Decision Flow Chart for Sponsored Project Costs

1. Reasonable
   - The cost reflects conservative action a prudent person would take in similar circumstances.
   - Reasonable: YES
     - Allocable
       - The cost benefits the project and the amount charged is in proportion to the benefit.
       - Allocable: NO
         - Allowable
           - The cost is not prohibited by law, regulation, policy, or the award terms.
           - Allowable: NO
             - Consistent Treatment
               - The cost is specifically identifiable with a project and consistent with CMU practice.
               - Consistent Treatment: NO
                 - Sponsor Funds Available
                   - May be a direct charge to cost sharing
                   - Sponsor Funds Available: NO
                     - May direct charge to Sponsored Project.
               - Consistent Treatment: YES
                 - Allowable
                   - The cost benefits the project and the amount charged is in proportion to the benefit.
                   - Allowable: YES
                     - Reasonable
                       - The cost reflects conservative action a prudent person would take in similar circumstances.
                       - Reasonable: YES

2. Reasonable
   - The cost reflects conservative action a prudent person would take in similar circumstances.
   - Reasonable: NO
     - Allocable
       - The cost benefits the project and the amount charged is in proportion to the benefit.
       - Allocable: NO
         - Allowable
           - The cost is not prohibited by law, regulation, policy, or the award terms.
           - Allowable: NO
             - Consistent Treatment
               - The cost is specifically identifiable with a project and consistent with CMU practice.
               - Consistent Treatment: NO
                 - Sponsor Funds Available
                   - May be a direct charge to cost sharing
                   - Sponsor Funds Available: NO
                     - May direct charge to Sponsored Project.
               - Consistent Treatment: YES
                 - Allowable
                   - The cost benefits the project and the amount charged is in proportion to the benefit.
                   - Allowable: YES
                     - Reasonable
                       - The cost reflects conservative action a prudent person would take in similar circumstances.
                       - Reasonable: YES

The cost reflects conservative action a prudent person would take in similar circumstances. The cost benefits the project and the amount charged is in proportion to the benefit. The cost is not prohibited by law, regulation, policy, or the award terms. The cost is specifically identifiable with a project and consistent with CMU practice. Do not direct charge on sponsored projects. May be a direct charge to cost sharing. May direct charge to Sponsored Project.