



# WOODS HOLE OCEANOGRAPHIC INSTITUTION

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## Charging Costs to Multiple Projects

A direct (equipment/supply) cost may benefit multiple projects; this cost should be allocated to projects in proportion to the benefit.

**Allocation of costs to multiple projects may not be performed merely for convenience or because of differences in the projects' available fund balances.**

The method for allocating a direct (equipment/supply) cost to multiple projects must be identified in advance of the allocation and documented. Documentation to split cost for purchase requisitions should be sent with the PO and be included with the purchasing files. The allocation method must be consistently applied to all sponsored projects in a defined group (e.g. department, PI, etc). Switching between methods for convenience is not acceptable.

The following are charges that may be allocated to multiple projects:

- Number of lab employees working on each project, as certified on their Bi-Weekly Time Report
- Number of activities performed, e.g. project A has 10 experiments and project B has 20 experiments therefore 1/3 of the costs will be allocated to project A and 2/3 of the costs will be allocated to project B.

Cost methods should not be allocated to multiple projects based on the following:

- Budget over expenditures
- Expending remaining unspent funds
- Rotating costs between periods

Cost methods allowed to be allocated to multiple projects based on the following:

- Cost written into the awards
- Program Manager e-mail approvals