On X Company Letterhead

Date:

PowerAmerica Institute

Campus Box 7124

930 Main Campus Drive, Suite 200

Raleigh, NC 27695-7124

Subject: Cost Share Commitment for X participation in the

 Next Generation Power Electronic Manufacturing Innovation Institute (NGPEMII)

 "NC State/PowerAmerica"

 US Department of Energy, Office of Energy Efficiency & Renewable Energy

This company commits to providing 50% of the total cost of their subaward represented by the dollar value of cost share shown below during subaward budget periods as shown. The basis of the value of each commitment is as stated. The company agrees to include on each invoice for reimbursement during each Budget Period an accounting of the cost share contribution provided for the current period and cumulatively since the start of their work under their subaward regardless of whether any contribution was made during that invoicing cycle. Invoices and Cost Share Reports must be certified.

|  |  |  |
| --- | --- | --- |
| **For Profit Subrecipient Equipment Cost Share** | BP1 Tasks |  |
|  | 2.1.1 | 2.1.2 | 2.1.3 | 2.1.5 | 2.1.6 | All Tasks |
| Hi-Temp ABl Est. purchase Price | 125,0000 |   | 0 |   |   | 125,000 |
| Back Grind Finisher Est. purchase Price | 127,0000 |   | 0 |   |   | 127,000 |
| upgrade of Z-stol inspection tool, Est. Price |   |   | 180,000 |   |   | 180,000 |
| Pile Handling upgrade, Est. purchase Price |   |   | 200,000 |   |   | 200,000 |
| **Equipment items greater than $5000 Total** | 1,315,000 | 0 | 380,000 | 0 | 0 | 1,695,000 |
| Total Project Budget |  |  |  |  |  | 3,086,631 |

In-Kind Contributions (Examples:)

1. $XX,XXX In-kind labor contribution for 2 Senior Engineering Researchers, providing XX Hours direct Labor, @ $XX (use either fully burdened rate or labor and fringe benefit amounts separately), for a total value to be contributed as follows:

BP1: XX Hours @ $XX each month, equaling $ per month and Budget Period Total $XX

BP2: XX Hours @ $XX each month, equaling $ per month and Budget Period Total $XX

2. $XX,XXX In Kind, Materials - 200 each 6 in diameter, XX mm thick Wafers @ net cost $84.57 each, (excludes profit) Total $16,914, as follows: BP 1, 20 wafers each week @ $XX during Sep 1, 2015 through Nov. 15, 2015. Period Total $XX

Note: Please provide any additional details in the form of a plan or schedule as to when you anticipate actually making the cost share contributions. The goal is to maintain a consistent rate of cost share contributions at or above 50% of the total incurred costs throughout the budget period. If circumstances are foreseeable that can predict any variances from this goal, that is useful information for evaluating the overall risk associated with the cost share commitment that you are making.

Signed

Authorized Business Official

ASU: WHAT IS THE DIFFERENCE BETWEEN IN-KIND AND CASH CONTRIBUTIONS?

In-kind contributions refer to resources ASU already has available such as existing state-funded faculty and staff time/effort which can be devoted specifically to the project. Cash contributions, on the other hand, are new expenditures ASU would make in support of the project. An example of a cash contribution would be travel funded from a local account.

NCSU:

Most common contributions of cost share

In-Kind Contribution: In-kind contributions are those wherein a value of the contribution can be readily determined, verified and justified but where no actual cash is transacted in securing the good or service comprising the contribution. Two examples of in-kind contributions are: (1) The donation of volunteer time valued at a rate that would be reasonable for the time devoted had the volunteer been compensated for the time. For example, if you solicit volunteers from the local high school to help run surveys on a research project without compensating the volunteers, it would be appropriate to value the volunteer’s time at, say, minimum wage for the number of hours volunteered; (2) The donation of non-institution space where such space would normally carry a fee for purposes other than supporting this particular project (i.e. some negotiation between the PI and the donator, or a benefit will accrue to the donator of the space other than immediate monetary reimbursement for the use of the space). This might be utilization of the local Bank Conference Center without having to pay the pre-defined and published rate. In-kind contributions must be documented with official correspondence from the organization providing the in-kind cost sharing to include appropriate substantive documentation such as published rate schedules, time cards for volunteers, etc.

Cash Contribution: Cash contributions differ from in-kind contributions in that an actual cash transaction occurs and can be documented in the accounting system. This includes allocation of compensated faculty and staff time to projects. Although it is easy to mistake the allocation of compensated faculty/staff time as a donation or as In-Kind because the faculty or staff member would be compensated regardless of the advent of the sponsored project, the value is the result of a cash transaction and should be treated as a cash contribution. Other examples of cash contribution include the purchasing of equipment by the institution or other eligible sponsor for the benefit of the project requiring cost sharing.

10 CFR 600.302 Definitions

*Cash contributions* means the recipient's cash outlay, including the outlay of money contributed to the recipient by third parties. *(Accountable transaction in the Entity's Financial System within the project period)*

*Outlays or expenditures* means charges made to the project or program. They may be reported on cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense charged, the value of third party in-kind contributions applied, and the amount of cash advances and payments made to subrecipients.

For reports prepared on an accrual basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subrecipients and other payees, and for other amounts becoming owed under programs for which no current services or performance are required.