



## COST SHARING PROCEDURE FOR SPONSORED PROJECTS

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### PURPOSE:

This procedure implements CSU Systemwide [Sponsored Programs Cost Sharing Policy](#). The purpose of this procedure is to guide responsible individuals in documenting cost sharing for sponsored projects. CSUSM Corporation Office of Sponsored Projects (OSP) has established these procedures to ensure cost sharing is documented in accordance with [ICSUAM 11003.07 Sponsored Programs Cost Sharing](#) and Federal Uniform Guidance [2 CFR 200.29](#) and [2 CFR 200.306](#) – *Cost Sharing or Matching*.

Cost sharing refers to the portion of the project or program cost that is not borne by the sponsoring agency. Once an award is made, all cost sharing commitments in the proposal are considered to be mandatory, and as such, represent binding obligations to the Principal Investigator/Project Director (PI/PD), CSUSM, and CSUSM Corporation.

Cost sharing should be included in proposals only when required so that limited university resources, both monetary and time commitments, can be used most effectively. For federally sponsored projects, if offered in a proposal, all matching contributions, both cash and in-kind, must adhere to the following criteria as required by Federal Uniform Guidance [2 CFR 200.306](#):

- a. Are verifiable from the recipient's records;
- b. Are not included as contributions for any other federal award;
- c. Are necessary and reasonable for accomplishment of the project or program objectives;
- d. Are allowable under the applicable cost principles (Uniform Guidance: [2 CFR 200, Subpart E](#) or other sponsor regulations if the sponsor is non-federal);
- e. Are not paid by the federal government under another award, except where the federal statute authorizing a program specifically authorizes the use of those funds for cost sharing under other federal programs;
- f. Are provided for in the approved budget when required by the sponsoring agency;
- g. Conform to other provisions of Uniform Guidance, 2CFR 200.306 Subpart D, as applicable.

For additional information and definitions, see the CSUSM Corporation [Cost Sharing Guidelines](#).

### PROCEDURES:

#### I. Proposal Preparation

The Grants and Contracts Development Office in the Office of Graduate Studies and Research and PI/PD will:

- a. Determine the need for cost share as documented in sponsor's guidelines or policy.
- b. Determine whether proposed cost share meets the guidelines. Only required cost sharing should be offered in the proposal.
- c. Consult with the Associate Vice President for Research (AVPR) and the appropriate department, college, or other office to determine the cost sharing method and amount to be used, and the sources of all funding or in-kind contributions.

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- d. Review the cost sharing form with the CSUSM Corporation Office of Sponsored Projects (OSP) and resolve any questions concerning appropriateness and allowability.
- e. Complete the Sponsored Projects Approval Form (SPAF) Section 2: Summary of Budget and Cost Share Commitment. Include the detailed cost sharing budget prior to routing for approvals.
- f. Once all necessary internal approvals are complete, the proposal may be submitted to the funding agency. Awards received without prior approval are not guaranteed for acceptance.

### II. Upon Notification of Award:

The Sponsored Projects Analyst (SPA) and PI/PD will:

- a. Review the awarded budget and cost sharing commitment to the proposed budget and cost sharing commitment.
- b. Determine if cost sharing is mandatory, voluntary committed or voluntary uncommitted.
  - o Mandatory: Required by the sponsor or funding agency. Some sponsors require the recipient of an award to provide some level of cost sharing or matching costs as a condition of the award.
  - o Voluntary: The portion of the project costs that the campus provides on its own initiative when the sponsor does not require cost share or the amount of cost share provided is more than the sponsor's mandatory requirement.
    - Voluntary Committed: Quantified and included in the proposal budget. When awarded, voluntary committed cost share becomes a binding requirement of the award.
    - Voluntary Uncommitted: Effort or resources contributed to the sponsored project beyond that which is committed and budgeted for in a sponsored agreement. Voluntary uncommitted cost share is not required to be documented, tracked, or reported.

Category	Specifically identifies effort?	Lowers IDC (F&A) recovery?	Must be formally tracked and documented?
Mandatory	Yes	Yes	Yes
Voluntary Committed	Yes	Yes	Yes
Voluntary Uncommitted	No	No	No

- c. If the sponsor awards less funds than proposed, OSP will obtain confirmation of the amount of cost sharing required.
  - o If the project scope remains the same, it may be necessary to show cost sharing at the original rate.
  - o If the project scope is reduced, cost sharing may be reduced in proportion to the amount of sponsor funding. Clarification should be obtained in writing from the sponsor.
- d. Complete an OSP Cost Sharing Form to identify cost sharing requirements, review appropriate documentation and set a timeline for monitoring and tracking cost share requirements.

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### III. Documentation

Federal regulations require full accountability for costs committed as cost share in fulfillment of sponsored projects. Cost share documentation must be provided during the life of the award to reflect the actual valuation of the resources pledged in support of the project, as well as any negotiated changes in terms, conditions or scope of project.

#### Process Steps:

- a. Complete the OSP Cost Sharing Form. This form must be completed when the grant is awarded and annually if the award is a multi-year project.
- b. PI/PD forwards cost share documentation to OSP SPA as cost sharing expense(s) is incurred.
- c. OSP SPA ensures cost sharing documentation is adequate.
- d. OSP SPA maintains summary of documented cost sharing.
- e. Cost sharing should be tracked and communicated between PI/PD and assigned SPA no less frequently than quarterly, and when the sponsor requires cost share to be reported.
- f. All required cost sharing must be documented prior to submitting the final report(s) and OSP closeout of the sponsored project.

### IV. Responsibilities

It is the responsibility of the PI/PD to monitor, track, and assist the SPA with the cost share reporting requirements. The PI/PD must ensure cost sharing documentation is provided to the SPA throughout the life of the award. It is important that the PI/PD forward supporting documentation for all cost sharing to the SPA in a timely manner.

The OSP SPA is responsible to ensure all cost sharing is adequately documented, summarize the actual cost-sharing received, ensure documented cost sharing is reported to sponsor agencies as required, and maintain the cost-sharing summary and source documentation in the award file.

### References

- [CSU Systemwide Sponsored Programs Definitions Policy](#)
- [CSU Systemwide Sponsored Programs Cost Sharing Policy](#)
- [Office of Management and Budget \(OMB\) Uniform Guidance 2 CFR 200](#)
- [CSUSM Corporation Policies and Procedures](#)
- [CSUSM Corporation Cost Sharing Guidelines](#)