



Cost Sharing on Sponsored Projects

Area: Research Accounting
Subject: Cost Sharing
Applies To: University Faculty & Staff
Sources: [Code of Federal Regulations](#) (CFR), [RSSP-202](#)
Responsible Party: Vice President of Business & Finance

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I. Purpose

To authorize, identify and document university cost sharing commitments.

II. Policy Statement

Cost Sharing is the portion of project expenses not paid by a sponsor/grantor. The Federal Office of Management and Budget Uniform Guidance 2 CFR Part 200.306 requires that in order to qualify as cost sharing, a cost must meet the following criteria:

- Identifiable in the institution's financial records
- May not use as cost sharing on another Federal award
- Must be necessary and reasonable for proper and efficient accomplishment of the project
- Cost must qualify as a direct cost under Uniform Guidance 2 CFR, Subpart E – Cost Principles
- May not be paid by the Federal Government under another award, except where authorized by Federal statute
- Are provided for in the approved budget when required by the agency
- Must conform to all applicable provisions of Uniform Guidance 2 CFR Subpart D – Post Federal Award Requirements
- Unrecovered indirect costs may be included as cost sharing only with prior approval from the awarding agency

III. Definitions

Mandatory Cost Share - cost share that is required by the funding agency as a condition of the award.

Voluntary Cost Share - cost share that is not required, but offered to the funding agency in the proposal. Once proposed, voluntary cost share becomes mandatory and must be documented throughout the award period.

In Kind - contributions made from non Georgia Southern funded sources. This may include waived Facilities and Administrative Costs (F&A) and third-party cash contributions.

IV. Procedures

Permissible Cost Sharing

Georgia Southern University requires sponsored project costs to be funded, at the maximum extent possible, by external resources. The university's decision to authorize the use of internal resources to supplement funding of a sponsored project is based on the availability of funds and the relative importance of the project in furthering the mission of Georgia Southern University.

Cost sharing may be required on a sponsored project if one of the following conditions is met:

1. Cost sharing is required by statute
2. The sponsor's program announcement, solicitation, by-laws, or other mechanism that invites proposals requires cost sharing as a condition of funding
3. The sponsor explicitly cites in its charter or program description that cost sharing is expected and will be a proposal review criterion
or
4. Specific budget line items are capped in accordance with sponsoring agency guidelines, e.g. NIH salary limitations.
In general, the university does not cost share on contracts except under extraordinary circumstances.

Obtaining Cost Share Commitments

All committed cost sharing must be confirmed, in writing, by individuals authorized to commit university resources. Cost sharing in the form of facilities & administrative (F&A) cost waivers must be explicitly allowed by the sponsor and approved by the Vice President for Research and Economic Development.

Responsibility for Cost Sharing

The principal investigator is responsible for managing all cost sharing commitments specifically related to his or her sponsored project. This entails securing signatures from officials authorized to commit university resources, documenting allowable cost sharing, and ensuring all cost sharing obligations are fulfilled. Failure to fulfill cost sharing obligations may result in loss or reduction of sponsor funding and may adversely affect the university's ability to obtain future funding from that sponsor.

Cost Sharing Documentation includes, but is not limited to the following:

- Certification of effort on a sponsored project – Personnel Action forms should reflect cost shared effort on sponsored projects. The effort report is the documentation for the cost sharing after-the-fact.
- Departmental payment of cost shared expenditures – the proper cost share program code (11110, 12110, or 13110) and the matching project number will be assigned to expenditures made on behalf of the sponsored project to be used as cost share. In some cases to be determined by Research Accounting, a speedtype will be assigned to be used for expenditures related to cost share.
- Third-party cash cost sharing or program income used as cost share – income will be deposited into a designated cost share account with a designated project number established by Research Accounting. Deposits should be forwarded to Research Accounting for processing.
- Third-party in-kind cost sharing to Georgia Southern University – the third party will provide a letter stating the value of the in-kind cost sharing based on applicable cost principles.
- Waived in-state Graduate Assistant tuition – waivers of Graduate Assistant Tuition documentation will be the Student Schedule/Bill provided by the Office of Student Fees. This Student Schedule/Bill is derived from Banner data and shows the amount of tuition waived. Due to regulations requiring consistent treatment, only allowable direct costs may be used as cost share. For example, since the University does not charge the out-of-state portion of tuition to grants, it cannot be used as cost share.
- Waived F&A cost – Waived F&A costs that have been approved for use by the sponsor and the Vice President for Research will be tracked by Research Accounting and documented in a spreadsheet format.