

Cost Sharing on Sponsored Programs

Scope

This policy applies to all Alcorn State University faculty and staff involved in the fiscal operations and administration of grants and contracts or otherwise with the authority to identify expenses under grants and contracts.

Policy Statement

It is the policy of Alcorn State University that cost share should be included in proposal submissions only:

- When required by agency policy or guidelines (mandatory) or
- When resources are already devoted to the project's goals and
- Commitment within the proposal increases the likelihood of the proposal being funded (committed) and not prohibited by the agency and
- With approval of appropriate Academic Unit responsible party.

It is, further, the policy of Alcorn State University that any cost share included in a proposal must meet the regulatory requirements, as appropriate, of the funding agency, university and federal circulars.

Reason for Policy

The purpose of this policy is to provide direction and process for proposing, contributing, and reporting cost share on externally funded sponsored projects. This policy provides guidance to ensure best practices in the fiscal management of grants and contracts at Alcorn State University and to meet the requirements of Office of Management and Budget Circular A-21 and other sponsoring agencies.

Procedures

Pre-Award:

Cost share utilizes university resources, and therefore must be approved by the appropriate university departments at the time the proposal is routed internally and submitted to the agency. Committed cost share must be documented on the routing form and in the proposal budget. University resources may only be considered cost share if they meet the following criteria:

- The cost share amount must be verifiable.
- It is not included as cost share to another grant or contract account without agency approval.
- It is necessary and reasonable for the project and includes only expenses directly related to the project.
- It is allowable and allocable under applicable cost accounting principles.
- It is not funded from another grant or contract without agency approval.
- It is incurred within the time frame of the project

Post-Award:

After the funding agency awards the proposal to Alcorn State University, the university is required by Federal guidelines to document mandatory and committed cost share. Cost share expenses must be separately budgeted and recorded in Contract and Grant cost share sub-accounts.

It is the responsibility of the department to ensure that the appropriate cost share expenses are booked to the cost-share sub-accounts in a timely manner.

- For each award, the fiscal officer will be responsible for supplying the Office of Research and Sponsored Programs a valid account number as the source account for cost share expenditures. Multiple source accounts are permitted. In order to avoid delays during award setup, the source account information should be provided in the original proposal budget.
- Grants and Contracts will create a cost share sub-account on the grant account for each source account provided, and will also establish a budget for each cost share sub-account in accordance with the awarded budget.
- The fiscal officer will be responsible for ensuring that allowable cost share expenditures are charged to the cost share sub-account in a timely manner.
- The source account provided by the department will be debited for all expenditures booked against the cost share sub-account. A transfer of funds will be automatically created each day to cover the expenses hitting the cost share sub-account.

Sanctions

Failure to adhere to this policy and procedures may result in the administrative suspension and/or removal as PI on project.