



# 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



- **Matching Funds:**

SFSU will match a portion or percentage of funds as a condition of the award

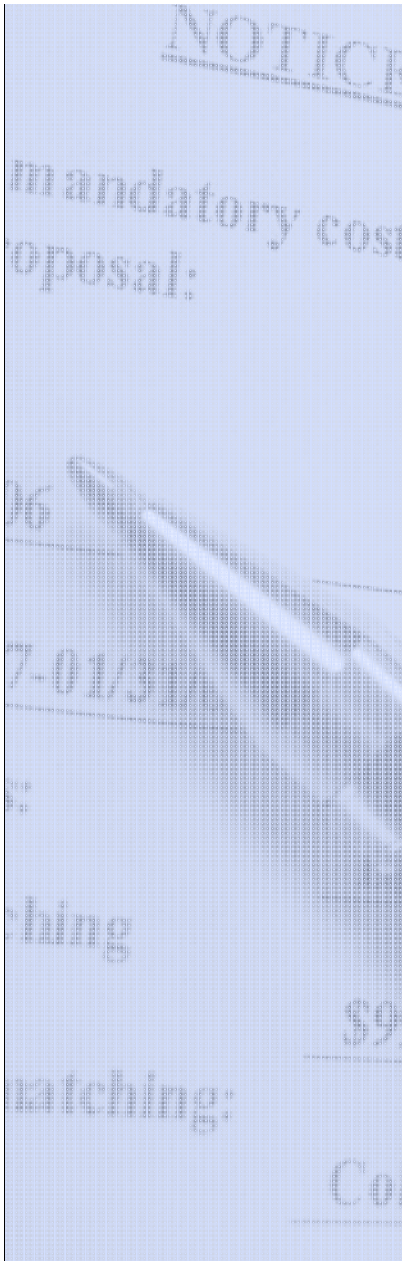
- **In-kind contributions:**

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.



# Cost-Sharing

**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.**





# Indirect Costs (a.k.a. Facilities and Administration Costs)

- 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”)
- 3<sup>rd</sup> 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  mandatory cost sharing / matching, cost contribution from University funds is required for the following grant proposal:

Date: 07/25/06 Proposal/Project Title: An English-to-Chinese Dictionary for Archaeology  
 Duration: 02/01/07-01/31/09 Proposal/Grant/Project Acct #: 2006-03-001  
 Principal Investigator/s: Dr. Gary Pahl  
 Total Cost sharing/matching Amount: \$99,211  
 Source of Cost sharing/matching: (Acct. # if applicable) College of Behavioral and Social Sciences; ORSP Indirects Forgone  
 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 Pahl Date: 07/25/06

Principal Investigator's Signature: \_\_\_\_\_ Phone Ext: (415) 664-2095

Cost Sharing Categories	Amount \$	Source (Acct #)	Department/ School	Approval Signature
20% RRT/Fringe (over 2 years)	\$48,733		Dean Kassiola (BSS)	
Summer Salary/Fringe (PI 1 month each year)	\$21,658		PI Gary Pahl	
ORSP Indirect Costs (10% forgone each year)	\$28,820		AVP Ken Paap (ORSP)	
<b>TOTAL:</b>	<b>\$99,211</b>			



# Notice of Cost-Sharing

INSTITUTION: San Francisco State University  
 PRINCIPAL INVESTIGATOR: XXXXXXXX  
 TITLE: XXXXXXXX  
 SPONSOR: National Institutes of Health  
 DURATION: 1 Years (1/1/2007-12/31/2007)

	Total Requested Year 01	SFSU Contribution Year 01
<b>PERSONNEL</b>		
Subproject Principal Investigator		
\$xxxxxx Academic Year Salary*		
\$xxxxx Per Month		
\$xxxxx Per Summer Month		
\$xxx Per Summer Day		
20% RRT Requested (Fall and Spring Semesters)	\$ 12,970	\$ -
40% Fringe Benefits Requested	5,188	-
20% RRT Contributed (Fall and Spring Semesters)	-	12,970
40% Fringe Benefits Contributed	-	5,188
44 Summer Days Requested (2 Summer Months)	14,633	-
12% Summer Fringe Benefits Requested	1,756	-
Research Technician I		
\$xxxxx Calendar Year Salary**		
80% Time and Effort	25,000	-
55% Fringe Benefits	19,099	-
Research Tech I, TBN		
\$16.37 Hourly		
960 Hours (30 hours/week x 32 weeks)	16,030	-
10% Fringe Benefits	1,603	-
<b>Total Salaries</b>	<b>78,357</b>	<b>12,970</b>
<b>Total Fringe Benefits</b>	<b>27,645</b>	<b>5,188</b>
<b>Total Salaries &amp; Fringe Benefits</b>	<b>106,002</b>	<b>18,158</b>



# 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

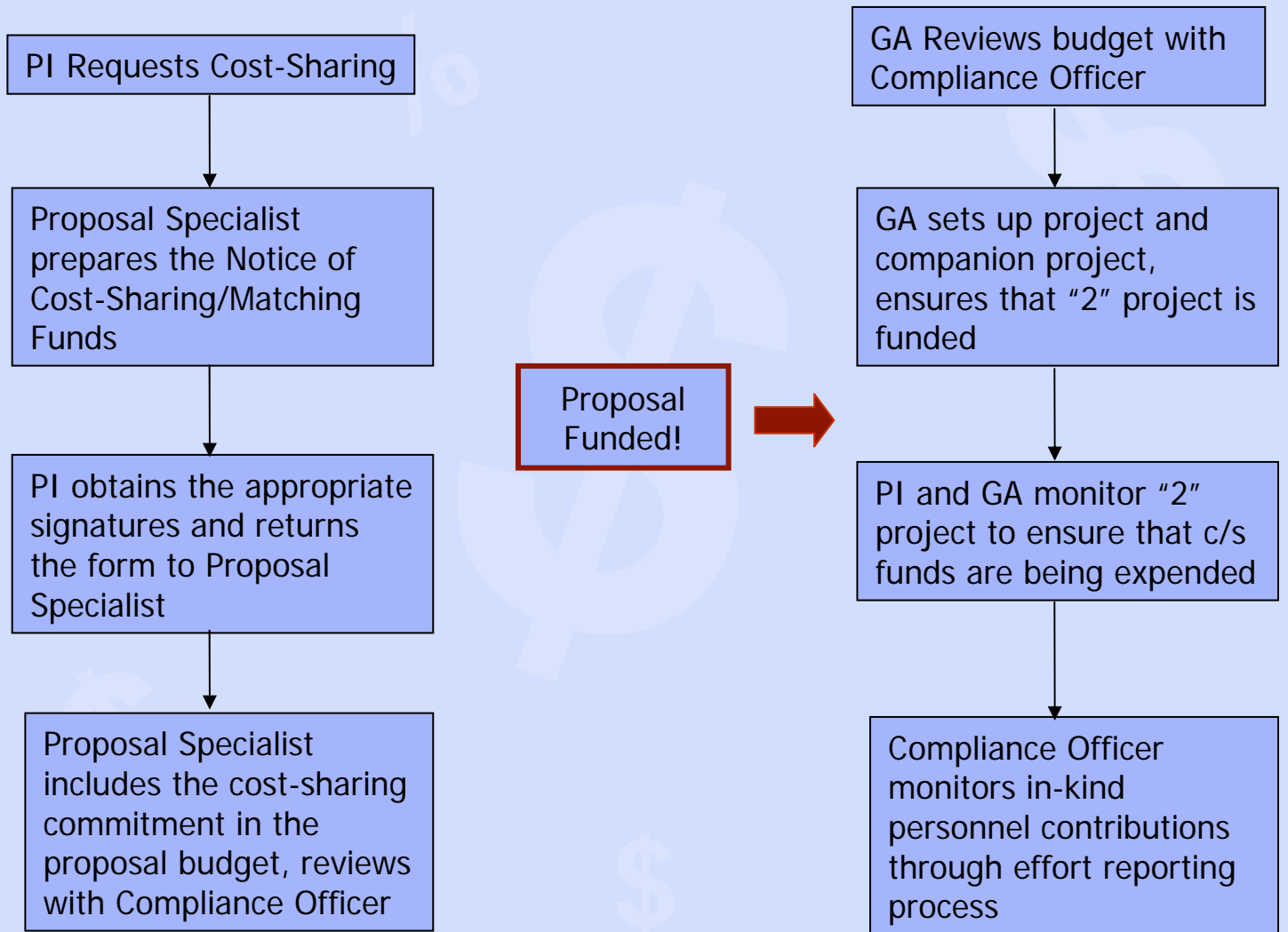


# ORSP Cost-Sharing Policies

- 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





# The End

## Thank You

Alison Sanders  
Compliance Officer