

## Charging Expenses to Sponsored Awards

All sponsored award expenditures must conform to Lawrence University's own Expense Policy. Additionally, all costs charged to a federally sponsored award must be reasonable, allocable to the specific project, consistent with the way the same costs are treated in like circumstances at Lawrence, and allowable under applicable federal cost principles, agency-specific policies, award-specific terms and conditions, and Lawrence policies. The following guidelines have been established to determine if an expense is allowable:

- 1) Budgeted Funds

to the sponsored project should be proportionate to the relative benefit. See / \*+- /00 for complete details.

-easonable means that the expenditure passes the prudent person test.7 8ould a prudent person, in the prevailing circumstances at the time the spending decision is made, take the same action with respect to the choice of item or service selected and cost for that item or