

Cost-Share Policy for Wake Forest University, Reynolda Campus

Background

This policy will serve as a reference for faculty who are preparing a proposal that includes funds for cost share, or matching. Cost share can be provided in the form of a cash match, third-party contributions, and in-kind contributions. Contributed faculty effort and equipment purchases are two examples of items commonly included as cost share. In general, WFU will commit resources to a project when required to do so by the sponsor and when the resources are available.

In addition to its dollar value, cost share requires additional administrative costs to the university. Once committed, it must be tracked and reported to the sponsor. Shared costs are also subject to annual internal audit and audit by the sponsor. If an audit finds that the university has not met its cost-share commitment, funds may have to be returned to the sponsor. Some sponsors, such as the National Science Foundation (NSF), have policies prohibiting cost share for most programs. PIs should consult with the Office of Research and Sponsored Programs for clarification of sponsor and program guidelines well in advance of proposal deadlines.

Definitions

Cost share – the portion of the total cost of a project not borne by the sponsor; also referred to as match/matching funds.

In-kind cost share – contributions provided by WFU or a third party that are in a form other than cash. Faculty effort is an example of in-kind cost share.

Mandatory cost share – cost share that is required by the sponsor, stated in the grant solicitation/guidelines, and included as a condition of the award.

Voluntary committed cost share – cost share that is not required by the sponsor but shown in the budget and/or included in the proposal.

Voluntary uncommitted cost share – cost share over and above the amount specified in the guidelines and/or budget.

Procedures

When a proposal includes cost share other than Principal or Co-Principal Investigator effort, the PI must send an email request to the Associate Provost for Research and the Director of the Office of Research and Sponsored Programs. The PI's home department or school/college is expected to provide up to one-half of the amount requested as cost share.

The inclusion of voluntary committed cost share in proposals is strongly discouraged. In an email request to the Associate Provost for Research, the PI should provide a compelling justification explaining why cost share should be included. In general, WFU does not participate in voluntary committed cost share, and it will rarely be approved. If the request is not approved, the cost share must be removed before the proposal is submitted.

Effective July 1, 2009, all PIs who wish to submit a proposal containing cost share must check *yes* on the routing form and complete and sign a Cost-Share Request form. The PI must submit a copy of the guidelines or other documentation showing the sponsor's cost-share requirement. If a sponsor does not allow indirect (F&A) costs, the form need not be completed.

PIs are also discouraged from providing voluntary uncommitted cost share. Since WFU is not required to document this kind of cost share, and effort is assumed to be part of the normal research component of a faculty appointment, it is not necessary for PIs to show voluntary uncommitted cost-shared effort on their effort report.

Responsibilities

Principal Investigator:

- ensure that cost share is not inadvertently included in a proposal
- complete Cost-Share Request form if proposal includes cost share
- monitor cost-share expenses for reporting to sponsor
- certify mandatory cost-shared effort and be able to document it in case of audit
- omit voluntary uncommitted cost share from effort report

ORSP:

- develop and implement cost-share policy
- review proposals for inclusion of cost share
- ensure that if cost share is included, it is approved prior to proposal submission
- maintain information on mandatory cost-share commitments in proposals and awards
- review cost-shared effort in effort reports

Associate Provost for Research:

- develop and implement cost-share policy
- approve requests for cost share
- review and approve all cost share in effort reports

References

OMB Circular A-110 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations"
http://www.whitehouse.gov/omb/circulars_a110/

OMB Circular A-21 "Cost Principles for Educational Institutions"
http://www.whitehouse.gov/omb/circulars_a021_2004/