

## SBIR CALCULATIONS

The Small Business Development Act fee (SBIR) is calculated as 2.5% of the total dollars provided to the Agreement.

### How to Calculate:

- **To NET a specified figure to the Cooperator and have ARS pay the SBIR as an add-on amount out of the funding D project (appropriated in-house project is the Giving Project):**

$$\text{\$ (total agreement amount)} \times .025 = \text{\$ SBIR (rounded to nearest \$)}$$

**Example:**  $\text{\$75,000} \times .025 = \text{\$1,875}$  SBIR. The ARIS entry would be  $\text{\$75,000}$  and ARIS would calculate the SBIR.

- **To DEDUCT the SBIR from the total dollars allotted to the research project:**

- a.  $\text{\$ (total amount allotted to project)} \div 1.025 = \text{\$ NET to the project (rounded to the nearest dollar)}$
- b.  $\text{\$ (NET to project)} \times .025 = \text{\$ SBIR (rounded to nearest dollar)}$
- c. NET + SBIR should equal Total amount allotted to the project

~ OR ~

- **To DEDUCT the SBIR from the total dollars allotted to the research project (ARS only has X amount it can fund and needs to reduce the amount entered into ARIS to reflect that accordingly):**

- a.  $\text{\$ (total amount allotted to project)} \times 97.5618\% = \text{\$ NET to the project (rounded to the nearest dollar)}$
- b.  $\text{\$ (NET to project)} \times .025 = \text{\$ SBIR (rounded to the nearest dollar)}$
- c. NET + SBIR should equal Total amount allotted to the project

**Example:**  $\text{\$75,000} \div 1.025 = \text{\$73,170.73} = \text{\$73,171}$  NET

$$\text{\$73,171} \times .025 = \text{\$1,829.275} = \text{\$1,829}$$
 SBIR

$$\text{\$73,171 NET} + \text{\$1,829 SBIR} = \text{\$75,000 Total amount}$$

~ OR ~

$$\text{\$75,000} \times 97.5618\% = \text{\$73,171.35} = \text{\$73,171}$$
 NET

$$\text{\$73,171} \times .025 = \text{\$1,829.275} = \text{\$1,829}$$
 SBIR

$$\text{\$73,171 NET} + \text{\$1,829} = \text{\$75,000 Total amount}$$

The ARIS entry would be  $\text{\$73,171}$  and ARIS would calculate the SBIR