

Cost Share Policy

ROWAN UNIVERSITY POLICY

Title: *Cost Share Policy*

Subject: *Office of Sponsored Programs*

Policy No: *OSP: 2015: 02*

Applies: *University-wide*

Issuing Authority: *Sr. Vice President for Health Sciences*

Responsible Officer: *Vice President for Research*

Adopted: *03/21/2014*

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Last Reviewed: *01/22/2015*

I. PURPOSE

To establish the definition, purpose, and valuation methods of cost sharing.

II. ACCOUNTABILITY

The Vice President for Research shall provide oversight to the Office of Sponsored Programs to ensure compliance with this policy.

III. APPLICABILITY

This policy applies to all faculty, employees and students of the University and grants and sponsored projects whose purpose of the project(s) is research.

IV. REFERENCES

Code of Federal Regulations, Title 40, Chapter 1, Subchapter B, Part 30 ([40 CFR 30.23](#) - Cost Sharing or Matching).

V. POLICY

1. An in-kind contribution is a voluntary contribution of goods or services that can be used to meet the cost sharing or matching requirement, and which can be assigned a monetary value.
2. A third party in-kind contribution can also be used to satisfy a cost sharing or matching requirement.
 - a. Third party in-kind contributions should be accounted for and tracked separately. Documentation must show how the value placed on third-party in-kind contributions was derived.
 - b. To the extent feasible, volunteer services will be supported by the same methods that the University uses to support the allocation of regular personnel costs. The University will document their decision on how they arrived at the given amount for each person.
3. All funds, including the cost sharing or matching requirement, are treated the same, meaning that they are subject to the same applicable federal requirements.
 - a. The University shall maintain documentation that demonstrates contributions meet the following criteria per 40 CFR 30.23:
 - b. Are verifiable from the recipient's records.

- c. Are necessary and reasonable for proper and efficient accomplishments of project or program objectives.
- d. Are allowable under the applicable cost principles.
- e. Are not paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching.
- f. Are identified in the approved budget.
- g. Unrecovered indirect costs may be included as part of cost sharing or matching when allowable by the sponsor's guidelines or with prior approval.

4. Cost-Share Valuation

- a. Values for recipient contributions of services and property shall be established in accordance with the applicable cost principles. If, after consultation with Agency property management personnel, the Agency's official authorizes recipients to donate buildings or land for construction or facilities acquisition projects or long-term use, the value of the donated property for cost sharing or matching shall be the lesser of paragraph (a) (1) or (2) of this section.
 - i. The certified value of the remaining life of the property recorded in the recipient's accounting records at the time of donation.
 - ii. The current fair market value. However, when there is sufficient justification, the awarding Agency's official may approve the use of the current fair market value of the donated property, even if it exceeds the certified value at the time of donation to the project.
- b. Volunteer services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as cost sharing or matching if the service is an integral and necessary part of an approved project or program. Rates for volunteer services shall be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market in which the recipient competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
- c. When an employer other than the recipient furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (plus an amount of fringe benefits that are reasonable, allowable, and allocable, but exclusive of overhead costs), provided these services are in the same skill for which the employee is normally paid.
- d. Donated supplies may include such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to donated supplies included in the cost sharing or matching share shall be reasonable and shall not exceed the fair market value of the property at the time of the donation.

5. The method used for determining cost sharing or matching for donated equipment, buildings and land for which title passes to the recipient may differ according to the purpose of the award, if paragraph (e) (1) or (2) of this section applies.

- a. If the purpose of the award is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.
- b. If the purpose of the award is to support activities that require the use of equipment, buildings or land, normally only depreciation or use charges for equipment and buildings may be made. However, the full value of equipment or other capital assets and fair rental charges for land may be allowed, provided that the awarding Agency's technical program office, after consultation with the Agency's appropriate property management personnel, has approved the charges.

6. The value of donated property shall be determined in accordance with the usual accounting policies of the recipient, with the following qualifications.

- a. The value of donated land and buildings shall not exceed its fair market value at the time of donation to the recipient as established by an independent appraiser (e.g., certified real property appraiser or General Services Administration representative) and certified by a responsible official of the recipient.
- b. The value of donated equipment shall not exceed the fair market value of equipment of the same age and condition at the time of donation.
- c. The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.
- d. The value of loaned equipment shall not exceed its fair rental value.

- e. The following requirements pertain to the recipient's supporting records for in-kind contributions from third parties.
 - i. Volunteer services shall be documented and, to the extent feasible, supported by the same methods used by the recipient for its own employees.
 - ii. The basis for determining the valuation for personal service, material, equipment, buildings and land shall be documented.

VI. Responsibilities

1. The Director of Sponsored Programs will, under direction of the Vice President for Research, oversee the accounting activities associated with this policy that are administered by Office of Sponsored Programs.
2. Internal reviews/audits may also be conducted.