

MEMORANDUM

From: James V. Staros, Provost
Michael F. Malone, Vice Chancellor for Research and Engagement

To: Principal Investigators

Cc: Deans, Dept Heads/Chairs, Directors, Business Managers, Office of Grants and Contracts Administration, Research Business Managers Network, Office of Research Development

Re: Changes to Amherst Campus Cost Sharing Approval Process

Date: May 9, 2014

This memorandum updates procedures for obtaining approval to cost share on grants and contracts. By agreement of the Provost, VCRE, and Deans, the revised procedures for requesting cost share are outlined below.

The University practice is to make a cost-sharing commitment only when required by the sponsor or because of a demonstrated competitive nature of the grant program. Further, cost share may be committed only to the extent necessary to meet the agency requirements and the needs of the proposed project. OGCA must have written verification of the sponsor's cost sharing requirements.

1. **Academic Year effort.** Deans will now approve mandatory cost share requests involving academic year salary. Requests will be made using the attached form which should be completed, signed, and uploaded in GAMS at the time of proposal submission to OGCA. The obligation to cover the costs will be the responsibility of the department and college/school.
2. **Other Cost Share.** All requests for cost share of \$10,000 or less shall be the responsibility of the department and college and must be comprised of allowable categories as defined in the University cost share policy.¹ Deans may request contributions from the VCRE and/or Provost towards mandatory cost share when amounts over \$10,000 are required to meet mandatory cost share requirements.²
3. **Third-Party Cost Share.** When necessary to meet mandatory requirements, cost share provided by third parties is allowed when the third party is legally bound to the UMass Amherst via subcontract. In such cases, no formal approval is necessary. All other third-party cost share is strongly discouraged and requires VCRE approval in recognition of the higher risks associated with it.

¹ See link to [Cost Share Cost Accounting Policy](#)

² See link to [Procedure for Cost Share Requests](#)

4. **Unrecovered Facilities & Administration (F&A) Cost Share.** The use of unrecovered F&A as mandatory cost share does not need approval. However, all variations to the approved F&A rates must be verified in published sponsor policies and proposal solicitations; such verification should be provided to OGCA at the time of proposal submission.
5. **F&A Waiver or Reduction.** Requests for indirect cost reductions to meet mandatory cost share requirements are based on recommendations from the department and school/college to the VCRE two weeks in advance of the internal deadline.³
6. **Voluntary Cost Share.** Like any cost share, voluntary cost sharing that is committed in a project obligates the faculty and University to track and account for financial commitment. **Cost sharing should not be included in proposals unless mandated in the program announcement or required by the competitive nature of the award.** This does not mean that investigators should not devote effort to projects that do not supply salary, nor does it mean that the University should not contribute resources toward the project. If there is no mandatory cost share requirement, PIs should instead describe their participation in terms that do not commit the institution to a specific percentage of effort or to specific amounts of other non-salary expenses. If you believe your circumstance requires voluntary cost share, please make your request in advance of the internal deadline to the OGCA Director and provide justification based on competitive need.

Questions regarding cost sharing can be directed to Research Business Manager Liaisons in the dean's offices.

³ See link to [Procedure for Requesting Indirect Cost Waiver](#)