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Purpose: To provide guidance on the allowable forms of cost sharing expenses on sponsored awards.

- Policy:**
1. It is the policy of the Boyce Thompson Institute for Plant Research (BTI) that costs treated as direct costs on sponsored agreements may be used to meet a cost sharing obligation. Costs included in BTI's Facilities and Administration (IDC) rate may not be used to meet a cost sharing obligation unless authorized by the sponsoring agency.
 2. Depending on the program or agency, cost share commitments may be satisfied by providing cash, in-kind services or supplies, staff effort devoted to the project, or waived F&A (indirect) costs. The proposal must specify the type of cost share, including individuals' names and percent of effort, the amounts, and the source of funds for cost share obligations.
 3. Allowable cost share must be for costs that comply with federal cost principles and award terms. They must be costs that are allowable and allocable, necessary and reasonable, and verifiable and accounted for in BTI's records.
 4. Cash cost share can include dedicated dollars (such as for equipment purchase) from a BTI department operating account, from another non-federal grants, or from other third-party sources (cash gifts or grants from individuals, industry, foundations, etc.) if not already committed to another project as cost share.
 5. It also includes donated BTI staff time that is already paid for by another non-federal account and the associated benefits and indirect costs on the BTI contributions. IDC is not chargeable to the grant when the funding agency limits the applicable IDC rate may serve as cash contribution, as long as the agency allows the difference between the limited rate and BTI's federal negotiated rate to be used as cost share.
 6. In-kind cost share is donated services and goods from any eligible third-party source; that is, services, supplies, equipment or other items purchased or donated by a non-federal source but dedicated to and documented for the specific project. Volunteer services are eligible when the effort is tracked and fairly valued. The following is a general list of allowable forms of cost sharing:
 - Direct Expenses: Salaries and associated fringe benefits of the principal investigator / project leader and/or BTI employees who are paid by BTI, and who devote a percentage of their compensated time to a sponsored project, without receiving reimbursement from the sponsor.
 - Cost of equipment purchases when the purchase of equipment is necessary for, and dedicated to, the successful completion of the project. Existing equipment made available for, but not dedicated to, the performance of sponsored agreements is not considered cost sharing. Unless equipment is specifically purchased for and solely dedicated to the sponsored project, the value of existing equipment must be prorated and adjusted for depreciation.

POLICY

ALLOWABLE FORMS OF COST SHARING EXPENSES

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- Laboratory supplies.
- Associated travel expenses.
- Rent foregone by BTI when a sponsor project occupies BTI owned or rented space, and when there is less than full recovery of indirect costs.
- Project costs financed by cash contributions by BTI, or by cash donated to BTI by third parties.
- Project costs represented by services and property donated by third parties F&A cost rate (i.e., indirect costs as cost share)
- Waived or reduced F&A costs. This is the difference between the applicable negotiated F&A cost rate and the amount of F&A costs awarded by the sponsor. This amount may be used as cost sharing if approved by the sponsor.
- When the direct expenses are cost shared, the associated IDC rate is automatically cost shared.

7. The following are examples of expenditures which may not be used as cost sharing:

- Expenditures normally treated as F&A (indirect), such as administrative salaries and office supplies unless the project requires the use of administrative staff and supplies on a direct basis.
- Unallowable costs under the applicable cost principles of OMB Circular A-122, Cost Principles for Non-Profit Organizations (prior to 12/26/14, 2C.F.R.200 Uniform Guidelines(effective 12/26/2014) .
- Any other costs not relevant or necessary to the project.