

Cost Sharing

Summary/Purpose: Cost sharing must be proposed, approved, administered, and accounted for in a consistent and prudent manner. This includes understanding workload implications of the cost-sharing commitment; determining when cost sharing is appropriate; and accurately recording and reporting cost-sharing expenses. It is the responsibility of the principal investigator and the department to evaluate the workload and budget implications of proposed mandatory cost sharing and to ensure that the University's cost-sharing commitment is met.

In order for a cost to be reportable to an agency as a University contribution, the cost must meet all of the following criteria:

- Verifiable from the University's accounting records
- Not used as a cost share on another project
- Necessary and reasonable for accomplishment of project or program objectives
- Allowable as a cost to the project under the applicable cost principles
- Not paid by another federal award, except where authorized by federal statute
- Provided for in the approved budget when required by the awarding agency
- Conform to other provisions of the Office of Management and Budget (OMB) guidance at 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as applicable

The following types of costs may be used to satisfy a cost-sharing requirement:

- Salary and wage charges
- Operating expenses such as travel, contractual services, commodities or equipment
- Tuition for graduate students paid from the project
- Unrecovered indirect costs may be included as part of cost sharing only with the prior approval of the awarding agency

Awards issued prior to December 26, 2014 will follow OMB *Circular A-21: Cost Principles for Educational Institutions*.