Information

Cost Sharing

Effective

July 1, 2004

Number

RES-2.02

Applicability

This policy applies to the University Community (administrators, faculty, and staff).

Administrative Authority

Executive Vice President for Research and Innovation

Responsible Unit

Sponsored Programs Administration
J.D. Nichols Campus for Innovation and Entrepreneurship
Louisville, KY 40292
Phone: 502-852-3788
Email: ospa@louisville.edu

History

Revision Date(s): July 1, 2004; August 15, 2012; December 3, 2013; May 3, 2016; February 19, 2021

Reviewed Date(s):

Categories

Statement:

Committed cost share requires an approved transfer of funds, from a departmental general fund program or otherwise unrestricted source, to a cost share speedtype that corresponds to a related sponsor-funded grant. The cost share speedtype must also have a budget established that agrees with the cost share commitment.

Related Information:

Deans, Directors and Department Heads

Approval/provision of an unrestricted funding source to be used for cost sharing.

Institutional Officials

The Office of Sponsored Programs Administration (OSPA) is responsible for oversight of the appropriateness of the cost share speedtype provided; establishment of new Chartfield/speedtype.

Administrative Offices

Departmental administrative office is responsible for submission of related forms and the transfer of funds.

VIOLATIONS OF THIS POLICY (IF APPLICABLE)

If cost sharing is required by the sponsoring agency but not identified/requested and approved at time of proposal, the request may be denied or the proposal administratively withdrawn resulting in loss of funding. If cost sharing is committed but not required by the sponsoring agency and is not requested and approved at time of proposal, the request may be denied by the EVPRI resulting in additional financial burden for the department.

Definitions:

The definition of cost sharing appears in Chapter 3, Section 7 of the Research Handbook.

Procedures:

When award notification is received, the Project Director (PD), through their appropriate Department/Unit, provides the Controller's Office with the appropriate form to transfer funds from a budgeted general fund source or otherwise unrestricted source to the new cost share speedtype. The transfer will charge (debit) the non-grant, unrestricted source speedtype using account 573000 and will credit the cost share speedtype using account 473000.

This transfer will move available cash from the approved funding source to the new cost share speedtype.

It is important to note that a 573000 expense transfer will treat the amount transferred as an expense of the program and will reduce the budget balance available in that fund program's 500000 account pool. If the cost share involves salary and fringe benefits from the fund program, a budget revision must be processed to move the appropriate budget amounts from salary (511000 pool) and fringe benefits (512000 pool) to the S&E (500000 pool) of that program. To accomplish this, the department must process a request through Budget and Financial Planning.

Once the cost share speedtype is established, the PD must ensure that appropriate expenses are charged to the cost share speedtype in accordance with University policy and applicable federal/state/sponsor regulations.