## Appendix A: Allowability of Selected Items of Cost for Federal Grants

This chart lists selected items of cost contained in 2 CFR Part 200, Subpart E. Since many allowable costs have restrictions, VSC personnel responsible for charging expenses to federal grants should refer to the actual regulation for more guidance on whether a cost is allowable or not.

See <a href="https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1.5&rgn=div6">https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1.5&rgn=div6</a> for full description.

Advertising and public relations	CFR	Item of Cost	Allowability
Advisory councils			·
Alcoholic beverages	421	Advertising and public relations	Allowable with restrictions.
Alcoholic beverages   Unallowable.	422	Advisory councils	Unallowable unless authorized by statute or the federal awarding
Alcoholic beverages   Unallowable.			agency.
Audit services   Allowable with restrictions.	423		Unallowable.
426		Alumni activities	
427   Bonding costs	425	Audit services	
428   Collection of improper payments   Allowable.   Unallowable. However, may be charged as indirect costs as provided for in Appendix III paragraph (B) (9).     430	426	Bad debts	
Commencement and convocation costs   Unallowable. However, may be charged as indirect costs as provided for in Appendix III paragraph (B) (9).	427		
for in Appendix III paragraph (B) (9).  430 Compensation-personal services Allowable with restrictions. Special conditions apply.  431 Comferences Allowable with restrictions. Special conditions apply.  432 Contingency provisions Allowable with restrictions.  433 Contingency provisions Allowable with restrictions.  434 Contributions and donations Unallowable. However, value of goods and services donated to a VS institution may be included as part of cost sharing/matching.  435 Defense and prosecution Allowable with restrictions.  436 Depreciation Allowable with restrictions.  437 Employee health and welfare Allowable with restrictions.  438 Entertainment Unallowable unless cost has programmatic purpose and is approved by the federal awarding agency.  439 Equipment & other capital expenditures Allowable with restrictions. Prior approval of direct charge of general purpose equipment over \$5,000.  440 Exchange rates Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.  441 Fines, penalties, damages & other settlements specific provisions of the award and with prior written approval.  442 Fund raising & investment management costs of government Settlements objectives. Prior approval must be obtained.  443 Gains and losses on disposition of depreciable assets Of General costs of government Settlements Not specifically addressed for institutions of higher education.  444 General costs of government Not specifically addressed for institutions of higher education.  445 Goods or services for personal use Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  446 Idle facilities and idle capacity Allowable with restrictions.  447 Insurance and indemnification Allowable with restrictions.  448 Intellectual property Allowable with restrictions.  449 Interest Allowable with restrictions.	428	Collection of improper payments	Allowable.
430         Compensation-personal services         Allowable with restrictions. Special conditions apply.           431         Compensation-fringe benefits         Allowable with restrictions.           432         Conferences         Allowable with restrictions.           433         Contingency provisions         Allowable with restrictions.           434         Contributions and donations         Unallowable. However, value of goods and services donated to a VS institution may be included as part of cost sharing/matching.           435         Defense and prosecution         Allowable with restrictions.           436         Depreciation         Allowable with restrictions.           437         Employee health and welfare         Allowable with restrictions.           438         Entertainment         Unallowable with restrictions.           439         Equipment & other capital expenditures         Allowable with restrictions. Prior written approved by the federal awarding agency.           440         Exchange rates         Allowable based on specific requirements. Prior written approval for direct charge of general purpose equipment over \$5,000.           441         Fines, penalties, damages & other settlements         Unallowable except when incurred as a result of compliance with specific provisions of the award and with prior written approval.           442         Fund raising & investment management costs         Unallowable except for th	429	Commencement and convocation costs	Unallowable. However, may be charged as indirect costs as provided for in Appendix III paragraph (B) (9).
431         Compensation-fringe benefits         Allowable with restrictions.           432         Conferences         Allowable with restrictions.           433         Contingency provisions         Allowable only if contingency provisions are included in award budgets.           434         Contributions and donations         Unallowable. However, value of goods and services donated to a VS institution may be included as part of cost sharing/matching.           435         Defense and prosecution         Allowable with restrictions.           436         Depreciation         Allowable with restrictions.           437         Employee health and welfare         Allowable with restrictions.           438         Entertainment         Unallowable with restrictions.           439         Equipment & other capital expenditures         Allowable based on specific requirements. Prior written approval for direct charge of general purpose equipment over \$5,000.           440         Exchange rates         Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.           441         Fines, penalties, damages & other settlements         Unallowable except when incurred as a result of compliance with specific provisions of the award and with prior written approval.           442         Fund raising & investment management costs         Unallowable with restrictions.           443         Gains an	430	Compensation-personal services	
Allowable with restrictions.	431		
budgets.  Unallowable. However, value of goods and services donated to a VS institution may be included as part of cost sharing/matching.  Allowable with restrictions.  Allowable with restrictions.  Allowable with restrictions.  Benployee health and welfare  Allowable with restrictions.  Entertainment  Unallowable unless cost has programmatic purpose and is approved by the federal awarding agency.  Allowable based on specific requirements. Prior written approval for direct charge of general purpose equipment over \$5,000.  Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.  Unallowable except when incurred as a result of compliance with specific provisions of the award and with prior written approval.  Unallowable except for the purpose of meeting federal program objectives. Prior approval must be obtained.  Allowable with restrictions.  Allowable with restrictions.  Allowable with restrictions.  Insurance and indemnification  Allowable with restrictions.	432		
budgets.	433	Contingency provisions	Allowable only if contingency provisions are included in award
Institution may be included as part of cost sharing/matching.			
Defense and prosecution	434	Contributions and donations	Unallowable. However, value of goods and services donated to a VSC
Allowable with restrictions.			
Employee health and welfare  Entertainment  Unallowable unless cost has programmatic purpose and is approved by the federal awarding agency.  Allowable based on specific requirements. Prior written approval for direct charge of general purpose equipment over \$5,000.  Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.  Fines, penalties, damages & other settlements  Fund raising & investment management costs  Gains and losses on disposition of depreciable assets  444 General costs of government  Mot specifically addressed for institutions of higher education.  Vallowable with restrictions.  Insurance and indemnification  Allowable with restrictions.			Allowable with restrictions.
Equipment & other capital expenditures  Allowable based on specific requirements. Prior written approval for direct charge of general purpose equipment over \$5,000.  Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.  Unallowable except when incurred as a result of compliance with specific provisions of the award and with prior written approval.  Unallowable except for the purpose of meeting federal program objectives. Prior approval must be obtained.  Allowable with restrictions.  Gains and losses on disposition of depreciable assets  Allowable with restrictions.  Not specifically addressed for institutions of higher education.  Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  Allowable with restrictions.  Intellectual property  Allowable with restrictions.  Unallowable with restrictions.			
by the federal awarding agency.  439 Equipment & other capital expenditures  Allowable based on specific requirements. Prior written approval for direct charge of general purpose equipment over \$5,000.  440 Exchange rates  Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.  441 Fines, penalties, damages & other settlements  442 Fund raising & investment management costs  443 Gains and losses on disposition of depreciable assets  444 General costs of government  445 Goods or services for personal use  446 Idle facilities and idle capacity  447 Insurance and indemnification  448 Intellectual property  Allowable with restrictions.  449 Interest  Allowable with restrictions.  440 Unallowable with restrictions.  441 Unallowable with restrictions.  442 Allowable with restrictions.  443 Interest  Allowable with restrictions.  444 Interest  Allowable with restrictions.  445 Allowable with restrictions.  446 Interest  Allowable with restrictions.  447 Insurance and indemnification  Allowable with restrictions.  448 Interest  Allowable with restrictions.  449 Interest  Allowable with restrictions.  450 Lobbying  Allowable with restrictions.  460 Unallowable with restrictions.			
Equipment & other capital expenditures  Allowable based on specific requirements. Prior written approval for direct charge of general purpose equipment over \$5,000.  Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.  Unallowable except when incurred as a result of compliance with specific provisions of the award and with prior written approval.  Unallowable except for the purpose of meeting federal program objectives. Prior approval must be obtained.  Allowable with restrictions.  Gains and losses on disposition of depreciable assets  General costs of government  Allowable with restrictions.  Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  Allowable with restrictions.  Insurance and indemnification  Allowable with restrictions.  Unallowable with restrictions.	438	Entertainment	
direct charge of general purpose equipment over \$5,000.  440 Exchange rates Allowable with restrictions. Prior approval of federal awarding agency required if change results in need for additional funding.  441 Fines, penalties, damages & other settlements Unallowable except when incurred as a result of compliance with specific provisions of the award and with prior written approval.  442 Fund raising & investment management costs Unallowable except for the purpose of meeting federal program objectives. Prior approval must be obtained.  443 Gains and losses on disposition of depreciable assets  444 General costs of government Not specifically addressed for institutions of higher education.  445 Goods or services for personal use Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  446 Idle facilities and idle capacity Allowable with restrictions.  447 Insurance and indemnification Allowable with restrictions.  448 Intellectual property Allowable with restrictions.  449 Interest Allowable with restrictions.  450 Lobbying Unallowable unless specifically provided for in the award or prior approval obtained.			
440 Exchange rates  441 Fines, penalties, damages & other settlements  442 Fund raising & investment management costs  443 Gains and losses on disposition of depreciable assets  444 General costs of government  445 Goods or services for personal use  446 Idle facilities and idle capacity  447 Insurance and indemnification  448 Intellectual property  449 Interest  Allowable with restrictions.	439	Equipment & other capital expenditures	
agency required if change results in need for additional funding.  441 Fines, penalties, damages & other settlements  442 Fund raising & investment management costs  443 Gains and losses on disposition of depreciable assets  444 General costs of government  445 Goods or services for personal use  446 Idle facilities and idle capacity  447 Insurance and indemnification  448 Intellectual property  449 Interest  440 Idle facilities and idle capacity  440 Lobbying  441 Lobbying  442 Inallowable with restrictions.  443 Intellectual property  444 Interest  445 Allowable with restrictions.  446 Lobbying  447 Unallowable with restrictions.  448 Unallowable with restrictions.  449 Unallowable with restrictions.  449 Unallowable with restrictions.  440 Unallowable with restrictions.  441 Unallowable with restrictions.  442 Unallowable with restrictions.  443 Unallowable with restrictions.  444 Unallowable with restrictions.  445 Unallowable with restrictions.  446 Unallowable with restrictions.  447 Unallowable with restrictions.  448 Under the award or prior approval obtained.	440	Exchange rates	
settlements specific provisions of the award and with prior written approval.  Fund raising & investment management costs Unallowable except for the purpose of meeting federal program objectives. Prior approval must be obtained.  Allowable with restrictions.  General costs of government Not specifically addressed for institutions of higher education.  Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  Allowable with restrictions.  Insurance and indemnification Allowable with restrictions.  Intellectual property Allowable with restrictions.  Lobbying Unallowable unless specifically provided for in the award or prior approval obtained.			
Fund raising & investment management costs  Gains and losses on disposition of depreciable assets  444 General costs of government  Hot purpose of meeting federal program objectives. Prior approval must be obtained.  Allowable with restrictions.  General costs of government  Hot specifically addressed for institutions of higher education.  Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  Hot lide facilities and idle capacity  Allowable with restrictions.  Hot lectual property  Allowable with restrictions.  Unallowable unless specifically provided for in the award or prior approval obtained.	441	Fines, penalties, damages & other	Unallowable except when incurred as a result of compliance with
costs  Gains and losses on disposition of depreciable assets  444 General costs of government  Wot specifically addressed for institutions of higher education.  445 Goods or services for personal use  Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  446 Idle facilities and idle capacity  Allowable with restrictions.  447 Insurance and indemnification  Allowable with restrictions.  448 Intellectual property  Allowable with restrictions.  449 Interest  Allowable with restrictions.  450 Lobbying  Unallowable unless specifically provided for in the award or prior approval obtained.		settlements	specific provisions of the award and with prior written approval.
443 Gains and losses on disposition of depreciable assets  444 General costs of government  445 Goods or services for personal use  446 Idle facilities and idle capacity  447 Insurance and indemnification  448 Intellectual property  449 Interest  450 Lobbying  Allowable with restrictions.  Unallowable unless specifically provided for in the award or prior approval obtained.	442	Fund raising & investment management	
depreciable assets  444 General costs of government Not specifically addressed for institutions of higher education.  445 Goods or services for personal use Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  446 Idle facilities and idle capacity Allowable with restrictions.  447 Insurance and indemnification Allowable with restrictions.  448 Intellectual property Allowable with restrictions.  449 Interest Allowable with restrictions.  450 Lobbying Unallowable unless specifically provided for in the award or prior approval obtained.			
445 Goods or services for personal use  Unallowable, except for housing allowances and personal living expenses with prior approval of federal awarding agency.  446 Idle facilities and idle capacity  Allowable with restrictions.  447 Insurance and indemnification  Allowable with restrictions.  448 Intellectual property  Allowable with restrictions.  449 Interest  Allowable with restrictions.  450 Lobbying  Unallowable unless specifically provided for in the award or prior approval obtained.	443		Allowable with restrictions.
expenses with prior approval of federal awarding agency.  446 Idle facilities and idle capacity Allowable with restrictions.  447 Insurance and indemnification Allowable with restrictions.  448 Intellectual property Allowable with restrictions.  449 Interest Allowable with restrictions.  450 Lobbying Unallowable unless specifically provided for in the award or prior approval obtained.	444	General costs of government	Not specifically addressed for institutions of higher education.
446Idle facilities and idle capacityAllowable with restrictions.447Insurance and indemnificationAllowable with restrictions.448Intellectual propertyAllowable with restrictions.449InterestAllowable with restrictions.450LobbyingUnallowable unless specifically provided for in the award or prior approval obtained.	445	Goods or services for personal use	
447Insurance and indemnificationAllowable with restrictions.448Intellectual propertyAllowable with restrictions.449InterestAllowable with restrictions.450LobbyingUnallowable unless specifically provided for in the award or prior approval obtained.	446	Idle facilities and idle canacity	
448Intellectual propertyAllowable with restrictions.449InterestAllowable with restrictions.450LobbyingUnallowable unless specifically provided for in the award or prior approval obtained.			
449 Interest Allowable with restrictions. 450 Lobbying Unallowable unless specifically provided for in the award or prior approval obtained.			
450 Lobbying Unallowable unless specifically provided for in the award or prior approval obtained.			
approval obtained.			
		<b>y-</b> 0	
451   Losses on other awards or contracts   Unallowable.	451	Losses on other awards or contracts	Unallowable.

452	Maintenance and repair costs	Allowable with restrictions.
453	Materials and supplies cost, including	Allowable with restrictions.
	computing devices	
454	Memberships, subscriptions, &	Allowable with restrictions. Unallowable for lobbying organizations
	professional activity costs	and country club memberships.
455	Organization costs	Unallowable except with prior approval from the federal awarding agency.
456	Participant support costs	Allowable with prior approval from the federal awarding agency.
457	Plant and security costs	Allowable; capital expenditures subject to 200.439.
458	Pre-award costs	Allowable with prior approval from the federal awarding agency.
459	Professional service costs	Allowable with restrictions.
460	Proposal costs	Allowable only as indirect costs.
461	Publication and printing costs	Allowable with restrictions.
462	Rearrangement and reconversion costs	Allowable as indirect costs. If charging as direct, it requires prior approval from the federal awarding agency. Budget justification must explain how facility modifications benefit the project.
463	Recruiting costs	Allowable with restrictions.
464	Relocation costs of employees	Allowable with restrictions.
465	Rental costs of real property and equipment	Allowable with restrictions.
466	Scholarships and student aid costs	Allowable with restrictions.
467	Selling and marketing costs	Unallowable unless prior approval is obtained from the federal awarding agency.
468	Specialized service facilities	Allowable with restrictions.
469	Student activity costs	Unallowable unless specifically provided for in the federal award.
470	Taxes (including Value Added Tax)	Allowable with restrictions.
471	Termination costs	Allowable with restrictions.
472	Training and education costs	Allowable for employee development.
473	Transportation costs	Allowable with restrictions.
474	Travel costs	Allowable with restrictions. Prior approval required for certain types of travel costs.
475	Trustees	Allowable with restrictions.