

Project Contribution Guidance

General Information:

Project Contributions are resources that are contributed to a sponsored project over and above the support provided by the extramural sponsor of that project. This means that the sponsor does not fully reimburse the campus for all allowable costs associated with the project and the terms of the award may require the University to contribute a portion of the costs. The requirements of the award and the contributing funding source determine the type of contribution.

Please note the guidance listed here is generalized, and does not fully encompass every cost or every situation. Please contact your Sponsored Projects Team with any question.

For additional policy information, see:

OMB Uniform Guidance Section 200.306 "Cost sharing or matching"

UC C&G Manual Chapter 5 (<https://www.ucop.edu/research-policy-analysis-coordination/resources-tools/contract-and-grant-manual/chapter5/index.html>)

UCSB Departmental Costing Guidelines

(<https://www.bfs.ucsb.edu/files/docs/omb/Draft%20Guide%20to%20Allowable%20Costs.pdf>)

PROJECT CONTRIBUTION MEMOS:

Written commitment memos:

Required for Project Contributions Categories UC Cash and Third Party Contribution.

A commitment memo can be in the form of a letter or email, but must come from the control point of the source of funds being provided.

The memo must include the following information:

1. Approval (via direct email address or signature) for funds committed by the control point
2. The quantified amount being committed
3. The specific costs the funds will cover, if applicable
4. Identifiable proposal information (example: ORBiT record number, PI name, Project Title, etc.)

Faculty and/or staff release time memo:

Required for Project Contributions Category UC In-kind, as applicable.

A release time memo for faculty with a 9-month academic appointment will be required only when an individual's total combined commitment to all extramurally funded projects reaches or exceeds 49% of their 100% appointment. A release time memo for a staff member is required at all times, without regard to the level of effort dedicated to the project.

A release time memo can be in the form of a letter or email. For faculty, the memo must come from the Departmental Chair. For staff members, the memo must come from their direct supervisor. If the PI is the staff member's direct supervisor, a release time memo will need to be completed by the applicable Department Chair or ORU Director.

The release memo must include the following information:

1. Approval (via direct email address or signature) for funds committed by the direct Supervisor
2. The percent time released to the project
3. Identifiable proposal information (example: ORBiT record number, Pi name, Project Title, etc.)

TYPES OF PROJECT CONTRIBUTIONS:

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Committed:

Any project contribution that is quantified within in the proposal documents submitted to the sponsor or included in the award document. Committed project contributions can be mandatory or voluntary.

Mandatory Committed:

Project contributions that are required by the sponsor as a condition of funds being awarded. Typically, this requirement is indicated in the program announcement/solicitation. Tracking of mandatory committed funds is required by the administering department and Extramural Funds Accounting.

Voluntary Committed:

Project contributions that are not required by the sponsor but are voluntarily included in the proposal by UCSB. The award document may or may not include a quantifiable project contribution amount, and may or may not reference a proposal document that includes a quantifiable amount. Work with the sponsored projects officer to check with the sponsor on whether we need to track and report the cost share commitment. If the sponsor does not require tracking or reporting, we can treat these commitments as uncommitted.

Uncommitted:

Any project contribution that is not quantified within the proposal documents submitted to the sponsor or included in the award document. Uncommitted project contributions are always voluntary.

Tracking is required by the administering department for uncommitted project contributions that are categorized as UC Cash or Third Party Match. UC In-Kind uncommitted project contributions do not have to be tracked by the department.

Extramural Funds will not track any uncommitted project contributions. Additionally, uncommitted contributions are not entered in ORBIT and are not included on the award synopsis.

CATEGORIES OF PROJECT CONTRIBUTIONS

Please note that the examples listed here represent general guidance, and do not fully encompass every cost or every situation. The source of funding determines the category that a particular cost should fall within, not the type of cost.

UC Cash (formerly called University Participation)

This refers to a specified budgeted and measurable contribution by the University toward a sponsored project. It is University Funds and/or resources specifically set aside for this project that would not normally be available to the principal investigator. In other words, these are new costs that would not exist without the funding of a specific project (i.e. if the project is not funded, the UC Cash commitment is not funded).

Examples of UC Cash Direct Cost Categories:

- Actual cash
- Benefits covered by Budget Office (if sponsor disallows benefits coverage)
- Department operating funds
- Funds provided from UC programs (Ex: Academic Senate awards)
- Pre-existing Gifts
- Tuition & Fees and stipends provided by Graduate Division for GSRs
- New administrative staff dedicated to the sponsored project

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- New technical staff dedicated to the sponsored project
- PI start-up funds
- Purchase of equipment
- Sabbatical/release time funds (aPI cannot cost-share *academic-year time* for a for-profit sponsor.)
- PI summer salary
- GSR and GSHIP

For additional guidance see:

Uniform Guidance 2 CFR 200.306 “Cost Sharing or Matching”

UC In-Kind (formerly called Cost Share)

These are pre-existing items/costs that would exist with or without the funding of a specific project. In other words, in-kind is the value of non-cash contributions provided by the University to a sponsored project.

This category of project contribution can include both direct and indirect costs.

Examples of UC In-Kind *Direct* Cost Categories:

- Existing staff salaries and benefits (with supervisor approval to dedicate the effort to the project)
- Existing supplies and equipment
- PI’s academic year salary & applicable benefits for time spent working on the project.

Examples of UC In-Kind *Indirect* Cost Categories:

- Un-recovered Indirect Costs
 - Portion of un-recovered indirect costs when an IDC waiver is in place
Example: IDC per F&A Agreement = 55%. IDC Waiver = 15%. Unrecovered IDC that can count as a Project Contribution = 40% unless the sponsor specifically prohibits this
 - Un-recovered indirect costs on other Project Contributions
Example: A Dean has given \$10,000 to cover the salary and benefits for an Assistant Specialist working on a project (UC Cash). The IDC that would have been associated with this direct cost had they been charged to the sponsor can be included as In-kind un-recovered IDC.

For additional guidance see:

OMB Uniform Guidance Section 200.306 “Cost sharing or matching” C&G Manual Chapter 5-220 – Information on unrecovered indirect costs listed as a project contribution

Third Party Contribution (Formerly called Matching)

These are services provided by volunteers (see below for details and restrictions) and property, funds, services or other items of monetary value donated by non-UC parties. Generally, Federal funds cannot be used as third-party cost share contributions; however, federal sponsor policies may indicate otherwise.

Examples of Third Party Contribution Cost Categories:

- New Gifts, when solicited for the specific project
- Existing extramurally funded award if allowed by the sponsor
- Any sub-recipient that includes any type of Project Contribution in their budget
- Volunteers

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- Note: We cannot count volunteer work as third party contributions if the “volunteer” is a UC employee whose “volunteer work” would involve the same type of work or services for which the individual is employed to perform at UC.
 - *Example:* A research associate works 100% time on a single grant but wants to charge the grant for only 80% time and “cost share” the remaining 20% for which he or she is not receiving pay.
- However, if a UC employee is volunteering to do work of a completely different nature than the work for which UC pays them, then we could count that as a third-party contribution.
 - *Example:* If a PI is employed by UC as an engineer, he or she can volunteer to pull weeds for a project but could not “volunteer” his or her services as an engineer.
- Use of industry owned equipment (Note: Annual Financial Statement from Third Party Contribution source will be provided by the administering department to Extramural Accounting to show expenditure of the commitment.)

For additional guidance see:

OMB Uniform Guidance Section 200.306 “Cost sharing or matching”

29 CFR § 553.101-102 - Employment by the same public agency.

Program Income

If the University earns money during the project period through the performance, in whole or in part, of the project, then that funding is Program Income.

The income must occur during the project’s awarded period of performance. Under federal guidelines, incomes from patent and copyright licenses are not considered program income. Administering Department must notify Extramural Accounting of Program Income generated on award prior to closeout.

Examples of Program Income Cost Categories:

- Ticket Sales
 - Example:* A department received a grant to fund a concert series, and there was income from ticket sales for the concerts, held during the grant’s performance period, the income would be considered “program income”.

For additional guidance see:

OMB Uniform Guidance Section 200.307 “Program Income”