

PURDUE UNIVERSITY



VICE PRESIDENT FOR RESEARCH AND
DEAN OF THE GRADUATE SCHOOL

TO: Academic Deans and Department Heads

FROM: Gary E. Isom, Vice President and Dean

DATE: October 3, 2001

RE: Guidelines for Central Cost Sharing Support

I am pleased to announce new guidelines for central cost sharing support and a revised approval process for central cost sharing requests. These new guidelines and the approval process are detailed in the attached document.

The new guidelines are provided in order to give clear direction to principal investigators, department heads, and deans regarding the situations when central cost sharing support will and will not be considered. The changes to the approval process make it possible for the principal investigator to receive a response to the request early in the planning stages so the proposal can be prepared knowing whether or not there will be central cost sharing support.

The primary purpose of providing these guidelines is to facilitate the process of initiating a cost-sharing package. Please feel free to contact Mike Ludwig, Sponsored Programs Administration [mrludwig@purdue.edu or 49-41063] or Bill Baitinger, Vice President for Research office [webaitinger@purdue.edu or 49-46840] with questions regarding the attached guidelines or for assistance in putting together a cost sharing package.

Attachment

c: Business Managers
SPS Staff

Guidelines for Central Cost Sharing Support

All Proposals

1. University cost sharing must be a published requirement of the program in order for central cost sharing support to be considered. This does not preclude departments and schools from providing cost sharing on proposals where the program does not require cost sharing.
2. Sponsor must be an agency of the Federal Government.
3. Central cost sharing funds are available for equipment only.
4. Central support for equipment may be used to match 50% of sponsor required cost sharing.
5. Schools and departments will be expected to provide the remaining 50% of required sponsor cost sharing.

Cost Sharing Support for Interdisciplinary Proposals

1. Special provisions for central cost sharing will be made for interdisciplinary proposals requesting \$750,000 or more per year in sponsor direct costs to be retained at Purdue University. Those special provisions include:
 - The exclusive use of central cost sharing funds for equipment may be waived.
 - When cost sharing is provided for line items other than equipment, the associated fringe benefits (if applicable) and F&A that routinely follow the cash contribution will be considered as cost sharing provided by the party providing the cash contribution. However, there should be equity in these arrangements so that the School and Department cash contribution is equal to the cash contribution from central funds.
 - Central cost sharing will only be provided to match the cost sharing requirement on funds that would be retained at Purdue University (i.e. central funds will not be used to meet cost sharing requirements on subcontractors share of the award).

Assistance in Developing a Cost Sharing Package

1. As a first step, the PI should discuss the total costing sharing needs with his/her department head to develop a plan for how the cost sharing needs will be met.
2. PI's are encouraged to informally discuss central cost sharing requests with the Associate Director of SPS (Mike Ludwig; mrludwig@purdue.edu) and/or the Special Assistant to the VP for Research (Bill Baitinger; wbaiting@purdue.edu) along with the PI's Business Manager. This informal discussion should take place in the early stages of budget development.

Approval Process

1. Formal requests for central cost sharing support should be endorsed by the Department Head and Dean and sent to the Vice President for Research or designee at least two weeks prior to the submission deadline. The request should include the following:
 - A brief abstract of the proposed project.
 - A draft of the project budget broken out by sponsor request, central cost sharing requested, and departmental and school cost sharing.
 - Any information regarding the cost sharing requirement (program guidelines, etc.).
2. A written response to the request will be made as soon as possible.
3. The Letter of Confirmation of Cost Share Commitment (Form 32) will be required to document the School and Department cost sharing before the proposal is submitted to the sponsor. It is not necessary for these forms to be completed prior to submitting the formal request for central cost sharing.