

Cost Principles Reference Guide

2 CFR 200, commonly referred to as the “Uniform Guidance” was issued by the Office of Management and Budget (OMB) and includes revised cost principles for federal awards made on or after December 26, 2014.

This Cost Principles Reference Guide highlights select items of cost to show what is typically allowable under OMG Uniform Guidance (UG) as a direct cost vs. facilities and administrative cost (indirect) and what is classified as an unallowable cost. Direct charges may sometimes require sponsor approval as indicated below. Additional information is provided for select items in the section below the grid.

For a full list see link below:

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

Description of Cost	UG Reference	Direct Charge Allowable with Restrictions	Direct Charge Allowable- Sponsor Approval	F&A	Unallowable
Administrative and Clerical Salaries	200.413 / 200.430				
General				X	
Integral to Sponsored Agreement – See below			X		
Advertising and Public Relations Costs	200.421				
Marketing or Public Relations in General					X
General Recruiting (i.e. Faculty)				X	
As required by Sponsored Agreement			X		
Advisory Councils	200.422		X		
Alcoholic Beverages	200.423				X
Alumni Activities	200.424				X
Audit Costs and Related Services	200.425			X	
Bad Debts	200.426				X
Bonding Costs	200.427				
Required by a Federal Award			X		
General conduct of business				X	
Business Cards					
General Purpose				X	
Sponsored Project Specific			X		
Collection of Improper Payments-according to original payment	200.428		X	X	
Commencement and Convocation Costs	200.429				X
Communication Costs					
Services for Telephone, Fax, etc.				X	
Long Distance Telephone calls					
General Purpose				X	
Sponsored Project Specific			X		
Compensation - Personal Services	200.430	X			
Compensation – Fringe Benefits	200.431	X			
Computing Devices (under \$5,000/unit)	200.453	X			
Conferences (to disseminate technical information)	200.432	X			
Contingency Provisions	200.433				X
Contributions and Donations	200.434				X
Deans of Faculty and Graduate Schools				X	
Defense and Prosecution of Criminal and Civil Proceedings, Claims, Appeals, Patent Infringement	200.435				X
Depreciation and Use Allowances	200.436			X	
Employee Health, and Welfare Costs	200.437			X	
Entertainment Costs	200.438				
General					X
Business Meals- Program Specific w/Sponsor Approval			X		
Other Specific Costs Normally Considered Entertainment but having Programmatic Purpose-w/Sponsor Prior Approval			X		

Description of Cost	UG Reference	Direct Charge Allowable with Restrictions	Direct Charge Allowable- Sponsor Approval	F&A	Unallowable
Equipment and Other Capital Expenditures	200.439				
General Purpose				X	
Sponsored Project Specific			X		
Exchange Rates	200.440		X		
Fines and Penalties	200.441				X
Fund Raising and Investment Costs	200.442				X
Gains and Losses on Depreciable Assets	200.443			X	
General Cost of Government-N/A to UNT Dallas	200.444				
Goods or Services for Personal Use	200.445				X
Housing and Personal Living Expense	200.445		X		
Idle Facilities and Idle Capacity	200.446				X
Insurance and Indemnification	200.447				
General Purpose				X	
Sponsored Project Specific			X		
Intellectual Property	200.448				
Patent Costs			X		
Royalties and Other Cost for Use of Patents & Copyrights			X		
Interest	200.449			X	
Lobbying	200.450				X
Losses on Other Sponsored Agreements or Contracts	200.451				X
Maintenance and Repair Costs	200.452				
General Purpose				X	
Sponsored Project Specific		X			
Material and Supplies Costs - Including Essential and Allocable Computing Devices under Capitalization Threshold	200.453	X			
Memberships, Subscriptions, and Professional Activities	200.454				
Business, Technical, Professional Organizations				X	
Civil or Community Organizations				X	
Social Organization or Organizations whose purpose is Lobbying					X
Participant Support Costs – excluded from MTDC	200.456		X		
Plant and Security Costs	200.457		X		
Pre-Award Costs	200.458				
General					X
With Prior Approval			X		
Professional Services Costs	200.459	X			
Proposal Costs	200.460			X	
Publication and Printing Costs Including those after the Period of Performance but Before Award Closeout	200.461	X			
Rearrangement and Reconversion Costs	200.462		X		
Recruiting Costs	200.463		X		
Relocation Costs of Employees	200.464		X		
Rental Costs of Building and Equipment	200.465	X			
Scholarships and Student Aid Costs	200.466				
General Purpose					X
If Purpose of project is to provide education (including tuition)			X		
Selling and Marketing	200.467				X
Specialized Service Facilities	200.468	X			
Student Activity Costs	200.469				
General Purpose					X
Sponsored Project Specific			X		
Taxes, except taxes from which exemptions are available	200.470	X			
Termination Costs applicable to Sponsored Agreements	200.471		X		
Training Costs-Employee Development	200.472			X	
Transportation Costs	200.473	X			
Travel Costs	200.474	X			
Trustees	200.475			X	
Visas – Short-term, Non-immigration, Need Identified Directly to Sponsored Agreement-See below	200.463	X			

Other Considerations:

A. Administrative and Clerical Salaries (200-413/200.430)

Administrative and clerical staff salaries and associated fringe benefit costs should normally be treated as indirect (F&A) costs. Direct charging of these may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral* to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
- The costs are not also recovered as indirect costs.

**Integral* is defined as essential to the project's goals and objective, rather than necessary for the overall operation of the institution.

You may not include the salaries of administrative personnel conducting such activities as financial reconciliations, general office clerical work, and proposal preparation, as these costs must be recovered through F&A charges.

Examples of projects where administrative and clerical costs could be included as direct costs in a proposal, with proper justification, include, but are not limited to:

- Large, complex programs, such as program projects, centers, and other similar sponsored projects;
- Projects with complex project management requirements, e.g., managing multiple subawards; and
- Projects that require making travel and meeting arrangements for large numbers of participants, such as conferences.

B. Office Supplies, Postage, Local Telephone Costs, Periodicals and Memberships

Items such as **office supplies, postage, local telephone costs, periodicals and memberships** should normally be treated as indirect costs.

C. Computing Devices (200.453)

The cost of **computing devices** is allowed for those devices that are essential and allocable to the sponsored project. They are no longer required to be solely dedicated to the project. Be aware, however, that computing devices costing less than \$5,000 are included in the **materials and supplies** category of direct costs. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and their purchase was funded by the Federal government, these supplies must be utilized by another Federal award or the funding agency must be refunded their share of the fair-market value.

Note: Computing devices (UG 200.20) means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. Capitalized computer equipment (i.e., costing \$5,000 or more), is still classified as general purpose equipment and is normally unallowable as a direct cost unless approved by the awarding agency.

D. Entertainment (200.438)

Entertainment costs are allowable only when the cost is specific and has a programmatic purpose to the award, and is authorized either in the approved budget or with the prior written approval of the federal awarding agency. In all other cases, costs of entertainment, including amusement, and social activities, and any associated costs are unallowable.

E. Participant Support Costs (200.75 / 200.456)

Participant* support costs are direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences or training projects. These costs must now be accepted by agencies as allowable costs, but still require prior agency approval. In addition, these costs must be **excluded** when calculating the Modified Total Direct Costs (MTDC) to determine the overall project's F&A costs.

**Participant* is defined as an individual who is the recipient of a service or training provided at a workshop, conference, seminar, symposium or other short-term instructional or information sharing activity funded by a sponsored project. A University employee may not be a participant.

This guidance was last updated October 26, 2018. Check with Sponsored Projects Accounting for the latest version.