

# Cost Sharing

- **Cost Sharing (or Matching Funds)**
  - Portion of project costs not paid by the sponsor
  - Paid by the campus or a third party
- Cost sharing offered and documented in a proposal (budget, narrative) becomes a requirement of the award and binding financial obligation of the campus



# Cost Sharing

## Mandatory Cost Sharing

- Campuses should only provide cost sharing in a proposal when it is:
  - Mandatory
  - Required in writing by sponsor
  - Specified in the program announcement; or
  - Identified as an award term and condition

## Voluntary Cost Sharing

- Campuses should only provide voluntary committed cost sharing when:
  - It is a critical factor that will contribute to the proposal being competitive and approved for funding
  - It is a critical factor to the completion of the awarded project/scope-of-work
- Voluntary cost sharing cannot be used as a factor during the merit review of a federal grant proposal unless it is specifically required in the Notice of Funding Opportunity

# Cost Sharing

Principal investigators, chairs, deans should understand and apply federal government, sponsor-specific, campus, RF requirements for cost sharing on proposals/awards:

- Determine acceptability for including offer of cost sharing in external proposals to sponsors
- Understand that cost sharing expenditure must meet same requirements for cost criteria that apply to any direct or indirect cost expenditure made on award
- Consider providing cost sharing **only** when it is mandatory - required by the sponsor in writing
- Evaluate providing voluntary cost sharing based on:
  - Needs of the proposal/award
  - Project and scope-of-work
  - Critical factors associated with proposal competitiveness for successful funding
  - Available campus resources