Cost Sharing and Institutional Support

A. Background

Cost sharing is a financial commitment by the University toward the total cost of a project from a source other than the granting organization. Cost sharing is also referred to as “in-kind contributions” or “matching funds.” Boston University strongly discourages voluntary committed cost sharing when submitting proposals to an external sponsor. In cases where cost sharing is required by the granting organization, proposal submissions should include only the minimum amount necessary to meet the sponsor’s requirements. (Note - Over-salary-cap amounts are not considered “cost sharing.”)

Institutional Support is provided in a statement or letter to the sponsor from an institutional official (often the Dean) indicating that resources will be available in support of the project. The types of resources described in such a letter include facilities, mentorship, collaborations, and a commitment to the goals of the project. However, a statement of institutional support does not specify a monetary value, unless the proposal includes a commitment of cost sharing as described above.

B. SPH Procedures for Requests

Cost Sharing (Financial Support)

Most often, the purpose of financial institutional support is to meet a specific requirement described in the RFA. All requests for SPH funding to supplement a proposal are discussed with the Director of Sponsored Research and the Associate Dean for Research and Faculty Advancement as early as possible prior to proposal submission. Waivers or reductions of indirect costs (i.e. use of a rate less than the sponsor’s published F&A rate) are also considered cost-sharing requests and must be requested as far in advance as possible. All letters of institutional support including financial commitments (“cost-sharing,” matching funds,” or “in-kind contributions”) are ultimately approved and signed by the Dean.

Any quantifiable financial commitment made on behalf of SPH is considered cost-sharing and when included in the proposal or budget becomes legally binding. Upon award, a cost-sharing account is set up in conjunction with the project and monitored by the department and PAFO throughout the course of the project. Cost-sharing account expenditures must adhere to the same financial, legal, and regulatory requirements of the sponsored award.

Instructions

1. The PI reviews the sponsor instructions with their grants manager to determine if commitment of cost sharing is mandatory, and if so, at what level.
2. The PI or grants manager emails the RFA or Program Announcement to the Director of Sponsored Research to request a commitment of cost sharing as early on in the process as possible.
3. The Director of Sponsored Research and the Associate Dean for Research and Faculty Advancement will review the requirements with the faculty member and grants manager, provide calculation details on Cost Sharing Form (attached), and obtain final approval from the Dean.
4. The completed Cost Sharing Form will reflect cost sharing arrangement/budget and Dean’s approval and will be included in the proposal package.
Institutional Support (Non-Financial Support)

When requested or recommended by the sponsor, investigators may want to highlight contributions or collaborations by including a letter on behalf of the School. Proposal support letters provided by the Associate Dean for Research and Faculty Advancement or by the Dean may include the availability of school resources (space, administrative support, etc.). These letters reinforce attributes of your proposal such as the interdisciplinary team or mentorship program and align with the BUSPH mission.

Letters of institutional support are routinely provided to endorse large program projects, institutional training grants, and projects requiring School leadership and support.

Instructions

1. The PI reviews the sponsor instructions with their grants manager to determine whether there are any specific requirements for the letter of institutional support.
2. The PI or grants manager emails the RFA or Program Announcement to the Associate Dean for Research and Faculty Advancement to request a letter of institutional support as early on in the process as possible.
3. The Associate Dean for Research and Faculty Advancement will work with the PI and grants manager on the language of the letter and obtain final approval from the Dean.

C. Cost Sharing of Effort

Helpful Definitions and Examples

Mandatory/Voluntary Committed Cost Sharing - Whether required by the sponsor (mandatory) or volunteered by the PI, commitments become a condition of the award and must be documented and captured in the accounting systems. Voluntary committed effort is reflected in payroll distributions and effort reporting. For example, when effort is voluntarily committed in the proposal to the sponsor and not charged accordingly, the assumption is still that the effort is committed to the project. The salary drawn from another source is considered cost sharing and reported as such.

Voluntary Uncommitted Cost Sharing - Faculty effort over and above that which has been proposed, committed, or awarded in a sponsored agreement is considered “donated” and is not reflected in distributions or effort reports. For example, the implicit contribution on the part of faculty responsible for training grant leadership is considered voluntary uncommitted because it is not explicitly obligated as a condition of the training grant award.