University Policy: Cost Sharing

Policy Category: Grants and Contracts Policies

Subject: Cost sharing in sponsored projects.

Responsible Executive: Provost

Office Responsible for Review of this Policy: Vice Provost for Research

Procedures: Office of Management and Budget (OMB) Uniform Guidance


I. SCOPE

This policy specifies the University’s procedures regarding cost sharing in sponsored grants and contracts.

II. POLICY STATEMENT

The purpose of this policy is to ensure compliance with Federal Cost Sharing requirements as set forth in the OMB Uniform Guidance. This policy establishes procedures for recording cost shared expenditures in the University’s accounting system.

III. DEFINITIONS

Cost Sharing: Cost sharing is the portion of the total budget of a sponsored research project agreement that is contributed by the University and/or other non-federal sources but not reimbursed by the sponsor.

IV. POLICY

The University’s policy is to minimize institutional and third-party cost sharing on sponsored projects. Cost sharing may be allowed when it is required by the sponsoring agency or when it is necessary to reflect the institutional or other resources that must be expended to accomplish the scope of the project objectives. Most cost sharing resources are supplied by the department, school or college. Approval of voluntary committed cost sharing is the responsibility of the Chair of the principal
Basic Principles

- It is the University’s policy not to approve cost sharing on a voluntary basis.
- Cost sharing should only occur when it is demonstrably in the best interest of the University to do so.
- Because of this policy, the University generally will not commit resources to a sponsored project unless required to do so by the sponsor.
- It is the University’s policy not to allow cost sharing on federal sponsored agreements unless it is required by the program solicitation (Request for Application, Request for Proposals, etc.), the underlying federal statute, and/or administrative rules/regulations for that purpose and the sponsor approves the costs in writing (the award documents).
- All cost sharing agreements must be approved in writing in advance of the submission of the grant application by the Dean or administrator of the principal investigator’s academic unit.
- Departmental administrators and the principal investigator are responsible for: Monitoring cost-shared activities, certification of cost-shared effort, and the completion of documentation that cost share agreements made as conditions of sponsored research awards have been fulfilled. Nonperformance of these responsibilities may result in significant liabilities for the academic unit in which the award is housed.
- Exceptions to this policy must be approved in writing, in advance, by the Vice Provost for Research.

V. EFFECTIVE DATE AND REVISIONS:

This Policy is effective as of October 11, 2012.
Revised: July 18, 2016, May 17, 2022