To be allowable (see 2 CFR 200.403) under federal awards, costs must be reasonable, allocable, and necessary to the project, and they must also comply with the funding statute and agency requirements. Please speak with the Office Sponsored Programs (OSP) regarding abnormal costs to your sponsored proposals/projects.

The following costs are unallowable charges to sponsored projects as either direct costs or as part of the F&A rate. They must be identified by the financial system coding designated for those expenses:

• Advertising and public relations, other than advertising for help wanted or for the procurement of goods or services necessary for the performance of the award (i.e. human subjects)

• Alcoholic beverages

• Bad debt expense

• Contributions and donations

• Entertainment, unless specifically provided for in the award

• Fines, penalties, damages, and other settlements

• Goods and services for personal use, such as automobiles

• cost for interest on borrowed capital, temporary use of endowment funds, or the use of Yeshiva University funds

• Individual memberships in business, technical, and professional organizations

• Memberships in social, dining or country clubs or organizations

In addition to the specific costs listed above, costs associated with the following activities are unallowable direct charges to sponsored projects. They must be identified and accounted for in funds specified for their purpose:

• Alumni activities

• Commencement and convocation costs

• Executive and legislative lobbying

• Fund raising and investment management

• Losses on other awards or contracts

• Costs for prosecuting claims against the Federal government

Everything mentioned above are broad categories and is not limited to just them. If you are unsure if you cost is unallowable, please speak with the OSP.