time or effort employees devote to the grant-supported project.
Fund Raising			✓	Development activities, including solicitation of gifts and bequests, endowment drives and capital campaigns, are not allowable.
Goods or Services for Personal Use by Employees			✓	Items or services providing direct personal benefit to employees are not allowable.
Genomic Arrays		✓		Allowable as a direct cost, but with specialized treatment of F&A reimbursement for costs exceeding \$50,000 in each budget year.
Hazardous Waste Disposal			✓	Facilities and Administrative cost.
Honoraria		✓		Honoraria, such as a speaker's fee, are allowable if specifically related to the project. Unallowable when the primary

				intent is to confer distinction on, or to symbolize respect, esteem, or admiration for, the recipient of the honorarium.
Hospitalization (see Patient Care)				
Incentive Costs	✓			Incentive payments to volunteers or patients participating in a grant-supported project or program are allowable. Incentive payments to individuals to motivate them to take advantage of grant-supported health care or other services are allowable if within the scope of an approved project.
Indemnification			✓	Absent express statutory authority, unallowable if the indemnification would result in liability that is indefinite, indeterminate or potentially unlimited.
Independent Research and Development Costs			✓	Facilities and Administrative cost.
Insurance		✓		Insurance coverage for normal business purpose is an F&A cost. Allowable if special insurance is required as a condition of the grant because of risks peculiar to the project.
Interest			✓	Facilities and Administrative cost.
Invention, Copyright, Patent, or Licensing Costs		✓		Allowable only if specifically authorized in the grant award.
Investment Management			✓	Costs of investment counsel are not allowable.
IRB or IACUC Costs		✓		Facilities and Administrative cost.
Leave	✓			Allowable for employees as a fringe benefit
Legal Services			✓	Facilities and Administrative cost.
Library Services			✓	Facilities and Administrative cost.
Lobbying			✓	Attempts to influence outcomes of elections or other political actions are not allowable.
Losses on Project Agreements			✓	Costs in excess of available funding are not allowable as a direct cost on another

				project agreement.
Maintenance and Repair		✓		Costs incurred for necessary maintenance, repair or upkeep of buildings and equipment (including Federal property unless otherwise provided for) which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition, are allowable. Costs to keep property in generally efficient operating condition, not including costs that increase property value, are not allowable.
Meals and Meeting Refreshments		✓		Recreational activities are not allowable. Meeting refreshments, site visit meals and guest meals are allowable if specifically related to the project. Meals associated with a staff travel, conference or symposia are allowable. Allowable for subjects and patients under study, or where specifically approved as part of the project activity, provided that such charges are not duplicated in participants' per diem or subsistence allowances, if any.
Memberships		✓		Memberships in civic, community or social organizations are allowable if specifically related to the project.
Messenger Service		✓		Shipping of materials, receiving goods for project use or other delivery of items are allowable if specifically related to the project.
Nursery Items	✓			Allowable for the purchase of items such as toys and games to allow patients to participate in research protocols.
Office Supplies		✓		Office supplies are allowable if specifically related to the project. A general allocation of office expenses would be considered an indirect cost and not allowable.
Participant Support Costs		✓		Participant support costs (PSC), defined by Federal cost principles, are small payments to individuals who participate occasionally in research, education, or community-based programs. This may include stipends paid to, or on behalf of, participants or trainees (but not employees) in connection with official meetings, conferences, or

				<p>symposia, training or research projects. These costs are allowable with WPP prior approval and in accordance with the PSC guidelines. Payments may be in the form of gift cards or other non-cash items or incentives. Cash may not be used. A \$50 incentive limit per occurrence applies for non-research related participation.</p>
Patient Care		✓		<p>Clinical services that involve screening and education, or mobilizing resources to promote healthcare access may be allowable. Patient care with the sole purpose of providing clinical services related to treatment or follow-up for specific health conditions is not allowable.</p>
Personal Computers		✓		<p>The purchase of personal computers is allowable if specifically related to the project.</p>
Postage		✓		<p>Routine postage costs is allowable if directly related to the project.</p>
Pre-Award Costs		✓		<p>Allowable with sponsor approval</p>
Professional Services		✓		<p>General costs such as corporate legal or accounting services are usually indirect costs and not allowable. Individuals or companies hired to perform professional, short-term services, such as accounting or legal services, are allowable if specifically related to the project.</p>
Public Relations and Marketing		✓		<p>Public relations and marketing costs are allowable if specifically related to the project. Public relations, marketing and related advertising costs intended to promote the organization or improve community relations is not allowable.</p>
Publications	✓			<p>Charges for publication in professional journals, including author fees, are allowable if such costs are actual, allowable, and reasonable to advance the objectives of the award; are charged consistently (by the journal) regardless of the source of support; and all other applicable rules on allowability of costs are met. The costs of reprints and publishing in other media, such as books, monographs, and pamphlets, also are allowable.</p>

Recharge Center Cost		✓		The operating costs of a unit (photocopy service, stockroom) that provides routine goods and services within an organization are allowable if specifically related to the project.
Recruiting		✓		Recruiting costs to search and select a new employee, such as recruitment of dedicated personnel, are allowable if specifically related to the project.
Registration Fees		✓		Allowable if necessary to accomplish project objectives.
Relocation Costs		✓		Allowable – in other than change of grantee organization situations – when such costs are incurred incidental to a permanent change of duty assignment (for an indefinite period or for a stated period of no less than 12 months) for an existing employee working on a grant-supported project, or when a new employee is recruited for work on the project, provided that the move is for the grantee's benefit rather than the individual's and that payment is made according to established organizational policies consistently applied regardless of the source of funds.
Rental or Lease of Facilities and Equipment		✓		Rental costs are allowable if specifically related to the project. General rental costs such as the existing organizational offices are F&A and not allowable.
Research Patient Care	✓			Costs of routine and ancillary services provided by hospitals to individuals, including patients and volunteers, participating in research programs are allowable.
Sabbatical Leave Costs		✓		May be included in the fringe benefit rate or in the F&A rate.
Salaries and Wages	✓			Compensation for personal services covers all amounts, including fringe benefits, paid currently or accrued by the organization for employee services rendered to the grant-supported project. Compensation costs are allowable to the extent that they are reasonable, conform to the established policy of the organization consistently applied regardless of the source of funds, and reasonably reflect the percentage of time actually devoted to the project. Direct

				salary is exclusive of fringe benefits and F&A costs.
Salaries and Fringe Benefits - Administrative and Clerical Personnel		✓		Salaries and fringe benefits for technical and programmatic personnel staff performing scientific or other technical work related to a project are allowable if specifically related to the project.
Scholarships			✓	Scholarships are not allowable.
Service Charges		✓		The costs to a user of organizational services and central facilities owned by the grantee organization, such as central laboratory, technology infrastructure fees, computer services and computing/ communication costs, are allowable provided that they are not covered by F&A costs.
Specialized Service Facilities or Service Center		✓		Operating units that use specialized equipment or technical expertise to provide goods or services for a fee are allowable if specifically related to the project.
Stipends	✓			Allowable as cost-of-living allowances for trainees and fellows only under Kirschstein-NRSA individual fellowships and institutional research training grants.
Student Activity Costs		✓		Costs of student publications and activities are allowable if specifically related to the project.
Supplies	✓			As needed for the project.
Telephone, Fax Lines and Pagers		✓		Equipment and service costs for local telephone, fax service and pagers, are allowable if specifically related to the project.
Termination Costs		✓		Costs incurred due to early termination of a project agreement are allowable so long as effort is made to minimize those costs by canceling contracts and reselling surplus goods.
Trailers and Modular Units		✓		Allowable only if considered equipment.
Transportation of Property	✓			Allowable for freight, express, cartage, postage, and other transportation services relating to goods either purchased, in process, or delivered, including instances

				when equipment or other property is moved from one grantee to another.
Travel	✓			Travel is allowable if specifically related to the project.
Tuition			✓	Individual employee tuition reimbursement is not allowable. One exception is UA graduate students who are directly working on the project and being funded by the project may incur tuition remission charges, which are allowable.
Visa Costs		✓		Allowable direct cost as part of recruiting costs on an NIH grant, as long as the institution has an employee/employer relationship with the individual.