

**Exploring Cost Share:
Tips for Budgets and Management**

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Presenters



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**Cost Share Basics
Pre-Award Considerations
Post-Award Considerations**

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Cost Share Basics

Terminology, Types, Sources, Budget Categories, CSU Policy

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Cost Sharing (or Matching)

the portion of project costs not paid by Federal funds or contributions (unless otherwise authorized by Federal statute)

See also 2 CFR §200.306

Total Project Costs

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QUESTIONS: Share your expertise

- What percentage of proposals and/or managed accounts that you work on involve cost share?
- What's your level of expertise in budgeting cost share in proposal budgets and/or managing projects with cost share?

NOVICE: Has no professional experience

BEGINNER: Can note recurrent means: digital operational components, but not prioritize between them



COMPETENT: Begins to understand actions in terms of long-range goals

PROFICIENT: Perceives situations as wholes, rather than in terms of aspects

EXPERT: Has intuitive grasp of the situation and zeros in on the accurate region of the problem

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Cost Share Types

<p>Mandatory</p> <ul style="list-style-type: none"> • Solicitation requirement • Condition of award • Don't overmatch 	<p>Voluntary Committed</p> <ul style="list-style-type: none"> • Quantifying value that is unrequired • Discouraged at CSU • Voluntary cost share at proposal is committed at award stage 	<p>Voluntary Uncommitted</p> <ul style="list-style-type: none"> • 1% minimum effort • NIH Salary Cap • Not reported to sponsor 
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Cost Share Sources

<p>Cash</p> 	<p>In-kind</p> <ul style="list-style-type: none"> • Necessary • Allowable • Not included as contribution on other sponsored projects • Verifiable from records • Not federal dollars • Part of approve budget • Incurred during project 	<p>Third-party-cash, in-kind</p> <ul style="list-style-type: none"> • Detailed letter of commitment signed by authorized person 
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Cost Share Budget Categories

- Must be allowable direct cost
 - salary over cap is unallowable and can not be used to meet cost share commitment
- Unrecovered indirect costs may be able to be used to meet a cost share obligation given sponsor approval

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CSU Policy: Cost Sharing on Sponsored Projects

CSU POLICY: COST SHARING FOR SPONSORED PROJECTS

Policy Title: Cost Sharing for Sponsored Projects	Category: Finance
Owner: Chief of Staff to the President	Policy ID#: 2-6003-005
Contact: Office of Policy and Compliance Web: http://biz.colostate.edu Email: ospc@colostate.edu Phone: 970-491-5227	Original Effective Date: 1/1/2007 Last Revision: 12/7/2018 Prior Versions: Click Here to Print

PURPOSE OF THIS POLICY
The Federal Office of Management and Budget (OMB) issued a new regulation, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (Uniform Guidance), effective December 26, 2014, combining elements from eight longstanding OMB circulars including A-21, A-110, and A-133 [2 CFR §200, et. seq.]. Within these cost principles, cost sharing or matching are terms

<http://policylibrary.colostate.edu/policy.aspx?id=448>


Other Resources
CSU Financial Rules & Procedures
http://busfin.colostate.edu/Resources/Fin_Rules_Procs.aspx
Cost share 101
<https://www.research.colostate.edu/osp/2018/01/31/cost-share-101/>

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CSU Policy: Cost Sharing on Sponsored Projects

- Should be limited to amount specifically required as condition of award
- Voluntary committed cost share can not be used as a factor during merit review of proposals
- CSU policy requires dedicated cost share accounts (even for NIH Salary cap)
- Detrimental when it
 - reduces the flexibility of researchers and staff to conduct other research
 - increases administrative burden for the activity
 - decreases the University's indirect cost recovery



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Key Personnel- 1% Minimum Salary effort

All Key Personnel, who contribute to the scientific development or execution of a project in a substantive way, must commit no less than 1% effort to the project during the period of performance

- If effort isn't charged to the sponsor requested funds, or used to meet mandatory cost share, 1% effort must be captured in KRPD as non-reportable cost share
- Failure to document at least one percent effort for Key Personnel may indicate to the sponsor that the individual did not provide the necessary contribution(s) or work on the project

1% Minimum Effort Cost Share Account Request https://www.research.colostate.edu/osp/wp-content/uploads/sites/21/2020/11/1-percent_CSARrequest_Oct-2020.pdf

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Pre-Award Considerations

Documentation, Best Practices, Case Study, Cost Share Calculations,
KRPD Best Practices

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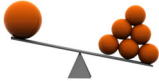
Documentation <https://www.research.colostate.edu/osp/forms/>

- Institutional Commitment Form (ICF) completion time differs with college
- Unsigned CSA draft needed at proposal stage to determine appropriateness of accounts
- Committed cost share funds may not be spent before outcome of the proposal
- Third-party cost share requires detailed letter
- CSU is working on a revision to the proposal submission process requirements
 - likely going to require either an ICF or CSA form at the proposal stage including cost share source (e.g. cost share account numbers)
 - undecided if signatures will be required at the proposal stage
 - unsure on the timing of updated processes



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Best Practices



- Cost share forms should be part of record for review
 - not necessary to sign at proposal stage
 - at award, unsigned forms can delay project start
- Changing language of proposals to 'leveraging' without quantification versus specifying dollar amounts

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Case Study

C. Cost Sharing or Matching.

This Program does not require cost sharing or matching.

This Program does not require cost sharing or matching. The program requires leveraging 25% as indicated in the Rating Factor 4: Leveraging Resources and Budget section below. No indirect funds can be used for match. Federal sources are not allowed to be used as a cost share or match unless otherwise permitted by the program's authorizing statute.



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Case Study continued

Rating Factor 4: Leveraging Resources and Budget (Maximum of 15 Points)

- a. Leveraging Resources (10 points) Applications require a minimum match of 25 percent of the Federal share. Applicants must score at least 5 points for this factor to be considered for funding.

Applications that can demonstrate a higher level of match receive more points up to a maximum of 10 points.

Leverage	Points
Less than 25%	Does not meet threshold
25% and greater but less than 35%	5
35% and greater but less than 50%	7
50% and greater	10



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Case Study continued



- b. Budget (5 Points) Your budget proposal shall thoroughly estimate all applicable direct and indirect costs. [redacted] is not required to approve or fund all proposed activities and reserves the right to negotiate or redistribute funds as appropriate. You must thoroughly document and justify all budget categories and costs [redacted] and all major tasks, for yourself, sub-recipients, major subcontractors, joint venture participants, or others contributing resources to the project.

A separate budget must be provided for partners who are proposed to receive more than 10 percent of the federal budget request. Your application will be evaluated on the extent to which your resources are appropriate for the scope of your proposed study.


Your narrative justification associated with these budgeted costs should be submitted as part of the Total Budget (Federal Share and Leveraging) but is not included in the 25-page limit for this submission. The narrative should provide an explanation of the basis for the major budget items. Separate narrative justifications should be submitted for partners that are submitting separate budgets.

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Cost Share Calculations

- Read solicitation, guidelines for allowable budget categories
- Depending on the Sponsor, sometimes unrecovered indirect can be counted toward cost share
 - USDA
- Rate of cost share
 - percentage of total project costs
 - percentage of total sponsored requested funds



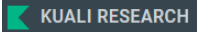
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Cost Share Calculations

<p>Sponsor Request \$100,000 Cost share is 10% of sponsored request How much is: a) cost share? b) total project costs?</p>	<p>Sponsor Request \$100,000 Cost share is 10% of total project costs How much is: a) total project costs? b) cost share?</p>
<p>a) 10% of \$100,000 = \$10,000 cost share b) \$100,000 + \$10,000 = \$110,000 total project costs</p>	<p>a) $\\$100,000 / .90 = \\$111,111$ total project costs b) $\\$111,111 - \\$100,000 = \\$11,111$ cost share</p>

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KRPD Best Practices



- Mandatory cost-share budgets for submission to sponsor should be embedded into submitted budget
- Separate budget not required but can be created to have \$ amounts to complete the cost-share forms
 - e.g budget title 'Cost-share budget – not for submission'
- Separate budget for 1% voluntary uncommitted cost-share for senior/key personnel
 - e.g. budget title '1% voluntary uncommitted cost-share budget'
 - Embedded is NIH over salary cap – not working for NIH S2S

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Post-Award Considerations

Cost share Account Request Forms, RPS, Award Terms & Conditions, Account Information, Tracking Expenses, Third-Party, Reconciliation with OSP Numbers, OSP Reporting, Not Meeting Cost Share Requirements

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Cost-share Account Request Forms

- 2 Forms: Cost-share Account Request and 1% Minimum Effort Cost-Share Account Request
- <https://www.research.colostate.edu/osp/forms/> - link to forms
- Signed form required before setting up a 53 account
- Typical CSU sources – 13, 14, 15, 16, 17, 19, and 64

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Filling Out The Form

- A companion cost-share account can only be tied to one 53 account for effort reporting and audit purposes
 - For Multi-Year Projects**
 - If a multi-year project receives a **new** 5-3 account number each year, you will be required to request a new CSA number each year (e.g., for projects without automatic carryforward). The same CSA account cannot be used in more than one 53 account.
 - This is the master form for a multi-year project with unique 5-3 accounts each budget period.
 - This form is related to a master form previously submitted and fully approved. **Reset Multi-Year Choice**
 - **A new master form will be required at the beginning of each competitive segment ****
 - Approvals are not required. Submit directly to OSP.
- IDC on CSA vs Unrecovered IDC

Administrative	\$	
F&A (Indirect Costs (IDC))	\$	F&A calculated on CSU's cost-share direct costs;
Waived / Unrecovered IDC	\$	waived or unrecovered IDC only as allowed by sponsor
Total	\$	0.00

REQUIRED: Calculation details: F&A, waived and/or unrecovered IDC

REQUIRED: Description/Calculation details: 3rd Party (in kind, Subrecipient) amount: \$

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Cost-share Info in RPS

<https://rweb.research.colostate.edu/rps/default.aspx>

Additional Cost Share Information:

- Personnel Cost Share
- Terms and Reports
- Transaction History
- Related Accounts and Numbers
- Award Hierarchy and Proposals
- Award Hierarchy Expense Summary
- Allowable Direct Expenses
- F&A (Indirect) Costs Split

Cost Share Accounts	
Cost Share Type	Cost Share Account
Mandatory - CSU	1928500


Cost Share Amounts	
Object Code	Cost Share Amount
0000	\$2,244,221.00
5000 Personnel	\$1,067,310.00
9500 Facilities and Administrative Costs	\$277,501.00

Comment type	Comment
Cost Sharing	CSA 1928500, Salary/Fringe/IC \$1,344,811 + 3rd Party
Comments	\$2,244,221 = \$3,589,032.

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Award Terms and Conditions


- What to look out for in an award?
- Unrecovered Indirect Costs
- Re-budgeting 2 CFR §200.308
- FDP Matrix - https://www.nsf.gov/bfa/dias/policy/fedrtc/appendix_a.pdf



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Account Info


- OSP creates the CSAs
- Departments are responsible for managing the CSA
- CSA Title Examples:
 - CSA-NR(5302731-1330085) 53 Project Title
 - CSA(5357191-1339420) 53 Project Title



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Communication/Reconciliation with OSP Numbers

- OSP semi-annual reviews
- Multiple Unit Involvement




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OSP Reporting





- SF270s and SF425s
- CSU Invoice
- Sponsor Invoice/Forms
- We do not report Salary cap or 1% to the sponsor



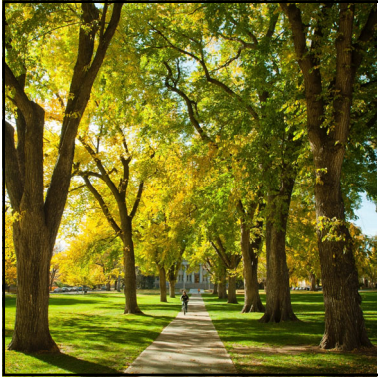
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Not Meeting Cost-share Requirements

- Failure to meet cost share commitments is a failure of the university to abide by the conditions of the award. Unmet cost share puts the entire university at risk
- Puts the project at risk of being deemed non-compliant by the sponsor and may force the University to return funding



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Cost-share at CSU

- 18% - Percentage of accounts with cost share
- Outstanding CSU Commitment (end of FY22): ~ \$13 million




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Do you have a cost share story to share?

- Describe the scenario.
- What were the considerations?
- What were your actions?


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Thank you

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Thank you for Attending!

Next Session options: 2:15-3:15 PM MT

- Dive into Effort on Sponsored Projects
- Participant Support or Incentive Payments?
- NIH - Belaying the Basics and Beyond

Please remember to do the 1-Minute Feedback survey in your email!



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