

# UMCES Guidance

## Cost Sharing Compliance in Brief

Cost sharing or matching occurs when UMCES contributes uncompensated resources towards a sponsored project. Cost sharing is the portion of the project or program costs not borne by the sponsor (see definition in [2 CFR 200.29](#)).

**Voluntary Committed Cost Sharing** is pledged on a voluntary basis in the proposal's budget or text or the Federal award on the part of the non-Federal entity. Under the new Uniform Guidance ([2 CFR 200.306](#)), "voluntary committed cost sharing is not expected. It cannot be used as a factor during the merit review of applications or proposals but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity. "

The Federal awarding agencies are issuing their own guidance relating to 2 CFR 200.

Only mandatory cost sharing or cost sharing voluntarily committed in the budget must be included in the research base for computing F&A cost rate.

Per UMCES' Policy, cost sharing:

- Should only be included in the proposal where absolutely required
- Must be accounted for even if only mentioned in proposal text and not specified in the budget
- Imposes a burden on the PI and his/her business office to account for and provide supporting documentation

To be acceptable as UMCES cost sharing, expenditures must satisfy all the following criteria ([2 CFR 200.306](#)):

- Be verifiable from the official University records (FRS)
- Not paid by the federal government under another award
- Not also be used as cost sharing for any other sponsored program
- Be necessary and reasonable for proper and efficient accomplishment of the project
- Allowable under [Subpart E](#) (i.e., no local phone charges, administrative salaries, general office supplies or office equipment)
- Be incurred during the effective dates of the grant

Cost Accounting Standards (CAS 501) must also be met:

- Consistency in estimating, accumulating, and reporting costs
- Cost sharing effort must be certified
- Cost sharing must be funded if specified in the proposal

Actual cost must be accumulated and reported at a level which permits sufficient and meaningful comparison with its estimates.

Third party cost sharing, including that provided by subrecipients, must meet the same requirements. Volunteer effort must be documented.

PI's must provide commitment in writing from the appropriate official for cost sharing commitments other than the PI's or Co-PI's effort included in proposals.