



Washington University
School of Medicine

Research Administrators Forum

May 2002

Cost Sharing

- **Costs incurred under a specific cost objective which *are not* supported by the sponsoring agency.**
- **Provided in the form of cash contributions (via department or University funds), third party in-kind contributions or funding from another sponsoring agency.**

Valid Cost Sharing

- **Costs are verifiable in the financial system.**
- **Costs are necessary and reasonable for the accomplishment of the project.**
- **Costs are allowable under the applicable cost principles (A-21, NIH GPS...).**
- **Costs are not paid by another federally funded project.**

Mandatory Cost Sharing

- **Agency or program require the grantee to contribute resources to the project, as a condition of the award.**
 - **Agency funds 80% & WU funds 20%.**
 - **NIH salary cap**
 - **PI effort is required but not funded by grant.**
 - **NSF statutory cost sharing (1%)**

Voluntary Cost Sharing

- **PI will voluntarily pledge resources for the project in the proposal.**
 - **PI pledges 25% effort, but requests only 20% salary support.**
 - **Project related expenses (supplies, travel, equipment) are paid by department funds.**

Cost Sharing Accounts

- **Cost sharing expenses are separately budgeted and accounted for in FIS.**
- **Accounts are established based upon the terms of the award.**
- **Accounts are set up by Grants & Contracts (Med School) or Research Office (Hilltop) at the time of the award or upon submission of a Cost Sharing Account Request Form.**

X Accounts - Mandatory

- **Cost sharing obligations mandated by the sponsor and/or committed in the proposal should be charged to an account that ends in “X”.**
 - **Sponsored Fund: 54321**
 - **Mandatory C/S: 54321X**

V Accounts - Voluntary

- All other cost sharing obligations not managed via an “X” account can be monitored in an account that ends in “V”.
 - Sponsored Fund 54321
 - Voluntary C/S 54321V

Debit Accounts

- **The actual source of departmental or University funds that covers the cost sharing obligation.**
- **PI/Dept. must provide a Debit account number for each cost sharing account.**
 - **Unrestricted LC 12**
 - **Unrestricted LC 22 (gift or endowment)**
 - **Non-federal career development award, LC 22.**

Third Party (In-Kind)

- **External individual or entity contributes resources to the project.**
- **Costs are not accumulated in FIS.**
- **Third party must submit detailed documentation of the costs to PI/Dept.**
- **Cost sharing must be certified by third party or responsible individual within third party entity.**

Cost Sharing BUOB's

- **Month end system generated entries to X, V and Debit accounts utilize the following:**
 - **BUOB 50**: Includes salaries, fringe benefits, supplies and other non-personnel (except equipment)
 - **BUOB 60**: Equipment cost sharing only.
 - **BUOB 82**: Utilized for facilities and administrative costs (F&A) cost sharing.

Administrative Costs

- **OMB A-21 prohibits most administrative costs from being directly charged to grants and contracts.**
- **Salaries of administrative and clerical personnel.**
- **Non-personnel costs such as office supplies, postage, local telephone and memberships.**

Restricted BUOB's

- **3403 - Research Office Supplies**
- **3411 - Office Supplies**
- **3455 - Laser Printer Supplies**
- **3512 - Postage**
- **3530 - Telephone Monthly Service**
- **3532 -Telephone Data Processing Equip.**
- **3557 - Dues, Memberships**

Questionable BUOB's

- **3417 - Computer Supplies**
- **3424 - Uniforms**
- **3537 - Laundry**
- **3540 - Advertising**
- **3541 - Recruitment Costs**
- **3552 - Relocation Costs**
- **3575 - Books**
- **3576 - Subscriptions**
- **3517 - Publications of a Book**

Questionable Items

- **Computers**
- **Printers**
- **Laptops**
- **Flat screen monitors**
- **Equipment within 90 days of fund end date**
- **Furniture**
- **Office supply items**
- **Printer supply items**
- **Rental car upgrades**
- **Generic software**
- **Office / kitchen equipment**

Proposal Costs

- **Per OMB Circular A-21 defined as: The costs of preparing proposals on potential federally and non-federally-sponsored agreement or projects.**
- **Proposal costs for both successful and unsuccessful proposals should be treated as F&A costs (i.e., not direct costs).**

Change in Status of PI - *NIH Only*

- **Grantee is required to notify and obtain approval from the NIH if the PI or other key personnel named in the NGA will reduce his/her time devoted to the project by 25 or more percent from the level that was approved at the time of the award.**
- **Example, a proposed change from 40% to 30% or less effort.**



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