

MEMO TO ALL FACULTY

To: Purdue Polytechnic Faculty  
From: Carrie Berger, Associate Dean for Research  
Date: August, 31, 2018  
Subject: Cost Sharing for Sponsored Projects

**Cost Share Definition**

Cost sharing and cost match is a portion of a project or program costs that are not paid for by the funding agency.

It is the policy of the Polytechnic Institute that college resources will only be considered for cost share that is required or mandatory per sponsor written and published guidelines. College resources will not be considered for voluntary cost sharing. Cost sharing of research implies there are shared benefits of the sponsor's research agenda or goals that are valuable enough to attract co-sponsorship from other sources, such as industrial support. Once cost share has been committed to a project, regardless of source, it becomes a contractual obligation upon the award. As such, cost share expenditures must be tracked and reported to the sponsor. Purdue University follows a cost share model of 1/3 from the Department and PIs, 1/3 from the College, 1/3 from the EVPRP's office.

**Faculty Expectations**

- It is the faculty's responsibility to identify required cost share and initiate a conversation about it with Co-PIs and their Department Head.
- Faculty must work with an SPS pre-award specialist to draft the project budget, including all sponsor and cost share costs.
- For meeting cost share requirements, sources are expected to be in this order: PI/Co-PI effort (salary), PI/Co-PI resources (start-up, gifts, discretionary funds), external partners (industry, state funds), departmental funds, college general funds, EVPRP funds. (This list is representative, not exhaustive).
- Cost share for corporate research is discouraged and if sought will require significant justification.
- High levels of cost share (1:1) will generally not be supported by general funds. These should come almost entirely from external sources or PI/Co-PI effort.

**Department Expectations**

- Department support is critical to securing college and university resources for required cost share.
- Department Heads and PIs will collaborate to identify and secure the maximum amount of cost share resources prior to requesting college and university resources.

**College/Research Office Expectations**

- Upon receiving a cost share request from faculty and respective Department Head, the Associate Dean for Research will consider the request and determine an appropriate amount and source of college resources that can be cost shared.
- The Associate Dean for Research will interface with the EVPRP's office to secure an appropriate source and amount of university resources that can be cost shared. Faculty and department heads should not contact the EVPRP's office directly.
- The Associate Dean for Research reviews and approves all proposals and cost share.

### **Process for Requesting Cost Share**

- It is recommended that, months before submission, the PI identify cost share requirements and discuss with Co-PIs the expected model of contributions to meet mandatory cost share requirements. If external funds are required (these are preferred), identify and recruit sources early.
- With a break-down of the statement of work (who is responsible for what tasks, including level of effort), the PI/Co-PIs must begin discussions with Department Heads and business offices of all contributing departments regarding the expected cost share model and secure commitments for a budget prior to determine if college and university resources are also needed.
- If additional funds are needed, the PI/Co-PIs must alert their respective Associate Deans for Research with a specific plan for cost sharing at least two weeks prior to proposal due date. Department Heads affected by the cost share in question must be included in all communications. The following information is required via email:
  - Relevant program solicitation, RFP, etc.
  - Summary of the proposed work, including a break-down of tasks and level of effort for all collaborators. All collaborators must be identified even if they are not contributing to the cost share in some form.
  - Total project budget, including existing cost share commitments and sources (draft is fine).
  - Evidence of PI/Co-PI and departmental commitment must be provided.
  - Justification of the cost share. How does the request support departmental, college, and university level goals?
- The Associate Dean for Research will make cost share commitments on behalf of the college.
- The Associate Dean for Research will work with the EVPRP's office to secure cost share commitments on behalf of the university.
- In special cases for which there is a pre-negotiated cost share arrangement, it is appropriate to start with the pre-negotiated arrangement and confirm commitments with all parties, including the EVPRP. However, it is necessary for the PI keep the Department Heads and Associate Dean for Research informed with the contact with the EVPRP's office. For all other cases, please do not contact the EVPRP's office for cost share support without first discussing cost share with the Department Heads and Associate Dean for Research.
- SPS post-award and appropriate business offices will track cost share so it can be reported to sponsors.