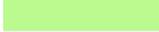
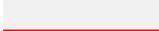


**Instructions - Information should be input in the gray highlighted fields (cells). All other fields will be calculated (yellow highlighted) or populated (green highlighted) for you as data is entered into the various tabs. If a cell is highlighted in red (or turns red), there is a data entry error in one or more gray highlighted cells. Check all amounts to your accounting records and re-enter the correct data. The cell will turn yellow when the error is corrected.**

-  Calculated Cells
-  Cell populated from data entered elsewhere in the ICRP
-  Data entry cell
-  Data entry error

**See Allowable & Unallowable Costs Tab for details related to determining whether costs are either allowable or unallowable.**

### Step 1 - Entity Name

A Enter the Grantee Name in the gray highlighted cell.

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### Step 2 - Cost Pool

Utilize payroll and other financial records (e.g., audited financial records, general ledger, IRS Form 990, Annual Financial Report, etc.) to enter data by account/budget category. When completed, the amount reported as Total Costs should agree to total expenses (or expenditures) per your audited financial statements (or other financial records, as required by your grant agreements/contracts).

**The preferred data source is either audited financial statements or IRS Form 990**

A List each account/budget category from your financial records, as noted above.

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B Calculated sum of C, D & E.

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C In the gray highlighted cells, enter the amount of Unallowable Costs associated with each account/budget category item listed in A. See the Allowable & Unallowable Costs tab for further details.

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D In the gray highlighted cells, enter the amount of Indirect Costs associated with each account/budget category item listed in A.

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E In the gray highlighted cells, enter the total amount of costs directly associated with each account/budget category item listed in A for all programs and activities (includes all federal and/or nonfederal programs and activities).

---

F In the gray highlighted cell, enter the total expenses reported in your financial records. This amount must agree with the TOTAL COSTS calculated in B. If it does not agree, the Difference will appear in red and you must compare the data entered in Columns B through E to your financial records. All errors must be corrected until the TOTAL COSTS reported in B agree to your financial records. When correct, the Difference will be zero and will be highlighted in yellow.

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G In the gray highlighted cells, enter the name of each item required to be excluded from direct costs per your grant agreement/contract, as applicable. (i.e., equipment, capital expenditures, patient care, rental costs, tuition remission, scholarships &/or fellowships, participant support costs, subawards or subcontracts greater than \$25,000, or other specifically required exclusions) You can either use the items available, or add the items applicable to your organization. Consult your grant agreements/contracts to determine the items to be listed.

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H In the gray highlighted cells, enter the total amount directly associated with each exclusion listed in G.

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## Allowable/Unallowable Costs - Per Government Regulations

Provided below is guidance to assist your entity related to the allowability/unallowability of costs. This guidance is meant to be used as a reference only and should not be considered as a final determination of the allowability of a cost. Please refer to the applicable federal regulations for your entity and grant agreement to make the final determination related to the allowability of a cost.

**There are four main criteria for determining the allowability of costs. This four general criteria are listed below:**

1. The costs are reasonable
2. The costs are allocable
3. The costs comply with the grant agreement or contract terms
4. The costs comply with Government Regulations (e.g. CFR or FAR)

**Specific federal regulations apply based on your type of entity. Please click on the appropriate link below based on your type of entity:**

[Not for Profit, Governmental and Institutions of Higher Education, click here for guidance related to allowability of costs.](#)

[For Profit companies, click here for guidance related to the allowability of costs.](#)

### Institutions of Higher Education, Not for Profit and Governmental entities:

#### 2 CFR Part 200 Subpart E

##### §200.403 Factors affecting allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles. **See 2 CFR Part 200.404 through 200.405 for the definitions of reasonable and allocable.**
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.
- (g) Be adequately documented.

##### §200.420 Considerations for selected items of cost.

This section provides principles to be applied in establishing the allowability of certain items involved in determining cost. These principles apply whether or not a particular item of cost is properly treated as direct cost or indirect cost. In case of a discrepancy between the provisions of a specific Federal award and the provisions below, the Federal award governs.

Regulations	Category	Allowable/Unallowable
200.421	Advertising public relations	Advertising costs are only allowable for costs incurred: 1) For the recruitment of personnel required for performance of a Federal award (see Part 200.463). 2) For the procurement of goods and services for the performance of a Federal award. 3) For the disposal of scrap or surplus materials acquired in the performance of a Federal award (except when reimbursement is received for disposal costs at a predetermined amount). 4) Program outreach and other specific purposes necessary to meet the requirements of the Federal award. Public relations costs are only allowable for costs incurred: 1) Costs specifically required by the Federal award; 2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of the Federal award; (3) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of funding opportunities, financial matters, etc.
200.422	Advisory Councils	Costs are unallowable, unless 1) Cost is charged as direct cost when approved by Federal awarding Agency. 2) Cost is an indirect cost where allocable to Federal awards.
200.423	Alcoholic Beverages	<b>All unallowable</b>
200.424	Audit costs and related services	Proportionate share of audit costs required by and performed in accordance with the Single Audit Act are allowable.
200.425	Alumni/ae Activities	<b>All unallowable</b>
200.426	Bad debt expense	<b>All unallowable</b>
200.427	Bonding cost	Bonding costs are unallowable, unless: 1) Required by the terms of the award. 2) Required by the governmental unit in the general conduct of its operations when costs have been reasonably incurred.
200.428	Collections of improper payments	Cost is generally allowable if it meets the other criteria of allowability. The costs should be assessed to determine whether the cost is direct or indirect.
200.429	Commencement and Convocation Costs	Costs are unallowable except as provided for in Appendix III of 2 CFR 200.

200.430	Compensation cost	Review Part 200.430 to ensure all compensation charged to a Federal award are in accordance with applicable regulations. *Note: All costs which are unallowable under other Parts are not allowable on the basis that the cost constitutes personnel compensation
200.431	Fringe Benefits	Review Part 200.431 to ensure all fringe benefits charged to a Federal award are in accordance with applicable regulations.
200.432	Conferences	1) Any conference as defined in Part 200.432 is allowable if the purpose of the conference is to disseminate technical information and is necessary and reasonable for successful performance under the Federal award. 2) Costs for sponsoring or hosting the conference are allowable unless restricted by the terms and conditions of the Federal award.
200.433	Contingency provisions	1) Contingencies explicitly included in approved budget for an estimate of a future cost is allowable. 2) Contingency reserves are unallowable unless the cost is for self-insurance reserves, pension plan reserves, and post-retirement health and other benefit reserves.
200.434	Contributions and Donations	1) Costs of contributions and donations to other entities are unallowable. 2) For contributions and services donated to the grantee, review Part 200.434 to ensure Cost Sharing or Matching is appropriately accounted for and included in indirect cost calculations appropriately.
200.435	Defense and prosecution of criminal and civil proceedings and claims	1) Legal costs for the defense of civil or criminal fraud proceeding where the contractor is found liable or has pleaded nolo contendere 2) Legal costs in connection with any criminal, civil or administrative proceeding are unallowable. * Certain exceptions exist for these requirements. Review Part 200.435 for these exceptions
200.436	Depreciation	Review Part 200.436 to ensure depreciation is calculated and charged to the award in an allowable manner.
200.437	Employee morale, health and welfare costs	Review Part 200.437 for requirements for allowability of costs for the improvement of working conditions, employer-employee relations, employee health and employee performance.
200.438	Entertainment	Costs are unallowable unless costs are considered to have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency.
200.439	Equipment and other capital expenditures	Review Part 220.439 to ensure requirements for allowability have been met for capital assets and equipment charged to a Federal award.
200.440	Exchange rates	Review Part 220.440 to ensure requirements for allowability have been met for foreign currency exchange fluctuations.
200.441	Fines and penalties	Unallowable unless the cost was incurred as a result of compliance with specific provisions of the Federal award or written approval of the awarding agency.
200.442	Fund raising and investment management costs	1) Organized fund raising costs to raise capital or obtain contributions are unallowable. 2) Fund raising costs for the purpose of meeting the Federal program objectives are allowable with prior written approval from the Federal awarding agency. 3) Costs for investment management/counsel incurred to enhance income are unallowable unless the investments are associated with pensions, self-insurance or other funds which include Federal participation allowed by 2 CFR 200. 4) Costs related to the physical custody and control of monies and securities are generally allowable if they meet the other criteria for an allowable cost.
200.443	Gains and losses on disposition of depreciable property and other capital assets and substantial relocation of Federal programs	Part 200.443 should be reviewed for allowability of gains and losses.
200.444	General government expenses	For General Government costs which are unallowable review Part 200.444.
200.445	Goods or services for personal use	1) Costs for housing, housing allowances and personal living expenses are only allowable as direct costs. The costs must be approved in advance by a Federal awarding agency. 2) All other costs of good or services for personal use are unallowable even if reported as taxable income to an employee.
200.446	Idle facilities and idle capacity	Part 200.446 should be reviewed for allowability of idle facilities and idle capacity.
200.447	Insurance indemnification	1) Costs required or approved and maintained pursuant to a Federal award are allowable. 2) For other coverages, review the Part 200.447 for allowability.
200.448	Intellectual Property	Part 200.448 should be reviewed for allowability of intellectual property costs.
200.449	Interest	Interest on borrowing is unallowable with the exception of financing of capital assets and equipment. For interest on financed capital assets and equipment, review the conditions of Part 200.449 for allowability of interest incurred for financing of capital assets and equipment
200.450	Lobbying	<b>All unallowable</b>
200.451	Losses on Other Federal Awards or Contracts	<b>All unallowable</b>
200.452	Maintenance and repairs	Cost is generally allowable if it meets the other criteria of allowability. *Note ensure these costs are appropriately classified as maintenance and repairs as opposed to Equipment and Other Capital Expenditures.
200.453	Materials and supplies costs	Costs for materials, supplies and fabricated parts necessary to carry out a Federal award are generally allowable if they meet the other criteria of allowability.
200.454	Memberships, subscriptions and professional activity costs	1) Costs of the non-Federal entity's membership in business, technical, and professional organizations are generally allowable if they meet the other criteria of allowability. 2) Costs of the non-Federal entity's subscriptions to business, professional, and technical periodicals are generally allowable if they meet the other criteria of allowability. 3) Costs of membership in any civic or community organization are allowable with prior approval by the Federal awarding agency or pass-through entity. 4) Cost of membership in any country club or social or dining club or organization is unallowable. 5) Cost of membership in organizations whose primary purpose is lobbying is unallowable.

200.455	Organization Costs	Any organization costs defined in Part 200.455 are only allowable if prior approval was received from the Federal awarding agency.
200.456	Participant support costs	Any participant support costs defined in Part 200.456 are only allowable if prior approval was received from the Federal awarding agency.
200.457	Plant and homeland security costs	Necessary and reasonable costs for routine security to protect facilities, personnel and work products are allowable.
200.458	Pre-award costs	1) Only allowable if the costs would be otherwise allowable after the date of the award. 2) Only with written approval of the awarding agency.
200.459	Professional service costs	Part 200.459 should be reviewed to determine allowability of professional service costs.
200.460	Proposal costs	Proposal costs can be allocated as an indirect cost a federal program if that proposal benefited the program and all other criteria for allowability were met.
200.461	Publication and printing costs	Publication and printing costs are generally allowable if all other criteria for allowability are met. Also, if publication and printing costs are not identifiable with a particular cost objective, the costs should be allocated as an indirect cost.
200.462	Rearrangement and reconversion costs	1) Ordinary rearrangement and alteration of facilities is generally allowable as an indirect cost. 2) Arrangement and alteration costs incurred specifically for a Federal award are allowable as a direct cost with prior approval from the Federal agency or pass-thru entity. 3) Costs incurred in the restoration or rehabilitation of facilities to approximately the same condition existing prior to the commencement of Federal awards is generally allowable less any costs related to normal wear and tear.
200.463	Recruiting costs	Part 200.463 should be reviewed to determine allowability of recruiting costs.
200.464	Relocation Costs of Employees	Part 200.464 should be reviewed to determine allowability of relocation costs.
200.465	Rental costs of buildings and equipment	Part 200.465 should be reviewed to determine lease has been entered into which results in allowable costs being incurred.
200.466	Scholarships and Student Aid Costs	Part 200.466 should be reviewed to determine allowability of scholarships and student aid provided.
200.467	Selling and marketing	Unallowable unless under Part 200.421 or with prior approval of the Federal awarding agency for necessary performance of the award.
200.468	Specialized Service Facilities	Costs of Special Service Facilities are allowable. Review Part 200.468 to ensure the methodology used to charge the costs for the Specialized Service Facilities is in accordance with regulations.
200.469	Student Activity Costs	Costs incurred for intramural activities, student publications, student clubs and other student activities are unallowable unless specifically provided for in the Federal award.
200.470	Taxes	Part 200.470 should be reviewed for allowability of taxes.
200.471	Termination costs	If a Federal award is terminated, review applicable cost principles for Termination to determine allowability.
200.472	Training costs	Training costs provided for employee development is generally allowable if all other criteria for allowability are met.
200.473	Transportation Costs	Cost is generally allowable if it meets the other criteria of allowability.
200.474	Travel costs	Part 200.474 should be reviewed for allowability of travel costs.
200.475	Trustees	Travel and subsistence costs of trustees/directors are allowable for IHEs and nonprofit organizations.

**For Profit companies:**

**Federal Acquisition Register (FAR) Subpart 31.2 - Contracts with Commercial Organizations.**

**31.201-2 Determining allowability.**

A cost is allowable only when the cost complies with all of the following requirements:

- (1) Reasonableness.
- (2) Allocability.
- (3) Standards promulgated by the CAS Board, if applicable, otherwise, generally accepted accounting principles and practices appropriate to the circumstances.
- (4) Terms of the contract.
- (5) Any limitations set forth in this subpart.

**31.204 Application of principles and procedures.**

(a) Costs are allowable to the extent they are reasonable, allocable, and determined to be allowable under FAR subparts 31.201, 31.202, 31.203, and 31.205. These criteria apply to all of the selected items that follow, even if particular guidance is provided for certain items for emphasis or clarity. If an item is not listed below, it should **NOT** be presumed to be allowable.

**Unallowable Costs Per FAR Part 31.205**

Regulations	Category	Allowable/Unallowable
31.205-1	Public Relations & Advertising Costs	Advertising expenses are generally disallowed, except for acquiring scarce items for contract performance or disposal of scrap or surplus materials required for contract performance.
31.205-2	Bad Debts	Bad debts, including any directly associated costs, such as collection, legal or interest are not allowed.
31.205-3	Compensation for Personal Services	If the payrate of employees are specified in the PLC (Project Labor Codes) and company exceeds the payrate without the approval of the customer, the excess compensation will be disallowed. Besides, if the employee is working in another unrelated project, the pay for the hours attributed to that project will be disallowed, especially in T&M contracts and Cost Plus contracts.
31.205-4	Contributions or Donations	Contributions or donations, including cash, property and services, regardless of recipient, are unallowable.
31.205-5	Amortization of Goodwill	Any cost for amortization, write of or write down of goodwill are unallowable.
31.205-6	Lodging Expenses in Excess of Per Diem Rates	Lodging and meals expenses in excess of the per diem rates are unallowable, unless special circumstances arise and prior approval is obtained.
31.205-7	Cost of Gifts to Employees or Customers	Cost of gifts are unallowable, except performance award or made in recognition of achievements which has benefitted the customer.

31.205-8	Costs of Entertainment	Costs of amusement, social activities, sports, gratuities, memberships in social, dining or country clubs are unallowable.
31.205-9	Interest & Other Financial Costs	Interest on borrowings, bond discounts, legal and professional fees paid in connection with preparing prospectus and issuing stock rights are unallowable.
31.205-10	Fines & Penalties	Cost of fines and penalties resulting from violations of, or failure of the contractor to comply with Federal, State, local or foreign laws and regulations are unallowable except when incurred as a result of compliance with specific terms and conditions of the contract or there are written approval from the Contracting Officer.
31.205-11	Lobbying & Political Activity Costs	All lobbying and political activity costs are unallowable except for expenses related to the performance of a contract through hearing testimony, statements or letter to the Congress or a state legislature in response to a document request.
31.205-12	Losses on Other Contracts	An excess of costs over income under any other contract is unallowable.
31.205-13	First Class Air Travel	The airfare should be standard and any airfare that exceeds the standard airfare is unallowable, unless approved in special circumstances.
31.205-14	Beer & Wine	Costs of alcoholic beverages are unallowable.

**Step 1 - Entity Name**

**Name of the Grantee  
(A)**  
XYZ Organization of Illinois

**XYZ Organization of Illinois**

**Step 2 - Cost Pool**

Purpose: To record amounts in each account/budget category, reconcile expenses to financial records and calculate MTDC. For further details, see Instructions tab.

Supporting Documentation

Payroll Records and other Financial Data (e.g., audited financial statements, review, compilation, trial balance, general ledger, AFR, Form 990).

Account/Budget Category (A)	Total Costs (B)	Unallowable Costs (C)	Indirect Costs (D)	Direct Costs (E)
Salaries	\$ 405,000	\$ 5,000	\$ 100,000	\$ 300,000
Fringe Benefits	160,000	-	40,000	120,000
Consultant Services	52,000	-	2,000	50,000
Staff Travel	7,000	-	5,000	2,000
Bad Debts	500	500	-	-
Occupancy	13,000	-	3,000	10,000
Consumable Supplies	1,700	-	500	1,200
Sub awards	50,000	-	-	50,000
Purchase/Lease of Equipment/Capital Assets	40,000	-	20,000	20,000
Telephone	10,000	-	2,000	8,000
Entertainment	2,000	2,000	-	-
Printing and Reproduction	1,500	-	500	1,000
Insurance and Bonding	4,000	-	1,000	3,000
Postage and Delivery	2,000	-	800	1,200
Depreciation	2,750	-	750	2,000
Emergency Assistance	1,000	-	-	1,000
Training Materials	1,500	-	500	1,000
Participant Support Costs	2,000	-	-	2,000
Central Service Costs	200,000	-	200,000	-
x	-	-	-	-
x	-	-	-	-
x	-	-	-	-
x	-	-	-	-
x	-	-	-	-
x	-	-	-	-
<b>TOTAL COSTS</b>	<b>\$ 955,950</b>	<b>\$ 7,500</b>	<b>\$ 376,050</b>	<b>572,400</b>

Reconciliation to financial statements	Totals (F)
Total expenses or expenditures per financial statements	\$ 955,950
Total expenses reported above	955,950
Difference	\$ -

MTDC Allocation Base: Direct Cost Exclusions (G)	Total Exclusions (H)
Sub awards in excess of \$25,000	25,000
Purchase/Lease of Equipment/Capital Assets	5,000
Patient Care	-
Rental Costs	-
Tuition Remission	-
Scholarships & Fellowships	-
Emergency Assistance	-
Participant Support Costs	2,000
Other(List)	-
Total Exclusions	32,000
<b>Total Modified Direct Costs</b>	<b>\$ 540,400</b>