



# Cost Share: Tackling the Challenges

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## Why the discussion?



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## Policies to Keep in Mind



- 2 CFR 200.306
- Local Institutional Policy

## Cost Share - Quick Review

Cost Sharing	Quantified <b>TRACKED</b>	Non-Quantified
Sponsor Requires	Mandatory Commitment	<b>X</b>
Sponsor Does Not Require	Voluntary Commitment	Voluntary – Not Tracked

**Challenge #1****Sources**

- A statement of work is about \$5M
- The sponsor requires a 1:1 match
- The project includes a subcontract and other community partners

*What do you do?*

**Poll****Sources**

What is the primary way you would advise the PI to meet the institution's required match?

- A) Approach a central institutional source
- B) Provide investigator discretionary funds
- C) Approach subawardee & community partners
- D) All of the above

## Sources: Where's the Challenge?

- Institutional / Discretionary Funds
- **Indirect Cost Rate** (Reduce/Eliminate)
- Non-Federal Sponsor Funds
- **Subawardees**
- In-kind donations & volunteer time



## Sources: Other Options?



“Strong institutional commitment”

- Provision of Infrastructure
- Academic environment beyond Collaborators

It comes down to Grantsmanship.

## Challenge #2

# Tracking

- The sponsor issued an award for the proposal
- How do you track the commitments you made in the proposal?

*How does your institution track cost share commitments?*



## Tracking: Where's the Challenge?

- **Not tracking**
- Using an enterprise-wide solution
  - Companion Account, Chart identifiers
- **Manual**
  - Excel, Memo



## Tracking: Pros & Cons of Expenses



SALARY



MATERIAL &  
SUPPLIES



EQUIPMENT

### Challenge #3

## Roles & Responsibilities

- A cost share review was done for the first time at the start of year 3 of a 4-year award.
- Sponsored program office did the review because sponsor did not cover all of the year 2 expenditures.

*Who is responsible to review?*

**Poll****Roles & Responsibilities**

Who makes sure everyone knows their responsibility related to cost share?

- A) PI
- B) Department Leadership
- C) Project Research Administrator
- D) Central Sponsored Projects Office

**Roles & Responsibilities:  
Where's the Challenge?**

- 
- **Faculty**
  - Department
  - Division
  - Central
  - **Sponsor**

## Roles and Responsibilities: Knowing where you fit in



*What are common challenges for research admins trying to communicate Roles & Responsibilities in cost sharing?*



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### Challenge #4

## Daily Management

A cost share review was done for the first time at the start of year 3 of a 4-year award!!!



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## Daily Management: The Ongoing Challenge



**Management /  
monitoring through  
life cycle**



**Communicating**  
Progress  
Changes



**Internal Controls &  
Processes**



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### Challenge #5

## Closeouts

- A project proposed effort cost share.
- During the closeout, it is discovered that the Salary Cost Share portion is not reflected in the companion cost share account.
- It is determined that there was sufficient effort spent on the project.
- The effort / salary is not certified in the effort certification document.

*What do you do?*



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## Poll

## Closeouts

How do you handle cost share missed during the project?

- A) Under institutional policy, everything stays as is. Document carefully in case of audit.
- B) Department contacts central office to ask permission to move charges to companion account and recertify the individual's effort.

## Closeout: The Big Challenge



Documenting the meet

- Institutional Policy
- Institutional Evaluation

**Challenge #6**

## Institutional Implications

- A department endorsed a proposal with committed voluntary cost sharing on two projects.
- The department now needs to support a lab space remodel with \$200,000 of department discretionary funding.
- The Chair and Department Administrator indicate they were not aware of the cost share obligation.



*Why is this a problem?*

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**Poll**

## Institutional Implications

Why is this scenario a problem?

- A) Need to identify a separate \$200,000 for lab remodel
- B) Communication was lacking
- C) Education is needed
- D) All of the Above



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## Institutional Implications: Where's the Challenge?

- Revenue
- Budget
- **F&A Rate Calculation**
- **Opportunity Costs**



## Parting Thoughts



- Cost share dollars are real
- Cost share funding should be treated like an internal sponsor

## Join us in the After the Show Discussion or contact us any time

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## For Reference - Abstract

In Research Administration, we talk about cost sharing as a real cost to our institutions and we recognize what is at stake if we don't meet a cost share commitment. We often wish we could redefine commitments that were made in the proposal because they are difficult to track, and we find ourselves scrambling to resolve shortages or recovery from internal sources at the very end. Join us as we go beyond the basic definition of cost share. Webinar hosts will discuss their experiences and share how they tackled cost share challenges throughout the life of the project. Case studies will be used, and best practices shared as you consider how to alleviate some of the administrative burden.



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## For Reference - Learning Objectives

- Identify alternative ways to promote resources to agencies, without committing to tracked cost share.
- Relate to the importance of communication and shared tracking responsibilities.
- Articulate how to proactively manage cost share to avoid close out issues, rework, and loss of time and money.



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## For Reference - Agenda

- Policy
- Why the Discussion
- Cost Share:
  - Types
  - Sources
  - Tracking
  - University Implications



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