

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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