

## **TIGER TIPS**

### **RESOURCES FOR AUBURN RESEARCHERS**

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

**NOTE: This document supersedes and replaces the guidance provided in the  
February 2013 Tiger Tips**

The effective date for mandatory implementation of the new [\*Policy for Inclusion of Graduate Tuition in Externally Funded Contracts and Grants\*](#) is for all proposals submitted to the Office of Sponsored Programs (OSP) after **October 1, 2013**. However, investigators may begin incorporating tuition into their proposal submissions immediately. Some specific criteria to consider when including tuition in proposals include, but are not limited to, the following:

- All proposals that include graduate research assistant support must include tuition unless explicitly disallowed by the funding agency to which the proposal is submitted.
- A tuition remission rate of 40% is defined as full tuition and should be used when full tuition costs are to be charged to a sponsor budget.
- In other cases, a tuition remission rate of 10% should be used for the sponsor budget.
- Place the amount calculated for tuition on budget forms in the tuition or other direct costs categories. 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 equipment items are treated in proposal budgets in compliance with our [Federal 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 OSP or your College's OSP designee (the latter, at this time, if you are proposing from within Pharmacy, Engineering, Human Sciences, Veterinary Medicine, ACES or Education).
- Graduate 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.

- For cases where the sponsor will allow tuition charges, a rate of either 40% (see bullet #2 above) or 10% (see bullet #3 above) must be budgeted to the sponsor budget. In cases where 10% is used, a rate of 30% of sponsor supported graduate assistant stipend may be used for required cost share, with the approval of the OVPR through OSP.
  - For cases where the sponsor will not allow tuition charges, a rate of 40% of sponsor supported graduate assistant stipend may be used for required cost share, with the approval of OVPR through OSP.
  - For cases where a component of the cost share is graduate assistant stipend, a tuition remission rate of 40% should be used.
- Students must be eligible for tuition support under the [Tuition Fellowship Program Policy](#) effective June 26, 2012 including subsequent revisions for related tuition included in a sponsored proposal.

Additional information can be found in the OSP document “[Charging of Tuition in Externally Funded Contracts and Grants](#).” Please note that this process is newly implemented and there may be further guidance for inclusion in proposal budgets moving forward. If you have any questions, please do not hesitate to contact OSP or your College’s OSP designee as appropriate.