What is considered Allowable?

OMB Circular A-21 -- C. Basic considerations. 2. Factors affecting allowability of costs. The tests of allowability of costs under these principles are: (a) they must be reasonable; (b) they must be allocable to sponsored agreements under the principles and methods provided herein; (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the sponsored agreement as to types or amounts of cost items.

Examples of costs requiring further explanation on payment docs:

**Computers:** Typically unallowable. Computers are most often used for multiple tasks (i.e. email, instruction, administrative tasks, proposal preparation, research, etc). To be allowable, they must be in the budget and used solely on the project (or have a reasonable basis for allocating a portion of the cost to the sponsored project).

**Cellphones:** Typically unallowable. Must be included in budget/scope of work, used solely on the sponsored project charged, and must conform to State of Kansas policies (PPM Chapter 6330).

**Foreign Travel:** Must be in budget and may require prior sponsor approval. Must comply with the Fly America Act (US air carriers must be used, regardless of cost, or airline needs to have a code sharing agreement with a US air carrier).


**Meals & Entertainment:** Typically unallowable. Click here for more info: [http://www.k-state.edu/finsvcs/sponsoredprograms/news/mealsandrefreshments.html](http://www.k-state.edu/finsvcs/sponsoredprograms/news/mealsandrefreshments.html)

**Dues, Memberships, Subscriptions:** Typically unallowable. These are typically for the benefit of an individual rather than the benefit of the research project.

Additional Resources: