Cost Share Examples

This page illustrates examples of cost sharing in the areas of faculty effort, equipment, and space and facilities.

Faculty Effort
An example of faculty effort that is cost shared: a faculty member proposes to spend 30% of her effort on a sponsored project, but charges only 10% of her salary to the project. The remaining 20 percent of her effort is regarded as cost sharing because she has committed the effort, but is not charging the entire 30% to the sponsor.

It is the expectation that faculty members and senior researchers on sponsored research projects will make a commitment of their effort to the project. Generally, it is not acceptable for a principal investigator to submit a research proposal without a commitment of PI effort. A proposal should include the amount of effort expected to be spent on the project, but not less than 1% effort. If effort is committed and expended but not directly charged to the project, it must be cost shared.

Equipment
If a project requires the acquisition of new equipment as a condition of an award, it is acceptable to purchase the equipment and cost share all or part of it. For example, in an equipment grant award, the equipment can be accounted for as cost sharing. The piece of equipment would be recorded as cost sharing by New York Accounting. The equipment should also be identified as cost shared in the Capital Asset Management.

Cost sharing of current equipment is not allowed as the sponsor is already paying for a portion of it through the indirect rate calculation. However, a piece of TUC-owned equipment can be used on a sponsored project. In this case, the proposal should explicitly state that “the equipment is available for the performance of the sponsored project at no direct cost to the sponsor.”

Space and Facilities
It is not appropriate to claim the value of TUC facilities as cost sharing. The use of our facilities is partially paid for by sponsors through the application of the indirect cost rate. Therefore, offering university space or facilities as cost sharing is unallowed.

The principal investigator may want to offer the use of a research lab or facilities for the project. In such a case, the proposal should state “the facility or lab will be available for the performance of the sponsored agreement at no direct cost to the project.”