

Boston College: OFFICE FOR SPONSORED PROGRAMS

Guide on Cost Allocation Methodologies

Introduction

Boston College

and can be distributed in proportions that may be approximated using reasonable methods; and 3) is necessary to the overall operation of Boston College AND is assignable in part to the award.

Goods and services purchased by Boston College under a sponsored award may benefit more than one sponsored award or cost objective. Such costs must be allocated to a sponsored award in proportion to the actual benefit received by the award. To determine how much of the goods or services are actually chargeable to an award, an allocation methodology must be developed that reasonably estimates the actual benefit to the award. Costs are then distributed to each benefiting sponsored award or cost objective using the allocation methodology.

Restrictions

It is important to note that costs may not be charged to an award to overcome fund deficiencies, to avoid restrictions imposed by laws, regulations, or a sponsor's terms and conditions, or for other reasons of convenience (e.g. charging a cost to a project simply based on the availability of funds on that project).

F&A

Indirect costs, or costs considered to part of Facilities and Administration (F&A), are not eligible for allocation directly to a sponsored award.

Proportional Benefit

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, then the cost must be allocated to the projects based on the proportional benefit. This **must** be done for Federal awards per the Office of Management and Budget's Uniform



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