Grant Coordinator Meeting Notes
5/17/12

Cost Sharing:

See Handout.

Goldsheet Process Reminders:

The GC and PI need to be available on the submission day.

- co-PI or someone familiar with the proposal can be designated
- Cell phone number

The budget and budget justification must be final when the goldsheet is routed.

The budget must be in Excel, with formulas, in ISU budget categories

Department and/or College can require different documentation than OSPA or the funding agency – each level looks at something different.

Subcontracts/subawards (whether ISU is the prime or the sub)

- All information must be complete when goldsheet is routed – College should hold if incomplete and notify Pre-Award Administrator as well as GC and PI
- Budget and justification must be final
- Statement of work (SOW) must be included – this should be a brief statement describing the specific responsibilities of the PI at the sub institution – NOT a copy of the proposal draft
- Transmittal letter from sub's OSPA must be attached to goldsheet
- PI should not send budget, justification or SOW to prime institution until OSPA approves and signs the transmittal letter
- Allow time for OSPA to review - whether ISU is the prime or the sub

ISU Policy on Cost Share for Sponsored Programs

Mandatory Cost Share

Several federal and state agencies, foundations and organizations require cost sharing on projects they sponsor. These agencies will not consider proposals that do not meet **mandatory cost share** requirements. Usually, when a sponsor requires cost sharing, they will specify the amount or percentage to be contributed by the university, often with the additional explanation “no more and no less” (e.g. NSF).

University cost sharing implies the redistribution of institutional resources to support a specific sponsored project. Hence, PIs and the university need to consider carefully if a project that requires cost sharing is in their best interest.

It should be noted that university cost sharing expenditures can have a negative effect on the university’s facilities and administrative (F&A) cost rate. Cost shared expenses are considered a part of the organized research base when calculating and negotiating F&A rates with the federal government. As a result, the university’s F&A rates are reduced and recovery of F&A costs declines. Ultimately, university cost sharing reduces the amount of investigator incentive and other F&A cost distributions returned to the campus.

Voluntary Cost Share

While mandatory cost sharing is required by sponsors and must be included in the proposal, **voluntary cost share** is not a requirement of the sponsor. Cost share beyond a required amount, if permitted at all by the sponsor, is considered voluntary cost share. When cost share is strongly encouraged according to the sponsor guidelines such cost sharing is still considered voluntary cost share. Some PIs choose to include voluntary cost share in their proposals in the hopes of enhancing their chance of being funded. However, there is no data supporting the assumption that voluntary cost share increases the probability of being funded.

Guidelines for cost share:

- The VPR strongly discourages PIs from including voluntary cost sharing in proposals. Institutional support from the VPR/ED or Provost will not be provided for voluntary cost sharing requests.
- Contributions to mandatory cost share may come from the PI, the department, the college, a center/institute, the VPR/ED office and third parties.
- All cost sharing commitments from all sources must be allowable costs per sponsor guidelines and must be secured and documented prior to submission of a proposal. No federal or federal-flow through funds can be used as cost share on another sponsored project. Cost sharing provided by third parties must be documented in writing prior to submission of a proposal.
- Requests for institutional cost share support from the VPR/ED that are in addition to PI, department and/or college cost share support should be submitted to the VPR/ED Office

(sharronq@iastate.edu). Requests should be accompanied with the following information: (1) estimated budget (for all years combined and the budget per year), (2) the IDC revenues that ISU would be expected to receive (for all years combined and the amount of IDC revenues per year), (3) the required amount of cost-share, (4) the names of the PI-s, (5) the salaried home(s) of the PI-s, and the percentage of the PI's salary paid by each unit, if a PI is paid by multiple units, and (6) a copy of the solicitation (RFP, RFQ/BAA).

  - When institutional cost sharing is requested, the VPR/ED Office will coordinate all cost share contributions from the departments, colleges, centers/institutes, PI incentives, and/or VPR/ED Office, as appropriate. This will, in most cases, be less than the targeted amount of cost share. The PI will be notified of the contributions and will then have to find the remaining amount of cost-share through in-kind contributions or other sources. The VPR/ED and Deans' offices would be willing to provide guidance and suggestions for how the in-kind contributions can be met.

- If an award is received at a significantly lower amount than what was proposed, the cost sharing contributions will be revised accordingly.
- All cost sharing which is made part of an award to the university must be documented and reported to the sponsor and is subject to audit.
- Cost sharing of faculty and staff effort must be documented in Section B1 on their EASE (Employee Activity Summary of Effort) form.

Any questions regarding this Policy on Cost Share for Sponsored Programs should be directed to the Office of the Vice President for Research and Economic Development or the Office of Sponsored Programs Administration at 5-5225 or grants@iastate.edu.