



COST SHARING POLICY

Cost sharing occurs when the College bears a portion of the costs of a sponsored program. Cost sharing commitments may be fulfilled by providing equipment or supplies or by committing faculty, student, or staff effort to a program at no cost to the sponsor. The term “cost sharing” is used in this document to refer to both cost sharing and matching.

Definitions

Committed cost sharing: Specifically identified and described in a proposal budget and made a condition of the resulting award. Sponsors require that committed cost sharing be tracked, documented, and in some cases certified and reported.

In-kind contributions: Non-cash contributions in the form of real property, equipment, supplies, and other expendable property, and the value of goods and services benefitting and specifically identifiable to the project or program.

Mandatory cost sharing: Required by the sponsor as a condition of an award. Mandatory cost sharing results either from statutory requirements or from agency policy requirements.

Uncommitted cost sharing: Any contributions to the project above the amount committed and budgeted for in a sponsored agreement. Uncommitted cost sharing does not have to be tracked, documented, or reported.

Voluntary cost sharing: Not required by the sponsor, but offered by the grantee institution as a demonstration of its commitment to the project. When voluntary cost sharing is included in the proposal budget, it is considered committed cost sharing once the award has been made.

Policy Statement

If cost sharing is proposed to and accepted by a sponsor, it becomes a legally binding obligation of the College once the award has been granted. The College is required to maintain records of all costs that are claimed as committed cost sharing. If a cost sharing commitment includes in-kind contributions the basis for determining the value must be documented.

Voluntary commitments to cost share reduce the flexibility PIs have to use college resources (e.g., expenses counted as cost share must conform to sponsor regulations) and increase the requirements for auditable recordkeeping. **For these reasons, voluntary cost sharing is strongly discouraged.**

To avoid voluntary cost sharing, College facilities, equipment, faculty expertise, and other resources may be described as available to a program but should not be included in a proposal budget or budget justification for \$0 or as in-kind contributions. Instead, these items may be described in a “Facilities and Resources” proposal section or in the body of the research plan.

The National Science Foundation [no longer allows voluntary committed cost sharing](#); however, some program solicitations may require cost sharing.

COST SHARING APPROVAL PROCESS AND GENERAL GUIDANCE

All proposed mandatory and voluntary committed cost-sharing arrangements must be approved by the Provost and Dean of Faculty and by the Executive Vice President and Treasurer.

- The PI should contact the Provost and Dean of Faculty and the Director of Sponsored Programs well in advance of the proposal deadline to discuss the specifics of the proposal and to determine the sources of funds and/or in-kind contributions to meet the cost sharing requirement.
- After a cost sharing plan has been drafted it must be sent to the Provost and Dean of Faculty and the Executive Vice President and Treasurer for their approval BEFORE the proposal is submitted to the sponsor.

Source of Funds

The PI should work with the Provost and Dean of Faculty to identify sources of funds for cost sharing of direct costs.

- Cost-sharing is typically funded by gifts, operating budgets, or other college-designated funds.
- Cost-sharing includes the full indirect costs associated with the identified direct costs; the College does not waive indirect costs for the purpose of using them as cost sharing.
- Funds from other federal awards may not be used as a source of cost sharing.
- Funds from non-federal awards may be used as a source of cost sharing only when written approval is obtained from the sponsor.

Allowable Cost Sharing Expenditures

Cost sharing expenditures must satisfy all of the following criteria:

- Verifiable from the College records;
- Not previously used as cost sharing for another project;
- Necessary and reasonable for proper and efficient accomplishment of the project;
- Allowable under the terms of the award;
- Conforms to the provisions of [OMB Circular A-21](#) and [OMB Circular A-110](#), as applicable;

- Incurred during the effective dates of the award or during the pre-award phase when authorized by the sponsor; and
- Not paid by the federal government under another award.

Unallowable Cost Sharing Expenditures

The following expenditures cannot be offered as cost sharing commitments in sponsored project proposals:

- Costs considered unallowable by the College or by the sponsor;
- Salary amounts exceeding a regulatory salary cap (e.g., training award or fellowship salary caps); and
- College facilities such as laboratory space when also claiming full indirect costs.

ADDITIONAL GUIDANCE

Please contact the Office of Sponsored Programs with any questions or for additional guidance.