

## SEPARATING COMMERCIAL AND GOVERNMENT DIRECT COSTS IN YOUR ACCOUNTING SYSTEM

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A frequent question asked is how does a company handle separating commercial and government direct costs within their accounting system. The simple answer is you don't. Some agencies are different where IR&D costs are included as direct costs (NIH), while other agencies allow you to include IR&D in indirect costs provided that these costs are allowable, allocable and reasonable. Your chart of accounts does not have to delineate between commercial and government, in terms of direct costs, although you should track costs by respective customer and customer type within your accounting system since you are required to maintain your direct costs by contract or grant.



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### IMPORTANT DATES

- ◆ **September 30<sup>th</sup>, 2009:**  
Deadline for OMB A-133 Audit Reports (December 31, 2008 awardees)
  
- ◆ **September 30<sup>th</sup>, 2009:**  
SBIR expiration under continuing resolution
  
- ◆ **October 28<sup>th</sup>, 2009:**  
2<sup>nd</sup> Annual SBIR Government Contractor Seminar
  
- ◆ **October 31<sup>th</sup>, 2009:**  
Begin planning your 2009 indirect rates.