



Unallowable Costs

Allowability of Costs

It is the responsibility of the principal investigator (PI) of a grant project to be aware of all grant terms and conditions, conduct the project in an ethical manner, and complete the goals of the project as stated in their proposal to the best of their ability. All charges made to grant accounts must be allowable, allocable, and reasonable. Please see definitions of allowable costs here:

<https://www.cornellcollege.edu/academic-affairs/faculty-development/external/PDFs/Federal%20Grant%20Expense%20Approval%20Policy2.pdf>

Questions concerning the allowability of certain expenses are reviewed by the Grants and Compliance Manager. Any expenses deemed unallowable based on the project award letter or agency funding guidelines will not be charged to the grant account. If the faculty member has already incurred the expenses, they will not be reimbursed or must provide another account to which the expenses may be charged.

The Grants and Compliance Manager is responsible for reviewing grant budgets monthly to verify the expenses to grant accounts are permissible, do not exceed the project budget, and charged to the appropriate account. If an error is discovered, then a cost transfer is initiated.

Unallowable costs charged to a grant must be promptly transferred to the PI's department account. See Cost Transfer policy for the procedure. If the College has already sought reimbursement from the granting agency, funds will be immediately returned to the granting agency. Unallowable costs should be remedied immediately upon discovery and no later than 30 days.