



POLICY STATEMENT

Cost sharing is the portion of a sponsored agreement project cost contributed by the University and/or other non-federal sources not reimbursed by the sponsor. It includes expense categories similar to the sponsored portion. The University must be in compliance with Federal costing and Cost Sharing requirements as set forth in [Circulars A-21, A-110](#) and [Clarification of A-21 Treatment of Voluntary Uncommitted Cost Sharing](#) and uses the procedures outlined within each to monitor and report cost share expenditures.

Cost sharing can be categorized either as:

1. Mandatory
 - a. Required by the sponsor as a condition of obtaining an award.
 - b. Such cost participation is set forth in project announcements or guidelines issued by the sponsor.
2. Voluntary Committed
 - a. Commitment by the University to participate in the cost of a project.
 - b. Not required by the sponsor but included as voluntary in the University's proposal to the sponsor.

If cost sharing (whether mandatory or voluntarily committed) is subsequently accepted by the sponsor as a condition of the award, the University must maintain accurate records to verify that these funds have been expended toward the project's objectives.

Voluntary *uncommitted* cost sharing is not covered by this policy and is separately classified within the University's accounting system. It is defined as "staff and faculty effort over and above that which is committed and explicitly budgeted in a sponsored agreement" and also includes funds spent in excess of sponsored funding.

When a proposal includes either Mandatory or Voluntary Committed cost sharing, approval must be obtained from the department and dean providing resources prior to the proposal submission. The Principal Investigator ("PI") is responsible for ensuring:

1. Funds are identified for cost sharing prior to proposal submission.
2. Cost sharing expenses are associated with only one grant fund.
3. Third party contributions are properly documented.
4. Allowable, allocable, necessary and reasonable costs are incurred during the effective dates of the award and are timely and accurately charged to the appropriate cost sharing fund.
5. Cost sharing is not paid from other federal funds.