**Cost Share FAQ’s**

* What is cost share?
  + The federal definition is “cost sharing or matching means the portion of project costs not paid by Federal funds,” according to 2 CFR 200.29.
  + The K-State definition of cost share is the matching portion of an award that is made up of salaries and benefits paid by K-State (not paid from a grant). Non-salary match is referred to as “hard dollar match”.
* What is the distinction between a **mandatory** commitment and **voluntary** commitment?
  + Mandatory: required by sponsor or is a documented review/evaluation criteria in the funding guidelines or written communication from sponsor; must be described in the proposal/award documentation.
  + Voluntary: is not required by the sponsor but is committed and quantified in the budget.
* What are the primary types of **internal** cost share and an example of each?
  + Cost share: allocable faculty or staff time (salary and benefits) to the project.
  + Hard dollar match: university contributions for other expenses, non-salary, associated with the project, such as travel, equipment, supplies, etc.
  + Unrecovered F&A: the difference between the federally negotiated F&A rate applicable to the award and the actual F&A rate approved by the sponsor and used in assessing indirect costs.
* What are the primary types of **external** cost share and an example of each?
  + Other grants: cash contributions provided by a third party; K-State’s process would be to execute this in a unique record, in both Cayuse and Oracle.
  + 3rd party in-kind contributions: non-cash contributions, this is the computed value of any services and/or resources provided by a third party in support of a sponsored project. Examples include real property, equipment, supplies, or other goods and services.
* What is the difference between a “**soft match**” and a “**hard match**”?
  + Hard match: cash spent on project-related costs.
  + Soft match: the monetary value of non-cash contributions that support project work, typically in the form of goods, services, indirect costs, etc.
* Are there any stipulations on when the match commitment is met versus the award project period?
  + The dates do not have to align identically, although the matching contribution must be obligated within the award project period.
* Are there any stipulations on what types of expenditures can be used for a match commitment?
  + Yes. Only expenditures allowable on the grant can qualify as cost share.
* What if the sponsor defines the match commitment differently than K-State?
  + Standard practice would be to ensure that although each entity categorizes them differently, you’ve confirmed it’s a 1:1 relationship. Internally, the grant specialist should label the type of commitment according to the Cayuse IPF definitions. Externally, it is appropriate to label it as required by the sponsor guidelines.
* Whose salary can be used for cost sharing?
  + Both faculty and staff effort can be considered for cost share depending upon the sponsor guidelines and any potential limitations.
  + Other non-faculty or staff employees may be considered for cost share if they are a current employee of the university being paid salary; this category is primarily limited by sponsor guidelines.
  + It could be included as hard dollar match in some scenarios such as tuition paid in lieu of salary.
  + For clarity, both the salary and applicable fringe benefits are eligible to meet a cost share commitment.
* Can a faculty member use summary salary for cost sharing if it is funded by a non-grant account, such as a start-up package?
  + Yes. The expenditures must be allowable and allocable to the sponsored project.
* Can a faculty member use another federal grant to meet a cost share commitment on a new award?
  + No. Traditionally, you cannot use another federal grant as cost share unless authorized by statute.
* Would K-State calculate and report indirect cost on a third-party cost share commitment?
  + No. It is assumed that the third-party entity is reporting the indirect cost on their in-kind contribution.
* What documentation does K-State require at the time of a match commitment?
  + Typically, the sponsor required backup documentation is sufficient. If a sponsor does not require a letter of commitment, or other type of backup documentation, then the Grant Specialist will need to require a LOC for the commitment.