

 <b>Research &amp; Sponsored Programs</b> UNIVERSITY OF DENVER	<b>Office of Research and Sponsored Programs Policy Manual</b>  <b>Cost Sharing</b>
Supersedes Document Dated: 06/01/2003, 01/01/2021	Policy Number: ORSP-09
<b>Recommended By:</b> Director of Sponsored Programs Administration; Sponsored Program Academic Research Council <b>Approved By:</b> Senior Vice Provost for Research and Graduate Education	Effective Date: 08/20/2023

## 1. PURPOSE

To document expenses that are incurred as a result of support to a Sponsored Program, but not paid by the sponsoring entity, and which are mandatory to meet the conditions of the Federal Grant or Sponsored Program Agreement in compliance with the Cost Sharing requirements of 2 CFR § 200.306.

## 2. DEFINITIONS

- 2.1. Cost Sharing is the portion of Sponsored Program costs that are not borne by the sponsoring entity. Cost Sharing can be sourced from cash contributions, in-kind (non-cash) contributions, and matching funds. A sponsoring entity may condition the eligibility of an award on Mandatory Cost Sharing.
- 2.2. In-Kind is a non-cash contribution offered by a third party. It may include for example, without limitation, individuals at another organization who volunteer their time, supplies, equipment, or facilities in support of a project or program.
- 2.3. Mandatory Cost-Sharing occurs when a sponsoring entity conditions an award on Cost Sharing, obligating the University (or other entity) to document its financial contributions to the Sponsored Program.
- 2.4. Matching is the percentage or dollar equivalency of funds committed by entities other than the sponsoring entity towards the budget of a Sponsored Program.
- 2.5. Principal Investigator is a University employee that leads a given program or project and is responsible for the proper conduct of research or other activity described in the proposal, grant, or instrument of agreement for the specific program or project.
- 2.6. Sponsored Programs are programs or projects that are funded by an external entity through a written agreement (grant, agreement, or other instrument) with the University. Sponsored Programs include specific research, training, or service programs and projects.

2.7. Departmental Administrator is a University employee having administrative duties including the input of transactions into the University's financial system (Banner).

### **3. POLICY**

Cost Sharing expenses will be documented in the University's financial system (Banner) by indicating the appropriate activity code for each expense linking it to the corresponding Sponsored Program. Cost Sharing with funds from another award is prohibited on all federally funded awards and may be prohibited on other awards based on criteria set by the sponsoring entity.

### **4. PROCESS**

- 4.1. A Principal Investigator will identify any Cost Sharing in their proposal's budget or budget justification. Cost Sharing must then be approved by the Vice Provost for Research no later than thirty (30) days prior to the proposal submission deadline, except for extremely rare and unusual circumstances.
- 4.2. The Principal Investigator will collaborate with the Office of Research and Sponsored Programs (ORSP) to properly identify and code all Cost Shared expenses.
- 4.3. When a proposal is approved that includes Cost Sharing, ORSP will assign the appropriate activity code for each Sponsored Program Cost Share to document the Cost Shared expenses, the Cost Share activity code will be linked to the Sponsored Program fund in Banner.
- 4.4. ORSP will notify Principal Investigators of all Cost Sharing requirements at the time of award acceptance and provide the appropriate Banner activity code.
- 4.5. The Principal Investigator will advise the college or school business officer or designee that a proposal is being submitted that includes Cost Sharing.
- 4.6. When a Cost Shared expense is entered into Banner, the activity code will be included in the entry along with the Banner fund, organization, account, and program identifiers. The Cost Shared expense may not be assigned the same activity code as a Sponsored Program.
- 4.7. The Principal Investigator is responsible for certifying that all Cost Sharing expenses are identified with the proper Banner activity code. So that the Department Administrator can code the expenses appropriately.
- 4.8. Department Administrators will assure that departmental staff who are responsible for entering data into Banner are knowledgeable about the requirements for coding Cost Shared expenses.

### **5. RESOURCES**

- 5.1. Cost sharing and matching – 2 CFR 200.306.
- 5.2. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Grants – 2 CFR 200.