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The Inclusion of Tuition in Externally Funded Contracts & Grants



September 19, 2013

MEMORANDUM TO: Deans, Department Heads and Chairs
FROM: Donald L. Lurge, Executive Vice President
Timothy R. Boosinger, Provost and Vice President for Medicine Affairs
George T. Flowers, Dean of the Graduate School
SUBJECT: Policy for Inclusion of Tuition in Externally Funded Contracts and Grants

Policy Statement

It is the policy of Auburn University to assess tuition to externally funded grants and contracts for which graduate assistants are provided stipend support.

Details

The budgets for all proposals submitted on or after October 1, 2013 that include stipend support for graduate assistants must include tuition support for those graduate assistants, if the funding agency to which a given proposal is directed allows tuition support as a budgeted item.

- A tuition remission rate of 40% of a graduate assistant's stipend amount will be used in lieu of actual full tuition.
- The dean of each college/school may grant an exception to the 40% rate requirement down to a rate of 10%. However, a MINIMUM of 10% of the graduate assistant stipend amount must be included in the budget for tuition support, unless specifically disallowed by the funding source.
- The 10% minimum rate will be maintained for three years and the policy will be reviewed at that time.
- Indirect costs are generally not levied on tuition charges.
- When mandatory cost share is required by the funding agency and the student stipend is charged to the contract or grant or associated cost share fund, the difference between the 40% and the amount charged directly to the grant or contract can be treated as cost share provided by the university.

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“NEW” Policy

“It is the policy of Auburn University to assess tuition to externally funded grants and contracts for which graduate assistants are provided stipend support”

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“NEW” Policy

For all proposals submitted on or after October 1, 2013:

- ✓ **Budgets for all proposals must include tuition support for projects that include stipend support for graduate assistants IF the funding agency allows tuition support as a budgeted item.**
- ✓ **A tuition remission rate of either 10% or 40% of a graduate assistant’s stipend amount will be used in lieu of actual full tuition.**

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Items of Note

**FOR PROJECTS THAT UTILIZE THE
MODIFIED TOTAL DIRECT COST (MTDC)
BASE FOR INDIRECT COST (F&A)
CALCULATIONS, TUITION IS EXEMPT
FROM THE BASE.**

**HOWEVER, IN CASES WHERE THE BASE
IS TOTAL DIRECT COSTS (TDC) OR
TOTAL FEDERAL FUNDS (TFF), TUITION
IS NOT EXCLUDED FROM THE BASE**

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Items of Note

AT THE PROPOSAL STAGE, AGREEMENT FOR ALL UNITS MUST BE IN PLACE TO DETERMINE WHICH RATE (10% OR 40%) WILL BE USED FOR A SPECIFIC PROPOSAL.

TUITION SHOULD ONLY BE USED AS COST SHARE WHEN COST SHARE IS:

- (1) MANDATORY PURSUANT TO SPECIFICATION IN A FORMAL RFP OR SPONSOR REGULATIONS; AND**
- (2) FOLLOWING AN EVALUATION OF ALL OTHER METHODS OF COST SHARE**

STUDENTS MUST BE ELIGIBLE FOR TUITION SUPPORT UNDER THE *TUITION FELLOWSHIP PROGRAM POLICY* (EFFECTIVE 6/26/12)

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Post-Award Process

A FUND IS SET-UP FOR TUITION WAIVERS. ALL MONIES COLLECTED FROM TUITION ARE BEING DEPOSITED INTO THIS FUND TO COVER THE EXPENSE.

THERE ARE DRAFT GUIDELINES BEING DEVELOPED.

CGA WILL MANAGE THE ATTRIBUTES (%) THAT NEED TO BE CHARGED ON AN INDIVIDUAL PROJECT BASIS (EITHER 10% OR 40% ONLY).

CURRENTLY CONFIRMING IF JOURNAL VOUCHERS WILL BE ENTERED USING 730 ACCOUNT CODE.

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Why is This Important?

**ACADEMIC YEAR 2006/2007, AU WAIVED
\$22 MILLION IN TUITION REVENUE.**

**FOR 2012, THE TUITION WAIVED WAS
\$37 MILLION (AT A TIME THAT STATE
APPROPRIATIONS WERE CUT OVER \$90
MILLION).**

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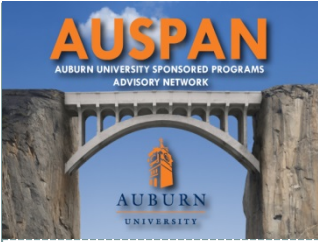


Resources

**CHARGING TUITION IN EXTERNALLY FUNDED
CONTRACTS AND GRANTS POLICY STATEMENT**

**CHARGING TUITION IN EXTERNALLY FUNDED
CONTRACTS AND GRANTS ADDITIONAL GUIDANCE**

OCTOBER 2013 “TIGER TIPS”



QUESTIONS?



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