

Definitions

I've got a headache. What do the terms all mean? Cost share? Full cost recovery? etc.. See below and the figure (next page)

Cost share?
Cost Recovery?
Salary savings?



| | |
|--|---|
| Cost Share | Any portion of the total costs of an extramurally-funded project or program not borne by the sponsor. Examples: in-kind resources (e.g., contributed project personnel effort) or cash. |
| Full Cost Recovery | The sponsor pays the full cost of the project Full Cost Recovery = Direct + Indirect Costs. |
| Direct Costs | Costs directly associated with implementing the project Examples: supplies, specific equipment, salary and benefits for personnel, travel for conducting research, educational training, or disseminating results. |
| Indirect Costs (F&A, Overhead) | Institutional costs to support implementation of the project. Examples: A portion of the infrastructure and operational costs such as utilities - light and heat; telecommunications; hazardous waste disposal; plus the infrastructure necessary to comply with various federal, state, and local rules and regulations. |
| Salary Savings | When the salary and benefits of UC ANR personnel (who are not "soft-funded") are included in the project budget and charged to the sponsor, then those "UC ANR salary" costs are considered Salary Savings and may be transferred to a Salary Savings Account . These funds can be used to cover expenses of the Principal Investigator's on other programmatic activities beyond the funded project. |

Example

| | Full Project Cost | Sponsor | UC ANR Cost-Share |
|----------------------------|-------------------|-----------|---|
| Full Cost Recovery* | \$100,000 | \$100,000 | \$0 |
| Cost Sharing | \$100,000 | \$90,000 | \$10,000 (perhaps Principal Investigator or other personnel salary) |

***Full Cost Recovery** means there are **Salary Savings** for any non-project funded personnel (i.e., UC ANR funds for the PI Salary and benefits is now potentially available.). These UC ANR unspent funds can be moved to a **Salary Savings Account** for the PI to use toward programmatic expenses.

Total cost to run a project costs

Full cost recovery

Sponsor pays full costs (Direct + indirect)

Direct costs

Costs associated directly with implementing the project

Examples: Research and Extension supplies, Equipment, Salary and Benefits, Travel, Educational training, Dissemination, etc..

Salary savings

*With full cost recovery, the salary and benefits of a UC ANR personnel (who are not "soft" funded) are charged to the sponsor. These funds are considered **Salary Savings** and may be transferred to a **Salary Savings Account** to cover expenses of the Principal Investigator(s) on other programmatic activities (beyond the funded project).*

Cost Share*

*Any portion of the total costs of an extramurally-funded project or program not borne by the sponsor. **Examples:** in-kind resources (e.g., contributed project personnel effort) or cash.*

Indirect costs

Institutional costs needed to support implementation of the project

Examples: A portion of infrastructure, utilities; telecommunications; hazardous waste disposal; infrastructure and personnel necessary to comply with federal, state, and local rules and regulations.



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