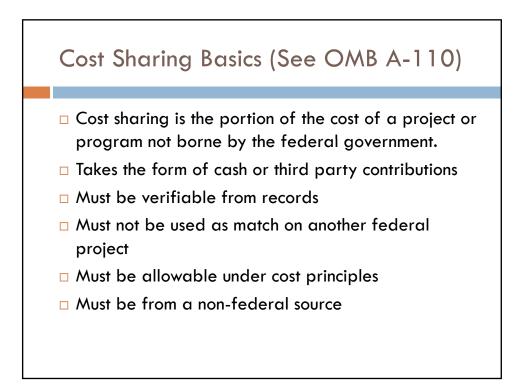
SEARCHING FOR A SILVER LINING ON A CLOUDLESS DAY: COST SHARING CASE STUDIES

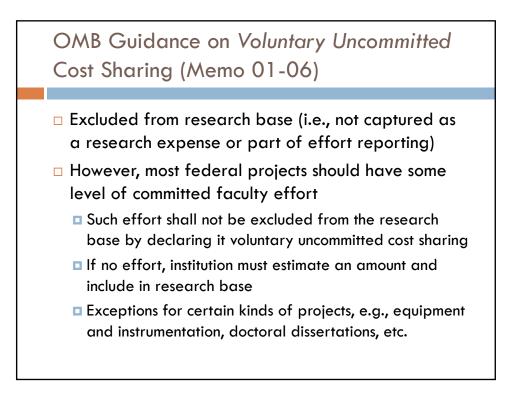
Craig Reynolds

NCURA Region IV Annual Meeting Cleveland, OH April 19, 2011



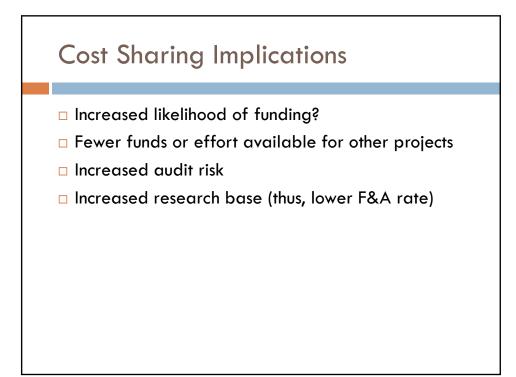


- Mandatory: Cost sharing required by sponsor as a condition of eligibility and requirement of award.
- Voluntary: Cost sharing offered by applicant that is not required by sponsor
 - Voluntary Committed: Cost sharing offered in the proposal and committed/budgeted as part of award
 - Voluntary Uncommitted: Faculty (incl. senior researcher) effort beyond that which is committed and budgeted for in award

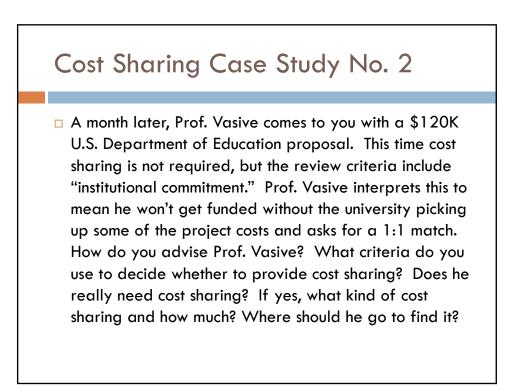


What is Typically Cost Shared?

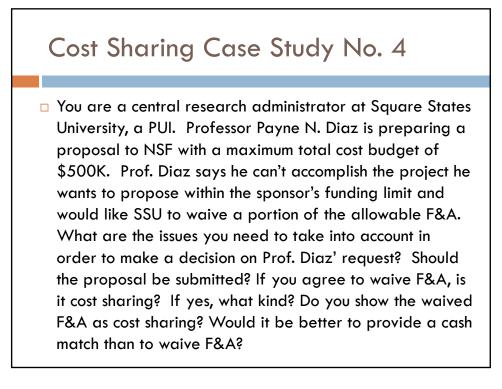
- Salaries and benefits
- Other allowable direct costs
 - New equipment purchases
 - Supplies
 - Travel
- Unrecovered F&A costs
- □ F&A costs on cost shared direct costs
- □ Volunteer services
- Third party donations



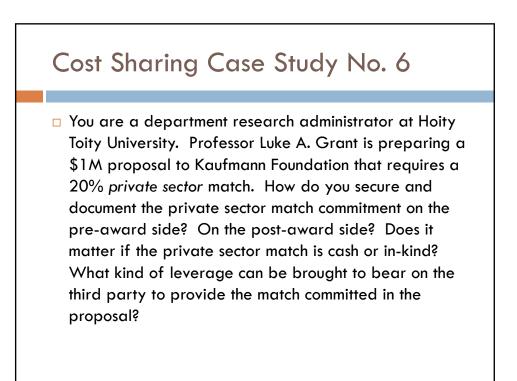
You are a central research administrator at Big Time University. Professor Howie Vasive arrives in your office at 4:30PM on the Friday before Memorial Day weekend. He hands you a NASA proposal with an undocumented \$5M match that must be postmarked today. Prof. Vasive says the Provost told him the university was good for the match right before he left for the deepest recesses of the Amazon. Everyone has left early for the long weekend. Do you submit the proposal? If so, do you treat this proposal differently from any others? How so? If not, how do you handle Prof. Vasive?



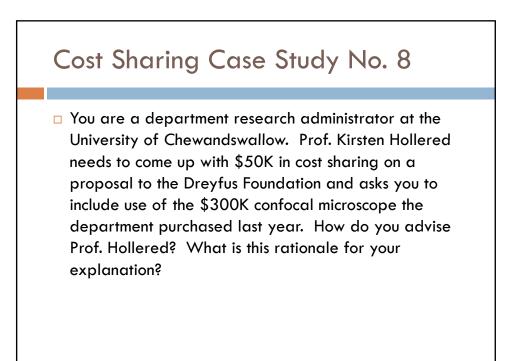
 You are a department research administrator at Rotsaruck University. Professor Ty M. Neffert submits about two proposals per month, all with effort attached, sometimes funded and sometimes cost shared. Do you keep track of Prof. Neffert's proposed and pending effort, including cost shared effort? If not, do you worry about ending up over committed on Prof. Neffert's grant-related effort? What do you do if Prof. Neffert is so successful that he ends up with "120%" effort committed to funded projects?



You are a central research administrator at Whatsamatter U., a PUI. Professor Rush Intuit is preparing a proposal to the U.S. Department of Education's Business & International Education Program, which requires a minimum 1:1 match. The sponsor caps F&A at 8%, 75 CFR 75.562. Dr. Intuit would like SSU to use the unrecovered F&A to meet the match requirement. Is this an allowable match? What are the issues you need to take into account in order to make a decision on Prof. Intuit's request? Should the proposal be submitted?



You are the only research administrator at Everbroke College, a PUI. Professor Joaquin Freezer from the Chemistry Department wants to submit an NIH AREA proposal with a modular budget of \$125K per year. To stretch every dollar, Prof. Freezer has asked that Everbroke use "replacement cost" instead of his actual salary and benefits in the budget for calculating his release time from teaching. Note that NIH does not require cost sharing. If funded as Prof. Freezer requests, is this a cost sharing commitment? If so, what kind? How would you capture this in your accounting system?



You are a department research administrator at Atthatrough University. Professor Mike Easter is funded on a NIH R01 at 20% effort. His salary is \$250K, which is \$50K over the NIH salary cap of \$200K. How do you allocate Prof. Easter's salary and his effort? Is this cost sharing? Mandatory committed? Voluntary committed? Voluntary uncommitted?

Cost Sharing Case Study No. 10

You are a central research administrator at Goodgrief College. Professor Nicole Anne Dime is Project Director on an NEH Scholarly Editions and Translations grant, for which she spends 25% of her time doing research and directing the project. Since NEH awards are relatively small, she had no effort proposed in the original proposal, draws no salary from the funded grant and has no formal effort committed to the project. Should Goodgrief College be cost sharing Prof. Dime's effort?

You are a central research administrator at Gimmemeds University. While on a visiting clinical fellowship at Blindside University, your faculty member, Dr. Gladys Overwith, applied for and received an American Heart Association award (submitted by and awarded to Blindside). The award supports Dr. Overwith for two years as a fellow and three years as faculty. When Dr. Overwith returns mid-grant and wishes to transfer the award, you learn that a 75% research commitment must be maintained and the yearly budget only covers \$80K of her \$240K salary. In addition, F&A is capped at 10%. Do you accept the award?