

<p>Division</p> <p>Department</p>	<p style="text-align: center;">Administration and Finance</p> <p style="text-align: center;">Fiscal Affairs - Grants Office</p> <p style="text-align: center;">Worcester State University Policy and Procedures for Grant Cost Sharing</p>
<p>Policy</p>	<p>The efforts of Worcester State University (WSU) faculty to obtain external funding for their research and other scholarly efforts are supported and encouraged by the University. Typically, cost sharing has been used as a means to increase the chances of having a proposal funded by showing a financial commitment from the institution towards the project. More recently, sponsors are requiring institutional cost sharing so that limited available funds may be allocated to a broader recipient base. Worcester State University will consider cost sharing requests for grant proposals if, and only if, cost sharing is a mandatory requirement of the program announcement <u>or</u> the cost sharing is an in-kind contribution.</p>
<p>Procedure</p>	<p>Requests for cost sharing will be considered in the context of the overall direction of WSU's mission and strategic plan. Principal Investigator's and Project Director's must request and justify cost sharing needs with a detailed budget indicating the yearly cost sharing request and a statement from the Department Head or Center Director that the proposed work is in an important area for WSU's support. Departments should show their support by committing discretionary department resources from restricted accounts whenever possible. Cost sharing commitments require the written approval of the Provost or Area Vice President and requests must be submitted at least one week prior to the proposal due date.</p> <p>Cost sharing commitments mandated by external sponsors will be approved only when it is in the best interest of the University to do so (i.e., when the University would consider investing in the program or project as beneficial to its mission and strategic plan). In the case of cost sharing that is "volunteered," (i.e., not required by a potential sponsor), approval will be granted on an exception basis only, after a compelling argument has been made in favor of making such a commitment.</p> <p><u>Definitions</u></p> <p>Cost Sharing - Cost sharing is defined by the Federal Government in OMB Circular A-110, <i>Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations</i>, as follows:</p> <p><i>"Cost sharing or matching means that portion of project or program costs not borne by the Federal Government."</i></p> <p>There are two forms of cost sharing which can be defined as follows:</p> <ol style="list-style-type: none"> 1. Mandatory - A required contribution by the institution in response to a requirement stated in a program announcement or solicitation (e.g., Request for Proposal) and/or which is specifically communicated to the institution via the award instrument used by a sponsor; 2. Voluntary - A contribution by the institution in support of a research or other program that is not otherwise required by the sponsor.

Matching - Matching is most commonly defined as being an institutional contribution for equipment programs, specialized research centers, or when the institution is required to "match" sponsor funding in a specific dollar proportion (e.g., one-for-one). The definition of matching is often expanded to include funds contributed to the project by external sources (third party). Normally, a sponsor will state in its program literature what it considers to be appropriate funding for matching purposes.

In-Kind Contributions (non-cash) - In-kind contributions are those that involve the value of equipment, services, or other costs, which are committed to the project free of charge by the University. Examples could include the time donated by faculty, staff or volunteers working on a project, a computer, or facilities that will be used by the project, printing, mailing or supplies. The value connected with these in-kind contributions normally will be the fair market as of the date a proposal is submitted.

Cost Sharing Considerations

The following general guidelines for providing cost sharing for grants should be followed in the completion of proposals and administration of awards:

1. When mandatory cost sharing is not specified in the application package as being required, WSU should not offer cost sharing other than "in-kind" in the budget or the text of the proposal.
2. Unless restricted by sponsor guidelines, cost sharing can include effort (as converted to salary equivalents), fringe benefits, equipment, other direct costs, or in-kind contributions (See Cost Sharing Expenditure Types below);
3. On Federal proposals, cost sharing expenses must be allowable in accordance with section J. of OMB Circular A-21, Cost Principles for Educational Institutions and specific program restrictions, if any, and directly related to the project for which the expenses are to be claimed;
4. The inclusion of cost sharing commitments in a proposal must have appropriate University approval prior to proposal review and approval by the Grant Coordinator and proposal submission to sponsors;
5. All voluntary cost sharing commitments must be approved by the Provost or Area Vice President at least one week prior to the anticipated proposal submission date;
6. Cost sharing expenses must be incurred within the same period as the award period of performance;
7. Cost sharing expenses for one project may not be claimed as cost sharing expenses for any other project;
8. Federal funds may not be used as cost sharing for another federal project unless approved in writing by the federal sponsor;
9. All cost sharing expenditures must be documented and made available in the event of audit;
10. When awards resulting from proposals, including those that involve cost sharing, are reduced by the sponsor, an appropriate reduction in the amount of cost sharing and related scope of work are normally expected.

Reporting

It is the responsibility of recipient departments to accumulate, track, document, and defend all amounts of cost sharing expense incurred on behalf of grant funded programs. As part of the effort certification process, reporting of salary cost sharing will be accomplished annually on the grant year anniversary.

Approved by Vice President/Date		
Approved by Cabinet/Date		
Revised Date		December 5, 2012