

1103-007.01: Cost Sharing Procedure

This procedure implements CSU systemwide policy for Sponsored Programs Administration: [Sponsored Programs Cost Sharing Policy](#) (ICSUAM #11003.07).

I. Summary

The guidelines described in this document are intended to reflect the principles, goals, and vision of the University Enterprises Corporation at CSUSB (UEC) and California State University, San Bernardino (CSUSB). Throughout this document, the terms cost share (sharing) or cost match (matching) are interchangeable. Both terms represent an official commitment of the University Enterprises Corporation at CSUSB (UEC) on behalf of California State University, San Bernardino (CSUSB) to contribute non-federal resources (cash or in-kind) to an externally sponsored project. Cost share commitments shall only be made when required and/or expected to the extent necessary to meet the specific requirements of the funding agency and/or successful implementation of the proposed project.

The UEC and the Principal Investigator (PI) or Project Director (PD) share the responsibility of exercising stewardship over externally funded projects in accordance with all applicable procedures, policies and regulations, including those relating to monitoring of direct, grant and cost-shared expenditures.

II. Definitions

Cost Sharing represents the portion of project or program costs not borne by the funding agency (sponsor). Cost sharing can be voluntary or mandatory (that is, required by means of a statute or law), and can take the form of either cash or in-kind contributions.

Cash: Represents actual verifiable expenditures from the recipient or from non-Federal third parties - and includes costs incurred by the University or Auxiliary, including indirect costs.

In-kind: Represents the value of all non-cash contributions, including services and property provided by non-Federal third parties.

Mandatory Cost-Share: Required by the sponsor or funding agency supporting the sponsored project. Some sponsors require that the recipient of an award provide some level of cost sharing or matching costs as a condition of receiving the award.

Voluntary Cost-Share: That 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 and award and becomes a binding requirement of the award.

- Voluntary Uncommitted: Resource(s) that is over and above that which is committed and budgeted for in a sponsored agreement. Voluntary uncommitted effort is not required to be documented or tracked.

III. General Process

A. Office of Research and Sponsored Programs (ORSP; Pre-Award) – At proposal/Pre-Award stage

1. When a proposal is developed and the sponsor requires a cost-sharing commitment on behalf of the institution (i.e., mandatory cost sharing), the source and detailed amounts of such committed cost-share shall be provided in the proposal budget. The University's internal proposal review process shall confirm the cost sharing commitment identified in the proposal that is routed for approval. If funded, the approval of the principal investigator/project director (PI), department chair/dean, Director of Sponsored Programs Administration, and Vice President of Administration and Finance, the Associate Provost of Academic Research indicate that they agree to meet the requirements.
2. A voluntary committed cost-sharing is not expected under federal research proposals and such cost-share cannot be used as a factor for consideration of an award, in compliance with 2 CFR 200.306(a). However, in some instances, a non-federal funding opportunity may not require cost share, but will consider voluntary contributions by the applicant or third-party partners as a factor in the merit review of applications or proposals. If a proposal includes such voluntary committed cost share, the proposal review form shall include specific instructions for approval of cost share beyond what may be specifically required in the funding announcement.
3. If a Request for Proposal (RFP) from a non-governmental funding source expects the university to leverage resources to show support for a potential project, then the proposal may identify such leveraged resources. The proposal shall describe the resources including, but not limited to facilities, equipment, and personnel, that the UEC or CSUSB will make available for the successful implementation of the proposed project. The statement may indicate that those resources are subject to change or may be used for other projects, as needed, without prior approval from the non-governmental sponsor.

B. SPA (Post-award) – after acceptance of award

1. At set up the SPA Research Analyst (RA) will request a corresponding C-fund code to be issued to load the cost share commitment budget and record collection in a CFS budget ledger.
2. As part of the Grant Award Notification the RA will complete and send the PI a Cost Share Addendum which summarizes the commitments by budget category and the acceptable documentation needed to substantiate the cost-shared expenditures.
3. The PI or the PI's designee will review and identify cost-shared expenditures and submit documentation to their RA for recording. This review includes the determination that the charges are incurred within the project period and are allowable, reasonable, allocable and directly support the scope of work for the sponsored project, in accordance with 2 CFR 200.403-405.
4. Internal Review and Reporting of Cost-Shared Expenditures (Refer to Guidelines, below).

C. Roles & Responsibilities

PI or PD: Responsible for

1. Securing cost-share funding source, if applicable, at time of proposal review/approval.

2. Ensuring all cost-share requirements from all sources are met.
3. Ensuring cost-shared expenditures are allowable, reasonable and allocable to the sponsored project.
4. Obtaining all cost share expenditures/documentation and submitting such documentation to their SPA Research Administrator (RA) in a timely manner.
5. Notifying the RA of any changes in cost-share.

Dean (or other administrator): Responsible for

1. Reviewing and approving any CSUSB cost-share commitments, including providing assigned time if included in the proposal as committed cost share.
2. Ensuring that the division, college or department can and will meet its share of all cost sharing commitments.

SPA - RA: Responsible for:

1. Sending the PI/PD a "Cost Share Addendum" to notify them of identified cost share commitments.
2. Working with the PI, as needed, to ensure that cost-share requirements are met.
3. Reviewing cost-share documentation to ensure compliance with UEC/SPA/CSU policies and/or procedures, and federal regulations, when applicable.
4. Reporting to sponsoring agency, when required in the sponsored agreement.
5. Maintaining cost share file in project file.

ORSP: The ORSP proposal lead is responsible for ensuring approval of and reviewing cost share commitments included in proposals for compliance with UEC/SPA/CSU policies and/or procedures, and federal regulations, when applicable.

IV. Additional Internal Procedures and Guidelines:

1. Internal Review & Reporting:

- a) The RA will review cost-shared expenditure documentation for compliance with UEC/SPA/CSU policies and/or procedures, applicable federal regulations and sponsor requirements.
- b) Prior to the end of the project period the RA will review the cost share financials to assess the progress (i.e. in relation to the remaining time on the award and the rate of spending on the main award) for meeting all cost sharing requirements.
- c) If not on track, the RA will work with the PI/PD to determine how they will meet the cost-sharing commitment.
- d) On an ongoing basis or as required by the agreement terms and conditions the RA will prepare a collection journal entry for recording the documented cost share into the appropriate C- fund CFS budget ledger.
- e) The Senior RA/cost share coordinator will review the entries for accuracy and forward to Financial Services for entry into CFS.
- f) At the end of the project period, the RA is responsible for compiling cost share and collection of all pertinent information for inclusion in the sponsor financial report,-when applicable. The

amount of detail required in reporting cost share will vary by sponsor. A minimum, the RA will use the C-Fund Financial Statement and collection entry ledger to ensure that the cost sharing commitment has been met.

2. Mandatory & voluntary cost share:

- a) Mandatory and voluntary committed cost share shall be tracked as described in paragraph IV(1)(d).
- b) Tracking of voluntary uncommitted cost share or leveraged resources is not required and will not be documented.

References

For Definitions, refer to [CSU Sponsored Programs Definitions Policy](#), (ICSUAM #11001.01).

For information on Federal Regulations:

- 2 CFR 200: https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
- Cost Sharing – [2 CFR 200.306](#)
- Cost Allowability/Basic Considerations – [2 CFR 402-405](#)