

## Policy: Cost Sharing Policy

- I. Definition
- II. Types of Cost Sharing
- III. Policy

### I. Definition

Cost sharing is defined as program or project costs not supported by the sponsoring agency. Cost sharing includes contributed effort, matching funds, and unrecovered facilities and administrative (F&A) costs, including indirect costs on cost sharing or matching (with the prior approval of the Federal Awarding Agency). Uniform Guidance 2 CFR 200, "Post-Federal Award Requirements", Subpart D, Section 200.306, requires that all cost sharing (federal and non-federal) must:

- Be necessary and reasonable for proper and efficient accomplishment of project objectives;
- Be verifiable from the university's official records;
- Not be paid by the federal government under another award (except where authorized under federal statute to be used for cost sharing);
- Not be already committed as cost sharing for any other sponsored award;
- Be allowable under applicable cost principles; and
- Be provided for in the approved budget when required by the Federal awarding agency.

### II. Types of Cost Sharing

There are two types of cost sharing: mandatory cost sharing and voluntary cost sharing. **Mandatory cost sharing** is cost sharing that is legally required by the awarding agency as a condition of the award. **Voluntary cost sharing** is not required by the awarding agency as a condition of the award and cannot be used during the merit review of applications or proposals, but may be considered if it is both in accordance with federal awarding agency regulations and specified in the notice of funding opportunity. However, some federal agencies expect some cost sharing commitment to be identified in the proposal. Voluntary cost sharing can be committed or uncommitted. Voluntary uncommitted cost sharing that is not included as part of the submitted proposal or subsequent award is considered voluntary uncommitted cost sharing and is not covered by this policy. Voluntary committed cost sharing are costs specifically pledged on a voluntary basis and specifically included in the award budget. Voluntary committed cost sharing will become legally mandatory cost sharing if accepted by the sponsoring agency as a part of the award (grant or contract).

Voluntary cost sharing is discouraged by the university; especially the cost sharing of UTA buildings or building space and equipment.

### III. Policy

The primary department with which the sponsored program or project is affiliated is ultimately responsible for meeting cost sharing commitments. If a proposal includes any cost sharing, then it must be identified on the Proposal Review/Certification for Extramural Funding (GCS BlueSheet) and the imbedded Cost Sharing Authorization Form. These forms include approvals by the Principal Investigator, Chairperson, Dean/Director/Unit Head, and the GCS Director or Vice President for Research (or Assistant or Associate). Approval of cost sharing on these forms constitutes a commitment to provide those funds upon award.

The Vice President for Research through the Office of Grant and Contract Services is responsible for developing, implementing, and maintaining procedures associated with this policy. Grant and Contract Services will require the PI to identify the Cost Center (s) and confirm the type of costs(s) to be used for cost sharing at the time of award.