

Cited Unallowable Cost Reference Sheet

The List below is meant to be a quick reference sheet summarizing most frequently occurring unallowable indirect costs. This list is not meant to be all inclusive and it is recommended to review 2 CFR 225 when in doubt and to obtain additional information. Reference is cited in last column to facilitate your research.

	Cited Unallowable Costs	Reference
		2 CFR 225 (formerly OMB Circular A-87)
1	Advertising and Public Relations (some costs are allowable under certain circumstances)	Appendix B.1
2	Alcoholic beverages	Appendix B.3
3	Bad debts	Appendix B.5
4	Donations and contributions	Appendix B.12
5	Donated services	Appendix B.8.i
6	<p>General Government Expenses—including expenses of the judiciary, tribal court, enrollment and election, police and fire services, and more than 50 percent of the tribal council.</p> <ul style="list-style-type: none"> • For federally- recognized Indian tribal governments and Councils of Governments, NBC will continue the practice of accepting up to 50 percent of the portion of salaries and expenses directly attributable to managing and operating Federal programs by the chief executive and his staff, including the tribal council. The continued use of this practice presumes that tribes can document these reported costs if necessary for an audit and does not, in that sense, provide blanket approval of the reported costs. In order to justify more than 50 percent, tribes will be required to submit documented proof for the amounts of their general government expenses that exceed 50 percent. Salaries should be documented by certified payroll or other verifiable means. <p><i>For a copy of the Department's policy, please email: ics@nbc.gov.</i></p>	<p>Appendix B.19</p> <p>OMB letter dated 06/12/2000</p>
7	Contributions	Appendix B.12
8	Entertainment costs	Appendix B.14
9	Capital equipment	Appendix B.15.b.(5) & Appendix E.C.2.b.
10	Lobbying	Appendix B.24
11	Legal costs related to the defense and prosecution of criminal and civil proceedings and claims.	Appendix B.10
12	Fines and penalties	Appendix B.16
13	Fundraising and investment management costs	Appendix B.17
14	News media (except the portion that is required by Fed programs)	Appendix B.1
15	Selling and marketing	Appendix B.39

http://www.doi.gov/ibc/services/indirect_cost_services/indian_tribes.cfm