



# Cost Sharing

Cost share is a portion of a federally funded program that is not paid by the federal government.

Types of cost share:

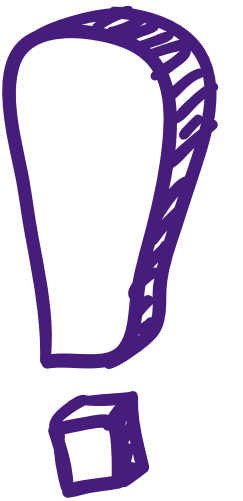
1. Mandatory
2. Voluntary Committed
3. Voluntary Uncommitted



# Types of Cost Share Defined

## Mandatory

Required by the sponsor as a part of the award and is binding to what is submitted within the budget proposal



## Voluntary Committed

Not required by the sponsor but is included in the budget proposal upon submission. This amount is binding even though it is not mandatory.

## Voluntary Uncommitted

Direct costs above that agreed to as part of the award. It is not binding because it is not included in the budget proposal.



# Cost Share? Yes or No

Mandatory	Yes
Voluntary Committed	No since it is not required. Since it is binding, this is not recommended.
Voluntary Uncommitted	It Depends-recommended not to but if a PI insists, this would be the way to go as it is not binding.

Tip: Sponsors **cannot** take into account voluntary cost share in the merit review of the proposal. Voluntary cost share **will not** provide you with a more favorable review. 2 CFR 200.306

# Examples of Cost Share

Type	Definition
Cash	Supports any cost on the federal project that is an allowable cost
In-Kind	Any non-monetary cost provided that benefits the project; The value of each item is used for tracking
Types of In-Kind	Labor, Equipment, Facilities, Anything essential to the project



## Things to Keep in Mind

# Cost Share

All cost share that is committed must be tracked. Once it is binding, a dollar amount, whether cash or in-kind, must be included on the FFR.

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Labor match must also be included on the bi-annual Time and Effort form.

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Match cannot be from federal sources. It must all be from non-federal entities.

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Match cannot be counted more than once.

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Unrecovered Indirect Costs may be used as cost share if you have received Prior Approval.

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The difference in base salary between an actual base salary and the NIH cap cannot be considered cost share.

# Budget Example



Amount cost shared for salary and benefits is the difference between what is charged and total effort



NAME	PROJECT	on Project	on Project	SALARY	Requested	Requested	TOTALS
Vito Corleone, MD <sup>1</sup>	PI	25%	3.00	\$225,000	10%	1.20	\$31,815
Rhett Butler	Research Associate	100%	12.00	\$45,000	70%	8.40	\$13,500
Mildred Pierce	Research Associate	100%	12.00	\$33,000	100%	12.00	\$0
FBA	Postdoc Res	100%	12.00	\$37,000	100%	12.00	\$0
FBA	Postdoc Res	100%	12.00	\$37,000	100%	12.00	\$0
Stella Dallas	Grad. Assist.	50%	6.00	\$22,000	50%	6.00	\$0
Norman Bates	Grad. Assist.	50%	6.00	\$22,000	50%	6.00	\$0
Tyler Durden	Student Worker	50%	6.00	\$17,000	50%	6.00	\$0
Keyser Söze	Student Worker	50%	6.00	\$17,000	50%	6.00	\$0
Tony Montana, PhD	Postdoc Fellow	100%	12.00	\$27,000	100%	12.00	\$0
Dorothy Gale, PhD	Postdoc Fellow	100%	12.00	\$27,000	100%	12.00	\$0
DR. CORLEONE IS ABOVE THE NIH SALARY CAP							
<b>SUB-TOTAL SALARIES</b>							<b>\$45,315</b>
<b>FRINGE BENEFITS 41% (Grad Students = 0.7%; Student Workers = 5.6%; Postdoc Fellows = 18.6%)</b>							<b>\$18,579</b>

For a faculty member over the cap, the amount cost shared is based on the cap, not the actual base salary.

Base Salary is \$225,000 and Cap is \$212,100.

Difference in effort charged and total effort is 15%.

15% of \$212,100 is \$31,815.

Fringe is calculated based on whatever is cost shared.

$$\$45,315 \times 41\% = \$18,579$$





# Budget Example

Cost share required is 2 for 1 and your total award is \$50,000.



SUB-TOTAL SALARIES						\$45,315
FRINGE BENEFITS 46% (Grad Students = 0.7%; Student Workers = 5.6%; Postdoc Fellows = 18.6%)						\$18,579
SUPPLIES						
Mice, glassware, chemicals, reagents, misc. supplies						
CONSULTANTS						
Dr. Moe Green						
TRAVEL						
Two (2) persons, once per year, to Washington, D.C., for 2 days						
OTHER EXPENSES						\$732
Animal care, maint. agreements, software, core charges, pubs.						
PARTICIPANT SUPPORT COSTS <sup>1</sup>						
30 patients @ \$25						
EQUIPMENT <sup>1</sup>						\$5,000
Mass Spectrometer						
PATIENT CARE COSTS <sup>1</sup>						
Flu Shots (30 patients @ \$15)						
ALTERATIONS AND RENOVATIONS <sup>1</sup>						
Lab Renovations (200 s.f. @ 40)						
STUDENT STIPENDS AND TUITION <sup>1</sup>						
Summer students (2 @ 2425)						
CONSORTIUM/CONTRACTUAL	DIRECT COSTS	RATE	F&A		TOTAL	
Subgrantee1						
Subgrantee2						
CONSORTIUM DIRECT COSTS						\$0
SUBTOTAL DIRECT COSTS						\$69,626
CONSORTIUM FACILITIES AND ADMINISTRATION (F&A) COSTS						
TOTAL DIRECT COSTS						\$69,626
LSUHSC F&A COSTS	Rate:	47%				\$30,374
TOTAL PROJECT COSTS						\$100,000

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We need to cost share \$100,000 total.

Salary: \$45,315

Fringe: \$18,579

Other Expenses: \$732

Equipment: \$5,000

Indirect at 47% (MTDC Base): \$30,374

Total: \$100,000



# Indirect Costs

Same funder only allows 15% Indirect Costs to be charged.

The difference between our rate of 47% and what is charged at 15% can be used as cost share if approved by the funder.

UB-TOTAL SALARIES						\$19,605
RANGE BENEFITS 41% (Grad Students = 0.7%; Student Workers = 5.6%; Postdoc Fellows = 18.6%)						\$8,038
SUPPLIES						
ice, glassware, chemicals, reagents, misc. supplies						\$10,835
CONSULTANTS						
r. Moe Green						\$2,500
TRAVEL						
two (2) persons, once per year, to Washington, D.C., for 2 days						\$2,500
OTHER EXPENSES						
minimal care, maint. agreements, software, core charges, pubs.						
PARTICIPANT SUPPORT COSTS <sup>1</sup>						
0 patients @ \$25						
EQUIPMENT <sup>1</sup>						
Mass Spectrometer						
PATIENT CARE COSTS <sup>1</sup>						
flu Shots (30 patients @ \$15)						
ALTERATIONS AND RENOVATIONS <sup>1</sup>						
lab Renovations (200 s.f. @ 40)						
STUDENT STIPENDS AND TUITION <sup>1</sup>						
summer students (2 @ 2425)						
CONSORTIUM/CONTRACTUAL	DIRECT COSTS		RATE	F&A		TOTAL
subgrantee1						
subgrantee2						
CONSORTIUM DIRECT COSTS						\$0
UBTOTAL DIRECT COSTS						\$43,478
CONSORTIUM FACILITIES AND ADMINISTRATION (F&A) COSTS						
TOTAL DIRECT COSTS						\$43,478
SUWSC F&A COSTS	Rate:		15%			\$6,522
TOTAL PROJECT COSTS						\$50,000
MTDC BASE <sup>1</sup>						43,478

47% of \$43,478 (MTDC Base) is \$20,434  
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 15% of \$43,478 is \$6,522  
 =  
 \$13,912 to be cost shared if approved by funder.





# Next Month's Topic

## Time and Effort

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