

## In-Kind Contribution Estimate

Estimated “in-kind” contributions are reasonable, good faith estimates of non-cash resources employed by Sandia’s Partners for their **direct support or performance of tasks** for a CRADA or a Project Task Statement (PTS) under an Umbrella CRADA. In-kind contributions must apply **directly** to the CRADA or PTS at hand, and not to the Partner’s efforts in a more general technology area. Technical tasking (i.e., who does what, when, where, and for how long?) within the statement of work for a given CRADA or PTS is the prime measure of collaboration. In quantifying the in-kind contribution, the Partner must be able to address Partner technical task performance and direct linkage of Partner task performance to the applicable deliverable(s).

For the most part, in-kind comprises **labor** and **facilities** costs but may also include **travel expenses** in direct support of the work, the costs incurred by the Partner for **subcontracting** CRADA/PTS work, expenditures for **materials and supplies**, and occasionally the market value of Partner-owned **background intellectual property** (BIP) and **data**.

**Labor** consists of the fully-loaded salaries (i.e., all salary, benefits, retirement, workmen’s comp) the Partner is paying their principal investigators (PIs) and other workers to directly support the CRADA or PTS. For example, if the fully loaded salary of a PI is \$300K per year, and the Partner PI is assigned to work half time on the CRADA/PTS, then \$150K would be a reasonable in-kind estimate for labor.

**Facilities** are generally estimated as the opportunity cost to the Partner of using a special facility or capability for the CRADA or PTS instead of another project. For example, the Partner is contributing the use of a test range to develop an improved robotic device for a CRADA or PTS. The fully loaded hourly cost of using the range is \$1000, and the testing program is slated to take 100 hours. Thus, an in-kind contribution of \$100K would be reasonable.

There is no written guidance or regulation on what is an “acceptable” in-kind contribution. However, DOE considers each CRADA or PTS on its own merits, and an in-kind estimate commensurate with the degree of Partner collaboration in the statement of work is almost always acceptable.

For reports to Congress and other government agencies, DOE calculates the **total value** of a given CRADA or PTS as the sum of the “funds-in” (cash payments made by the Partner to Sandia), the in-kind estimate, and any DOE or other Federal agency funding that is associated with the agreement. Some CRADA Partners also do the same when reporting their collaborative activities to shareholders or for marketing purposes.

Please contact [CRADA@sandia.gov](mailto:CRADA@sandia.gov) for further information on the less frequent use of BIP and data as components of an in-kind estimate.