

# Cost-Sharing

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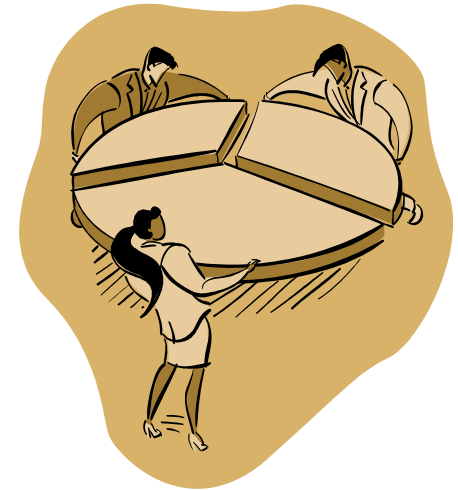
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# What is cost sharing?

- Cost Sharing represents the sponsored project or program costs (direct and indirect) that would normally be borne by the sponsor but instead are covered by the institution or a third party, such as a subcontractor or an unfunded collaborator



# Mandatory Cost Sharing

- Required by the sponsor
- Demonstrated in the proposal
- Typically is explicitly referenced in an award document
- Must be properly documented and tracked for cost accounting and compliance purposes

# Voluntary Committed Cost Sharing

- Not required by the sponsor
- Demonstrated in the proposal
- Sometimes referenced in the award document
- Must be properly documented and tracked for cost accounting and compliance purposes

# Voluntary Uncommitted Cost Sharing

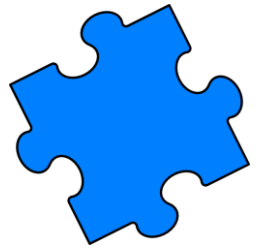
- Not required by the sponsor
- Not demonstrated in the proposal
- Not referenced in the award document
- Not formally tracked (or auditable)

# Forms of Cost Sharing



- Cash
- Effort
  - Contribution of time (contractual obligation) to a project
- Unrecovered F&A
  - indirect costs associated with allowable direct costs cannot be assessed – but still represent a quantifiable loss
- Graduate Student Fellowships
- Equipment
- Third Party
  - Provided by entity external to institution

# Cash



- Used to fund allowable direct costs
- Pretty straightforward - cash provided for research activities (supplies, travel, publication costs, core facility charges or user fees, etc.)
- and don't forget you also get to count the uncovered F&A as a contribution!

40 20

# Effort

40

- As an expectation is that TTT faculty conduct research and we provide salary support for time to dedicate to research, it is reasonable to “contribute” a portion of the faculty effort supported by the institution to the sponsored activity.
- As our expectation is 40/40/20, R/T/S, I’m comfortable releasing 20% of the faculty member’s time to a single effort (perhaps more if it was a huge project and THE major focus of the faculty member) without any special release from teaching or service obligations.
- If a PI is “released” from a normal teaching obligation (“course release”) than additional effort can be freed up to obligate to the sponsored activity.



# Sample Calculation

- 10% of a \$100K AY salary

Remember this includes assoc FB (ex. 28%)  
and uncovered F&A (ex. 60%)

$$-[(0.10 * 100,000) * 1.28] * 1.60 =$$

➤ \$20,480

# Others Effort



- Similar situation if “contributing” a portion of a staff member/technician/admin to the effort, or an unfunded collaborators effort.
- If you indicate the staff member/collaborator will dedicate  $x\%$  of their time towards the sponsored effort, then salary, FB, and unrecovered F&A are cost share items.
- These are **not** “services” typically covered by F&A (like pre and post-award admin services, but could be lab tech time, or time for website development).

# Equipment



- UVA has a large Equipment Trust Fund provided by state lottery proceeds and these equipment funds (which do not come from Federal funds) are allowable contributions for cost share. Note---no F&A for “equipment” over \$25K.

# Third Party



- And of course you can count funds provided by an entity external to institution committed to the sponsored effort.
- And also you can count contributions of time for unfunded collaborators external to the University.