

# **Keyword Index of 48 CFR Part 31**

**(Federal Acquisition Regulation, Part 31)**

**Updated 12/3/2024**

**Key**

† - See Exceptions. (\*) - Requires advance agreement or verifiable methodology.

**KEYWORD INDEX: 48 CFR Chapter 1, Part 31 (Federal Acquisition Regulation Part 31)**

<b>Citation</b>	<b>Key Words</b>	<b>Generally Allowable?</b>
31.205-6(d)(1)	Accrual of Compensation Expenses (allowable).	YES†
31.201-2(d)	Adequate Recordkeeping (requirement for, and Contracting Officer's authority to disallow unsupported costs).	--
31.109	Advance Agreements: defined and requirements of (in writing, executed by both parties, stated duration).	--
31.205-1(b)	Advertising defined (generally, allowability is limited to recruitment costs).	YES - help wanted
31.205-1(d)	Advertising (allowable types of).	YES
31.205-1(f)	Advertising (unallowable types of).	NO
31.205-38(b)(1)	Advertising as a part of selling costs.	NO
31.205-51	Alcoholic Beverages.	NO
31.205-46(b)	Airfare, generally.	YES
31.205-46(c)	Aircraft owned by consultants.	YES†
31.201-4	Allocability (allowability, reasonableness, and allocability).	--
31.201-2 & 31.204	Allowability (reasonable, allocable, CAS Compliant, meets terms of contract, & not otherwise unallowable).	--
31.205-52	Asset Valuations Resulting from Business Combinations.	--
31.201-6(a)	Associated Costs, defined (costs associated with unallowables). See also CAS 405.	NO
31.205-46(a)(1)	Automobile: Mileage Costs.	YES
31.205-6(m)(2)	Automobile: Personal Use of (see also 31.205-46(d)). Includes commuting and other personal costs.	NO
31.205-6(f)(1)	Awards for Employees (Performance-Based Awards—bonus and incentive compensation).	YES
31.205-18(c)	B&P: Bid and Proposal Costs (allowability of).	YES
31.205-6(h)	Back pay (generally unallowable).	NO
31.205-3	Bad Debts (and directly-associated costs).	NO
31.205-6(p)	BCA (Benchmark Compensation Amount)—statutory limit on executive compensation. (Not a safe harbor or guaranteed amount of cost recovery.)	--
31.205-4	Bonding Costs (e.g., bid, performance, payment, infringement, and fidelity).	YES
31.205-6(f)	Bonuses and Incentive Pay, generally. (See 31.205-6(f)(1)(ii) for required basis and support.)	YES†

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31.205-1(f)(5)	Brochures and Promotional Materials.	NO
31.201-3(a)	Burden of Proof on Consultant (determining reasonableness).	--
31.205-52	Business Combinations (asset valuations resulting from).	LIMITED DEPR.
31.205-16(a)	Business Combinations (gains and losses related to).	NO
31.205-11(h)	Capital Leases (full payment not allowable—limited to depreciation of property capitalized under the lease).	LIMITED DEPR.
31.205-11(h)(2)	Capital Leases: Related Parties.	LIMITED DEPR.
31.205-43(a)	Chambers of Commerce, Dues (but disallow portion of dues attributable to lobbying).	YES†
31.103	Commercial Organizations (contracts with).	--
31.205-36(b)(3)	Common Control of Leased Properties (e.g., between sub. and parent: limited to normal costs of ownership).	YES†
31.205-6(p)	Compensation, employee limits.	YES†
31.205-44(f)	College Savings Plans for Dependents of Company Employees.	NO
31.105 & 31.201-7	Construction and Architect-Engineer Contracts.	--
31.205-33	Consultant Service Cost and Professional Fees (outside accountants, lawyers, actuaries, and marketing consultants). Also known as "Professional and Consultant Service Fees" (PCS costs). See Retainer fees at 31.205-33(e).	YES†
31.205-7	Contingencies.	NO
31.205-42	Contract-Termination Costs.	VARIES
31.205-8	Contributions or Donations. (All cash donations are unallowable).	NO
31.205-1(e)(3)	Contributions or Donations: Community Service Activities (cash contributions unallowable; donation of time/labor is allowable, etc.).	YES
31.205-10	Cost of Money also known as "Facilities Capital Cost of Money" (FCCM).	YES
31.205-14	Country-Club Memberships.	NO
31.201-5	Credits (costs must be presented net of all applicable credits.)	OFFSET
31.205-47	Defense of Fraud (False Claims Act, Anti-Kickback Act, etc.).	NO†
31.205-18(d)	Deferred IR&D Costs: Allowability.	NO†

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31.001	Definitions of Terms used in FAR Part 31.	--
31.205-44(f)	Dependents: Employee-dependent education plans	NO
31.205-11	Depreciation, generally.	YES
31.205-11(c)	Depreciation: Expense in excess of amount used for financial accounting.	NO
31.202	Direct Costs.	YES
31.205-38(b)(5)	Direct Selling Costs.	YES
31.201-6(a) & CAS 405-40	Directly-Associated Costs, defined (costs associated with unallowables).	NO
31.205-28(f)	Directors' Meetings	YES
31.205-6(a)(6)(ii)(B)	Distribution of Profits to Owners (unallowable for closely-held companies).	NO
31.205-8	Donations	NO
31.205-13	Dormitory Costs and Credits.	YES
31.202(a) & 31.203(b)	Double-Counted Costs (unallowable).	NO
31.205-43	Dues and Subscriptions.	YES
31.205-12	Economic Planning Costs.	YES
31.205-44	Education Costs (vocational training, part-time college, full-time college)	YES
31.205-6(f)	Employee Performance Awards (bonuses and incentive).	YES
31.205-6(n)	Employee Rebate and Purchase-Discount Plans.	NO
31.205-6(q)	Employee Stock Ownership Plans (ESOPs).	YES
31.205-14	Entertainment Costs (overrides all other cost principles).	NO
31.205-6(q)	ESOPs.	YES
31.205-6(q)(2)(i)(B)	ESOP: Current Funding Requirement.	YES
31.205-41(b)(1)	Excess Profits Taxes.	NO
31.205-6(p)(1)	Executive Benchmark Compensation Amount (reference to). Note that these costs are further limited by reasonableness—see National Compensation Matrix (Audit Guide Section 6.4) for details.	YES†
31.205-41(b)(1)	Federal Income Taxes.	NO

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31.205-15(a)	Fines, Penalties, and Mischarging Costs Related to Violation of Laws.	NO
31.205-15(b)	Fines, Penalties, and Mischarging Costs Related to Improper Charging or Recording of Costs.	NO
31.102	Fixed-Price Contracts.	--
31.205-13(d)	Food Service, and Dormitory Costs and Credits.	YES
31.205-47(b), (f)(4) & (g)	Fraud, Defense of (including requirement to segregate and account for these costs separately—see 31.205-47(g)).	SEGREGATE
31.205-6(m)	Fringe Benefits.	YES
31.205-16	Gains and Losses on Disposition or Impairment of Depreciable Property or Other Capital Assets.	YES†
31.201-1	Generally Accepted Methods for Measuring Costs (requirement to use).	--
31.205-1(f)(2)	Gifts (to clients and the public as part of trade shows).	NO
31.205-13(b)	Gifts (to employees).	NO
31.205-6(l)(2)	Golden Handcuff Payments.	NO
31.205-6(l)(1)	Golden Parachute Payments.	NO
31.205-49	Goodwill.	NO
31.205-44(d)	Grants, Scholarships, and Fellowships to Educational or Training Institutions.	NO
31.205-13	Health, Welfare, Food Service, and Dormitory Costs and Credits.	YES
31.205-34(a)(1) & (b)	Help-Wanted Advertising Costs—Recruitment.	YES
31.205-35(a)(2)	House-Hunting Trip Costs (for employees with a permanent change of work location).	YES
31.205-17(b)	Idle Facilities Costs.	NO†
31.205-17(c)	Idle Capacity Costs.	YES
31.205-6(e)(1)	Income Tax Differential Pay (foreign assignments).	YES
31.205-6(e)(2)	Income Tax Differential Pay (domestic assignments).	NO
31.205-41(b)(1)	Income Taxes, Federal.	NO
31.205-41(a)(1)	Income Taxes, State and Local.	YES

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31.205-18	Independent Research and Development and Bid and Proposal Costs.	YES
31.110	Indirect Cost Rate Certification and Penalties on Unallowable Costs.	--
31.203	Indirect Costs.	--
31.205-19	Insurance and Indemnification.	YES
31.205-20	Interest and Other Financial Costs.	NO
31.205-18	IR&D and B&P: Independent Research and Development and Bid and Proposal Costs.	YES
31.205-21	Labor Relations Costs.	YES
31.205-19(e)(2)(v)	Key-Man Life Insurance (allowable to extent that costs is included in compensation of officers—not allowable when company is beneficiary of policy)	LIMITED†
31.205-36(b)(1)	Leases (operating leases for real property and personal property)	YES
31.205-47	Legal and Other Proceedings.	YES
31.205-19(e)(2)(v)	Life Insurance	YES
31.205-22	Lobbying and Political Activity Costs.	NO
31.205-46	Lodging, Meals, and Incidental Expenses.	YES†
31.205-35(c)(1)	Loss on Sale of Home (for employees with a permanent change of work location).	NO
31.205-23	Losses on Other Contracts.	NO
31.205-25	Manufacturing and Production Engineering Costs.	YES
31.205-1; 31.205-38	Marketing Costs. (Note: FAR Part 31 does not expressly use the term "marketing," but public relations, advertising costs, and selling costs are widely referred to as marketing by many individuals. Within the FAR, <i>selling costs</i> are the most analogous to marketing costs—see 31.205-38.)	NO
31.205-38(b)(4)	Market Planning.	YES
31.205-26	Material Costs (direct costs, primarily).	YES
31.205-46(a)(2)	Meals, Lodging, and Incidental Expenses.	YES
31.205-1(f)(7)	Memberships in Civic and Community Organizations.	NO
31.205-46(d)	Mileage Costs: Automobile.	YES

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31.205-13	Morale, Health, Welfare, Food Service, and Dormitory Costs and Credits (subject to limitations in 31.205-13(b) through (e)).	YES†
31.205-35	Moving Costs Paid to Employees.	YES†
31.205-25	M&PE Costs (Manufacturing and Production Engineering Costs).	YES
31.205-19(e)(2)(v)	Officers' Life Insurance.	NO†
31.205-1(e)(4)	Open Houses (subject to limitations in 31.205-1(f)(5): costs unallowable for promotional materials, videos/films, handouts, magazines, etc.).	YES
31.205-36	Operating Leases (real property and personal property).	YES
31.205-27(a)	Organization/Reorganization Costs.	NO
31.205-28	Other Business Expenses, generally.	YES
31.205-30(c)	Patent Costs.	NO
31.205-15(a)	Penalties, Fines, and Mischarging Costs.	NO
31.205-6(j)	Pension Costs, generally.	YES
31.205-6(j)(1)(i)	Pension Costs: Current Funding Requirement.	YES
31.205-6(j)(4)	Pension Costs: Defined Contribution Plans.	YES
31.205-6(j)(4)(i)	Pension Costs: Contribution Limits.	YES†
31.205-6(f)	Performance Awards to Employees.	YES
31.205-6	Personal Services (compensation for).	YES
31.205-6(m)(2)	Personal Use of Automobiles.	NO
31.205-29	Plant Protection Costs.	YES
31.205-31	Plant Reconversion Costs.	NO
31.205-32	Precontract Costs (direct costs).	YES
31.205-43	Professional Activity Costs.	YES
31.205-33	Professional and Consultant Service Costs (e.g., external accountants, lawyers, actuaries, and marketing consultants).	YES
31.205-19	Professional Liability and General Insurance.	YES

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31.205-6(a)(6)(ii)(B)	Profits to Owners, Distribution of (unallowable for closely-held companies).	NO
31.205-1	Public Relations and Advertising Costs.	NO†
31.205-6(n)	Purchase-Discount Plans for Employees.	NO
31.205-1(f)(5)	Promotional Materials.	NO
31.205-35(a)(3)	Real Estate Brokers' Fees and Commissions (for employees with a permanent change of work location).	YES
31.201-3	Reasonableness. (No presumption of reasonableness exists.)	--
31.205-31	Reconversion Costs.	NO
31.201-2(d)	Recordkeeping Requirements (engineering consultants' responsibility to maintain adequate records).	--
31.205-13(c)	Recreation for Employees.	NO†
31.205-34	Recruitment Costs.	YES
31.205-36(b)(3)	Common Control of Leased Properties (e.g., between sub. and parent).	YES†
31.201-6(a)	Related Costs (Costs Related to Unallowable Costs). See also CAS 405.	NO
31.205-36(b)(3)	Related Party Transactions: Rental Costs (common control).	YES†
31.205-35	Relocation Costs Paid to Employees.	YES
31.205-36	Rental Costs: Operating Leases.	YES
31.205-27	Reorganization Costs.	NO
31.205-48	Research and Development (R&D) Costs.	YES
31.205-37(a)	Royalties and Other Costs for Use of Patents (direct costs).	YES
31.205-11(h)(1)	Sale and Leaseback.	YES†
31.205-38	Selling Costs (marketing the engineering consultant's services).	LIMITED†
31.205-1(f)(3)	Seminars, Symposia, and Meetings (unallowable portion of these costs).	NO
31.205-39	Service and Warranty Costs (direct costs).	YES
31.205-42	Settlement Costs Associated with Contract Terminations.	VARIES

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