Guidance on Proposals with Cost-Sharing
Research Administration Forum
June 27, 2018
Applicable to all Cost-Sharing Scenarios

• Do not use federal funds as a cost-share commitment unless specifically allowed by the sponsor
• A commitment letter is always required for third-party commitments and/or if a sponsor requirement
• Voluntary cost-sharing is strongly discouraged
• Cost-shared funds are subject to the same terms and conditions as the sponsored funding unless the sponsor indicates otherwise
## Cost-Sharing Scenarios and Requirements

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<tr>
<th>Scenario</th>
<th>Description</th>
<th>Documentation</th>
<th>Discouragement</th>
<th>Policy</th>
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<tbody>
<tr>
<td><strong>Voluntary Committed</strong> (US Government and Non-Profit Sponsors)</td>
<td>Cash or in-kind (non-effort)</td>
<td>Requires documentation (letter/email)</td>
<td>Strongly discouraged</td>
<td>Policy: UCOP 5-320</td>
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<tr>
<td><strong>Mandatory</strong> (US Government and Non-Profit Sponsors)</td>
<td>Cash or in-kind (non-effort)</td>
<td>Requires documentation (letter/email)</td>
<td>If not required, but <em>encouraged</em>: • Include as voluntary committed, such as effort or • Describe available resources in non-monetary terms (preferred)</td>
<td>Policy: UCOP 5-310</td>
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<tr>
<td><strong>Mandatory</strong> (For-Profit Sponsors)</td>
<td>Cash or in-kind</td>
<td>Generally not allowed • May request an exception in some cases</td>
<td>If exception approved, requires documentation (letter/email)</td>
<td>Policy: UCOP 5-310</td>
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</table>
Cost-Sharing Scenarios and Requirements

Voluntary Committed (For-Profit Sponsors)
- Cash or in-kind
- Generally not allowed
  - May request an exception in some cases
- If exception approved, requires documentation (letter/email)
- Policy: UCOP 8-500

Faculty Effort (Mandatory or Voluntary)
- Salaries and benefits
- Cost shared effort for faculty at UC Davis does not require documentation (other than approved IPF)
- Policy: UCOP 5-410

In-Kind Non-Faculty Personnel and Support Staff Identified in Proposal (Mandatory or Voluntary)
- Positions that are not generally cost-shared
- Documentation required (letter/email)
- SPO analyst may request additional information for clarification
- Policy: UCOP 5-410
Cost-Sharing Scenarios and Requirements

**In-Kind Non-Effort (Mandatory or Voluntary)**
- Voluntary cost sharing is discouraged
- Documentation required (letter/email)
- Policy: UCOP 5-410

**In-Kind or Cash Matching, Third Party Cost Sharing (Mandatory or Voluntary)**
- Voluntary cost sharing is discouraged
- Documentation required (letter/email)
- Must be verifiable post-award
- May be subject to a gift fee or indirect costs
- Policy: OMB Uniform Guidance (2 CFR 200.306)

**Un-Recovered Indirects (Sponsor Required Rate Reduction)**
- Not allowed unless sponsor specifically indicates it is allowable
- Not likely to be approved/allowed if sponsor is for-profit
- Documentation required if required by sponsor
- Policy: UCOP APM -020
Resources

- Guidance on Proposals with Cost-Sharing Matrix
- UCOP Policies:
  - APM – 020
  - 5-320 Voluntary Cost Sharing
  - 5-310 Mandatory Cost Sharing
  - 5-410 General Restrictions
  - 8-500 Indirect Costs Exceptions
- OMB Uniform Guidance (2 CFR 200.306)
Thank you!