

## Unallowable (Indirect) Costs

OCAST reimburses contractors for only expenses incurred during the contract funding period for purposes and activities in the original proposal approved by OCAST. OCAST does not reimburse for indirect costs. Below are some types of expenses that OCAST generally does not allow. This list is not exhaustive.

1. **Alcoholic Beverage Costs** - Costs of alcoholic beverages, regardless of intended use are unallowable.
2. **Advertising/Marketing** – newspaper, billboard, magazine, direct mail advertising (costs associated with recruiting test subjects or interns may be allowable).
3. **Administrative Support** – Costs associated with secretarial, human resources, bookkeeping, professional accounting, consultant services, etc.
4. **Audit Costs** – Fees for the performance of internal or external audits.
5. **Automobiles** – Costs associated with the purchase or lease of a vehicle, regardless of its intended use; costs associated with vehicle maintenance and servicing.
6. **Bad Debt** – Losses resulting from uncollectible accounts receivable; collection agency expenses.
7. **Building & Equipment Depreciation** – Non-cash expenses associated with the reduction in value of buildings or equipment as the result of wear and tear, age, or obsolescence.
8. **Computers/Computing Equipment** - Desktop, laptop, tablet, and handheld computers and related computing devices; includes computer peripherals (monitor, keyboard, mouse, printer, scanner, audio equipment, touch pad, digital stylus, graphic drawing tablet, etc.), computer data storage (hard drives, USB flash drives, magnetic tape, cloud-based, etc.) and computer network components (routers, switches, modems, network adapters, etc.).
9. **Consulting Costs** - Costs associated with a consultant work and fees.
10. **Contingencies** - Costs associated with a possible future event or condition, the outcome of which is undeterminable.
11. **Contributions or Donations** - Such costs include cash, property or services, and are unallowable regardless of recipient.
12. **Dues and Membership Fees** – Memberships in civic or community organizations, country clubs, social or dining clubs, etc.
13. **Entertainment** - Costs of social activities (office parties, picnics, etc.) and any directly associated costs (tickets to shows or sporting events, meals, lodging, gratuities, etc.).
14. **Fines and Penalties** - Such costs result from violations of, or failure to comply with, Federal, State, local or foreign laws. Such costs would be allowable if incurred to comply with specific terms and conditions of the contract.
15. **First Class Air Travel** – Costs associated with the purchase of or upgrade to first class.

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16. **Housing Cost** – Rent or mortgage costs associated with primary residence or temporary housing.
17. **Independent Research and Development Costs** - Such costs include research and development expenditures not sponsored by, or required in, the performance of an OCAST contract.
18. **Insurance** - Costs of insurance on the lives of officers, partners, or sole proprietors where the contracting organization is the beneficiary; property insurance; malpractice insurance.
19. **Interest and Other Financial Costs** - Interest on borrowings, costs of refinancing capital, fees paid in connection with preparing prospectuses, issuing stock rights, bank service charges, insufficient funds fees, credit card fees, etc.
20. **Late Fees** – Fees associated with delinquent payments on accounts.
21. **Legal Services** – Any work provided by a legal professional for the benefit of or on behalf of the organization.
22. **Library Services** – general library support.
23. **Lobbying Costs** – Lobbying services provided internally or by an outside firm.
24. **Maintenance and Repair Costs** - Costs incurred for necessary maintenance, repair or upkeep of buildings and equipment.
25. **Meals** - Working lunches/dinners, staff meals, meeting refreshments.
26. **Office Supplies** – Pens, pencils, paper, folders, printer toner, notebooks, note pads, staplers, hole punchers, binder clips, tape dispensers, etc.
27. **Office Equipment** –calculators, phones, fax machines, copier machines, audio/video projectors/recorders, video conferencing equipment, etc.
28. **Office Furniture** – desks, tables, chairs, bookshelves, filing cabinets, etc.
29. **Organization Costs** - Costs associated with incorporating the organization, registering with the Oklahoma Secretary of State, reorganizing the corporate structure of the business, or raising capital.
30. **Patent, Licensing, Invention, or Copyright Costs** - Fees or costs associated with preparing or submitting patent applications, fees paid to the US Patent and Trademark Office for patent application, patent maintenance, etc.
31. **Public Relations/Marketing** – Costs to produce press releases, brochures, fliers, etc. or develop websites for the purpose of marketing a service or product.
32. **Relocation Costs** - Costs associated with relocating an employee.
33. **Regulatory Approvals** – IRB, IACUC, IBC, or other approvals required to performed specific types of research.

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34. **Royalty Costs** - Such costs include royalties paid for use of the patent, or in cases where the patent is invalid, unenforceable, or expired.
35. **Selling and Marketing Costs** – Fees paid to marketing firms, advertising costs, other costs directly associated with the selling of a product or service.
36. **Taxes** - Such costs include federal and state income taxes, and taxes associated with financing, refinancing, or reorganizations.
37. **Tuition and Fees** – Tuition costs and related fees incurred by students associated with the OCAST contract.