Direct and Indirect Costs and Examples of Unallowable Costs

Typical Direct Costs
- Salaries/Wages/Fringe Benefits for Technical and Programmatic Personnel Faculty, technicians, scientists, research assistants, postdoctoral associates, or other technical and programmatic personnel who are necessary to meet the goals/objectives of a sponsored program.
- Scientific and technical equipment (special purpose equipment)
- International telephone charges
- Maintenance of scientific and technical equipment
- Materials and supplies necessary for the project (including noncapitalized equipment)
- Participant support
- Rent - when using off-campus facilities
- Services, including animal care, external consultant/professional, service centers
- Subawards/Contracts
- Subject costs/Patient Care
- Travel

Typical Indirect Costs – Should be Charged to an Unrestricted Account
- Salaries/Wages/Fringe Benefits for Administrative and Clerical Support Personnel performing administrative and clerical services – See 2 CFR 200.413(c) (Uniform Guidance)
- Subscriptions, library books, periodicals, etc.
- General supplies and office supplies
- Computing devices (unless essential to the project)
- Software - General
- Business meals
- General equipment and office equipment
- Janitorial services
- Photocopy and printing services (for general business use)
- Postage and postal/mailing services (for general business use)
- Repair and maintenance (buildings, grounds, general/office equipment, remodeling, etc.)
- Sanitation services including hazardous waste
- Telephone (recurring, installation, and maintenance), cell phones, smart phones, pagers
- Utilities
- Membership in any civic or community organization, country club, social or dining club. Includes individual/personal memberships in professional and scientific/technical organizations
Examples of Unallowable Costs

- Costs that are designated as unallowable costs by 2 CFR 200 (Uniform Guidance) include:
  Advertising expenses except for employee and subject recruitment for the performance of an award and other exclusions

- Alcoholic beverages

- Alumni activities

- Bad debts and related collection and legal costs

- Commencement and convocation costs

- Contributions and donations

- Certain defense and prosecution of criminal and civil proceedings

- Entertainment costs (with rare exclusions)

- Certain fines and penalties

- Goods and services for personal use

- Insurance against defective work

- Certain interest, fund raising, and investment management costs

- Lobbying costs

- Losses or excess of costs over approved funding levels

- Malpractice insurance that does not involve human subjects or training of participants in research techniques

- Certain relocation costs

- Public relations costs not specifically required by the Federal award

- Selling and marketing costs

- Student activity costs