

WHAT IS COST SHARE AND HOW TO MANAGE IT

LEARNING OBJECTIVES

- Types of Cost Share
- Sponsor Requirements
- Proposal Preparation
- Documenting
- Monitoring
- Reporting

WHAT IS COST SHARE?

Cost sharing occurs when the institution or a third party contributes toward the cost of a sponsored program.

- A program cost that is not reimbursed by the sponsor
 - **That portion of project or program costs not borne by the sponsor.**
- Must be Quantifiable

TYPES OF COST SHARE

- Mandatory
 - **A required condition of an award or agreed to by the institution and sponsor during sponsored agreement negotiation**
- Voluntary Committed
 - **Not required by the sponsor, but proposed in the budget or narrative with no corresponding sponsor funding requested or awarded**

FORMS OF COST SHARE

- (Cash) Matching
 - Personnel
 - Non-personnel
- Third-party
 - Cash
 - Volunteer services
 - Property/Equipment use
- Unrecovered F&As (if sponsor allows)
 - Calculated on matched costs
 - Difference between negotiated F&A rate and restricted rate

FEDERAL REQUIREMENTS

OMB Uniform Guidance 2 CFR Part 200

Section 200.306 Cost Sharing or Matching:

- **Only mandatory cost sharing or cost sharing included in the project budget must be included in the organized research base for computing the indirect cost rate or reflected in the allocation of indirect costs.**
- **Voluntary committed cost sharing is not expected under federal research proposals and cannot be used as a factor during the merit review of the proposal**
- **Cost sharing may only be considered when required by regulation and transparent in the notice of funding opportunity.**

CHARACTERISTICS OF COST SHARE

- Necessary
 - **Costs required for successful completion of the project**
- Allowable
 - **Costs permissible as a direct charge**
- Allocable
 - **Costs that may benefit more than one project must be divided among those projects in ratio to usage**

CHARACTERISTICS OF COST SHARE

- Reasonable
 - **Costs at fair market value**
- Treated Consistently (Institution-wide)
 - **Accounting of cost shared expenditures are the same as those of the sponsored program expenditures**
- Documented

IMPORTANT NOTES

- Any cost sharing (voluntary or mandatory) contained in the proposal and/or award budget is considered **committed** for purposes of documentation and reporting.
- Both mandatory and voluntary commitments are binding obligations and must be documented and verifiable through auditable records.
- Funds from restricted funds (another award) may be used as cost share only when **specifically** permitted by both sponsors.
- Federal funds may not be used for cost share on another federal award.

PROPOSAL PREPARATION

If cost sharing is required, determine:

- Are proposed costs allowable, allocable, and reasonable
- The value of the cost sharing
 - **Valuation: Not to exceed fair market values.**
 - **Documentation: Basis for determining the value.**
- That all cost sharing commitments can be met and documented

PROPOSAL PREPARATION

- Don't Over-Committed Effort
Could interfere with a faculty member's obligations to the institution.
- Equipment Time and Use
Verify no interference (don't double book)
- Subrecipient Cost Sharing
If a subrecipient voluntarily offers cost sharing in a proposal it becomes a commitment under the terms of the award and represents a binding obligation of the NAU and the subrecipient.
- Cost sharing can be reflected in a proposal budget and/or within the narrative section.

QUESTIONS TO CONSIDER

- Is the Cost Share really necessary?
- Is Cost Share required?
- How does this benefit NAU?
- Who is paying the cost?
- How will the costs/commitments be tracked, documented?
- What if we don't meet the commitment?
 - **If a contributor does not meet their commitment, who is responsible?**

Cost Share vs. Institutional Support

Cost Share

- Two months effort during the academic year
- Two semesters GRA effort
- 500 hours of computer time

Institutional Support

- Significant PI effort during the academic year
- Student involvement in research activities
- Use of NAU research facilities, labs, equipment

MONITORING COMMITMENTS

- Principal Investigator
 - **Assure that commitments are being met**
 - **Communicate with Department Admin and OSP**
 - **Document Volunteer/Third Party contributions**
- Unit hosting the Project (Department)
 - **Account expenses correctly**
 - **Assist PI**
- OSP
 - **Communicate commitments to PI and Department Admin**
 - **Document unrecovered F&As**
 - **Report to sponsors**

DOCUMENTING AND REPORTING COST SHARE COMMITMENTS

The specific type of documentation required is based on the terms and conditions of the sponsored award:

- Comply with OMB Uniform Guidance 2CFR Part 200
- Comply with sponsor requirements
- Report cost shared amounts and details to sponsors
- Account the total cost of conducting sponsored program on campus

DOCUMENTING COST SHARE

- Matching – in PeopleSoft
 - **Personnel – ePAR/eFund**
 - **Non-personnel – SpeedKey**
- Third-party – Varies
 - **Cash**
 - **Volunteer services**
- Unrecovered F&As
 - **OSP**

PEOPLESOFT CHARTFIELD VALUES & SPEEDKEYS

SpeedKey is shorthand:

Fund / DepartmentID / Program Code / (Project)

- G-SpeedKeys – Restricted (Grant) Funds

G1003751 = 3100 / 2319000 / C001 / 1003751

- F-SpeedKeys – State/Local Funds

2340020F11 = 1100 / 2340020 / A001

- M-SpeedKeys – Cost Share (Matching) Funds

M11A03751 = 1100 / 2340020 / C001 / 1003751

ERS GRANT SPEEDCHARTS AND CODES REPORT

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Grant SpeedCharts and Financial Code Descriptions
Project SpeedKeys

Run Date 04/04/19

Project ID	SpeedKey	Project Description	Speedchart	Dept ID	Fund Cd	Program	PCBU
1000010	G1000010	MSD PROGRAM	MSD PROGRAM	2629000	3100	B002	GRTO1
1000013	G1000013	MINORITY STUDENT DEVELOPMENT PROGRAM AT NAU	MINORITY STUDENT DEVELOPMENT P	2629000	3100	B002	GRTO1
1000028	G1000028	Pulmonary Vascular Control	PULMONARY VASCULAR CONTROL AT	2629000	3100	B002	GRTO1
1000029	G1000029	Signal Transduction	SIGNAL TRANSDUCTION IN INTRAPU	2629000	3100	B002	GRTO1
1000047	G1000047	NACP: ADMINISTRATIVE CORE	NACP: ADMINISTRATIVE CORE	1889000	3100	B002	GRTO1
1000048	G1000048	NACP: PLANNING & EVALUATION CORE	NACP: PLANNING & EVALUATION CO	1889000	3100	B002	GRTO1
1000049	G1000049	NACP: RESOURCES AND INFRASTRUCTURE	NACP: RESOURCES AND INFRASTRUC	1889000	3100	B002	GRTO1
1000050	G1000050	NACP: TRAINING PROGRAM	NACP: TRAINING PROGRAM	1889000	3100	B002	GRTO1
1000051	G1000051	NACP: OUTREACH PROGRAM	NACP: OUTREACH PROGRAM	1889000	3100	B002	GRTO1
1000052	G1000052	NACP: RECRUITMENT	NACP: RECRUITMENT	1889000	3100	B002	GRTO1
1000053	G1000053	NACP: GAGE FULL PROJECT	NACP: GAGE FULL PROJECT	1889000	3100	B002	GRTO1
1000054	G1000054	NACP: SANDERSON PROJECT	NACP: SANDERSON PROJECT	1889000	3100	B002	GRTO1
1000055	G1000055	NACP: WILDER PILOT PROJECT	NACP: WILDER PILOT PROJECT	1889000	3100	B002	GRTO1
1000056	G1000056	Diversity of Biomed	Diversity in Biomed	2629000	3100	B002	GRTO1
1000060	1000060S1	Molecular Ecology	Project 1000060 acct 750210	2769000	3100	B002	GRTO1
1000060	G1000060	Molecular Ecology	MOLECULAR ECOLOGY OF CHRONIC R	2769000	3100	B002	GRTO1
1000061	G1000061	Cellular Genotoxicity	CELLULAR GENOTOXICITY OF PHOTO	2649000	3100	B002	GRTO1
1000063	G1000063	SCHOLARSHIPS FOR DISADVANTAGED STUDENTS	SCHOLARSHIPS FOR DISADVANTAGED	3439000	3100	G001	GRTO1
1000075	G1000075	Dynamic Sensor Networks	DYNAMIC SENSOR NETWORKS - PRED	2669000	3100	B002	GRTO1
1000080	G1000080	IGERT: INTEGRATIVE BIOSCIENCES: GENES TO ENVIRONMENT	IGERT: INTEGRATIVE BIOSCIENCES	2629000	3100	A001	GRTO1
1000080	M25A00080	IGERT: INTEGRATIVE BIOSCIENCES: GENES TO ENVIRONMENT	IGERT: Integrative	2620100	2500	A001	GRTO1
1000081	G1000081	Crystal-Scale Histories	CRYSTAL-SCALE HISTORIES OF MAG	2739000	3100	B002	GRTO1
1000094	G1000094	Collaborative Research	COLLABORATIVE RESEARCH: PHONET	2059000	3100	B002	GRTO1

ERS GRANT SPEEDCHARTS AND CODES REPORT

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Grant SpeedCharts and Financial Code Descriptions
Project SpeedKeys

Run Date 04/04/19

Project ID	SpeedKey	Project Description	Speedchart	Dept ID	Fund Cd	Program	PCBU
1003751	G1003751	NAU University Center	NAU Univ Center 3100	2319000	3100	C001	GRT01
1003751	M11A03751	NAU University Center	NAU Univ Center 1100/2340020	2340020	1100	C001	GRT01
1003751	M15B03751	NAU University Center	NAU Univ Center 1500/2310010	2310010	1500	C001	GRT01
1003751	M15C03751	NAU University Center	NAU Univ Center 1500/2300010	2300010	1500	C001	GRT01

Enter Project ID OK

Enter Dept ID OK

Enter Fund Cd OK

ERS GRANT STATUS OF FUNDS: EXPENSES

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Grant Inception To Date Status of Funds Expenses As of date: 4/4/2019 12:00:00 AM Run date: 04/04/2019


Project: 1003751 NAU University Center 2
 Sponsor: US Department of Commerce Contract Num: 17.0409
 Grant Start: 7/1/18 Grant End: 6/30/19
 Award Number: ED17SEA3030024 Principal Investigator: Esquerre,Nathan Levi
Fund: 3100 Program: C001 Community Service
 2319000 AM - Sponsored Activity / Ctr For Amer Indian Econ Dev

Expense	Current Budget	ITD Expenses	Pre-Encumbered/Encumbered	Budget Balance
Personnel 711 Salary Expense (ERE eligible)	\$60,158.00	\$47,648.60	\$0.00	\$12,509.40
712 Other Wages	\$0.00	\$0.00	\$0.00	\$0.00
713 Student Wages	\$0.00	\$0.00	\$0.00	\$0.00
714 Work Study	\$0.00	\$0.00	\$0.00	\$0.00
715 Graduate Assistants	\$0.00	\$0.00	\$0.00	\$0.00
720 Employee Related Expenses	\$19,825.00	\$14,555.70	\$0.00	\$5,269.30
Total Personnel Services:	\$79,983.00	\$62,204.30	\$0.00	\$17,778.70
Non-Personnel 730 Operations	\$0.00	\$0.00	\$0.00	\$0.00
750 Professional & Outside Service	\$0.00	\$0.00	\$0.00	\$0.00
760 Domestic Travel	\$660.00	\$0.00	\$0.00	\$660.00
799 Indirect Costs Level 3	\$20,161.00	\$15,551.33	\$0.00	\$4,609.67
830 Voluntary Transfers Out	\$0.00	\$0.00	\$0.00	\$0.00
Total Non-Personnel Services:	\$20,821.00	\$15,551.33	\$0.00	\$5,269.67
Direct Cost Sub-Total:	\$80,643.00	\$62,204.30	\$0.00	\$18,438.70
Indirect Cost Sub-Total:	\$20,161.00	\$15,551.33	\$0.00	\$4,609.67
Total Expense:	\$100,804.00	\$77,755.63	\$0.00	\$23,048.37

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Grant Inception To Date Status of Funds
 Cost Share Expenses
 As of date: 4/4/2019 12:00:00 AM
 Run date: 04/04/2019

Note: "S" cost-share account budgets were converted into the parent account under fund 3998

Project: 1003751 Nau University Center 2
Sponsor: US Department of Commerce Contract Num: 17.0409
 Grant Start: 7/1/18 Grant End: 6/30/19
 Award Number: ED17SEA3030024 Principal Investigator: Esquerra,Nathan Levi
Fund: 1100 Program: C001 Community Service
 2340020 Business Administration / Business Administration / Chopin,Marc C

Expense	Current Budget	ITD Expenses	Pre-Encumbered/ Encumbered	Budget Balance
Personnel 711 Salary Expense (ERE eligible)	\$22,209.00	\$16,051.24	\$4,323.56	\$1,834.20
720 Employee Related Expenses	\$5,541.00	\$4,361.00	\$0.00	\$1,180.00
Total Personnel Services:	\$27,750.00	\$20,412.24	\$4,323.56	\$3,014.20
Non-Personnel 760 Domestic Travel	\$0.00	\$0.00	\$0.00	\$0.00
Total Non-Personnel Services:	\$0.00	\$0.00	\$0.00	\$0.00
Direct Cost Sub-Total:	\$27,750.00	\$20,412.24	\$4,323.56	\$3,014.20
Indirect Cost Sub-Total:	\$0.00	\$0.00	\$0.00	\$0.00
Total Expense:	\$27,750.00	\$20,412.24	\$4,323.56	\$3,014.20

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COST SHARE REPORTING

NAU Reports Cost Share

- **Invoices to Sponsors**
- **Technical Reports (PI)**
- **Financial Reports to Sponsors**
- **Audit**

WHAT IF COMMITMENTS ARE NOT MET?

NAU must meet our contracted commitments...

- **Dollar Value**
- **Proportional to sponsor funds**

...or return sponsor funds

WHAT IS COST SHARE AND HOW TO MANAGE IT

Questions?

[NAU.edu/OSP](https://www.nau.edu/OSP)