

## Cost Share FAQs

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### 1. What is Cost Share?

Cost Share is additional dollars above the sponsor's dollars which are needed to complete the SOW (Scope of Work).

### 2. Does the Uniform Guidance say no Cost Share?

No. What the Uniform Guidance says is that Cost Share beyond the Mandatory Cost Share will not be considered during the review of the proposal.

### 3. Why does CU discourage Cost Share?

Cost Share dollars are included in the equation/calculation of the University's federal F&A rate application. The higher amount of Cost Share dollars, the lower the F&A rate.

### 4. What are the types of Cost Share?

Cash can come from within CU, or from an outside entity. In-Kind is provided by a 3rd party entity. Forfeited F&A is the difference between the approved federal F&A rate and the negotiated Sponsor approved rate on the Sponsor dollar expenses.

### 5. Who sets up the Cost Share SpeedTypes?

The Cost Share Accountant (CSA) sets up the Cost Share SpeedTypes for internal Cost Share. 3rd party Cash Cost Share is tracked through a 30/31 award, so SPA Project Set Up sets up these SpeedTypes.

### 6. I received notice for my project SpeedType(s) when can I expect my Cost Share SpeedType?

Process after the Project SpeedType has been set up.

- CSA receives notice an award with Cost Share is processed (through inter-routing process).
- CSA gathers all the information, reviews the commitments.
- CSA decides what is the best way of tracking the cost share.
- If any SpeedTypes are to be used, CSA will request the SpeedType be set up (this usually takes 2-5 working days).
- When the CSA receives the SpeedType(s), CSA will notify the dept. and PI what the SpeedType(s) is(are).
- If the Cost Share is In-Kind – the notice to the dept. and PI will include what will need to be followed through with for certification when the In-Kind commitment has been completed.

### 7. Why does my Cost Share have several different SpeedTypes?

Cost Share can be funded from several differences sources. If it is simply dollars within CU –If the source funding is from a Fund 10 = Cost Share Fund 12 SpeedType. If the funding comes from 2X fund SpeedType = Cost Share Fund 22. If the Source Funds are from a Fund 34 = Cost Share Fund 32. If funding is from Fund 72 = Cost Share Fund 70. If it is 3rd

rd Party Cash Cost Share outside dollars = Fund 30 unless from the state, then it is a Fund 31.

**8. How do I fund the Cost Share SpeedType**

All Cost Share SpeedTypes are funded through a Cash Transfer.

**9. Who is responsible for obtaining the In-Kind certification form?**

The PI is responsible for obtaining the signed In-Kind certification when the 3rd party entity has completed the work. This is based on the concept that the PI is aware of the work has actually been done and can therefore verify what the 3rd Party entity has certified.

**10. How do we know the accuracy of the items that are on an In-Kind certification form?**

Part of the agreement with 3rd Party entities whether it be a simply an In-Kind partner or a sub-contractor is at any time they can be audited and asked to produce all supporting documentation for the dollar amount they sign off on.

**11. What is the difference between Mandatory and Voluntary Cost Share?**

Mandatory Cost Share is Cost Share required by the sponsor as part of the award. Voluntary Cost Share is Cost Share not required by the sponsor, but is needed to complete the Scope of Work (SOW). Both are a commitment that is a liability to the University and must be fulfilled whether the Sponsoring agency requires reporting of the Cost Share or not. The tracking of Cost Share documents the contribution toward the SOW.

**12. What is Uncommitted Voluntary Cost Share?**

Uncommitted Voluntary Cost Share is Cost Share over and above the committed Cost Share or additional Cost Share provided without a commitment to the sponsor. This does and can occur, but should always be kept to the absolute minimum as going in excess is not in the best interest of the University.

**13. What if I don't meet the Cost Share commitment?**

Not meeting the Cost Share commitment puts the University at risk. A sponsor can refuse to pay all or part of what is owed to the University. This is why monitoring your Cost Share is very important. If you see that you will not be meeting your Cost Share discuss with the PI and Cost Share Accountant long before the award is to end. It is possible OCG and the Sponsor will need to be contacted with a justification on why you are not meeting your Cost Share. The explanation needs to include whether you are able to complete the SOW without the Cost Share dollars in order to get an exception

**14. Is there ever Cost Share with a Sub-contract?**

Yes. Sub-Contract Cost Share is required to be reported on a clearly stated manner on any invoices they present to the University. On rare occasions, this Cost Share may be documented by a signed In-Kind certification form. The University is responsible for and therefore liable for the Sub-contractor's Cost Share.

**15. As the PI, I want to volunteer my time for Cost Share – Can I?**

In general, employees of CU can NOT do volunteer/In-Kind contributions to the project.

Reasoning is that if you have a full time position, you do not have additional time to volunteer. (Can't be over 100%)

**16. Can I use my Cost Share dollars for anything I want?**

Cost Share dollars are spent within the financial parameters that are on the Sponsor Project dollars. Always refer to the award document for variances within categories. The Cost Share Accountant can advise on what is allowable and if OCG and the sponsor need to be contacted to ask for an exception.

**17. Who closes the Cost Share?**

The Cost Share Accountant is responsible for monitoring and closing the financial Cost Share file. The Cost Share Accountant works closely with the department. The Cost Share has to be closed before the Project can be closed. It is the department's responsibility to make sure the balance of all Cost Share SpeedTypes are zero after meeting the commitment. The Cost Share Accountant is the final approval for SpeedType In-activation.

**18. What do I do with left over money in the Cost Share account after it is closed?**

It is CU's policy that you return the money in proportionately to the funding entities.