

Cost Sharing

Summary

The Sponsored Projects Office (SPO) at Western Oregon University (WOU) has established a cost sharing procedure to communicate to faculty and staff when cost sharing is permissible and expectations for planning and tracking cost-sharing commitments.

Definitions

Cost Sharing

Cost sharing is the portion of a sponsored project not covered by grant/contract funds, but covered by university funds or resources.

Mandatory Cost Sharing

Mandatory cost sharing occurs when a sponsor requires proposal budgets include a portion or amount of the project be funded by university resources.

Voluntary Cost Sharing

Voluntary cost sharing occurs when university resources are offered and quantified in a proposal but are not required by the sponsor. If it is included in the proposal accepted by the awarding agency, it becomes a legally binding award requirement. Voluntary cost sharing is generally discouraged.

In-Kind Match/Cost Share

In-kind match, when quantified in the proposal, is essentially cost sharing and requires the same planning and tracking as any cost sharing commitment.

Roles and Responsibilities

Some external funding opportunities require cost sharing in the proposal budget. This guidance establishes the types of cost sharing, when it is justifiable, and how to plan and track commitments.

Voluntary cost sharing, cost sharing when not required, is discouraged and will be reviewed on a case-by-case basis during proposal development. Mandatory cost-sharing requirements should be budgeted as to meet the minimum requirements and in careful consideration of the resources required to meet those commitments. Regardless of the cost share type, a budget, the source index/fund providing the WOU funding, unit level Dean/Director approval and Budget and Planning Office approval to commit those funds are required by the SPO prior to proposal submission.

Cost-sharing budgets may include personnel effort, other personnel expenses (OPE), supplies, services, equipment, the portion of unfunded facilities and administrative (F&A) costs, and third-party cost share. Personnel effort and OPE minimizes risk, while third party cost share is more risky. The SPO encourages minimizing risk related to cost sharing commitments. Regardless of the type of cost sharing included, all departments involved in providing the cost share commitment must give their written approval.

Federal projects with cost sharing commitments should reference the Uniform Guidance § 200.306 Cost sharing or matching. Federal projects cannot use federal sourced funds as cost share. Each federal

program may have specific cost sharing requirements (found in the funding announcement or award notice) that must be reviewed and met.

The Principal Investigator's unit or College is responsible for budgeting and tracking cost sharing commitments, as well as identifying cost sharing funding sources. The Sponsored Projects Office has an oversight role in ensuring the cost sharing commitments are tracked and fulfilled. A separate grant index must be set up for cost-share tracking. If the cost-sharing budget requires revision or remediation, the unit must contact the SPO to develop a new plan and ensure compliance.

References

Uniform Guidance § 200.306 Cost sharing or matching