

## 31.202 Direct costs.

(a) No *final cost objective* shall have allocated to it as a *direct cost* any cost, if other costs incurred for the same purpose in like circumstances have been included in any *indirect cost* pool to be allocated to that or any other *final cost objective*. *Direct costs* of the contract shall be charged directly to the contract. All costs specifically identified with other *final cost objectives* of the contractor are *direct costs* of those *cost objectives* and are not to be charged to the contract directly or indirectly.

(b) For reasons of practicality, the contractor *may* treat any *direct cost* of a minor dollar amount as an *indirect cost* if the accounting treatment-

(1) Is consistently applied to all *final cost objectives*; and

(2) Produces substantially the same results as treating the cost as a *direct cost*.

**Parent topic:** [Subpart 31.2 - Contracts with Commercial Organizations](#)