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. The Business Service Center (BSC) will encumber, post expenses to, “fund” the expenses, or provide memos to SPA for the cost-sharing with appropriate frequency to account for all the 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 cost-sharing amounts will be expensed to the cost-sharing fund and recognized as incurred throughout the life of the award.

3. Cost sharing for federal grants that is met by expenses on non-federal grants must not be included as cost sharing for any other sponsored project. The non-federally sponsored funding must be identified in the CSF and the costs remain in the non-federal grant funds. When non-federal grant funds are used for cost sharing the BSC will identify the actual costs and inform the Financial Research Administrator (FRA) in SPA on a timely basis to allow for invoices and financial reports to be submitted to the sponsor.

4. Sources of Cost Sharing:
When setting up a new award in Banner, the GCA establishes a companion grant fund with appropriate budget within the grant when cost share should be recorded. Whenever possible cost share should be recorded in companion cost share funds however some types of cost sharing cannot be recorded and must be documented by the BSC via memo. The completed and endorsed CSF will be provided to the appropriate BSC representative by the GCA when the grant has been setup in Banner. It is the responsibility of the Principal Investigator/Project Director (PI/PD) to inform the 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). When the actual sources or type of cost sharing differs significantly from the CSF, the PI/PD should communicate the changes promptly and timely to the BSC and then the BSC should notify the Financial Research Administrator (FRA) in SPA.

When UNH educational and general funds are the source of the monetary cost share, those funds must be

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properly documented in the USNH accounting system and approved by the PI to demonstrate to the sponsor that UNH’s commitment was fulfilled. A companion cost share fund (15C…) will be established and the BSC will record actual costs with appropriate frequency to account for all UNH-sourced cost sharing expenses. The BSC will transfer revenues to fund the direct costs for educational and general funds. F&A costs are normally recorded using UNH’s federal negotiated indirect cost rate and funded by the USNH Controller’s office in a monthly accounting entry.

The cost shared value of volunteer time documented by UNH PI’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. For some projects faculty volunteer time during the summer period may be deemed acceptable cost share but must be pre-approved on the CSF or an amended CSF.

For some projects donated space (cannot be UNH space which is in the F&A rate) may be acceptable cost share. Space should be valued based on the normal rental costs associated that are waived. Space used as cost share must be authorized on the CSF and the values approved by the PI and documented by the BSC.

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 and based on sufficient supporting documentation to be approved by the PI then reviewed and retained by the BSC.

Donated items, e.g. gift cards, t-shirts, and food, may be allowable on some projects to meet cost sharing commitments and should be authorized on the cost share form. The BSC reviews the values and maintains documentation including approval by the PI.

The cost share recognized from volunteer time, space, 3rd party costs, and donated items will be documented and recorded by the BSC in a separate fund (16C…) setup with the award with costs entered in the following accounts and rule code CSHR:

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

Journals to record costs in a 16C fund will cause an NSF budget control warning which can normally be disregarded.

Unrecovered F&A costs and F&A waivers may be used on some projects to meet cost sharing commitments. This source must be authorized on the cost share form and will be documented by reference to the reduced F&A.

5. External Funding for Cost Sharing:
The GCA will setup a (17C…) fund associated with the grant number for 3rd party cash payments to UNH to be recorded as cost sharing. This funding is not based on a grant agreement or other form of sponsored award nor is it program income. These funds will be received by the appropriate BSC or by SPA and applied to the appropriate (17C…) cost share fund with revenue account 532000. F&A is normally recorded based on the same indirect cost rate applied to the sponsor funds and funded by the 3rd party cash payment.

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6. 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.

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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)

\(^3\) SPA manages recording the 3rd party in-kind cost sharing on NHIRC projects.

\(^4\) SPA manages collections and receipts for company match in the NHIRC projects.