



Uniform Guidance Cost Sharing or Matching

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Initiating Department:	Business and Finance
Responsible Department:	All Departments
Authorizing Person:	Business and Finance
Policy Number:	P1715

Policy Name:	Uniform Guidance Cost Sharing or Matching
Purpose:	<p>Cost sharing is any project cost that is not reimbursed by the sponsor to support the scope of work defined by the federal or non-federal sponsored award. Cost sharing, also known as matching, is funded by Long Island University or a third-party, which is generally a non-federal resource. All committed cost sharing must be tracked and may require reporting Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, states “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.” Voluntary cost sharing should not be included in a federal proposal.</p> <p>Cost sharing expenditures must adhere to the same accounting, financial, legal, and regulatory requirements as direct cost expenditures on sponsored awards and must comply with the following:</p> <ul style="list-style-type: none">• Federal or non-federal sponsored award terms and conditions• Federal regulations including restrictions for procurement and airfare• University and school sponsored policies and guidelines• Donor restrictions <p>For federally-funded sponsored awards, Uniform Guidance Section 200.306 requires that “cost sharing funds are a) verifiable from the University’s records b) not included as contributions for any other federal award c) necessary and reasonable for the accomplishment of the project or program objectives d) are allowable under Subpart E Cost Principles e) not paid from another federal award and f) included in the approved budget when required by the Federal awarding agency.”</p> <p>Failure to appropriately document cost sharing commitments from verifiable official University records could result in audit findings and require the return of funds to the sponsor</p>

Policy:

Long Island University has established the following policy for the management of cost sharing to comply with the requirements of the Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) and federal agency policies and procedures. Additionally, any non-federal sponsor cost share requires similar diligence to recognize the commitment and maintain appropriate documentation which provides evidence of a cost sharing commitment. Therefore, all committed cost sharing is subject to this policy.

All Principal Investigators (PIs) and administrators at Long Island University within all schools, units, divisions, University-wide initiatives, and centers who are involved with the administration and conduct of sponsored awards must comply with this policy

Procedure: Types of Cost Sharing

Mandatory Committed Cost Sharing: Costs required as a condition of the award which must be tracked and may require reporting. This type of cost sharing is required by the Sponsor and must be included in the proposal.

Voluntary Committed Cost Sharing: Cost sharing specifically pledged by Long Island University on a voluntary basis which is quantified in either the proposal budget and/or narrative and becomes a binding requirement of the award, must be tracked, and may require reporting.*

Voluntary Uncommitted Cost Sharing: Costs and effort that are not included as part of the submitted proposal or upon acceptance of the award. This does not need to be tracked or reported.

Over-the-Cap Salary: The portion of a faculty or staff member's salary and associated fringe benefits that exceed regulatory maximum imposed by the sponsor (e.g., National Institutes of Health and Department of Defense salary cap). Over-the-cap salary cannot be used to meet a mandatory or voluntary committed cost sharing requirement, since it is considered an unallowable cost to the sponsor. This should be tracked via companion account for effort reporting.

In-Kind Cost Sharing: In-kind cost sharing are contributions wherein the value can be readily determined, verified, documented, and justified but where no actual cash is transacted in securing the good or service comprising the contribution. When applicable, an estimated value of the in-kind cost sharing should be determined and documented based on the fair market value at the time of the accepting award. In-kind cost sharing must be tracked manually by the department/local unit managing the award.

Roles and Responsibilities

The following roles and responsibilities are defined by this University policy. PI & Department/Local Level Managing Units are responsible for the following:

Proposal stage

- Identifying the type of committed cost sharing and ensuring the cost share budget includes expenditures that are allowable, allocable, reasonable, and consistently accounted for in accordance with University and sponsor policies
- Entering the cost sharing commitment in the budget
- Obtaining approval and signatures from the appropriate school authority prior to proposal submission

Upon receipt of award and during the award period

- Upon request from the submitting office (Office for Sponsored Programs (OSP), determining if there have been any changes in the proposed cost sharing commitment (e.g. increased or decreased amount)
- Notifying submitting office and updating University records when there is a change in cost sharing source:
 - From University to other sponsored funds
 - From other sponsored to University funds
 - From one sponsored fund to a different sponsored fund
- Monitoring the committed cost share through verifiable University records throughout the entire award period
- Using companion accounts with a sponsored activity and subactivity value with a non-sponsored fund, when required
- Providing cost sharing information to OSP Research Finance Team for reporting, if required by the sponsor
- Upon closeout, providing cost share information and confirming the cost sharing commitment has been met and coordinate with OSP Research Finance to resolve any cost sharing discrepancies
- Assuming any financial loss if cost sharing commitments are not met and sponsor does not approve a reduction of cost sharing commitment

Office of Sponsored Programs is responsible for the following:

Proposal stage

- Reviewing proposal for cost sharing commitments and providing dean's/designee's approval

Upon receipt of award and during the award period

- Confirming that funds are available for cost sharing as committed or requesting that the department/local level managing unit provide an alternate source of funding to meet the commitment if adequate funds are not available
- Working closely with department/local level managing unit and PI to monitor committed cost share through verifiable University records throughout the entire award period
- Upon closeout, coordinating with the department/local level managing unit and OSP Research Finance Team to resolve any cost sharing discrepancies

Submitting Offices are responsible for the following:

Proposal stage

- Reviewing proposals for cost sharing commitments and determining if the proposed cost sharing is allowable and in compliance with sponsor and University policies and ensuring the appropriate

school-level approvals for cost sharing sources are obtained

Upon receipt of award and during the award period

- Determining whether there have been any changes to the proposed cost sharing commitments
- Confirming with the department/local level managing unit that committed cost sharing funds are available
- Requesting a renegotiation of the cost sharing commitment from the sponsor if cost sharing obligation cannot be fulfilled (Note: If the sponsor is unwilling to renegotiate the cost sharing terms of the award, the University may be forced to decline the award.)

The Office of Sponsored Programs is responsible for the following:

During the award period and at award closeout

- Confirming that the cost share has been met and complies with University and sponsor policy
- Coordinating with department/local level managing unit to address and clarify potential cost sharing issues and, if necessary, resolve with school officials
- Reporting cost share commitment to sponsor, if required