Cost Share Instructions

1. If cost share is involved on the project, click yes on the IAS and the cost share form will populate.

   Cost Share Categories:
   
   - **Involuntary** cost share that is not allowed by the sponsor (examples: unallowed F&A, effort of PI not allowed to be charged)
   
   - **Voluntary** cost share that is not required by the sponsor but the PI wants to include (example: PIs effort on the project). This type of cost share may require additional approvals at the department, college or VP level. This should be discussed with your division to assure compliance with division specific requirements.

   - **Required by Sponsor** cost share that is required by the sponsor

   Check the box that best describes the cost share.

2. Total Salary and Wages

   If salary and fringe is being cost shared, enter the information for the employee in the appropriate boxes. They must be filled out completely. Cost share given by either Vice Presidents office will populate their signature line at the bottom of the IAS. To include another employee, click with add button as many times as needed. The amount column will automatically calculate.

   See the SPA website www.spa.msstate.edu for the current fringe rate in order to calculate the fringe field.

3. Non Personnel Cost Share

   Any time a category other than personnel or fringe is being cost shared, this portion of the form must be filled out. Cost share in this category is typically limited to Materials and Supplies and Equipment. If Other sources of cost share will be utilized, the blank must be filled in to describe a category other than those listed above (example: tuition, travel, contractuals). In all cases, the org code of the unit that will be providing these funds must be filled in so that the cost share can be tracked properly. This org should match the source of the cost share that is selected (i.e., if ORED is selected as the source, their org code should be entered).
4. Third Party Contribution

Any time a third party is contributing cost share, a letter of commitment for that cost share along with a dollar amount must be attached. The amount must be filled in on the cost share form as well.

5. Waived F&A Office of Research

On occasion it is necessary for ORED to waive F&A on a project. In order to do that, a written request must be sent to ORED, usually via email, and a copy of the request and response must be attached to the cost share form. That waived amount must be put in the amount and the percentage must be filled in.

6. Waived F&A DAFVM (Division of Agriculture, Forestry and Veterinary Medicine)

Similarly, on occasion it is necessary for DAFVM to waive F&A on a project. In order to do that, a written request must be sent to DAFVM, usually via email, and a copy of the request and response must be attached to the cost share form. The percentage of F&A being waived should be included in the percentage field and the total waived should be put in the Amount field.

7. F&A on cost share

For items being cost shared in Sections A and B, the amount of F&A that would have been recovered on those expenses under our federally negotiated F&A rate should be documented. The current F&A rates can be found on the SPA website at [www.spa.msstate.edu](http://www.spa.msstate.edu). The F&A rate being utilized should be included in the percentage field and the total amount of F&A calculated should be in the Amount field.

8. F&A not allowed by the sponsor

When the sponsor does not allow F&A or limits the amount of F&A on a project, there is an amount of F&A that is unrecovered. This unrecovered percentage and amount should be included in this line.

- **F&A not allowed** The proposal is for $100,000 and F&A would have been calculated at 44.5% which is the on campus research rate. $100,000 * 44.5% = $44,500. The percentage to be included should be 44.5% and the Amount should be $44,500.

- **F&A is limited** The proposal is for $100,000 and the sponsor only allows 10% F&A. The project, if collecting full F&A, would have been at the on campus research rate of 44.5%. Thus the unallowed percentage would be 44.5% - 10% = 34.5%. The unallowed Amount would be $100,000 * 34.5% = $34,500.
Note: Both of the above examples assumed that there were no modifications to the Total Direct Costs. All of the usual modifications required to determine the MTDC base should be utilized before calculating the unallowed F&A (more information on these modifications can be found on the SPA website at www.spa.msstate.edu). Thus when the sponsor allowed rate is a Total Direct Cost (TDC) rate as opposed to a Modified Total Direct Cost (MTDC), as our federally negotiated rate is, it will be necessary to determine the unallowed by determining the dollar amount unallowed.

- **F&A is limited at a TDC rate** The proposal is for $100,000 and the sponsor only allows 10% F&A. The project, if collecting full F&A, would have been at the on campus research rate of 44.5%. Included in the $100,000 is a $10,000 piece of equipment. For simplicity the percentage unallowed should still be 34.5%. However, the calculation of the unallowed F&A will be different in this situation. It will be necessary to calculate the F&A at the federally negotiated rate (44.5% MTDC in this example) and the sponsor allowed rate (10% TDC in this example) and determine the difference.

Federally negotiated rate: \((100,000 - 10,000) \times 44.5\% = 40,050.00\)

Sponsor allowed rate: \(100,000 \times 10\% = 10,000.00\)

F&A not allowed by sponsor: \(40,050.00 - 10,000.00 = 30,050.00\)

The form will total all categories at the bottom.