

Florida Atlantic University Allowability of Costs on Federal Awards

VI. Allowable and Unallowable Expenses

OMB Circular A-21, Section J lists 50 expense items and states whether they are allowable or unallowable on Federal awards. In addition, OMB Circular A-110, Section 25 (c) (8) addresses the allowability of a particular expense item that is not addressed in OMB Circular A-21. See the Allowability Grid (Exhibit H) which states the following information:

A. Description of the Expense Item

B. OMB Circular A-21 Reference

C. Whether the expense:

1. is allowable as a direct cost on a Federal award
2. must be approved by the Federal sponsor (or by the University) * in order to be allowable as a direct cost on a Federal award
3. must meet the criteria for "special circumstances" in order to be allowable as a direct cost on a Federal award
4. is treated as an indirect cost on a Federal award
5. is unallowable on a Federal award

* In cases where the PI realizes that there is a need for an expense item (that is typically treated as an indirect cost) during the project period, Sponsored Programs will determine if prior written approval from the sponsor is required or if Sponsored Programs (University) approval is adequate.

Please keep in mind that the Allowability Grid is based on OMB Circular A-21 and A-110. A particular Federal award may include Terms and Conditions that may have additional cost limitations. In such a case, the provisions of the award document must be adhered to in addition to the OMB Circulars.