

TERMINOLOGY

Administrative/Indirect Costs – project expenses related to general administrative and support services that are not easily determined for each project (i.e. accounting, payroll, human resources, computer support, communications, value of space and utilities, and equipment depreciation, as well as departmental and college administration). Rather than attempt to attribute specific dollar amounts for each of these "system" services to a particular project, a percentage of the total direct project cost is used.

OSU Research Foundation uses the term “facilities and administrative” (F&A) costs, defined as follows: “F&A costs are those costs associated with the infrastructure that supports the research enterprise (buildings and their maintenance, libraries, etc.), and which cannot easily be determined for each project. The University requires that F&A costs be included in all proposal budgets and that F&A costs be recovered to the maximum extent possible.”

"Facilities" is defined as the costs associated with owning, maintaining, and operating certain buildings, equipment and capital improvements, and library expenses. "Administration" is defined as general administration and general expenses, departmental and college administration, sponsored projects administration, and all other types of expenditures not listed specifically under one of the subcategories of Facilities. Source: OSU Research Foundation; Facilities & Administrative Costs <http://www1.rf.ohio-state.edu/pdp/pdp48.htm>

Agreement – See “contract” and “memorandum of understanding (MOU)”; terms are often used synonymously.

Confidentiality Agreement -- also called a Non-Disclosure Agreement; is used where one party provides confidential information to someone else and that person agrees not to divulge this information to others. A confidentiality agreement may be one-sided where only the person who receives the information is prevented from disclosing any confidential information, or it may be mutual where both parties disclose confidential information to each other and both agree not to divulge this information to others. Project sponsors may ask Extension professionals to sign confidentiality statements to protect the privacy of program participants or program results.

Conflict of Interest Statement – OSU requires any professional who has a significant role in an externally funded project to disclose any potential conflicts of interest by completing a conflict of interest form. Project sponsors may ask Extension professionals working with a project to disclose any potential conflicts by signing a similar statement.

Continuing Project – a project that receives funding from the same funding source year after year. Although a new contract is generated each year, the relationship is on-going and seamless.

Contract—“An agreement between two or more parties, especially one that is written and enforceable by law.” (Webster). All parties to the agreement sign the document as evidence of their willingness to abide by its terms.

Cost Recovery – charging fees to cover costs that are incurred by the organization as part of the plan of work. Most often this involves collecting fees to partially or fully reimburse employee salary and benefits, and operating costs associated with an ongoing project (travel, supplies, equipment, etc.). Cost

recovery practices focus on existing costs in the organization that traditionally have been funded by government appropriations.

Direct Project Costs – expenses related to conducting the event itself, including room and equipment rental fees, refreshments, printing, educational materials and supplies for participants, and honoraria and travel expenses for program presenters.

Employing Unit – the unit employing a staff member whose time is committed to a project. This is generally associated with the staff member’s salary being ”released” to work on a project.

Fee – See Membership fee, State Program Fee, and User fee for more detail.

Gift – (also called a **donation**) a voluntary and irrevocable transfer of money, services, or property (e.g., equipment, personnel time and skill, etc.) from a donor without any expectation or receipt of direct economic benefit or provision of goods or services from the recipient. A gift may have a restricted purpose or designated use.

Home unit – the unit responsible for administering a project; the project may include several “employing units” for staff who work on the project.

Administrative/indirect cost recovery - funds generated from “administrative/indirect costs” paid by the sponsor of a project.

Letter of agreement – a simple letter between two or more entities that confirms arrangements for services or goods to be provided. Usually done in a more casual letter style, it does not include legal terms or conditions found in more formal contracts.

Membership fee - a fee that is charged to cover part of the costs of delivering a program(s) for a prolonged period (e.g., one year). Specific costs are not identified.

Memorandum of Understanding (MOU) – (also called an Memorandum of Agreement – MOA)
An agreement of cooperation between two or more individuals, groups, organizations, etc. that defines the roles and responsibilities of each entity in relation to the other or others with respects to an issue over which the entities have concurrent jurisdiction. Generally considered to be a preliminary agreement with more detail to follow in a later document.

New Project Funds - funds for new initiatives and/or from sources not currently supporting Extension programs.

Private Good Programs – programs that are developed or customized for a specific individual, group, or business primarily for their economic benefits . (See Public Good and Private Good programs on pages 1-2 for more detail.)

Project – any grant, contract, or MOU funded by an organization outside OSU.

Project Development Costs – expenses related to developing a curriculum for a particular project, including reference materials, teaching guides, handouts, and marketing materials.

Project Personnel Costs – expenses, including salary and benefits of the professional and support staff directly involved in preparing, delivering, and supervising or coordinating the project.

Public Good Programs – Programs and services provided to and for the general public that are primary and fundamental to the mission of OSU Extension. (See Public Good and Private Good programs on pages 1-2 for more detail.)

Release Time – Time that Extension employees, who are already paid from Extension funds, work on a project. There are two kinds of release time:

- Sponsor pays for the “release” time. This is also referred to as “salary cost recovery.”
- The staff member works on the project with no cost to the sponsor. This is referred to as “cost share,” and no salary cost recovery occurs. This may be used as an in-kind match when project sponsors have this requirement.

Salary Costs – includes total salary and benefits paid to an individual.

Salary cost recovery – the portion of a staff member’s “regularly funded” salary and benefits paid by the sponsor of a project for work on that project. The regular salary is thus “recovered.”

State program fee - Costs established within each program area that must be included in the cost of user fees for local programs.

Self-sustaining units - A unit or office supported by OSU Extension that is expected to generate a portion of their ongoing operating costs through user fees. These units have specific costs for programs and/or services offered.

User Fee – A fixed price that is charged to recover some or all of the costs of the program. Generally, user fees are based on an anticipated number of program participants sharing the total “direct program costs” for the program. Project personnel costs may be included when calculating the user fee for a program.