

**Policy Number:** UFCD, Finance, 4.21  
**Effective Date:** July 2008  
**Last Revised Date:** March 2022  
**Next Review Date:** March 2024  
**Policy/Guideline Custodian:** Associate Dean of Research  
**Category:** Finance

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**Title**

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**Policy for Salary Effort, Indirect Cost and Cost Sharing**

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**Policy**

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**Policy Statement**

It is the policy of the University that only mandatory cost sharing be submitted to sponsoring agencies. This policy does not preclude exceptions that may be judged appropriate under certain circumstances to leverage a project. Mandatory cost sharing requirements are usually defined by law, statute, agency regulations, or written in the application guidelines for a specific program. When there is mandatory cost sharing, a copy of the RFP, regulations or guidelines must be submitted with the proposal along with a written commitment from the individual authorized to commit the resources. All non-mandatory or voluntary cost sharing must be reviewed and committed in writing by the Dean of the College (without delegation) and forwarded with the proposal for approval in the Office of Research by an authorized institutional representative.

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**Procedure**

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**I. Salary Recovery**

The University of Florida policy states “the salaries and wages of faculty and staff who are directly associated with the University constitute appropriate direct costs in proportion to the time each expects to spend on a project. Grant funds may not be used to augment the total salary or rate of pay of UF faculty or staff; they are replacement funds, releasing a percent of time of the regular employee for work on the project.”

All UFCD proposals will reflect reasonable and appropriate budget for faculty and staff effort that is necessary to fulfill the aims of the grant or terms of the contract. Non-funded effort will be considered committed cost sharing and require the specific approval of the PI’s department chair and the dean in advance of the proposal submission. Salary expenditures that are

disallowed by an agency (via documentation) will be considered non-committed cost sharing and may not require prior approval.

## **II. Indirect Cost (Facilities and Administration)**

The generation of indirect cost is essential to the college's research infrastructure. Indirect costs provide funding for the Office of Research, student and educational programs, renovations, equipment, and many other programs conducive to research development.

All UFCD proposals will contain the appropriate indirect cost as outlined by the University of Florida's Division of Sponsored Research. If the sponsoring agency does not allow for indirect costs then documentation from the agency is required.

Requests for a waiver of IDC must be considered and approved by the PI's department chair and the Associate Dean for Research. Upon approval by the department and college the request will be forwarded to the Division of Sponsored Research for consideration.

## **III. Cost Sharing**

Cost sharing is defined as direct expenditures for a sponsored project that are not paid for by the sponsoring agency. Cost sharing is documented and used to offset the University's federal indirect cost negotiations; resulting in a lower rate. In addition, cost sharing is a commitment of a department's or colleges internal resources. Therefore, cost sharing should be proposed only when it is absolutely necessary to accomplish the goal of a sponsored project or mandated by the sponsoring agency.

At the time a proposal is submitted cost sharing will be identified and committed by the PI's department or a third party agency. The commitment must be approved by the Department Chair, Associate Dean for Research and/or the Dean. The Division of Sponsored Research mandates that voluntary cost sharing must be specifically approved by the Dean of the College.

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### **References**

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[UF Cost Sharing Policy](#)

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### **Contact Information**

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#### **Policy Contact(s)**

Dr. Valeria Gordan, Associate Dean for Research

### Important Dates

- Effective Date, July 2008
- Revision and Review: August 2014, Approver: Dr. Teresa Dolan, Dean
- Revision and Review Date, March 2020, Approver: A. Isabel Garcia, Dean
- Revision and Review Date, March 2022, Approver: A. Isabel Garcia, Dean