

University Cost Sharing

When a project has University cost sharing, cost sharing funds can't be mixed with sponsor funds. The accounting of cost shared expenses must be maintained in separate accounts. Funds coming from a sponsor are placed in fund 20 while cost sharing funds are budgeted in funds 04 or 24, depending on whether the source of funds is unrestricted or restricted. To document cost sharing the expenses must be posted to either funds 04 or 24.

Cost sharing can take the form of either direct cost sharing or indirect cost sharing. Direct cost sharing involves the transferring of funds from a cost sharing source (department, program, ect.) and placed into the cost sharing fund of the project. Indirect cost sharing is a contribution, by the University, of the Facilities & Administrative costs and is often called waived F&A. The documentation of indirect cost sharing is to post the F&A charges to the appropriate 04 /24 fund. Indirect cost charges related to sponsor paid costs are posted to fund 20 except when the F&A cost is waived. If F&A is waived, the F&A charge is posted to fund 04. The F&A charges are automatically calculated and posted at the end of the month based on a rate that is applied to direct costs.

If a project has a University direct cost sharing commitment, the budget will be set up in either fund 04 or fund 24. Fund 04 is used when the source of UM funds is an unrestricted source, such as a departmental fund 00 account. If the source of the cost sharing funds is a restricted source, such as a MEIF program that has a fund code of 23, the project's cost sharing fund will be set up as a fund 24.

It is the responsibility of the project manager, or his/her designee, to determine if the expense is chargeable to the sponsor or if it is a University cost shared expense and to assign the appropriate chart field.