

Standards for Allowability of Costs

(Excerpts from the Heritage Preservation Fund (HPF) Grants Manual, October 1997, Chapter 13. For purposes of this Certified Local Government Grant Manual, this chapter has been edited to address issues and costs commonly encountered in Certified Local Government sub-grants. The Office of Historic Preservation has the entire HPF Grants Manual stored electronically and can send portions upon request.)

A. Purpose and Applicability.

This chapter provides standards for determining the allowability of selected items of cost in accordance with Office of Management and Budget (OMB) Circular A-87, state and local governments. It also includes additional cost items specific to the Historic Preservation Fund program. Note that certain listed costs are allowable (Section B), other costs are allowable with the prior written approval of NPS (Section C), and other costs are unallowable (Section D). An asterisk precedes the costs not specifically addressed in the Circular.

These standards will apply irrespective of whether a particular item of cost is treated as a direct or an indirect cost, or as part of either the Federal or non-federal matching share of grant assistance. This listing of cost items is not all-inclusive. Failure to mention a particular item of cost in these standards is not intended to imply that it is either allowable or unallowable, rather a determination of allowability in each case will be based on the treatment of standards provided for similar or related items of cost. The allowability of the selected items of cost is subject to the policies and principles stated in Heritage Preservation Fund Grants Manual, October 1997, Chapter 12, "Cost Principles," particularly Section C.

B. Allowable Costs.

1. Accounting Costs. The cost of establishing and maintaining accounting and other fiscal information systems is allowable.

* 2. Administrative Costs. Under Section 102 (e) of the National Historic Preservation Act (NHPA), the total direct administrative costs charged for carrying out State projects may not exceed 25% of the aggregate costs. See Chapter 7, Exhibit 7-B (Additional instructions for the SF 424-A), and Chapter 12, Section F.4, for guidance.

3. Advertising. Advertising media include newspapers, magazines, radio and television programs, direct mail, exhibits, and the like.

Allowable advertising costs are those which are solely for: recruitment of personnel necessary for the grant program; the procurement of goods and services required for the performance of the HPF grant agreement; and notices required by Federal or State regulations pertaining to the HPF program.

4. Audit Service. The costs of audits necessary for the administration and management of functions related to grant programs are allowable, provided that the audits were performed in accordance with the requirements of the Single Agency Audit Act and of OMB Circular A-133 implementing it (see Chapter 23). Generally, the percentage of costs charged to Federal awards for a single audit shall not exceed the percentage derived by dividing Federal funds

expended by total funds expended by the recipient or sub-recipient (including program matching funds) during the fiscal year. The percentage may be exceeded only if appropriate documentation demonstrates higher actual costs. Other audit costs are allowable if specifically approved by the awarding or cognizant agency as a direct cost to an award, or included as an indirect cost in a cost allocation plan or rate.

5. Automatic Electronic Data Processing. The cost of data processing services is allowable.
6. Communications. Communication costs incurred for telephone calls or service, mail, messenger, and similar communication expenses necessary for and directly related to HPF grant program operations are allowable.
7. Compensation for Personal Services (including Fringe Benefits).
 - a. General. For local governments, compensation for personal services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under the grant agreement, including but not necessarily limited to wages, salaries and fringe benefits. Such compensation is allowable to the extent that it satisfies the specific requirements of the OMB Cost Principles and that the total compensation for individual employees:
 - 1) Is reasonable for the services rendered, and conforms to the established policy of the governmental unit consistently applied to both Federal and non-Federal activities.
 - 2) Follows an appointment made in accordance with local government laws and rules and which meets other requirements required by Federal law, where applicable;
 - 3) Is determined and supported as provided in b., below.
 - b. Reasonableness. Compensation for employees engaged in work on HPF grant-assisted activities will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the local government. In cases where the kinds of employees required for Federal awards are not found in the other activities of the local government, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the employing government competes for the kind of employees involved. Compensation surveys providing data representative of the labor market involved will be an acceptable basis for evaluating reasonableness. This rate, excluding benefits, shall not exceed the maximum daily rate of compensation in the Federal Civil Service equal to 120 percent of a GS-15, step 10 salary (as of January 2002, this limit is \$550 per day, or \$143,481 divided by 2,087 hours (Federal work year)) rounded to the next whole dollar, or \$68.75 per hour.

When consultant services rates exceed this rate, only the amount up to that rate can be charged to the HPF grant, or be claimed as nonfederal matching share costs. Where staff is paid salaries above that rate, the excess costs must be paid outside the historic preservation grant (and nonfederal share).

- c. Unallowable Costs. Costs that are unallowable under the provisions of this Chapter shall not be allowable solely on the basis that they constitute personal compensation.
- d. Fringe Benefits. Allowability is subject to the following considerations: (1) Fringe Benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave, employee insurance, pensions, and unemployment benefit plans. Except as provided elsewhere in the OMB Cost Principles, the costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, governmental unit employee agreement, or an established policy of the governmental unit. (2) The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, holidays, court leave, military leave, and other similar benefits, are allowable if: (a) they are provided under established written leave policies; (b) the costs are equitably allocated to all related activities, including Federal awards; and, (c) the accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the governmental unit. (4) The accrual basis may be only used for those types of leave for which a liability as defined by Generally Accepted Accounting Principles (GAAP) exists when the leave is earned. When a governmental unit uses the accrual basis of accounting, in accordance with GAAP, allowable leave costs are the lesser of the amount accrued or funded. (5) The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in Section B.21); pension plan costs (see subsection e., below); and other similar benefits, whether treated as indirect costs or direct costs, shall be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities.
- e. Pension Plan Costs. Pension Plan Costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the governmental unit. (1) For pension plans financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries. (2) Pension Costs calculated using an actuarial cost-based method recognized by GAAP are allowable for a given fiscal year if they are funded for that year within six months after the end of that year. Costs funded after the six-month period (or a later period agreed to by the cognizant agency) are allowable in the year funded. The cognizant agency may agree to an extension of the six-month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursement and the governmental unit's contribution to the pension fund. Adjustments may be made by cash refund or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of the contributions to the pension fund. (3) Amounts funded by the governmental unit in excess of the actually determined amount for a fiscal year may be used as the governmental unit's contribution in future periods. (4) When a governmental unit converts to an acceptable actuarial cost method, as defined by GAAP, and funds pension costs in accordance with this method, the unfunded liability at the time of conversion shall be

allowable if amortized over a period of years in accordance with GAAP. (5) The Federal Government shall receive an equitable share of any previously allowed pension costs (including earnings thereon) which revert or inure to the governmental unit in the form of a refund, withdrawal, or other credit.

- f. Distribution of Time for Salaries and Wages. Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, must be based upon payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official (s) of the grantee. No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity. Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets standards for personnel activity records (a) through (e) below, unless a statistical sampling system (see below) or other substitute system has been approved by the cognizant Federal agency.

Documentary support for time distribution will be required where employees work on: (a) more than one Federal award, (b) a Federal award and a nonfederal award, (c) an indirect cost activity and a direct cost activity, (d) two or more indirect cost activities which are allocated using different allocation bases, or (e) an unallowable activity and a direct or indirect cost activity. The time distribution method used must account for the total salaried effort of the persons covered. A system that provides for the reporting only of effort applicable to federally sponsored activities is not acceptable. Time should be accounted for in units no longer than working days, and a brief description linking work performed to a specific approved project or activity should be used. (For example, "Consulted with sub-grantee's architect on project XX-0001" would be acceptable; "Grant activities" would not.)

Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

Personnel activity reports or equivalent documentation must meet the following standards: (a) they must reflect an after-the-fact distribution of the actual activity of each employee; (b) they must account for the total activity for which each employee is compensated; (c) they must be prepared at least monthly and must coincide with one or more pay periods; and (d) they must be signed by the employee. Note that budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that: (i) the grantee's system for establishing the estimates produces reasonable approximations of the activity actually performed; (ii) at least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to

Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and (iii) the budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. [See OMB Circular A-87, Item B.11h.(6).]

- g. Donated Services. Professional and technical personnel, consultants, and other skilled and unskilled labor may furnish donated or volunteer services to a grantee. The value of these services is not reimbursable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements in accordance with the provisions of Chapter 14. The value of donated services used in the performance of a direct cost activity shall, when material in amount, be considered in the determination of the grantee's indirect costs or rate(s) and, accordingly, shall be allocated a proportionate share of applicable indirect costs. To the extent feasible, donated services will be supported by the same methods used by the grantee to support the allocability of regular personnel services.
8. Equipment and Other Capital Expenditures. Any article of nonexpendable tangible personal property having a useful life of more than one (1) year and an acquisition cost of \$5,000 or less is defined as supplies, and is allowable as a direct cost, without specific prior NPS approval, if necessary for the performance of the HPF grant. (See Section C.2 of this Chapter for prior approval of items costing more than \$5,000.) When replacing equipment purchased with Federal funds, the grantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement equipment. Capital expenditures that are not charged directly to a Federal award may be recovered through use allowances, or depreciation (see Section B.13).
9. Indirect Costs. Indirect costs are allowable only in accordance with the applicable indirect cost principles and when based on a current approved or provisional rate awarded by the cognizant Federal agency. (See Chapter 12; also see Section D.21.)
10. Insurance and Indemnification. Costs of hazard and liability insurance to cover personnel or property directly connected with the HPF-assisted program or project site required or approved and maintained pursuant to the grant agreement are allowable during the grant period. Costs of other insurance in connection with the general conduct of activities are allowable if maintained in accordance with sound business practice, except that the types and extent and cost of coverage or of contributions to any reserve covering the risk of loss of, or damage to, Federal Government property are unallowable except to the extent that the NPS has specifically required or approved such costs. (See OMB Circular A-87, Item B.25, for the allowability of self-insurance reserves.)
12. Legal Expenses. The cost of legal expenses required in the administration of HPF grant programs is allowable. (Legal expenses for the prosecutions of claims against the Federal Government are unallowable.)

13. Materials and Supplies. The cost of materials and supplies necessary to carry out the HPF grant program is allowable. Purchases made specifically for the grant program should be charged at their actual prices after deducting all cash discounts, trade discounts, rebates, and allowances received. Withdrawals from general stores or stockrooms should be charged at cost under any recognized method of pricing, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs.

* 14. Professional and Consultant Service Costs.

- a. Costs of professional and consultant services rendered by persons or organizations that are members of a particular profession or possess a special skill, whether or not officers or employees of the grantee, are allowable, subject to the provisions of Chapter 5 of the Historic Preservation Fund Grants Manual and subject to the subsections below, when reasonable in relation to the services rendered, and when not contingent upon recovery of the costs from the Government (i.e., contingent fees are prohibited).
- b. Factors to be considered in determining the allowability of costs in a particular case include: 1) the nature and scope of the service rendered in relation to the service required; 2) the necessity of contracting for the service, considering the grantee organization's capability in a particular area; 3) the impact of HPF grants on the grantee organization; (4) the qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-government contracts and grants; and 5) the adequacy of the contractual agreement for the service (i.e., description of the service and products to be provided, estimate of time required, rate of compensation, and termination provisions).

Retainer fees supported by evidence of bona fide services available or rendered are allowable.

- c. Costs of legal, accounting, and consulting services, and related costs incurred in the prosecution of claims against the Government are unallowable. (See Section D.33.)
- d. Written agreements shall be executed between the parties that detail the responsibilities, standards, and fees.
- e. Compensation for Consultants. No person employed as a consultant, or by a firm providing consultant services, shall receive more than a reasonable rate of compensation for personal services paid with HPF funds, or when such services are contributed as nonfederal share. This rate shall not exceed the maximum daily rate of compensation in the Federal Civil Service equal to 120 percent of a GS-15, step 10 salary (as of January 2002, this limit is \$550 per day, or \$143,481 divided by 2,087 hours (Federal work year)) rounded to the next whole dollar, or \$68.75 per hour.

When consultant services rates exceed this rate, only the amount up to that rate can be charged to the HPF grant, or be claimed as nonfederal matching share costs. Where consultants are hired at salaries above that rate, the excess costs must be paid outside the historic preservation grant (and nonfederal share).

- * 15. Public Information Services Costs. Public information services costs include the costs associated with newsletters, pamphlets, news releases, films, videotapes, and other forms of historic preservation related information services.
- a. Allowable costs are those normally incurred to: 1) inform or instruct individuals, groups, or the general public about specific historic preservation activities, accomplishments, and issues that result from performance of the HPF grant; 2) interest individuals and organizations in participating in HPF grant-supported programs of the grantee and the achievement of NPS approved work program objectives; 3) provide necessary stewardship reports to State and local government agencies, contributing organizations, and the like; or to 4) disseminate the results of grantee-sponsored activities to preservation professionals, interested organizations, and the general public.
 - b. Within the foregoing parameters, public information services which (1) are not directly related to historic preservation or NPS approved activities, or (2) are costs related to fundraising appeals are unallowable. Public information costs are allowable as direct costs only.
16. Publication and Printing Costs. Costs of printing and reproduction services necessary for grant administration, including but not limited to forms, manuals, and informational literature, are allowable. Publication costs of reports or other media relating to HPF grant program accomplishments or results are allowable when necessary to comply with grant-supported program or project requirements, such as Final Project reports, publications undertaken at the written direction of NPS, as well as other publications necessary for grant-assisted program administration. See Chapter 3, Section D.3.
17. Rental Costs. Rental of office space is allowable, subject to the provisions of Chapter 12, Section C, and OMB Circular A-87, Item B.38. The cost of office space in privately or publicly owned buildings used for the benefit of the grant program is allowable subject to the following conditions: (1) the total cost of space, in a privately or publicly owned building, may not exceed the rental cost of comparable space and facilities in a privately owned building in the same locality; (2) the cost of space procured for grant program usage may not be charged to the program for periods of non-occupancy without authorization of NPS.
- Equipment rental is allowable only to the extent that the equipment is only needed for a short time and it would not be more cost effective to purchase the equipment.
- * 18. Research. Costs of historical, architectural, and archeological research necessary for project accomplishment are allowable. Purely archival research is unallowable. (See Section D.1, below.)
19. Training and Education. The cost of training for employee development is allowable
20. Travel. Travel costs are allowable for expenses for transportation, lodging, subsistence, and related items incurred by employees traveling on official business incident to the HPF grant program. Such costs may be charged on an actual basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is

applied to an entire trip, and results in charges consistent with those normally allowed in like circumstances in non-federally sponsored activities. A receipt must document lodging costs in order to be eligible for reimbursement under the HPF grant.

The difference in cost between first-class air accommodations and less-than-first-class accommodations is unallowable except when less-than-first-class accommodations are not reasonably available, and the provisions of OMB Circular A-87, Item B.41(c) are met. Foreign travel costs are allowable only with prior written approval of NPS. (See Section C.4, below.) Notwithstanding the provisions of Section D.17, travel costs of officials covered by those subsections, when specifically and directly related to the HPF grant program, are allowable with the prior written authorization of NPS. The maximum allowable mileage rate that can be charged to the HPF grant in California as of July 2001 is thirty-four (34) cents per mile.

C. Costs Allowable with Approval of NPS.

1. Equipment and Other Capital Expenditures. The cost of facilities, equipment, other capital assets, and repairs or improvements which materially increase the value or useful life of capital assets is allowable when such procurement is specifically justified in writing and specifically approved in writing by NPS. When assets acquired with HPF grant funds are sold, no longer available for use in the NPS-sponsored program, or used for purposes not authorized by NPS, the NPS equity in any assets with a current fair market value over \$5,000 will be refunded in the same proportion as Federal participation in its cost. In case any assets are traded on new items, only the net cost after trade-in allowances of the newly acquired assets is allowable. Articles with a unit cost of more than \$5,000 and a useful life of more than one (1) year are allowable when specifically approved by NPS as a direct cost. (See Section B.17 regarding articles costing less than \$5,000.)

* 2. Extended Training. Costs of out-of-service training involving extended periods of time (more than a month of time away from work) is allowable only when specifically authorized in writing by NPS.

D. Unallowable Costs.

* 1. Archival Research. Costs of purely archival research are unallowable. Grant-assisted research must directly relate to achieving the purposes of the HPF grant program.

* 2. Alcoholic Beverages. Costs of Alcoholic Beverages are unallowable.

* 3. Archeological Salvage. Costs of data recovery unrelated to increasing an understanding of a National Register property are unallowable. (See Chapter 6, Section K.4.d.)

4. Bad Debts. Any losses arising from uncollectible accounts and other claims, and related collection costs, are unallowable.

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5. Contingencies. Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, or intensity, or with an assurance of their happening, are unallowable. (The term "contingency reserve" excludes self-insurance, pension plan, and post-retirement health benefit reserves computed

using acceptable actuarial cost methods; see Section B.12.)

6. Contributions and Donations.
 - a. Charitable contributions and donations of grant funds, property, or grant-assisted services are unallowable.
 - b. The value of services donated by employees or other persons paid with HPF grant funds or other Federal funds are unallowable.
 - c. Donated goods (i.e., expendable personal property/supplies and donated use of space) may be furnished to a grantee, sub-grantee, or grant-supported contractor. The value of the goods and space is not reimbursable as a direct or indirect cost. However, the value of the donations may be used to meet matching share requirements when determined in accordance with the conditions described in Chapter 14.

- * 11. Curation. Costs of curation or exhibition of artifacts or other materials after the project end date is unallowable.

12. Entertainment. Costs of entertainment, including amusements, social activities, and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodgings, rentals, transportation, and gratuities) are unallowable.

13. Equipment. Equipment and other capital expenditures are unallowable as indirect costs. (See Section B.13, for the allowability of use allowances or depreciation on buildings, capital improvement, and equipment.)

15. Fines and Penalties. Fines, penalties, damages, and other settlements resulting from violations (or alleged violations) of, or failure of the grantee to comply with, Federal, State, local, or Indian tribal laws and regulations are unallowable, except when incurred as a result of compliance with specific provisions of the Federal award or written instructions by NPS authorizing in advance such payments.

16. Fundraising and Investment Management Costs. Expenses and costs of organized fundraising, including financial campaigns, endowment drives solicitation of gifts and bequests, investment counsel, and similar expenses incurred to raise capital or obtain contributions are unallowable.

17. General Government Expenses. Salaries and expenses of county supervisor or board, city council, school boards, historic commissions, etc. are unallowable.

- * 19. Honoraria. Payments of HPF grant funds for honoraria are not allowable when the primary intent is to confer distinction on, or to symbolize respect, esteem, or admiration for, a recipient. (Payments for services rendered, such as a speaker's fee at a grant-assisted workshop, are allowable.)

- * 20. Indirect Costs to Individuals. Indirect costs to individuals under grantee-awarded sub-grants and contracts are not allowable. "Overhead" or administrative support costs must be charged on a direct cost basis and documented by appropriate supporting documentation.

21. Insurance and Indemnification. Actual losses which could have been covered by permissible

insurance (through an approved self-insurance program or otherwise) are unallowable unless expressly provided for in the grant agreement. However, costs incurred because of losses not covered under nominal deductible insurance coverage provided in keeping with sound management practice, minor losses not covered by insurance, such as spoilage, breakage, and disappearance of small hand tools that occur in the ordinary course of operations, are allowable. Indemnification includes securing the grantee against liabilities to third persons and other losses not compensated by insurance or otherwise. The Federal Government is obligated to indemnify the grantee only to the extent expressly provided for in the Federal award. Costs of commercial insurance that protects against the costs of the contractor for correction of the contractor's own defects in materials or workmanship are unallowable.

22. Interest and other Financial Costs. Costs incurred for interest on borrowed capital or the use of a grantee's own funds, however represented, are unallowable, except as specifically provided in Item B.23 of this Chapter, or when authorized by Federal legislation.
- * 23. Interpretive Expenses. Interpretive expenses, such as staff salaries or maintenance of interpretive devices (with the exception of purchase and installation costs for such devices in accordance with Section B.24 above) are unallowable.
24. Lobbying. The cost of certain activities associated with obtaining grants, contracts, cooperative agreements, or loans is an unallowable cost. Lobbying with respect to HPF grants, contracts, cooperative agreements, and loans shall be governed by 31 U.S.C. 1352 and the provisions of the Common Rule "New Restrictions on Lobbying," published in the *Federal Register* (55 FR 6736) on February 26, 1990, as well as the Office of Management and Budget's "Government wide Guidance for New Restrictions on Lobbying" and the associated notices published in the *Federal Register* at 54 FR 52306 (December 20, 1989), at 55 FR 24540 (June 15, 1990), and at 57 FR 1772 (January 15, 1992). The costs associated with activities or any form of communication designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation are unallowable. In addition, all recipients of Federal grant assistance over \$100,000 must certify on the DI-2010 Form that they will not use grant funds for lobbying expenses. (See Chapter 7, Exhibit 7-D, for the DI-2010 form.)
- * 25. Meals. Costs of meals for grantee employees are unallowable except as per diem when such persons are on travel status in conjunction with activities eligible for HPF assistance.
- * 26. Museums. Costs of museum exhibits, staff salaries, and other administrative expenses, including maintenance, are unallowable, if they are not directly related to HPF-eligible activities. (See Section B.18.)
- * 27. Nonconformance with Applicable Secretary of the Interior's Standards. Work performed under grants, sub-grants, or other contractual arrangements that do not conform to the applicable Secretary's Standards are unallowable costs.
- * 28. Prohibition on Compensating Intervenors. Compensation to any person intervening in any proceeding under the Act is unallowable due to the provisions of Section 101(f) of the National Historic Preservation Act. (See Legal Expenses in Section B.27.)
29. Under recovery of Cost under Grant Agreements. Any excess cost not covered by the Federal contribution under one grant agreement is unallowable as a cost under any other

Federal agreement. This includes, but is not limited to; the grantee's contributed portion of cost sharing agreements, or any under recoveries through negotiation of lump sum for, or ceilings on, indirect costs.