



VANDER WEELE GROUP^{LLC}
Making Monitoring Meaningful

**DID
YOU
KNOW?**

QUESTIONED VS. UNALLOWABLE COSTS

THERE'S A DIFFERENCE

Monitors sometimes use the terms “Questioned Costs” and “Unallowable Costs” interchangeably. But are they?

Not according to the Uniform Guidance.

The Uniform Guidance Sec. 2 CFR 200.84 states:

More properly known as an **Improper Payment**, an **Unallowable Cost** is any payment that **meets one or more of the following conditions:**

1. should not have been made,
2. was made in an incorrect amount under applicable requirements,
3. was made for ineligible goods, recipients, or services,
4. was made for goods or services not received, or
5. was made without adequate supporting documentation.

A **Questioned Cost** is **not considered an improper payment until the transaction has been completely reviewed** and is confirmed to be improper.

Uniform Guidance Sec. 2 CFR 200.410 states that **Unallowable Costs must be refunded** unless a Federal statute or regulation directs otherwise.