

Allowable & Unallowable Costs for Federally Sponsored Projects

✓ Allowable Costs

Allowable costs must be reasonable, allocable, consistent, and conform to any limitations in the award.

Category	Examples
Personnel Compensation	Salaries, wages, and fringe benefits for staff working on the project
Fringe Benefits	Health insurance, retirement contributions, payroll taxes
Travel	Airfare, lodging, meals, per diem (project-related, per institutional policy)
Materials and Supplies	Lab supplies, research materials, educational supplies
Equipment (≥\$5,000)	With prior approval; must be essential to the project
Consultant Services	External expert services tied to project goals
Subawards	Collaborating institutions, with prior approval and monitoring
Publication Costs	Journal submission fees, page charges, printing of results
Participant Support Costs	Stipends, travel, and registration for participants in training/workshops
Computer Services	Cloud storage, computing time directly benefiting the project
Communication Costs	Project-specific phone/internet/data services
Service Contracts	Equipment maintenance if necessary for the project

✗ Unallowable Costs

These costs are generally not permitted to be charged to federal awards, even if related to the institution.

Category	Examples
Entertainment	Tickets, alcohol, social events
Lobbying	Any attempt to influence legislation or regulations
Alcoholic Beverages	Not allowable under any circumstances

Fines and Penalties	Parking tickets, late fees, court costs
Fundraising Costs	Development office, donor relations
Marketing & Advertising	Unless for program outreach or recruitment explicitly approved
Memberships	Professional societies (unless approved and tied directly to project)
Goods for Personal Use	Office decorations, personal gifts, clothing
Commencement/Convocation	Costs associated with graduation or promotional ceremonies
Administrative Salaries	General admin support (unless included as direct cost with justification)
General Office Supplies	Pens, paper, folders unless specifically used for the project
Meals (Non-Travel)	Unless for a structured, project-related business meeting

Sometimes Allowable with Conditions

Some costs may be allowable with prior approval or if justified as allocable to the project.

Cost Type	Condition
Administrative/Clerical Staff	Must be integral to the project and explicitly budgeted and approved
Local Meals	Must serve a business purpose and be explicitly tied to project objectives
Computers & Laptops	Must be essential and not general-purpose unless justified
Participant Incentives	Must be approved in the budget and aligned with project goals
Visa Costs for Personnel	Allowable if necessary for project and for identified personnel