

Checklist to evaluate if a cost is allowable

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State and local educational agencies must ensure that spending federal funds, including Title I, meets requirements for allowability included in the [2 CFR 200](#) Uniform Guidance. Use this checklist to determine if a potential cost meets the general allowability requirements in the Uniform Guidance.

Is the cost. . .	Yes	No
Reasonable? (2 CFR 200.404)		
• Did the agency follow purchasing or procurement procedures?		
• Is the cost aligned with fair market prices for comparable purchases or services?		
• Would a "prudent person" agree that the item is reasonable?		
Conforming to limits or exclusions? (2 CFR 200.403 (b))		
• Is the cost permissible and not disallowed under the specific items of cost in UG?		
• Is the cost permissible under the federal program statute and regulations?		
• Is the cost permissible under the terms and conditions of the grant award?		
• Is the cost permissible under state laws and regulations?		
• Is the cost permissible under SEA and LEA policies?		
Accorded consistent treatment? (2 CFR 200.403 (d))		
• Is the cost excluded from the agency's indirect cost rate?		
• Is the cost treated the same for the federal program as state and local programs?		
Allocable? (2 CFR 200.405 (a))		
• Is the cost incurred specifically for the federal program?		
• Was the cost distributed in proportions that may be approximated?		
• Was the cost not incurred due to another grant running out of funds?		
Adequately documented? (2 CFR 200.403 (g) and 2 CFR 200.302 (b)(3))		
• Is there documentation that demonstrates the need, purchase, and use of the item or service?		
• Do records identify the source and application of funds?		
• Do records include authorizations, obligations, and unobligated balances?		
• Do records include assets, expenditures, income, and interest?		
• Are all records supported by source documentation?		
Necessary to carry out the federal program plan? (2 CFR 200.403 (a))		
Determined in accordance with generally accepted accounting principles? (2 CFR 200.403 (e))		
Not used to meet cost sharing or matching requirements of any other federally financed program? (2 CFR 200.403 (f))		
Supplemental to state and local funds if required by the federal grant program?		

Sources: [2 CFR 200](#) Uniform Guidance, Alaska Department of Education and Early Development

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