

## **TIGER TIPS**

### **RESOURCES FOR AUBURN RESEARCHERS**

#### **ADDITIONAL GUIDANCE REGARDING THE INCLUSION OF TUITION IN EXTERNALLY FUNDED CONTRACTS AND GRANTS**

The effective date for implementation of the new Policy for Inclusion in Externally Funded Contracts and Grants (*see attached*) is August 14, 2013. As such, the addition of tuition on contract and grant is optional until that date. However, as of **August 14, 2013** the inclusion of tuition will be mandatory. Some specific criteria to consider when including tuition in proposals include, but are not limited to, the following:

- Please use whole number percentages when calculating the tuition amount as a percentage of the assistantship for the graduate student. (Use 10%, 20%, or 40% rather than percentages carried out to multiple decimal places).
- Please be consistent within a proposal and use the same percentage for all graduate student assistants on the proposed project.
- Place the amount calculated for tuition on budget forms in the tuition or other direct costs categories. It will be expended as a percentage of the stipend but for budget evaluation purposes it would be better for the sponsor and others if the tuition was clearly delineated as a budget line item for review purposes. Explain in the budget narrative.
- Remember that for projects with Modified Total Direct Cost F&A requirements (most common) tuition is exempt from F&A and should be subtracted from total direct costs before the application of the F&A rate when calculating the total proposed budget. This is similar to the way we treat equipment items in proposal budgets in compliance with our [Federally-approved Facilities and Administrative \(F&A\) rate agreement](#). Be aware that for projects with F&A rates based upon total federal funds or Total Direct Costs the tuition is NOT exempt from the F&A calculation.
- Almost all Federal sponsors allow tuition in proposal budgets as a direct item of cost. USDA has some programs for which tuition is acceptable and some for which it is not. When in doubt, please do not hesitate to contact your [contract administrator](#) in the Office of Sponsored Programs or your College's OSP designee if you are proposing from within Pharmacy, Engineering, Human Sciences, Veterinary Medicine, ACES or Education.
- All sponsor budgets, unless specifically stated otherwise in the RFP, should include tuition pursuant to the new policy.
- Tuition should be used as cost share only when cost share is mandatory pursuant to specifications in a formal RFP or sponsor regulations. Other methods of cost share

should be evaluated first when cost share is mandatory instead of automatically using tuition.

- Tuition may be split between the sponsored budget and the cost share budget, as needed, keeping in mind that the intent of the policy is to recover the costs rather than continue to forfeit reimbursement.
- In the case of collaborative projects involving multiple PIs, departments and/or colleges, a consistent tuition rate must be used as only one rate can be specified per award. Collaboration on this issue must be done at the proposal stage.

Students must be eligible for tuition support under the [Tuition Fellowship Program Policy](#) effective June 26, 2012 including any subsequent revisions for related tuition to be included in a sponsored proposal.

Please note that this process is new and there may be additional guidance for inclusion in proposal budgets as we move forward with implementation. If you have any questions, please do not hesitate to contact OSP or your College's OSP designee if you are proposing from within Pharmacy, Engineering, Human Sciences, Veterinary Medicine, ACES or Education.



AUBURN UNIVERSITY

OFFICE OF THE PRESIDENT

January 7, 2013

**MEMORANDUM TO:** Deans, Department Heads and Chairs

**FROM:** Donald L. Large, Executive Vice President  
Timothy R. Boosinger, Provost and Vice President for Academic 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 all graduate assistants supported by externally funded grants and contracts.

**Details**

The budgets for all new proposals that include stipend support for graduate assistants should 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 rate of 40% of the stipend amount will be used in lieu of tuition. The amount charged is not to exceed the full-time resident tuition for each semester that a student is supported.

**Implementation Method**

- Charge a percentage of an assistant's stipend in lieu of tuition
- Indirect costs are typically not charged to tuition

The dean of each college/school may grant an exception to the 40% rate requirement, to a rate of either 20% or 10% unless specifically disallowed by the funding source. However, a MINIMUM of 10% of the student stipend must be included in the budget for tuition support. 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 in the 40% and the amount charged directly can be treated as matching funds provided by the university.