

## ADMINISTRATIVE PROCEDURE

### Southwestern Oregon Community College

#### AP 6087      **DISALLOWED, QUESTIONED OR OVER-EXPENDITURE COSTS**

##### **Purpose**

To provide guidelines for the recovery process of any grant or contract monies expended for payment of disallowed, questioned costs, or over expenditures.

##### **Costs**

[2 CFR 200.402-405](#) – the criteria of allowability of costs under these principles are:

- they must be reasonable. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost;
- they must be allocable to sponsored agreements under the principles and methods provided herein;
- they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and
- they must conform to any limitations or exclusions set forth in these principles or in the sponsored agreement as to types or amounts of cost items.

##### **Disallowed Costs**

[2 CFR 200.31](#) – charges to a Federal award that the Federal awarding agency or pass-through entity determines to be unallowable in accordance with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award.

##### **General Guidelines**

The Grant Manager (GM) is fiscally responsible for ensuring that all expenditures are allowable, allocable and reasonable and are in accordance with the regulations associated with the award agreement.

Upon determination of unallowable, questioned, or over expended funds, the responsible Grant Accounting Technician will contact the GM to determine the method of repayment.

##### **Repayment of Funds**

The GM in conjunction with the Grant Accounting Technician may recover any monies expended for the payment of disallowed, questioned, or over expended funds in the following manner:

- Move charges to other budgets under the GM and department authority.
- Move charges to other budgets with prior approval from Executive Team members.

Adopted: **April 13, 2022**

*Southwestern Oregon Community College does not discriminate on the basis of race, color, gender, sexual orientation, marital status, religion, national origin, age, disability status, gender identity, or protected veterans in employment, education, or activities as set forth in compliance with federal and state statutes and regulations.*