Welcome!

ORSP PIs & Project Staff

Alison Sanders
Compliance Officer
What is Cost-Sharing?

Cost Sharing is the portion of the cost of a sponsored project that is supported by the University

Can be represented by both direct and indirect costs

Cost Sharing must be verifiable from University’s records, necessary and reasonable for proper and efficient accomplishment of the project

Must be allowable under Federal cost principles and regulations (OMB Circulars A-21 and A-110).
Type of Cost-Sharing/Match

**Mandatory**
- eligibility requirement in a proposal

**Voluntary Committed**
- not explicitly an eligibility requirement on a proposal
- quantified contributions or resources specified on the budget or budget justification of the proposal
- incorporated into the terms and conditions of the award
- SFSU is required to account for the cost shared expenses to the sponsor
Voluntary Uncommitted

- Not an eligibility requirement in a proposal
- Not included in the proposal budget or budget justification
Cost-Sharing

**Matching Funds:**
SFSU will match a portion or percentage of funds as a condition of the award.

**In-kind contributions:**
Costs for which support is already in place, e.g., salary release time and associated fringe benefits already covered by SFSU’s operating budget, or donated services from an outside entity.
Once cost sharing is included and quantified in a sponsored project proposal’s budget and/or budget justification, it becomes an SFSU commitment and must be honored.
Prior to WWII, federal support for research was non-existent

Office of Scientific Research and Development and Office of Naval Research

Reimbursement of F&A costs for sponsored research programs

Mandatory cost-sharing language also instituted in OMB Circular A-21

Currently, cost-sharing is not mandatory for most federal funding programs
Indirect Costs (a.k.a. Facilities and Administration Costs)

- Real costs incurred by SFSU in support of sponsored activities that cannot be directly identified with a specific grant or contract

- These costs are built into the University budget

- The indirect costs recovered on grants allow SFSU to build, maintain, and operate research facilities (as opposed to teaching facilities)
Indirect Costs

Costs result from shared services such as:

- Libraries
- Physical plant operation and maintenance
- Utility costs
- General, departmental, unit/school and sponsored projects’ administrative expenses
- Depreciation for buildings and equipment
Examples of Cost-Sharing Commitments

- PI and/or other staff salaries and benefits
- Project related laboratory supplies or services
- Equipment needed for the project
- Reduced or waived indirect costs ("Foregone Indirect Costs")
- 3rd party contributions (sub- awardees)
- In some cases, awards from private Foundations, if allowable and if scope of work is related to the project
Principal Investigator Responsibilities

- Ensure that all cost sharing on a project is reasonable and appropriate
- Certify all labor-related cost sharing through the effort certification process
- Review and certify all non-labor-related cost sharing
Notice of Cost-Sharing

San Francisco State University
Office of Research & Sponsored Programs

NOTICE OF COST SHARING / MATCHING CONTRIBUTION

A voluntary matching cost sharing/matching cost contribution from University funds is required for the following grant proposal:

Date: 07/25/06
Duration: 02/01/07-01/31/09

Proposal/Project Title: An English to Chinese Dictionary for Archaeology
Acct #: 2006-03-01

Principal Investigator(s): Dr. Gary Paul

Total Cost sharing/matching Amount: $59,211
Source of Cost sharing/matching:
- College of Behavioral and Social Sciences, OBSP Indirects Forgone
- [Other sources if applicable]

External Funding Source(s): 

ACTION TO BE TAKEN

Please sign and return this Notice of Cost Sharing/Matching Contribution to:
Associate Vice President
Office of Research and Sponsored Programs
ADM 471

Principal Investigator’s Name: Dr. Gary Paul
Date: 07/25/06

Principal Investigator’s Signature: ____________________________
Phone Ext: (415) 644-2095

<table>
<thead>
<tr>
<th>Cost Sharing Categories</th>
<th>Amount $</th>
<th>Source (Acct #)</th>
<th>Department/ School</th>
<th>Approval Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>20% base fringe (over 2 max)</td>
<td>$48,733</td>
<td>Dean Kasars (OBSP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer salary/Prize</td>
<td>$2,288</td>
<td>PI Clary, Paul</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OBSP Indirect Costs (10%)</td>
<td>$2,376</td>
<td>AVP Km Pone (OBSP)</td>
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<tr>
<td>TOTAL</td>
<td>$59,211</td>
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</table>
## Notice of Cost-Sharing

### Institution:
San Francisco State University

### Principal Investigator:
XXXXXXX

### Title:
XXXXXXX

### Sponsor:
National Institutes of Health

### Duration:
1 Years (1/1/2007-12/31/2007)

### Personnel

<table>
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<tr>
<th>Subproject Principal Investigator</th>
<th>Total Requested Year 1</th>
<th>SFBU Contribution Year 1</th>
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<tr>
<td><strong>Salary</strong></td>
<td><strong>$12,092</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>Per Month</td>
<td><strong>5,180</strong></td>
<td></td>
</tr>
<tr>
<td>Per Summer Month</td>
<td><strong>-</strong></td>
<td></td>
</tr>
<tr>
<td>Per Summer Day</td>
<td><strong>-</strong></td>
<td></td>
</tr>
<tr>
<td>20% RRT Requested (Fall &amp; Spring Semesters)</td>
<td><strong>8</strong></td>
<td><strong>0</strong></td>
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<tr>
<td>40% Fringe Benefits Requested</td>
<td><strong>-</strong></td>
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<tr>
<td>20% RRT Contributed (Fall &amp; Spring Semesters)</td>
<td><strong>-</strong></td>
<td><strong>12,092</strong></td>
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<tr>
<td>Fringe Benefits Contributed</td>
<td><strong>-</strong></td>
<td><strong>5,180</strong></td>
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<tr>
<td>16 Summer Days Requested (2 Summer Months)</td>
<td><strong>14,983</strong></td>
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<tr>
<td>12% Summer Fringe Benefits Requested</td>
<td><strong>1,736</strong></td>
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<tr>
<th>Research Technician I</th>
<th>Total Requested Year 1</th>
<th>SFBU Contribution Year 1</th>
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<tbody>
<tr>
<td><strong>Salary</strong></td>
<td><strong>25,000</strong></td>
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<tr>
<td>15% Time &amp; Effort</td>
<td><strong>25,000</strong></td>
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<tr>
<td>15% Fringe Benefits</td>
<td><strong>19,095</strong></td>
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<tr>
<th>Research Tech I, IIBN</th>
<th>Total Requested Year 1</th>
<th>SFBU Contribution Year 1</th>
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<tbody>
<tr>
<td><strong>$16.50</strong> Monthly</td>
<td><strong>10,036</strong></td>
<td></td>
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<tr>
<td>960 Hours (30 hours/week x 32 weeks)</td>
<td><strong>10,036</strong></td>
<td><strong>-</strong></td>
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<tr>
<td>10% Fringe Benefits</td>
<td><strong>1,603</strong></td>
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</table>

**Total Salaries** 78,287 12,092  
**Total Fringe Benefits** 27,845 5,180  
**Total Salaries & Fringe Benefits** 106,102 17,272
Monitoring Cost-Share Commitments

- Set up a companion account for the project for non-personnel expenses (travel, supplies, etc.)
- Track in-kind contributions in the effort reporting process
- Ensure that funds are made available for the project
ORSP Cost-Sharing Policies

- Cost-Sharing must be mandatory/required by the funding agency
- Notice of cost-sharing/matching funds form must be signed by all parties, and must be approved by the AVP for Research
- All budgets with cost-sharing must be reviewed by the Compliance Officer
ORSP Cost-Sharing Procedures

- **PI Requests Cost-Sharing**
  - Proposal Specialist prepares the Notice of Cost-Sharing/Matching Funds
  - PI obtains the appropriate signatures and returns the form to Proposal Specialist
  - Proposal Specialist includes the cost-sharing commitment in the proposal budget, reviews with Compliance Officer
  - Proposal Funded!

- **GA Reviews budget with Compliance Officer**
  - GA sets up project and companion project, ensures that “2” project is funded
  - PI and GA monitor “2” project to ensure that c/s funds are being expended
  - Compliance Officer monitors in-kind personnel contributions through effort reporting process
Cost-Sharing

The End

Thank You

Alison Sanders
Compliance Officer