



## Cost Sharing/Matching Policy

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**Updated: January 2016**

**Revised: May 2015**

### **Background**

Cost sharing/matching represents the portion of a grant award's total costs that are not provided by the sponsor of the award. It is the partial support for the cost of a sponsored award provided by the University or by a third party. The terms "cost sharing" and "matching" are often used interchangeably, although matching usually refers to support offered to "match" funds provided by the sponsor. In cases where commitments of university resources are made in support of sponsored programs, the Office of Research and Sponsored Programs (ORSP) and the committing schools/departments must ensure that the estimated value of the resources are accurate and that the allocation of resources is consistent with University policies governing sponsored program expenditures and indirect cost calculations. In addition, cost-share expenses must be verifiable from CSUEB records, as required by 2 CFR 200.306, regardless of the reporting requirements of the sponsor.

CSUEB strongly discourages formal agreements with sponsors in which there is a voluntary commitment of cost sharing by the University unless the sponsor requires such a commitment. Formal cost sharing agreements with sponsors creates an additional administrative burden for the PI and the departmental, collegiate and institutional staff who must document, track, audit, and report such expenditures. Additionally, a natural effect of cost sharing is to lower CSUEB's federally negotiated Facilities and Administration (F&A) rate (allowable indirect cost rate). This reduces the amount of funds available to the institution for program and infrastructure support and enhancements. If cost sharing obligations are not required, they should not be listed as part of the sponsored project budget and should not have a dollar value assigned in the narrative section of the grant proposal. In those instances in which cost sharing is not required by the sponsor but desired by the PI and approved by the department and/or college, documentation of the voluntary uncommitted cost sharing agreement shall be provided to ORSP for inclusion in the grant file maintained by ORSP.

### **Sources of Cost Sharing**

- University funds
- Unrecovered (F&A) costs – To lower or waive overhead costs the PI must received approval from the Provost. Waivers will only be given under special circumstances.
- Third party contributions
- Other sponsored projects (non-federal)
- In-kind – non-cash contributions such as volunteers or property. Property purchased with Federal funds may be counted as match with prior approval from sponsor.



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- Federal projects (Prior approval from sponsor required)

### Types of Cost Sharing

- Mandatory – Project costs that are not borne by the sponsor, but are required as a condition of the award. “Sponsored-encouraged” cost sharing not required as a condition of receiving an award does not imply mandatory cost sharing.
- Voluntary Committed – Project costs that are not borne by the sponsor and are not required as a condition of the award, but are offered in the proposal by the PI, ordinarily in the form of contributed effort. Voluntary committed cost sharing becomes mandatory once the award is made and cost sharing must be documented and verified by the Department/Colleges throughout the life of the award. Voluntary committed cost sharing amounts and documentation must be reported and submitted to the Sponsor.
- Voluntary Uncommitted – University faculty (including senior researchers) expended effort that is over and above that which is committed and budgeted for in a sponsored agreement. This does not include costs other than salary and benefits and is not considered to be cost sharing and does not require reporting to the sponsor. Under Federal research proposals, voluntary committed cost sharing is not expected. It cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity. Criteria for considering voluntary committed cost sharing and any other program policy factors that may be used to determine who may receive a Federal award must be explicitly described in the notice of funding opportunity. In those instances in which there are agreements to support voluntary uncommitted cost sharing, PIs are encouraged to provide written verification of the agreement so that such agreements can be documented in the grant file(s) maintained by ORSP.

### Prior to proposal submission PIs must provide ORSP with the following:

- The Proposal Routing Form (PRF) (due at the time of submission. Any cost sharing/match committed must be noted on the form in the box provided.
- When a proposal involves cost sharing with University funds or resources, a statement or letter must be included verifying that the cost sharing can be honored.
- When a proposal involves a commitment from a third party, a letter of concurrence/commitment from the third party is required.
- When a Chair, Director, or Dean signs the PRF and cost sharing is indicated on the form, the responsible administrator is indicating approval of the cost sharing commitments being made by the campus unit/department. Therefore, it is important that Chairs, Directors, and Deans only approve cost sharing commitments that are necessary, allowable, and allocable.



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### **During the award stage:**

Certifying cost sharing must be done by using the Cost Sharing/Matching Contribution form and must be submitted to ORSP semi-annually by the PI. All appropriate signatures must be included on the form. All cost sharing identified on the form must include supporting documentation that justifies the cost. ORSP will work with the PI to ensure the required supporting documentation is obtained.

### **Reporting:**

Cost sharing must be reported to the sponsor as required by the sponsor.

### **Important Dates:**

- Cost sharing must be certified for the period of July 1<sup>st</sup> through December 31<sup>st</sup> of each year by January 31<sup>st</sup> of the subsequent year.
- Cost sharing must be certified for the period of January 1<sup>st</sup> through June 30<sup>th</sup> of each year by July 31<sup>st</sup> of the current year.