

# PROJECT CONTRIBUTIONS GUIDANCE

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## **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 for that project. The requirements of the award and the funding source determine the type of contribution.

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

For additional information, see:

OMB Circular A-110 Section C.23 "Cost Sharing or Matching"

OMB Circular A-110 Section C.24 "Program Income"

UC C&G Manual Chapter 5

## **PROJECT CONTRIBUTION MEMOS:**

Almost all project contributions will require a written commitment as documentation.

## **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. Please note that a PI is not the control point and cannot commit funds on their own project.

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)

# PROJECT CONTRIBUTIONS GUIDANCE

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## TYPES OF PROJECT CONTRIBUTIONS:

### **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 because they were quantified in the proposal such voluntary project contributions become mandatory when an award is made. Tracking of voluntary committed project contributions is required by the administering department and Extramural Funds Accounting.

### **Uncommitted:**

Any project contribution that **is not quantified** within in 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.

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# PROJECT CONTRIBUTIONS GUIDANCE

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## **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 the 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 specific 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;

- 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, ONLY if determined by SPO to be a major project.
- New technical staff dedicated to the sponsored project
- PI Start-up funds
- Purchase of equipment
- Sabbatical/Release time funds

For additional guidance see;

OMB Circular A-110 Section C.23 "Cost Sharing or Matching"

### **UC In-Kind (formerly called Cost Share):**

When the University bears the costs associated with the conduct of a sponsored project that would otherwise have been charged to the extramural fund, these costs are categorized as UC In-kind. 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
- 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 = 53%. IDC Waiver = 15%. Unrecovered IDC that can count as a Project Contribution = 38% **unless** the sponsor specifically prohibits this

# PROJECT CONTRIBUTIONS GUIDANCE

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- 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 costs had they been charged to the sponsor can be included as In-kind un-recovered IDC.

For additional guidance see;

OMB Circular A-110 Section C.23 “Cost Sharing or Matching”

C&G Manual Chapter 5-635 – Information on unrecovered indirect costs listed as a project contribution

## **Third Party Contribution (formerly called Matching):**

The sponsor requires the University, as a condition of the award, to “match” the sponsor’s support in a fixed amount, through resources from non-UC sources pledged in support of a project. Matching funds **cannot** be Federal funds.

Examples of Third Party Contribution Cost Categories;

- New Gifts, when solicited for the specific project
- Existing extramurally funded award **if** allowed by sponsor
- Any sub-recipient that includes any type of Project Contribution in their budget
- Volunteers
- 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 Circular A-110 Section C.23 “Cost Sharing or Matching”

OMB Circular A-110 section C.23.d – Information on Volunteers

## **Program Income:**

If the University earns money during the project period and the opportunity to earn that income is provided, in whole or in part, by the funding 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. Administrating 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 Circular A-110 Section C.24 “Program Income”