Administrative Procedure

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Subject: COST SHARE PROCEDURES

1.0. PURPOSE:

To establish procedures to guide the proper recording and documentation of cost sharing commitments for the University's Grants and Contracts activity.

2.0. ORGANIZATIONS AFFECTED:

2.1. Division of Administration and Finance, Financial Services.

2.2. Cal State L.A. University Auxiliary Services, Inc. (UAS).

2.3. Office of Research, Scholarship, and Creative Activities (ORSCA).

2.4. University Schools, Departments and Units.

2.5. Outside agencies.

3.0. REFERENCES:

3.1. Office of Management and Budget (OMB) Uniform Guidance; 2 CFR 200.

4.0. POLICY:

The provision of University cost sharing is an important component to the grants and contracts activity. The process of providing cost sharing and cost sharing documentation on a grant includes many parties: Principal Investigators (PI), ORSCA, UAS, the University, and the various Schools, Departments and Units within Cal State LA, and in some instances, outside partners. Considering the administrative requirements and responsibilities inherent in the cost sharing commitment, the appropriate University administrator should weigh the expected benefits of each cost sharing commitment, prior to making such commitments.

Cost-shared expenses for each project are to be accounted for separately. Records for cost sharing are retained for the same periods as the records for the related sponsored project.

When project expenses result in more charges to a sponsored account than were funded, the amount of the over-expenditure is accounted for in the same manner as cost sharing. These costs represent project costs being borne by the respective University School, Department or Unit.

Approved: _____ **Date:** _____

5.0. DEFINITIONS:

5.1. Cost Sharing - Cost Sharing refers to the resources contributed or allocated by the University and/or external sources to a sponsored project over and above the support provided by the extramural sponsor of the project.

5.2. Mandatory Cost Sharing - Mandatory cost sharing is that portion of the sponsored project which the University and/or external source contributes to a sponsored project which is required by the terms of that project.

5.3. Voluntary Cost Sharing - Voluntary cost sharing is that portion of the sponsored project which the University and/or external source contributes to a project on its own initiative, when there is not a specific sponsor requirement. If the proposed cost-sharing amount is included in the award budget and/or budget narrative, it should be documented and reported as if it were mandatory cost sharing.

5.4. Institutional Cost Sharing - Institutional cost sharing is a commitment that the University will use some of its resources for related research. This commitment is made at an aggregate level between the sponsor and the University.

5.5. University Administrator- a University Administrator is any Employee (such as: School Dean, Department/Unit Manager) who has responsibility for the management of University resources and the authority to pledge and monitor such resources for cost sharing.

6.0. RESPONSIBILITIES:

6.1. Principal Investigators will:

6.1.1. Work with UAS Grants & Contracts to prepare budget proposals that include accurate information for cost share items.

6.1.2. In conjunction with the University Administrator be responsible to ensure that resources are not committed more than 100%.

6.1.3. Determine, in conjunction with UAS Grants & Contracts and the University Administrator, how to best document and manage cost sharing from an outside source.

6.1.4. Monitor, in conjunction with the University Administrator, the cost sharing so that funds are being spent and reported according to the terms of the award.

6.1.5. Document, with the assistance of the University Administrator, the time and effort of personnel contributions to the cost share commitment. (Appendix 8.3.)

6.2. UAS Grants & Contracts will:

6.2.1. Work with the PI to prepare budget proposals that include accurate information for cost share items.

6.2.2. Assure proper authorization from the departments/units and outside partners, if any, agreeing to provide cost sharing.

6.2.3. Provide UAS Grants & Contracts a copy of the executed internal campus approval form.

6.3. UAS will:

6.3.1. Create and assign a Project/Grant ID (chartfield) code for the project. Provide a copy of the award letter, budget, Approval Form (Appendix 8.1.) and the Cost Share Cover Memo (Appendix 8.2.) to the PI, the University Administrator, Associate Vice President of Research (ORSCA) and the University Budget Office, after an award that includes Cal State LA cost sharing is received.

6.3.2. Provide a copy of the award letter, budget and Approval Form to the PI and the University Administrator after an award that includes cost sharing from sources other than Cal State LA is received.

6.3.3. Determine, with the PI, how to best document and manage the cost sharing from an outside source and provide that information to the University Administrator.

6.4 The University Administrator will:

6.4.1 Initiate a request to setup the cost share budget on the Cal State LA General Ledger using the same Project ID that was assigned by UAS Grants & Contracts for the particular award. (Use the Budget Office's Budget Transfer Form).

6.4.2. In conjunction with the PI, ensure that resources are not committed more than 100%.

6.4.3. Monitor, in conjunction with the PI, their cost sharing responsibilities to ensure that funds are being spent and reported according to the terms of the award.

6.4.4. Obtain from the PI, the Cost Sharing Certification Form confirming the time and effort of personnel as contributions to the cost share total. (Appendix 8.3.)

6.4.5. Provide, on an annual basis, the Cost Sharing Certification Form and forward to UAS Grants & Contracts and the PI; and, provide a final report, at the end of the project.

7.0. PROCEDURES:

7.1. Proposal Stage

7.1.1. The PI's and UAS Grants & Contracts will work together to prepare budget proposals that include accurate information for cost share items.

7.1.2. UAS Grants & Contracts will obtain the proper signatures and authorization on the internal campus Approval Form from PI(s), the University administrators agreeing to provide cost sharing and outside partners, if any, for cost shared items.

7.2. Award Stage

7.2.1. The award will be received by UAS Grants & Contracts. If the award includes cost sharing from Cal State LA, the following procedures will be followed:

7.2.1.1. UAS Grants & Contracts will create and assign a Project/Grant ID (chartfield) code for the project and forward a copy of the award letter, budget, Approval Form and the Cost Share Cover Memo to the PI, the University Administrator, UAS Grants & Contracts, Associate Vice President of Research (ORSCA) and the University Budget Office.

7.2.1.2. The appropriate University Administrator(s) will initiate a request to setup the cost share budget on the Cal State LA General Ledger using the same Project ID that was assigned by UAS Grants & Contracts for the particular award. (Use the Budget Office's Budget Transfer Form).

7.2.1.4. The PI and the University Administrator will be responsible for tracking the cost share commitments to ensure that resources are not committed more than 100%.

7.2.2. If the award includes cost sharing from sources other than Cal State LA, the following procedures will be followed:

7.2.2.1. UAS Grants & Contracts will forward a copy of the award letter, budget and Approval Form to the PI and the University Administrator.

7.2.2.2. UAS Grants & Contracts and the PI will determine how to best document and manage the cost sharing from the outside source.

7.3. Award Administration

7.3.1. PI's and the University Administrators will monitor their cost sharing commitments so that funds are being spent and reported according to the terms of the award.

7.3.2. PI's and University Administrators will document and reconcile the time and effort of personnel pledged to the cost sharing. (See Appendix 8.3)

7.3.3. If cost sharing is from sources outside of Cal State LA, the PI and the University Administrator shall be responsible for obtaining the documentation of cost sharing.

7.3.4. On an annual basis, the University Administrator will provide the Cost Sharing Certification Form showing a summary of expenditures with a description of cost share activity(ies) and forward the report to UAS Grant & Contracts and the PI.

8.0. APPENDICES:

8.1. Sample Approval Form for Externally Funded Contracts and Grants.

8.2. Sample Cost Share Cover Memo.

8.3. Sample Annual Cost Sharing Report and Certification.