

## COST SHARING – POST AWARD

### FREQUENTLY ASKED QUESTIONS

#### 1. Is training available on how to track and complete the Cost Share Contribution Report?

Department analysts should seek training from their supervisor. Also, the Cost Share Contribution Report form along with guidelines and a PowerPoint are available for review on Accounting's website:

<http://accounting.ucr.edu/docs/funds/costsharing-form-guidelines.xlsx> .

#### 2. The PI's award has ended and a department is not able to fulfill the cost share commitment. What should the department do now?

The department should contact the Office of Research and Economic Development (RED). RED will contact the awarding agency to see if the cost share can be reduced or if a portion of the award must be returned since UCR did not comply with the terms of the award.

#### 3. Can a department cost share salaries ONLY and NO benefits?

No. Payroll consists of both salaries and benefits. If salaries are a part of the cost share, benefits should be included as well. You cannot cost share one without the other. In some instances, there could possibly be some private awards that will not pay benefits; if the proposal lists these benefit costs as cost share (it probably should), then there could be benefits cost shared without salaries. (Please review the award budget.)

#### 4. What type of documentation does a department need to provide on a cost match or in-kind?

For cost matching (expenditures on the ledger), if there is a dedicated fund for the match, a **detailed** listing of expenditures from UCRFS Totals can be provided and/or an Inception-to-Date (ITD) report. The following are some recommended columns to include in the UCRFS Totals query: FY, Per, Journal ID, Journal Date, Source, Account, Activity, Fund, Function, Cost Center, Project Code, Line Reference, Line Description, and Amount. For in-kind (this should be from an external agency), a letter from the agency quantifying the "in-kind" support and the dates of the support signed by the organization's financial officer. Note: If there is unusual cost matching or in-kind contributions or if the department has questions on how to track this information, the department should contact EMF to discuss the requirements upon receipt of the Notice of Award.

#### 5. How does a department request and track third party in-kind?

The department's financial manager should contact the provider of the third party in-kind and request the proper documentation to support the in-kind. A letter from the Agency on their letterhead, stating what they are cost sharing, and its value, signed by their designated financial official would be acceptable. The department should monitor and track all in-kind received. An example format can be provided by Accounting. It is recommended that this information be provided in regular intervals (monthly or quarterly). If there is a related subcontract, the information should be provided with invoices.

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**6. When should Indirect Cost (IDC) be charged on the UCR's salaries/benefits and supplies portion of the cost share?**

All cost sharing and cost matching should include UCR's normal IDC rate, as this is part of the cost of performing research. Unless the award explicitly states that IDC cannot be included, IDC will be included as part of the cost sharing/cost matching.

**7. What is the frequency (annually, quarterly, or semi-annually) of the cost share report if it is not stated on the award document?**

If the frequency is not stated within the award document, the cost share report should be completed annually.

**8. Who is responsible for monitoring the actual due date of the cost share report?**

The department is responsible for submitting the completed Cost Share form to Accounting. If the completed form is not received by the 8<sup>th</sup> of the month following the budget period end date, Accounting will email a reminder to the department C&G analyst and department financial manager about the cost share due date. A Cost Share Report blank form and guidelines are available on the Accounting website by clicking on Forms OR click on Extramural Funds; Resources; and then Cost Sharing and Matching.

**9. When an award increases or decreases, does the cost share commitment increase or decrease as well?**

Not unless it is explicitly stated in the award.

**10. If a department proposes cost sharing at 3% of someone's salary and the salary increases between the proposal submission and when the contract actually begins due to a delay, does the department report cost share based upon the proposed rate?**

Yes, if the salary was converted to a dollar amount on the proposal, report to the dollar amount committed.

**11. What if the total cost share reported is more than what is outlined within the contract or proposal?**

Ideally cost shared amounts will agree with the award requirements. Exceeding the cost sharing requirement is acceptable. Not meeting the cost sharing requirement may result in a reduction in the award as the terms of the award were not met

**12. What if a department proposes cost share (\$1,000 in salary, \$200 in facilities, and \$200 in IDC) and later realizes that it is not possible, can the department report more cost share in one of those categories to meet the cost share obligation?**

Please check the terms and conditions of the award for guidance as this may require agency approval. If agency approval is required, please coordinate with RED.

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**13. After a department returns its cost share report to Accounting, will Accounting review the data recorded on the cost share report?**

Yes. Accounting will review the information on the report and follow up with the department as appropriate.

**14. Will Accounting send a copy of the completed cost share report to the department?**

Yes. Accounting will forward a copy of the completed cost share report to the department and post to PAMIS. The department must review the completed report to be aware of the remaining cost sharing obligation.

**15. Can cost share reports be submitted retroactively? An example would be if a sub committed to cost share at \$1,000 per quarter in salary and submitted three quarters at one time, can this be included in the next cost share report?**

It depends upon the terms of the award and how frequently cost sharing is reported to the sponsor. As long as the report is cumulative, this may not be a problem.

**16. If some expenditures have been missed in a prior cost share report, can these be included in the current cost share report?**

Best practice would be to revise the prior cost sharing report. If this is not possible because information has already been included in financial reports, costs should be submitted within their appropriate reporting period along with an explanation of the situation

**17. Does the cost share report get reviewed by auditors?**

Yes. Normally when an agency is auditing their award, they request the cost share report and supporting documentation as a part of their audit for review. Also, during the campus fiscal year end audit, the cost share report and supporting documentation can be requested by our external auditors. In addition, UCR's internal auditors frequently ask for this information as part of their various audit programs.