**What are we ALLOWED to use grant money for?**

Questions? OSP staff are here to help. 304 – 876 – 5358 SponsoredPrograms@shepherd.edu

All PI’s and PD’s at Shepherd are encouraged to follow federal allowability guidelines, regardless of the source of funding for the particular sponsored program they are managing or proposing.

To use the resource below, simply use ‘Cntrl F’ to “find” the cost category in question or scroll down the alphabetically organized list until you locate the relevant topic. Then ‘click’ the link to the left for the full text.

At the bottom of the page you’ll find some useful highlights on making sure all costs are allocable and reasonable, as well as allowable.

GUIDE TO ALLOWABLE AND UNALLOWABLE COSTS

Electronic Code of Federal Regulations

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[Title 2](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&tpl=/ecfrbrowse/Title02/2tab_02.tpl) → [Subtitle A](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&tpl=/ecfrbrowse/Title02/2subtitleA.tpl) → [Chapter II](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&tpl=/ecfrbrowse/Title02/2chapterII.tpl) → [Part 200](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=pt2.1.200&rgn=div5)

UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

<https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl>

[General Provisions for Selected Items of Cost](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=sg2.1.200_1419.sg16&rgn=div7)

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| |  | | --- | | [§200.420](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1420&rgn=div8) | | |  | | --- | | Considerations for selected items of cost. | |

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| |  | | --- | | [§200.421](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1421&rgn=div8) | | |  | | --- | | Advertising and public relations. | |

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| |  | | --- | | [§200.422](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1422&rgn=div8) | | |  | | --- | | Advisory councils. | |

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| |  | | --- | | [§200.423](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1423&rgn=div8) | | |  | | --- | | Alcoholic beverages. | |

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| |  | | --- | | [§200.424](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1424&rgn=div8) | | |  | | --- | | Alumni/ae activities. | |

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| |  | | --- | | [§200.425](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1425&rgn=div8) | | |  | | --- | | Audit services. | |

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| |  | | --- | | [§200.426](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1426&rgn=div8) | | |  | | --- | | Bad debts. | |

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| |  | | --- | | [§200.427](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1427&rgn=div8) | | |  | | --- | | Bonding costs. | |

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| |  | | --- | | [§200.428](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1428&rgn=div8) | | |  | | --- | | Collections of improper payments. | |

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| |  | | --- | | [§200.429](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1429&rgn=div8) | | |  | | --- | | Commencement and convocation costs. | |

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| |  | | --- | | [§200.430](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1430&rgn=div8) | | |  | | --- | | Compensation—personal services. | |

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| |  | | --- | | [§200.431](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1431&rgn=div8) | | |  | | --- | | Compensation—fringe benefits. | |

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| |  | | --- | | [§200.432](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1432&rgn=div8) | | |  | | --- | | Conferences. | |

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| |  | | --- | | [§200.433](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1433&rgn=div8) | | |  | | --- | | Contingency provisions. | |

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| |  | | --- | | [§200.434](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1434&rgn=div8) | | |  | | --- | | Contributions and donations. | |

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| |  | | --- | | [§200.435](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1435&rgn=div8) | | |  | | --- | | Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements. | |

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| |  | | --- | | [§200.436](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1436&rgn=div8) | | |  | | --- | | Depreciation. | |

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| |  | | --- | | [§200.437](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1437&rgn=div8) | | |  | | --- | | Employee health and welfare costs. | |

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| |  | | --- | | [§200.438](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1438&rgn=div8) | | |  | | --- | | Entertainment costs. | |

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| |  | | --- | | [§200.439](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1439&rgn=div8) | | |  | | --- | | Equipment and other capital expenditures. | |

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| |  | | --- | | [§200.440](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1440&rgn=div8) | | |  | | --- | | Exchange rates. | |

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| |  | | --- | | [§200.441](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1441&rgn=div8) | | |  | | --- | | Fines, penalties, damages and other settlements. | |

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| |  | | --- | | [§200.442](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1442&rgn=div8) | | |  | | --- | | Fund raising and investment management costs. | |

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| |  | | --- | | [§200.443](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1443&rgn=div8) | | |  | | --- | | Gains and losses on disposition of depreciable assets. | |

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| |  | | --- | | [§200.444](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1444&rgn=div8) | | |  | | --- | | General costs of government. | |

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| |  | | --- | | [§200.445](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1445&rgn=div8) | | |  | | --- | | Goods or services for personal use. | |

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| |  | | --- | | [§200.446](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1446&rgn=div8) | | |  | | --- | | Idle facilities and idle capacity. | |

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| |  | | --- | | [§200.447](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1447&rgn=div8) | | |  | | --- | | Insurance and indemnification. | |

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| |  | | --- | | [§200.448](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1448&rgn=div8) | | |  | | --- | | Intellectual property. | |

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| |  | | --- | | [§200.449](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1449&rgn=div8) | | |  | | --- | | Interest. | |

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| |  | | --- | | [§200.450](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1450&rgn=div8) | | |  | | --- | | Lobbying. | |

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| |  | | --- | | [§200.451](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1451&rgn=div8) | | |  | | --- | | Losses on other awards or contracts. | |

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| |  | | --- | | [§200.452](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1452&rgn=div8) | | |  | | --- | | Maintenance and repair costs. | |

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| |  | | --- | | [§200.453](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1453&rgn=div8) | | |  | | --- | | Materials and supplies costs, including costs of computing devices. | |

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| |  | | --- | | [§200.455](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1455&rgn=div8) | | |  | | --- | | Organization costs. | |

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| |  | | --- | | [§200.456](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1456&rgn=div8) | | |  | | --- | | Participant support costs. | |

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| |  | | --- | | [§200.457](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1457&rgn=div8) | | |  | | --- | | Plant and security costs. | |

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| |  | | --- | | [§200.458](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1458&rgn=div8) | | |  | | --- | | Pre-award costs. | |

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| |  | | --- | | [§200.459](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1459&rgn=div8) | | |  | | --- | | Professional service costs. | |

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| |  | | --- | | [§200.460](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1460&rgn=div8) | | |  | | --- | | Proposal costs. | |

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| |  | | --- | | [§200.461](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1461&rgn=div8) | | |  | | --- | | Publication and printing costs. | |

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| |  | | --- | | [§200.462](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1462&rgn=div8) | | |  | | --- | | Rearrangement and reconversion costs. | |

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| |  | | --- | | [§200.463](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1463&rgn=div8) | | |  | | --- | | Recruiting costs. | |

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| |  | | --- | | [§200.464](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1464&rgn=div8) | | |  | | --- | | Relocation costs of employees. | |

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| |  | | --- | | [§200.465](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1465&rgn=div8) | | |  | | --- | | Rental costs of real property and equipment. | |

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| |  | | --- | | [§200.466](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1466&rgn=div8) | | |  | | --- | | Scholarships and student aid costs. | |

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| |  | | --- | | [§200.467](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1467&rgn=div8) | | |  | | --- | | Selling and marketing costs. | |

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| |  | | --- | | [§200.468](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1468&rgn=div8) | | |  | | --- | | Specialized service facilities. | |

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| |  | | --- | | [§200.469](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1469&rgn=div8) | | |  | | --- | | Student activity costs. | |

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| |  | | --- | | [§200.470](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1470&rgn=div8) | | |  | | --- | | Taxes (including Value Added Tax). | |

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| |  | | --- | | [§200.471](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1471&rgn=div8) | | |  | | --- | | Termination costs. | |

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| |  | | --- | | [§200.472](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1472&rgn=div8) | | |  | | --- | | Training and education costs. | |

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| |  | | --- | | [§200.473](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1473&rgn=div8) | | |  | | --- | | Transportation costs. | |

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| |  | | --- | | [§200.474](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1474&rgn=div8) | | |  | | --- | | Travel costs. | |

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| |  | | --- | | [§200.475](https://www.ecfr.gov/cgi-bin/text-idx?SID=6a29d031ca692fea2155065020eff16b&mc=true&node=se2.1.200_1475&rgn=div8) | | |  | | --- | | Trustees. | |

## §200.403   Factors affecting allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.

(c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.

(g) Be adequately documented.

## §200.404   Reasonable costs.

(c) Market prices for comparable goods or services for the geographic area.

(d) Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal Government.

## §200.405   Allocable costs.

(a) A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.