UNIVERSITY OF NEW HAMPSHIRE
PROCEDURES FOR COST SHARING ON EXTERNALLY SPONSORED PROGRAMS

PROPOSAL REVIEW AND SUBMISSION

1. Each proposed cost sharing commitment for a project must specifically indicate the fund code(s) (or source) on the “Cost Sharing Form” (CSF). When a fund code or source is not available sufficient information must be provided such that the validity, adequacy, and allowability of the commitment can be evaluated. External cost share sources require a commitment letter attached to the CSF. This will serve as the acceptance of responsibility that the proposed cost share is met during the project period.

2. The completed CSF should be attached to the Yellow Sheet and routed to the Responsibility Center (RC) unit head or official designee for review and approval. The RC unit head’s or designee’s signature on the CSF indicates concurrence with and the promise to provide for the proposed cost sharing commitments.

3. During proposal review, the UNH Sponsored Programs Administration (SPA) Grant and Contract Administrator (GCA) reviews the validity, adequacy, and allowability of the commitment of the proposed cost share. The GCA will make any necessary adjustments after consultation with the Project Director (PD) and those who have signed the CSF and Yellow Sheet. When all requirements have been met, the GCA will approve the proposed cost share.

AWARD ADMINISTRATION

1. When an award is made, each individual signing for or otherwise approving the CSF accepts responsibility for ensuring the proposed cost share is met during the project period.

2. UNH Sources of Cost Sharing:
   When UNH educational and general funds are the source of the monetary cost share, those funds must be properly documented in the USNH accounting system to demonstrate to the sponsor that UNH’s commitment was fulfilled. When setting up the award in Banner, the GCA establishes a separate (15C…) fund with appropriate budget within the grant for the UNH-sourced items to be cost shared. The completed and endorsed CSF will be provided to the appropriate BSC representative by the GCA upon establishment of the grant in Banner. It is the responsibility of the PD to inform the Business Service Center (BSC) of the specific manner in which cost sharing requirements will be met (consistent with but usually in greater detail than the commitment reflected in the CSF).

   The cost shared value of volunteer time documented by UNH PD’s should be consistent with what UNH pays for similar work. When the required skills have no comparator within UNH, rates must be consistent with those paid for similar work in the New Hampshire labor market and can be estimated using resources such as Independent Sector. The cost share recognized from volunteer time will be recorded in a separate fund (16C…) setup with the award with costs entered as a debit (expense) and credit (offset) in the following accounts:
   
   71CSXS Memo cost share debit
   71CS99 Memo cost share support offset credit

   The BSC will encumber, post expenses to, and “fund” the expenses for the 15C and 16C cost-sharing funds with appropriate frequency to account for all the UNH-sourced cost-sharing expenses for the award. Many awards require reporting of cost-shared expenses proportional to direct costs during the performance period of the award in order to support requests for payment. Therefore, it is expected that committed direct cost-sharing amounts will be expensed to the cost-sharing fund and “funded” as incurred throughout the life of the award.

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Cost sharing for federal grants that is funded by expenses on non-federal grants must not be included as cost sharing for any other federally sponsored project at UNH. The non-federally sponsored funding must be identified in the CSF and the costs remain in the non-federal grant funds.

3. External Sources of Cost Sharing:
Monetary costs expended by 3rd parties (external to UNH) and in kind costs by 3rd parties may be used in some projects to meet cost sharing commitments when identified on the CSF. The GCA will setup a 16C fund associated with the grant number. The BSC will record 3rd party cost share as a debit with an offsetting credit based on supporting documentation that must be provided by the 3rd party, approved by the PD, and retained by the BSC in the same manner as other cost supporting documentation. The BSC will use the following accounts and rule code CSHR to record external sources of cost share:

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>71CSXS</td>
<td>Memo cost share</td>
<td>debit</td>
</tr>
<tr>
<td>71CS99</td>
<td>Memo cost share support offset</td>
<td>credit</td>
</tr>
</tbody>
</table>

In some projects 3rd parties may fund cost sharing by transferring cash to UNH where the funds will be used to benefit the project. This funding is not based on a grant agreement or other form of sponsored award. These funds will be received by the appropriate BSC or by SPA and applied to the appropriate 15C cost share fund with revenue account 532000. Refer to the UNH policy and procedures on accounts receivable in the Budget and Finance SharePoint site for information on recording non-grant receivables.

4. Gifts recorded by the UNH Foundation in gift funds may be used in some projects to meet cost sharing commitments if identified in the CSF. Refer to the gift acceptance policies and procedures established by the Foundation including valuation requirements for property gifts. Gift funds are not transferred to a 15C fund but remain in the gift fund.

5. True cost overruns are considered to be, and must be tracked and reported as cost sharing. During the grant closeout process the BSC will remove the over-expenditures by journal entry with a credit to the grant fund with the overrun and debit the non-sponsored fund. This process does not necessarily involve the identification of specific transactions to be removed from the grant but rather requires only a lump sum journal entry. In this manner, all entries related to cost overruns will be identified as cost sharing and accumulated in account codes 8IZVCS and 8OZVCS for indirect cost calculation purposes.

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>8OZVCS</td>
<td>Non-sponsored fund</td>
<td>debit</td>
</tr>
<tr>
<td>8IZVCS</td>
<td>Grant fund (with overrun)</td>
<td>credit</td>
</tr>
</tbody>
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\(^1\) VIII. Research Policies, M. Cost Sharing on Externally Sponsored Programs, [http://www.usnh.edu/olpm/UNH/VIII.Res/M.htm](http://www.usnh.edu/olpm/UNH/VIII.Res/M.htm)

\(^2\) [http://www.unh.edu/research/cost-sharing](http://www.unh.edu/research/cost-sharing)

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