**What Project Costs are Generally Allowable/Unallowable for Reimbursement?**

The Office of Management and Budget (OMB) Cost Principles in the Code of Federal Regulations (CFR) define by organization type what kinds of costs are allowable or unallowable for reimbursement in Federal financial assistance awards. Costs must be: reasonable; allocable; given consistent treatment in accordance with generally accepted accounting principles; and must conform to any award limitations or exclusions. It is the responsibility of you, the award recipient to adhere to the applicable Cost Principles.

**Generally unallowable costs** **in invoices include but are not limited to**:

* Alcoholic beverages
* Entertainment/celebrations
* Employee morale/recreation/health
* Meals when not in travel status, including working lunches in your local area
* Unauthorized airfare class upgrades
* Auto expenses, when already being reimbursed for mileage
* Travel costs exceeding the lodging/per diem rates in the Federal Travel Regulation (Commercial organizations) or the organization’s written travel policies (State/Local governments, Universities, and Non-profits)
* Overtime that should be compensated as regular time
* Certain Independent R&D, Bid & Proposal, and Selling costs
* Expenses for which a receipt or proper supporting documentation is not provided
* Pre-award costs not previously approved in writing by DOE Contracting Officer
* Advertising and PR costs not required in the SOPO for the performance of the Federal award
* Trade show expenses
* Bad debt, and related collection and legal costs
* Fines/penalties paid
* Cost overruns incurred on other Federal awards
* Cost incurred for an organized fund raising activity
* Contributions or donations, including cash, property, and services
* Interest on borrowings
* Taxes
* Merger & Acquisition costs
* Goods or services above market prices
* Lobbying expenses
* Fee or profit for Prime recipients or subrecipients of Federal awards
* Contingencies
* Certain patent expenses not required by the Federal award
* Direct expenses not related to the Federal project
* Expenses not ordinary and necessary for the performance of the Federal award