SEFS Cost Share Policy

This policy outlines and clarifies aspects of UW Cost Share Policies Procedures and Guidelines on grants and contracts specifically within The School of Environment and Forest Sciences (SEFS). It should be noted that once Cost Share is accepted by a Sponsor it becomes a binding commitment and the required responsibility of the PI to provide, monitor and report the Cost Share contribution. To fulfill this requirement, SEFS Research, Grants and Contracts (RGC) Team assists SEFS PIs in carrying out this administrative task and burden.

When can you include Cost Share in your proposal or contract?
As per the UW policy, Cost Share is discouraged, thus, when possible, SEFS will only meet minimum mandatory Cost Share requirements specified by the request for proposals (RFP) from the Sponsor or funding agency. Voluntary Cost Share is not allowed.

Permissible Cost Share and limitations
Outlined in order of preference for SEFS:

- **Faculty Effort Cost Share** – Includes the portion of the state salary, related employee benefits and associated F&A of faculty members expending effort on the Award. Cost Share contribution will not exceed 20% of the faculty’s effort, as described in individual faculty’s work planning efforts.
  - **Cost Share F&A Rate** – The F&A Rate applied to Cost Share commitments is the Standard F&A Rate on the Cost Share Award unless the Sponsor specifies, in writing, a different Cost Share F&A Rate.

- **Unrecovered F&A** – Unrecovered F&A (also known as Unrecovered Indirect Costs, or UIDC) is the difference between the Standard and Actual F&A amounts when the Standard F&A Rate is greater than the Actual F&A Rate. UIDC may only be used as a Cost Share Contribution when approved by the Award’s Sponsor.
  - **Costs Included in the F&A Rate** – Costs included in the F&A rate are unallowable as direct costs and therefore cannot be used as a Cost Share Contribution, except in particular circumstances. The requirements for incorporating such costs as direct costs are set out in the Sponsored Program Costing Policy, GIM 23, and apply consistently to costs charged to the Sponsor and those that are Cost Share.

- **Third-Party (3rd) Cost Share** – These are typically in the form of donated effort, resources (equipment or materials), or in-kind effort, these are not recorded in the UW financial system and do not incur any F&A. 3rd Party contributors must agree to the Cost Share contribution through issuance of a letter of commitment. The PI is responsible for obtaining 3rd Party Cost Share commitment letters by proposal submission dates. As the Cost Share is met, the 3rd Party must submit a report of the resources provided toward meeting the commitment. The PI is responsible for fulfilling the total Cost Share commitments should 3rd Party contributors not meet their commitment. International 3rd Party Cost Share is not allowed.

- **Subaward Cost Share** – Subaward Cost Share is a Cost Share Commitment by a Subaward recipient that is either required by the UW or proposed by the Subaward recipient. The Cost
Share Commitment should be clearly specified in the Subaward agreement issued by the UW.

- **Graduate and Undergraduate Research Assistantships** – These can be used when allowable by the Sponsor and committed to effort on the project.

- **Non-Faculty Effort Cost Sharing** – This type of Cost Share may include effort from non-faculty UW employees, supplies, services, or other resources acquired, during the Award period, from non-sponsored funds. All such Cost Share contributions must be documented and reported to UW Grants Contracts and Awards.

**Exclusions**

- **Fellowships** from federal awards cannot be used. Tuition, as part of the fellowship, cannot be used. The intent of fellowships is to offset cost of living, rather than to compensate students for effort toward the grant objectives, thus, making these unsuitable as a Cost Share.

- **Volunteers** are unallowable for SEFS projects due to the burden of tracking their effort.

**Additional Guidelines**

The Cost Share commitment must be met by all parties to close out the Award. The unmet Cost Share at the end of the Award may lead to a reduction in the total awarded amount. Cost Share requirements may apply to Award extension periods.