

# Cost Sharing Guidelines

Purdue University – Sponsored  
Program Services

Last Updated  
April 2026



Sponsored Program Services

## Table of Contents

Cost Sharing Guidelines .....	1
Introduction to Cost Sharing.....	4
Overview .....	4
Audience .....	4
Purpose .....	4
Key Processes.....	5
Benefits of Cost Sharing.....	5
Compliance and Risks .....	5
Cost Sharing Terminology .....	5
Cost Sharing by Commitment Type.....	5
Cost Sharing by Source/Mechanism .....	6
Facilities and Admirative (F&AQ) Cost Sharing.....	6
Not Cost Share.....	7
Criteria for the Allowability of Cost Share .....	7
Cost Share Methods.....	8
Funding University Cost Sharing.....	8
Cost Sharing Roles & Expectations .....	9
Cost Share Documentation .....	11
Cost Sharing at Proposal Time .....	12
Memo Match Documentation at Proposal Time .....	14
Release Time at Proposal Time.....	14
Cost Sharing at Time of Award .....	14
Cost Sharing in PERA .....	14
Cost Sharing in SAP .....	15
Determination of Responsible Cost Center and needed WBSE/Sponsored Programs.....	15
Cost Sharing Attributes on Contributed F&A .....	15
Cost Sharing Commitment Tab .....	16
Establishment of Cost Share Budget on Internal Funds.....	19
Cost Sharing Report .....	20
Cost Share Summary (Cognos Report) .....	20
Cost Sharing During the Life of the Project .....	22
Management Expectations for Projected Balances on Cost Share Accounts.....	22

Expectations for Memo Match During the Life of the Project .....	23
SPS Post Award Account Management Staff Expectations.....	23
Departmental Business Office Staff Expectations.....	23
Examples of Documentation Required .....	23
Cost Sharing at Closing.....	24
Cost Sharing at Closing: Addressing Percent Commitment and Balances.....	24
What If the Percent of Sponsor Award Is Not Met? .....	24
What If the Dollar Commitment Is Not Met?.....	24
What If the Memo Match Commitment Is Not Fulfilled? .....	25
Closing Expectations for Balances on Cost Share Accounts .....	25
Closing Expectations for Overdrafts in Cost Share Accounts .....	26
Expectations of Memo Match in Closeout .....	26
Cost Sharing Resources .....	26
Appendix A – Sample Cost Share Tracking .....	27
Appendix B – Memo Match Sample .....	29

# Introduction to Cost Sharing

## Overview

Cost sharing occurs when part of a sponsored project isn't paid for by the sponsor but is instead covered by other resources from a department, college, research office, or a third party. Another way of saying this is that cost sharing is the financial and non-financial support contributed by Purdue or third parties to sponsored projects.

This document explains the guidelines and steps for managing cost share commitments effectively. The main goal is to ensure compliance with federal regulations and institutional policies while getting the most out of sponsored projects.

Quantified cost sharing, whether provided by Purdue Cost Sharing or Non-Purdue Cost Sharing, is subject to audit and is a condition of the award when included in a proposal or award budget. Therefore, it is crucial that any cost sharing commitments are accurately reflected in the project accounts once an award is received.

According to [2 CFR 200.306](#), Cost sharing, voluntary committed cost sharing is generally not expected under Federal research grants and should not be used as a factor during the merit review of applications unless specified by Federal statutes or agency regulations. For all Federal awards, the Federal agency or pass-through entity must accept any cost sharing funds, including cash and third-party in-kind contributions, as part of the recipient's or subrecipient's contributions to a program where the funds are:

**Identifying cost sharing requirements (Federal awards).** Cost sharing or matching should only be proposed when it is required by the sponsors Notice of Funding Opportunity (NOFO) or when the NOFO explicitly encourages voluntary committed cost sharing and confirms it will be evaluated as part of the merit review. If the NOFO does not state that cost sharing is required or evaluated, do not include quantified voluntary committed cost sharing in the proposal; instead, describe non-binding institutional support in the narrative as appropriate (see Institutional Support/Leverage).

1. Are verifiable in the recipient's or subrecipient's records
2. Are not included as contributions for any other Federal award
3. Are necessary and reasonable for achieving the objectives of the Federal award
4. Allowable under subpart E
5. Are not paid by the Federal Government under another Federal award, except where the program's Federal authorizing statute specifically provides that Federal funds made available for the program can be applied to cost sharing requirements of other Federal programs
6. Are provided for in the approved budget when required by the Federal agency; and
7. Conform to other applicable provisions of this part

## Audience

This guideline is intended for Sponsored Program Services (SPS) Pre-Award and Post-Award staff, and business offices involved in the administration of sponsored projects.

## Purpose

The purpose of this document is to provide a comprehensive framework for requesting, awarding, and closing out cost share commitments. By following these guidelines, departments

can ensure that cost share obligations are met, properly documented, and reported, thereby maintaining high standards of account management and stewardship of funds.

### Key Processes

1. **Requesting Cost Share:**
  - a. Understand the requirement and gather necessary commitments.
  - b. Document and approve cost share commitments through the appropriate channels.
2. **Cost Share Awarded:**
  - c. Set up cost share accounts based on the award notice terms and conditions.
  - d. Track and monitor cost share expenditures throughout the project lifecycle.
3. **Cost Share Closeout:**
  - e. Verify that cost share commitments have been met.
  - f. Document and report cost share commitments to the sponsor.

### Benefits of Cost Sharing

Cost sharing can enhance the impact of projects by leveraging institutional or third-party resources when required by the sponsor or when explicitly evaluated as part of the sponsor's review criteria. Because quantified cost sharing included in the proposal becomes a binding, auditable commitment upon award, voluntary committed cost sharing should generally be avoided unless it is mandatory or the funding opportunity explicitly states that voluntary committed cost sharing will be evaluated.

### Compliance and Risks

Adhering to cost share guidelines is essential to avoid non-compliance risks, which can lead to financial penalties and jeopardize future funding opportunities. This document provides detailed instructions on compliance requirements and the roles and responsibilities of parties involved.

### Cost Sharing Terminology

The section below includes definitions of commonly used terms related to cost sharing.

#### Cost Sharing by Commitment Type

**Mandatory Cost Sharing** - Mandatory cost sharing is cost sharing that is legally required by the awarding agency as a condition of the award. This type of cost sharing is auditable and reportable. It must be documented and is often specified in the application guidelines or award terms.

**Voluntary Committed Cost Sharing** - Voluntary committed cost sharing refers to cost sharing that is voluntarily proposed and formally committed in a proposal and becomes a binding commitment by the institution upon award. This type of cost sharing is not required by the sponsor but is included voluntarily by the applicant in the proposal's budget or narrative.

**Voluntary Uncommitted Cost Sharing** - Voluntary uncommitted cost sharing includes institutional support provided to the project but not included in the proposal. These resources are not pledged formally in the proposal but are subsequently made available upon receipt of the award and are not binding or auditable.

An example of recording voluntary cost sharing is when allowable expenditures need to be removed from a project and moved to unrestricted allocations. These expenditures should be moved using Commitment Item 527000 – Voluntary Cost Sharing. Utilizing this commitment item ensures that the expenditure moved off the grant can be reallocated back to the grant if other expenditures are later identified as unallowable.

#### Cost Sharing by Source/Mechanism

**Purdue Internal Cost Share** – represents non-federal cash expenditures funded by Purdue and committed as cost sharing for a sponsored project. These are allowable, allocable, documented costs recorded in Purdue’s financial system. Purdue cash match may include the value of University-paid personnel effort not reimbursed by the sponsor and direct project costs—such as salaries, fringe benefits, travel, or equipment—paid from unrestricted University funds.

**Release Time** - Release time is Purdue-funded salary for effort devoted to the project but not charged to the sponsor. This means that the institution continues to pay the salary of the individual while they are released from their regular duties to work on the sponsored project. This time is documented and reported as a cost share commitment.

**Salary Cap** - Salary cap cost sharing occurs when salary amounts charge to a grant but are above a sponsor-imposed cap (e.g., NIH). The portion of the salary that exceeds this cap is not covered by the sponsor and must be funded by the institution. This is only reported as cost share if required or allowed by the sponsor.

**In-kind Match** non-cash contributions that directly benefit a sponsored project and do not involve payment or reimbursement. These contributions may be provided by the recipient (internal) or by third parties and must be necessary, allowable, non-federal, and specifically identifiable to the sponsored project. Each contribution may be counted only once and may not be used to meet cost sharing requirements on multiple projects.

Examples of in-kind contributions include donated professional or volunteer services, donated or loaned equipment, donated supplies, or donated use of space. All in-kind contributions must be valued at fair market value at the time they are provided and must be adequately documented.

**Subrecipient Match (Third-Party Cash Match)** represents non-cash cost sharing provided by a subrecipient under the terms of a subaward agreement. The subrecipient institution is responsible for tracking, fulfilling, and documenting its own cost sharing and must be able to provide supporting documentation within a reasonable timeframe upon request. Subrecipient in-kind contributions must meet all federal cost sharing requirements and must not be supported by other federal funds.

**External Sponsored Match (Third—Party Cash Match)** represents cash cost sharing provided by a separate, non-federal sponsored project in support of another award. The source award must permit use of funds for cost sharing, and the cash contribution must be clearly documented, non-federal, and directly allocable to the benefiting project.

#### Facilities and Admirative (F&AQ) Cost Sharing

**Unrecovered F&A** – Facilities and Administrative (F&A) not recovered due to sponsor-imposed rate limitations, may be used as cost share if permitted.

**Contributed F&A** - Contributed F&A costs, also known as indirect costs, refer to the portion of the F&A costs associated with Purdue's cost share direct costs that are not reimbursed by the sponsor but are instead covered by the institution. These are calculated using the negotiated rate. This can include costs such as utilities, maintenance, and administrative services that support the research environment. An example of contributed F&A is when the sponsoring agency does not allow Purdue's negotiated F&A rate. The difference between what is allowed, and Purdue's rate may be included as cost sharing as contributed F&A.

Not Cost Share

**Institutional Support/Leverage** - Institutional support or leverage refers to institutional resources mentioned in the proposal narrative or budget justification but not specified as mandatory by the sponsor. These are not allocated, not auditable and not reportable. This is often communicated to demonstrate the institution's capability to meet the project objectives. Such resources can be described quantitatively but they are not allocated to a specific project. Institutional support/leverage is communicated to demonstrate Purdue's capacity or capability.

#### Criteria for the Allowability of Cost Share

To ensure that cost sharing commitments are compliant, auditable, and beneficial to the University and its sponsored projects, all cost sharing must meet the following criteria:

- **Verifiable and Auditable:**  
Cost sharing must be documented in a manner that is both verifiable and auditable within Purdue University's official accounting system. All supporting documentation should clearly demonstrate that the cost share was incurred and allocated to the appropriate project.
- **Unique to the Project:**  
Cost sharing contributions must not be used to satisfy cost sharing requirements for any other federally assisted project or program. Each cost share commitment must be distinct and dedicated to the specific project for which it was proposed.
- **Necessary and Reasonable:**  
The cost sharing must be necessary and reasonable to accomplish the objectives of the project or program. Contributions should directly support the project's goals and not exceed what is required for successful completion.
- **Allowable Under Applicable Policies:**  
All cost sharing must comply with the cost principles outlined in 2 CFR 200 (Uniform Guidance), the terms and conditions of the specific award agreement, and Purdue University's internal costing policies. Only costs that are allowable, allocable, and reasonable under these guidelines may be included as cost share.
- **Funded from Non-Federal Sources:**  
Unless specifically authorized by Federal statute, cost sharing must be funded from non-Federal sources. Federal funds cannot be used to meet cost sharing requirements on other federally sponsored projects.
- **Incurred During the Award Period:**  
All cost sharing expenses must be incurred during the official term of the agreement. Costs incurred outside the project period are not eligible as cost share.

## Cost Share Methods

Cost sharing commitments can be structured in several ways, depending on the requirements of the sponsor and the nature of the project. The three primary methods are:

- **Percent Effort**  
This method commits a specific percentage of an individual's effort (such as faculty or staff time) to the project as cost share. The percent effort is tracked and documented throughout the project period to ensure the committed level is met. At closeout, the account is reviewed to confirm that the committed percent of effort was charged; if so, the budget can be reduced accordingly.
- **Dollar Commitment**  
A dollar commitment specifies a set monetary amount to be contributed as cost share. This may include salaries, equipment, supplies, or other allowable costs. The committed amount must be spent and documented as cost share during the project period. If the dollar commitment is not met, eligible expenses may need to be moved from sponsor funds to the cost share account, and exceptions may require sponsor approval.
- **Percent of Sponsor Award**  
This method commits a percentage of the total sponsor award as cost share. The required cost share is calculated as a proportion of the sponsor's funding. At project closeout, if the percent commitment has been met—even if there is a remaining balance—no further action is needed. If the percent commitment is not met, expenses may need to be reallocated from sponsor funds to cost share, and the situation should be handled as with a dollar commitment.

These methods provide flexibility in meeting sponsor and institutional requirements, but all cost share commitments must be tracked, documented, and reviewed to ensure compliance at project closeout.

## Funding University Cost Sharing

University cost sharing commitments must be funded by non-Federal sources. These sources include University general funds, gifts funds, PRF funds and non-Federal sponsored program funds. In general, the responsibility for funding the University cost sharing commitment lies with the department/school. The exceptions are as follows:

- Funding to meet special or unusual cost sharing needs has been budgeted by the Office of Research (OOR). Requests for research cost sharing funds are initiated from the [OOR Cost Sharing website](#) or by emailing OR contact **Kristyn Jewell**, [kristynj@purdue.edu](mailto:kristynj@purdue.edu), (765) 494-2876; Pre-Award Center contact: **Amanda Hamaker**, [ahamaker@purdue.edu](mailto:ahamaker@purdue.edu), (765) 496-9647; or Business Office contact: Erica Cox, [ericacox@purdue.edu](mailto:ericacox@purdue.edu); (765) 496-7307.
- PI's will need to provide general information related to PI and co-PI faculty, granting agency, participating units, category of cost sharing requested, and external partners.
- *Requests to department, school, and colleges should be in place prior to obtaining OR approvals.*
- The OR will assist investigators and department heads in developing a cost sharing package for each proposal. All requests for cost sharing from the OR should originate with

the PI in collaboration with their department head and associate dean for research in accordance with intra-collegiate/school/department cost sharing processes or procedures.

- *Contact by the department, school and college with the OR must be initiated early for the required negotiations to take place.*
- The Facilities and Administrative costs applicable to mandatory cost sharing is funded by a fund source that is chargeable for fringe benefits and/or Facilities and Administrative costs, then that fund source will be responsible for the fringe benefits and/or Facilities and Administrative costs associated with the cost sharing.

## Cost Sharing Roles & Expectations

In general, cost sharing is the responsibility of the units proposing the work. However, in some instances, the Office of Research, SPS Pre-Award, SPS Post Award or departmental business offices may be involved in the processing and tracking of cost share. The roles and responsibilities shown below ensure that cost sharing is managed effectively and in compliance with institutional and sponsor requirements.

**Timeline expectation (proposal development).** Cost sharing discussions and approvals should begin as early as possible and involve the PI(s), department head(s), associate dean(s) for research, and SPS/Office of Research as applicable, but no later than **three weeks** prior to the proposal due date (earlier for complex or high-dollar proposals).

- 1. Office of Research:**
  - a Facilitates cost sharing approvals during proposal development and assists in administering cost-sharing commitments for awards. The office also provides funds for partial support of sponsored program cost sharing. By centralizing the function, the Office of Research helps to ensure that cost-sharing is targeted to Purdue's strategic research goals.
- 2. Associate Dean for Research (ADR):**
  - a Ensures that the college follows best practices in the management and oversight of funded research initiatives.
  - b Responsible for stimulating new and continued research activity
- 3. Principal Investigator (PI):**
  - a PIs and Co-PIs are responsible for contacting their respective Department Heads, Deans, and the Office of Research if they are requesting cost share from these units. See [Cost Sharing - Office of Research](#) for more details.
  - b Initiate cost sharing discussions early and secure any required unit commitments/approvals **no later than three weeks** prior to the proposal due date (earlier for complex or high-dollar proposals).
- 4. Sponsored Program Services Pre Award (SPS)**
  - a **Pre-Award Specialist:**
    - i Communicate with the PI to create the budget and gather required documents.
    - ii Works with the Office of Research on cost share commitments.

- iii. Works with Finance staff and/or the applicable deans or department heads on college and/or department commitments.
    - iv. Works with PIs and Co-PIs to obtain and document cost share commitments.
  - b Pre-Award Manager:**
    - i. Reviews the cost share commitments while reviewing the proposal and submits the proposal to the sponsor.
    - ii. Reviews and confirms the cost share is required by the sponsor prior to submission.
    - iii. Confirm cost share commitments and required approvals are complete **no later than three weeks** prior to the proposal due date (earlier for complex or high-dollar proposals).
- 5. Departmental Business Office Staff:**
  - a Proposal Time**
    - i. Works with the Office of Research on cost share commitments as needed.
  - b Life of an Account**
    - i. Tracks actual cost share to committed cost share throughout the life of the project. See examples of complex cost sharing commitment spreadsheets in [Appendix A](#).
    - ii. Works with PIs and Co-PIs to ensure cost share commitments, including third-party or memo match cost sharing, are met and properly documented during the life of the project.
    - iii. Obtains documentation of memo match on an annual basis, sometimes more frequently depending on reporting needs. Note: Does not include Subrecipient cost share.
    - iv. Works with SPS Account Management staff to gather cost share figures for reports submitted to the sponsor.
  - c Closing Time**
    - i. Works with PIs and Co-PIs to ensure cost share commitments, including third-party or memo match cost sharing, are met and properly documented at the end of a project.
    - ii. Ensure backup documentation is present and matches any cost sharing figures shared with the sponsor.
- 6. Sponsored Program Services Post Award (SPS):**
  - a Set Up Team (SU)**
    - i. Establishes the cost share accounts and gathers the cost share budget allocations from the business office.
  - b Account Management Team (AM)**
    - i. Completes the Cost Share Commitment Tab in SAP to ensure accurate cost sharing is being tracked and reported.
    - ii. Uploads the cost share budget in SAP.
    - iii. Ensures that F&A (Facilities and Administrative) costs are not budgeted or charged to internal GM funds associated with cost sharing but are calculated for reporting and billing purposes

- iv. Enters Reporting Requirements for Memo Match at least annually (or more frequently per sponsor requirement) to ensure documentation is maintained between the business office and SPS.
- v. Works with Departmental Business Office staff to gather cost share figures for reports submitted to the sponsor.
- vi. Enters the contributed F&A into the Cost Share Commitment Tab so that it is calculated and tracked.
- vii. Enters Memo Match amounts committed into the Cost Share Commitment Tab in SAP.
- viii. Enters Memo Match amounts expended into the Cost Share Commitment Tab.
- ix. Updates memo match expended on the Cost Share Commitment Tab at least annually (sometimes more frequently due to sponsor reporting) and at closeout.
- x. Works with Departmental Business Office staff to ensure cost sharing commitments are met and documented before closing.
- xi. Send emails to business office 90-120 days prior to expiration to remind of the mandatory memo match commitment.
- xii. Reviews Subrecipient cost share.
- xiii. Assure all documentation is received and placed in the SPS project file.
- xiv. Confirms all memo match documentation has appropriate certifications.

**c Subaward Team**

- i. Obtains the cost share committed amounts from the subrecipients.
- ii. Ensures cost share commitments are met through the life of the project and at closeout.

## Cost Share Documentation

Cost share documentation is crucial for several reasons. Firstly, it ensures transparency and accountability in the management of project funds, demonstrating that the organization is meeting its financial commitments as agreed upon with the sponsor. Accurate documentation helps in tracking and verifying the contributions made by the organization or third parties, which is essential for audits and compliance with regulatory requirements. Additionally, well-maintained cost share records support the integrity of financial reporting and can be instrumental in securing future funding by showcasing the organization's ability to manage and document cost sharing effectively. Proper documentation also facilitates internal reviews and helps in identifying any discrepancies or areas needing improvement, thereby enhancing overall financial management and project success.

The University has the following obligations regarding the documentation of cost sharing:

- Proposal commitments to cost share, when accepted, become a condition of the award agreement established by the University and the sponsor.
- If no effort for the Principal Investigator is included in the budget to the sponsor, then voluntary cost sharing should be noted so the faculty effort is appropriately classified for purposes of the University's facilities and administrative cost proposal.

- All cost sharing must be verifiable and auditable within the University's accounting system.

Consistent with these obligations, University cost sharing will be documented as follows:

- Mandatory cost sharing will be documented by utilizing the University's single account cost sharing procedures.
- Mandatory cost sharing funded by non-federal restricted funds will be documented annually and at closing by memorandum cost sharing procedures. The memorandum documenting the cost sharing will be prepared and certified by the Project Director within thirty days of the completion of each annual budget period and within sixty days of the completion of the entire project period. The memo will be maintained in the Sponsored Program Services project file for audit purposes.
- Cost sharing involving donated items or volunteer services will be valued and documented in accordance with the guidance provided by OMB Uniform Guidance 2 CFR 200.

Financial transactions associated with third party in-kind contributions are not represented in the university's accounting system. Consequently, it can be a challenge to determine the value of the contribution and document that the commitment has been fulfilled. With a third-party in-kind contribution, it is essential to document in writing the method for determining its value. The departmental business office will work with PIs and Co-PIs to obtain this documentation. See [Appendix B](#) for an example of cost share tracking and backup documentation including valuation of the memo match.

### Cost Sharing at Proposal Time

Any University commitment to share in the cost of a project should be identified early in the proposal process. Proposal budgets should be fully costed prior to determining cost sharing commitments to ensure that any mandatory or voluntary committed cost sharing is clearly identified, documented, and approved before submission. Cost sharing discussions should begin as early as possible and involve the investigator(s), department head(s), associate dean(s) for research, and Sponsored Program Services/Office of Research as applicable, but no later than **three weeks** prior to the proposal due date (earlier for complex or high-dollar proposals).

- The University commitment and the cost associated with the commitment are in accordance with University policy.
- The University commitment complies, in all ways, with the Criteria for the Acceptability of Cost Sharing.
- The funding source(s) for the University commitment have been identified and authorized.

Based on the [Cost Share Process Guide \(PERA\)](#) and [Create a Cost Share Budget](#) documents, below is a summary of the steps in the cost share process in order of processing.

1. Identify the type of cost share.
2. If necessary, complete the Salary Cap Spreadsheet.

3. If required and requesting cost share support from department, college and/or Office of Research, the PI or CoPI should contact the decision-making parties and secure agreement to contribute toward the cost share commitment.
4. Pre-Award will complete the Cost Share Spreadsheet document based on the final budget. Multiple versions may be required as the specifics of the cost share are negotiated with the contributing units.
5. Pre-Award will secure and document final approval from the contributing units.

### PERA Proposal Cost Share Budget

The screenshot displays the 'Final Cost Sharing for IN Economic Development Corporation' page in the PERA system. The 'Cost Sharing Budget' tab is highlighted in red. The page shows the following details:

- Sponsor:** Purdue University
- PI:** [Redacted]
- Funding Proposal:** IEDC Hoosier Heartland SBDC - Federal 2026
- Grand Total:** \$202,163
- Budget Type:** Institution (Internal)
- Parent Budget:** Final IN Economic Development Corporation

The 'Financials' section includes a table with the following data:

	Period 1	Cumulative
<b>Personnel:</b>	<b>\$57,283</b>	<b>\$57,283</b>
Salaries:	\$43,601	\$43,601
Benefits:	\$13,682	\$13,682
<b>General:</b>	<b>\$144,880</b>	<b>\$144,880</b>
Travel:	\$0	\$0
<b>Animal Costs:</b>	<b>\$0</b>	<b>\$0</b>
Animal Ordering:	\$0	\$0
Animal Maintenance:	\$0	\$0
<b>Trainee:</b>	<b>\$0</b>	<b>\$0</b>
<b>Patient Care:</b>	<b>\$0</b>	<b>\$0</b>
Inpatient:	\$0	\$0
Outpatient:	\$0	\$0
<b>Subaward:</b>	<b>\$0</b>	<b>\$0</b>
Subaward Direct:	\$0	\$0
Subaward F&A:	\$0	\$0
<b>Total Direct less Subaward F&amp;A:</b>	<b>\$202,163</b>	<b>\$202,163</b>
<b>Total Direct:</b>	<b>\$202,163</b>	<b>\$202,163</b>
<b>Total F&amp;A:</b>	<b>\$0</b>	<b>\$0</b>

### PERA Proposal Cost Share Budget

The screenshot displays the 'Final Cost Sharing for IN Economic Development Corporation' page in the PERA system. The 'History' tab is highlighted in red. The page shows the following details:

- Sponsor:** Purdue University
- PI:** [Redacted]
- Funding Proposal:** IEDC Hoosier Heartland SBDC - Federal 2026
- Grand Total:** \$202,163
- Budget Type:** Institution (Internal)
- Parent Budget:** Final IN Economic Development Corporation

The 'History' section includes a table with the following data:

Activity	Author	Activity Date
Exported Budget	Powers, Kimberly A	8/27/2025 11:44 AM
Budget Spreadsheet_Cost Sharing for IN Economic Development Corporation		

See [Cost Share Budgets - Investigator - \(PERA\)](#) in the PERA training materials for details on preparing cost sharing at the time the proposal is prepared and submitted.

Some types of cost share will require more documentation at the time of the proposal being submitted.

## Memo Match Documentation at Proposal Time

- Memo match cost sharing must have backup documentation of the cost sharing source. I.E., a letter from the company providing equipment or committing an in-kind contribution.
- If the memo match is an SPS external account (state, industrial, PRF fellowship/assistantships), the appropriate SPS Pre-Award Manager must approve after confirming the funding with the appropriate SPS Post-Award Manager.
- SPS reviews the commitment and ensures the memo match is documented and attached with the appropriate signatures prior to submitting the proposal.
- The Sponsored Program Pre-Award Manager should review the proposal for:
  - Are the funds available (funds can only be used once for matching)?
  - Are the funds allowable as matching under applicable guidelines (i.e., sponsor, agency, Uniform Guidance 2 CFR 200)?
  - Have all publication, ownership, or license issues been resolved?
  - Is the project period of the match within the proposal project period?

## Release Time at Proposal Time

- A department head or appropriate administrator with authority over the principal investigator acknowledges that the individual will be allocated the time necessary to complete the work of the project.
- Release time included as committed cost share is granted at the time of proposal by the approval of the Cost Share Approval Ancillary Review by the department head, or delegated authority, on the PERA Funding Proposal.
- Release time in the form of VCS only applies when NO effort for the PI is budgeted on the project as either sponsor funds or cost share. This type of cost share is documented by noting VCS in the Funding Proposal Comments. An email approving a waiver of the departmentally required minimum AY salary budget should be included as an attachment to the PERA Funding Proposal if applicable.
- SPS staff should review the proposal for release time and ensure proper documentation is placed in the proposal record.

## Cost Sharing at Time of Award

### Cost Sharing in PERA

The Post Award Set Up Team will follow the [Creating an Award](#) guide. Questions 13 & 14 on the Financial Set Up section collect information related to Cost Share. This information will be imported into SAP. In the Budget Allocations section of the PERA guide number 15 is where the Cost Share Source of Internal Order or Department WBSE is collected.

## Cost Sharing in SAP

### Determination of Responsible Cost Center and needed WBSE/Sponsored Programs

When there is cost share associated with an award, SPS staff should always contact the Business Office of the Responsible Cost Center (RCC) for the Grant in determining the appropriate number of WBSE/Sponsored Programs (SP) to be established. The following factors should be considered:

- There can only be one RCC per WBSE/SP.
- When determining who the RCC should be, the Business Office should take into consideration who is processing the documents to incur expenses.
- For situations where the Grant is a Discovery Park District Centers and Institutes account, credit is determined by the reporting units entered on the SP and not by who the RCC is on the WBSE/SP.
- If there are multiple sources of cost sharing funds for a grant the business office needs to provide the source accounts on the [Cost Share Budget Worksheet](#) but all budget can go in one WBSE/SP if desired.

This information guides the Post Award Set-Up Team on how to proceed with cost share account setup and enter the cost sharing information into SAP.

### Cost Sharing Attributes on Contributed F&A

The Post Award Set Up team will set up the applicable F&A on the Sponsored Program in SAP as shown below.

The contributed F&A fields should be completed as appropriate:

1. **Cost Share of Full F&A Rate:** This field is applicable when the sponsor does not allow F&A on sponsor (external) funds but specifically states in the agreement or guidelines that the University full F&A rate can be counted as cost share.
2. **Cost Share of Unrecovered F&A:** This field is applicable in situations where the sponsor allows an F&A rate less than the appropriate University full F&A rate on sponsor funds and they specifically state the differential can be counted as cost share (Ex. Research on-campus project (52%) and sponsor limits F&A to 20% - the difference – 32% would be counted as cost share).
3. **Cost Share of F&A on Internal Funds:** This field is applicable when F&A has been included as a commitment at proposal time on the direct cost portion of the cost share funds

## SAP GM Program Data Screenshot

The screenshot displays the SAP GM Program Data interface. At the top, the title is "GM program data". Below this, there are several fields for program details:

- Sp. Program:** F90
- Description:** Cost Share
- Valid From:** 07/15/2019
- Grant:** [Redacted]
- Sponsor Name:** U.S. Dept Of
- Valid Through:** 06/30/2024
- PI:** [Redacted]
- COPI:** [Redacted]
- Business Area:** [Redacted]
- Modified By:** [Redacted]
- Modified on:** 04/19/2023
- Resp. Cost Center:** [Redacted]
- Modified at:** 14:24:55

Below the fields are two buttons: "Change" and "Modification Log".

The "Additional Data" section is expanded, showing the "F&A Cost Sharing" tab, which is highlighted with a red box. Underneath, there is a section titled "Cost Shares" with a dropdown arrow. It contains three rows of data:

Cost Share of Full F&A Rate:	No	F&A Rate:	0.000
Cost Share of Unrecovered F&A Rate:	No	F&A Rate:	0.000
Cost Share of F&A on Internal Funds:	Yes	F&A Rate:	38.000

At the bottom of the screen, the SAP logo is visible on the left, and the user interface shows "GMPROGRAM" in a dropdown menu, which is also highlighted with a red box. Other UI elements include "puerp2 | OVR" and a lock icon.

### Cost Sharing Commitment Tab

The Cost Share Commitment tab in SAP is used to track whether memo match cost share is applicable to the specific grant. This tab is also used to track all cost sharing committed and expended.

## SAP Maintain Grant Master Data Cost Share Commitment Tab

Grant Number: [redacted] Responsible Cost Center: [redacted]

Sponsor: [redacted] Texas Parks And Wildlife Depa... External Reference: [redacted] User Status: Approved Award

Prime Sponsor: [redacted] U.S. Fish And Wildlife Service Valid From Date: 09/07/2022 Valid To Date: 08/31/2027

PI List:

First Name Last Name

[redacted]

[Change](#) [Modification Log](#)

< Fringe Benefit Chargeability Reporting Requirements **Cost Share Commitment** Cost Share Budget >

Cost Sharing

VCS Flag: No

Total Cost Share Committed: 430,225.00

Cost Share Commitment Type: By Dollar

Line item restricted(Y/N): No

Commitments

Cost Share Type	SP/Third Party	Description	Committed Amount	Expended Amount	Match Type
<input type="radio"/> Match-Subreci...		Universidad Estatal de Sonora	101,069.00	118,530.00	By Dollar
<input type="radio"/> Contributed F...	F9002685802040	Remaining 27% (updated 7/14)IDC on sponsor d...	108,416.50	67,382.14	By Dollar
<input type="radio"/> Contributed F...	F9002685802041	Remaining 27% (updated 7/14)IDC on sponsor d...	6,250.00	6,750.00	By Dollar
<input type="radio"/> Purdue Univer...	F9002685802043		138,379.00	122,588.35	By Dollar
<input type="radio"/> Contributed F...	F9002685802043	57% IDC (updated from 55% on 7/14/2025)	76,109.00	36,776.50	By Dollar

Total Committed Amount: 430,223.50

Total Expended Amount: 352,026.99

Notes: MINIMUM OF 32.96% COST SHARE MUST BE SHOWN ON EACH INVOICE.

**VCS Flag (Voluntary Cost Sharing)** – Indicates if voluntary cost sharing is applicable. Voluntary Cost Sharing refers to situations where a PI’s effort is expended on a grant, but no salary is charged to the grant. Note: Does not factor into any of the other cost share information on this tab.

**Total Cost Share Value field** - The amount should be the total cost share committed (on the proposal). The Cost Share Commitment Type - Is the actual commitment the sponsor requires (i.e. percent of award or dollar commitment)

### Table Entries:

- Purdue University** is selected for any Sponsored Program (SP) established in the grant as cost share. In the SP/Third Party column indicates the SP (no dots). The associated F&A will be reflected in a separate entry. The cost share type for this entry will be Purdue University and the description can be F&A, Department or any other identifiable information. A manual entry is needed for the Committed amount (which should match the budgeted amount).

- **Match – Subrecipient:** This type is used for any cost share commitment from an entity with a Subaward agreement on the grant. In the SP/Third Party column you will indicate the SP setup for that subcontract and place the name of the Subrecipient in the Description column. The Committed and Expended Amount columns will be pulled from the subrecipient calculator.
- **Match – Third Party:** This type is used for any cost share coming from another sponsor/vendor or Purdue match that isn't budgeted in the grant.
  - State or Industrial Grant (can NOT have any federal funding component). The SP/Third Party column should indicate the SP (no dots) and indicate the grant number in the Description column. A manual entry is needed for the Committed amount.
  - Donation from a third-party vendor. The source column should indicate the company name.
  - Equipment from a third-party vendor. The source column should indicate the company name.



**NOTE:** THERE MAY BE INSTANCES WHERE PURDUE FUNDS MAY NEED TO BE COLLECTED AS MEMO MATCH VS. SETTING UP COST SHARE IO. IN THESE CASES, PLEASE SEE YOUR SUPERVISOR FOR DIRECTION.

- **Contributed F&A** would be selected if the sponsor restricts F&A and any or all of the F&A can be used as cost share and for F&A on Purdue cost share in the grant. The amount that would have been charged to sponsor funds is the amount that would be documented in the committed amount and expended amount columns. A manual entry is needed for the committed amount.

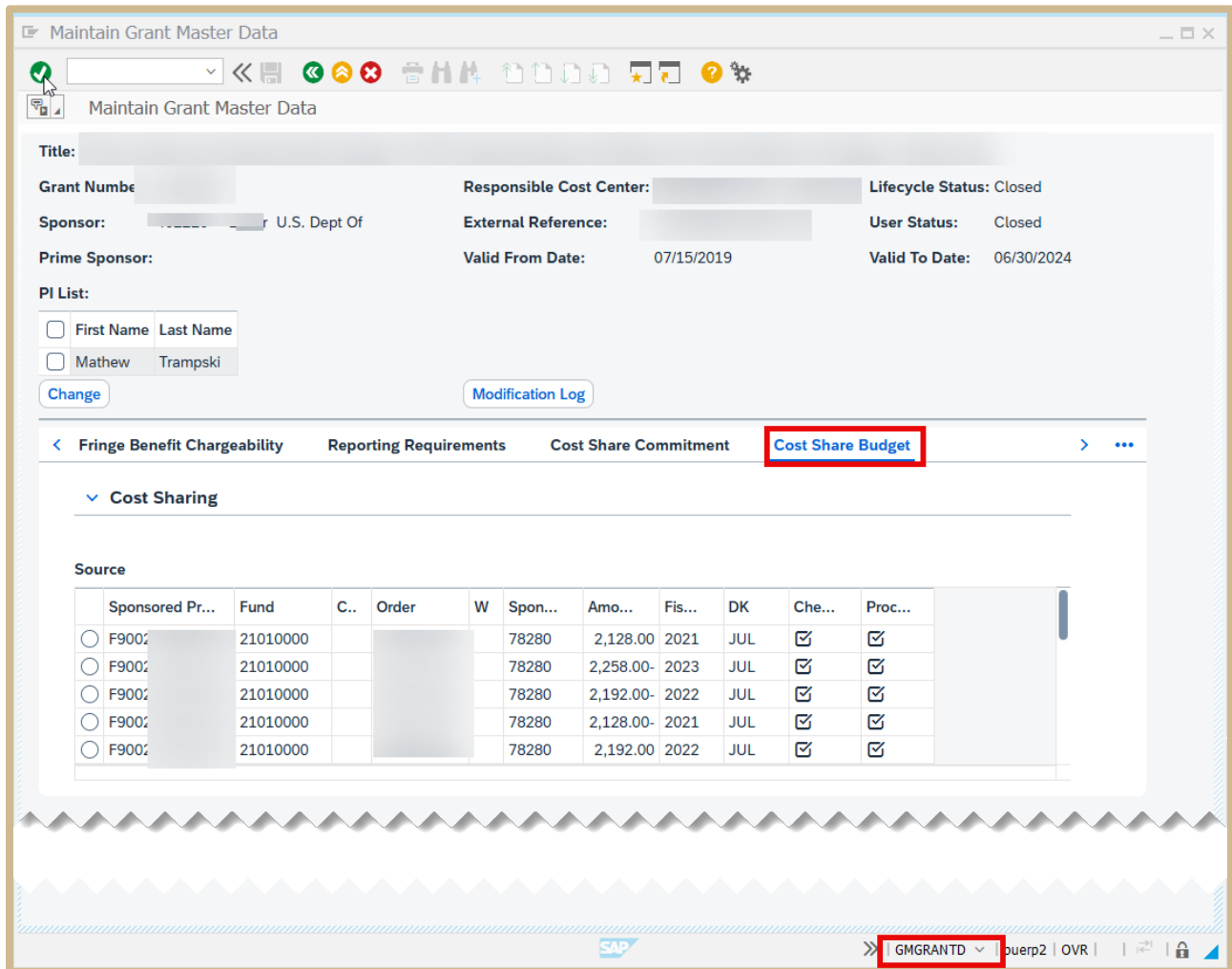
### Cost Share Commitment Tab Values

Cost Share Type	Description *	Committed Amount	Expended Amount	Match Type**	SP/Third Party
Match - Purdue	Manual Entry	Pull from WBSE Budget	Pull from WBSE Expenses	Manual Entry	Manual Entry
Match - Subrecipient	Manual Entry	pull from ZGM_SUBRECIPIENT_CALC	pull from ZGM_SUBRECIPIENT_CALC	Manual Entry	Manual Entry
Match - Third-Party	Manual Entry	Manual Entry	Manual Entry	Manual Entry	Manual Entry
Purdue University	Manual Entry	Pull from WBSE Budget	Pull from WBSE Expenses	Manual Entry	Manual Entry
Contributed F&A	Manual Entry	Calculated Amount*	Calculated Amount*	Manual Entry	Manual Entry
None**	leave blank	leave blank	leave blank	leave blank	leave blank
	<b>*Description:</b>			<b>**Match Type:</b>	
	F&A			By Dollar	
	Company Name/Type			By Percentage	
	Subcontract Name			N/A**	
	Department/other				

## Establishment of Cost Share Budget on Internal Funds

The budget for cost share is uploaded into SAP by Sponsored Program Services (SPS) Post Award. The budget entry is then reviewed and approved. The Cost Share budget program runs nightly to post all approved cost share budgets. This program posts the budget in the GM (grant relevant) module which automatically pushes to the FM (not relevant grant) module for all entries and posts a JV to transfer cash from the funding source (IO or WBSE) to the grant for the current fiscal year.

### SAP Maintain Grant Master Data Cost Share Budget Tab



The screenshot shows the SAP 'Maintain Grant Master Data' interface. The 'Cost Share Budget' tab is selected and highlighted with a red box. Below the navigation tabs, the 'Cost Sharing' section is expanded, showing a table of sources. The table has columns for Sponsored Pr..., Fund, C., Order, W, Spon..., Amo..., Fis..., DK, Che..., and Proc... The data rows show various funding sources with amounts and fiscal years.

Sponsored Pr...	Fund	C..	Order	W	Spon...	Amo...	Fis...	DK	Che...	Proc...
F9002	21010000				78280	2,128.00	2021	JUL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F9002	21010000				78280	2,258.00	2023	JUL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F9002	21010000				78280	2,192.00	2022	JUL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F9002	21010000				78280	2,128.00	2021	JUL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F9002	21010000				78280	2,192.00	2022	JUL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- **Multi-Year Proposals:** All years of a multi-year proposal will be budgeted once it is awarded.
- **Budget Establishment:** The budget will be established on the WBSE/SP designated for cost share and pulled from the sources committing the cost share. Future fiscal year budgets will post once uploaded, but the cash entry will not post until July of that fiscal year.

- **Facilities and Administrative (F&A) Costs:**

F&A costs will not be budgeted or charged to cost share sponsored programs. However, they will be calculated for reporting and billing purposes. F&A will be calculated based on how the F&A Cost Sharing tab in the Sponsored Program is completed.

- **Memo Match SPS Account:**

State, Industrial and PRF sponsored program accounts may be used as memo match cost sharing provided the original source of funds is not from a federal agency and it has not been previously used. Departmental Business Office staff need to establish how the memo match will be tracked. The proper grant number should be identified as the source funding.

- **Memo Match – Third Party:**

Cost sharing provided by a third party should have backup documentation of the cost sharing source. For example, a letter from the company providing equipment, or committing an in-kind contribution. The letter provided by the third party should include the dollar amount/value of cost sharing being committed, dates, and identify if the cost sharing will be cash, equipment, and/or an in-kind contribution.

- **Projections:** Departments need to be aware of this when doing projections, especially for mandatory dollar amount cost sharing commitments.

## Cost Sharing Report

### Cost Share Summary (Cognos Report)

The Cost Share Summary report in Cognos is a critical tool for business office staff and research account specialists involved in the management of sponsored projects. This report streamlines the process of planning for committed departmental funds and reconciling cost sharing on grants throughout the project lifecycle.

### *Purpose and Use*

The Cost Share Summary report provides a comprehensive overview of cost share commitments, cost share budget transfers and cost share expenditures associated with grants. It enables users to:

- Validate that cost-share budgets align with submitted budget templates and sponsor requirements.
- Monitor the fulfillment of cost share commitments over the life of a project.
- Reconcile actual cost share expenditures against commitments, ensuring compliance with institutional and sponsor policies.
- Support annual and ad hoc reporting needs, including sponsor audits and internal reviews.

### *Who Should Use This Report*

This report is designed for:

- Business office personnel responsible for grant financial management.
- Research account specialists who oversee cost share tracking and reporting.
- Departmental administrators who need to verify the source and use of cost share funds.

## Where to Find the Report

The report can be found in Cognos under Team Content / Standard Content / SPS / Cost Share Summary or by using the following link: [Cost Share Summary Report](#)

## Report Layouts

The Cost Share Summary report offers two primary layouts to meet different reporting needs:

- **Cost Share Budget:** Presents the planned or committed cost share amounts by category, allowing users to review budgeted commitments at a glance.

## Cost Share Summary Report

Grant	Grant RCC	Sponsored Program	Fund	Order/WBSE	Order/WBSE Financial Unit	2026	2027	2028	Total
11001464	1801000000 - Biological Sciences	- NonPolio Enterov 57% ELII S/C	21010000 - General Operating	Biology Cost Share	18010000 - Biological Sciences	5,997	4,028		10,025
				SLG 234 FA24-EPICS WOLF Park 8851	14180000 - EPICS	4,028			4,028
	<b>Total</b>					<b>10,025</b>	<b>4,028</b>		<b>14,053</b>
11001594	1801000000 - Biological Sciences	- Low - Salary Cap (ELII)	21010000 - General Operating	Chemistry General Operating	18020000 - Chemistry	9,520	1,621		11,142
	<b>Total</b>					<b>9,520</b>	<b>1,621</b>		<b>11,142</b>
11001613	1801000000 - Biological Sciences	- C/S - SALARY CAP (ELII)	21010000 - General Operating	Biology Cost Share	18010000 - Biological Sciences	4,622	4,760	4,904	14,286
	<b>Total</b>					<b>4,622</b>	<b>4,760</b>	<b>4,904</b>	<b>14,286</b>
11001684	1801000000 - Biological Sciences	- C/S - Sal Cap (ELII)	21010000 - General Operating	Biology Cost Share	18010000 - Biological Sciences	2,024			2,024
	<b>Total</b>					<b>2,024</b>			<b>2,024</b>
11001715	1801000000 - Biological Sciences	- C/S - Sal Cap (ELII)	21010000 - General Operating	Biology Cost Share	18010000 - Biological Sciences	15,893	8,307		24,200
				SLG 234 FA24-EPICS WOLF Park 8851	14180000 - EPICS	-243	8,307		8,064
	<b>Total</b>					<b>15,650</b>	<b>16,614</b>		<b>32,264</b>
41001332	1801000000 - Biological Sciences	- Munoz-Gomez Startup	21010000 - General Operating	- Munoz-Gomez Startup	18010000 - Biological Sciences		76,697	15,647	92,344
	<b>Total</b>						<b>76,697</b>	<b>15,647</b>	<b>92,344</b>
41001405	1801000000 - Biological Sciences	- Project Sp - Cost Share	21010000 - General Operating	- Teglmeyer Startup	18010000 - Biological Sciences	11,900			11,900
	<b>Total</b>					<b>11,900</b>			<b>11,900</b>
<b>Total</b>						<b>53,741</b>	<b>103,720</b>	<b>20,551</b>	<b>178,013</b>

- **Cost Share Commitments:** Displays cost share commitments, actual cost share expenditures and their status, supporting reconciliation and compliance monitoring.

## Cost Share Summary Report – Cost Share Commitments Layout

Grant Number	Cost Share Type	30TH Party	Description	Cost Share Committed Amount	Cost Share Expended Amount	Account Manager Name	Check Name	Lifecycle Status Current	Grant Type	Grant Responsible Cost Center	Grant Responsible Cost Center Name	Business Area Display	Sponsor Name	Prime Sponsor Name	Grant Valid From Date	Grant Valid To Date	Grant Title
11001887	Purdue University		Low Syndrome Trust 41000236	\$15,002.94	\$15,002.94	Britton, Marcella L.	Penn, Greg T	Closing	Fed - DHHS	1801000000	Biological Sciences	4018 - College of Science	Pho-Nih Nat Inst Diabetes Kidney Dis		9/1/2024	8/31/2025	International Low Syndrome Symposium
	<b>Purdue University Summary</b>			<b>\$15,002.94</b>	<b>\$15,002.94</b>												
11001897 - Summary				<b>\$15,002.94</b>	<b>\$15,002.94</b>												
12009547	Contributed F&A			\$10,193.78	\$9,302.46	Britton, Marcella L.		Award	Fed - NASA	1801000000	Biological Sciences	4018 - College of Science	National Aeronautics And Space Admin		12/1/2024	11/08/2027	The Physiological Basis of a Modern Analog of the Ancestral Mitochondrial Symbiosis
	<b>Contributed F&amp;A Summary</b>			<b>\$10,193.78</b>	<b>\$9,302.46</b>												
12009547 - Summary				<b>\$10,193.78</b>	<b>\$9,302.46</b>												
12009547 - Summary				<b>\$27,994.98</b>	<b>\$25,622.57</b>												
41000265	Purdue University			\$0.00	\$0.00	Britton, Marcella L.	Gordon, Laura B	Award	Foundations	1801000000	Biological Sciences	4018 - College of Science	Showalter Trust		7/1/2014	12/31/2075	2014 Showalter Awards
	<b>Purdue University Summary</b>			<b>\$0.00</b>	<b>\$0.00</b>												
41000265 - Summary				<b>\$0.00</b>	<b>\$0.00</b>												
41001332	Contributed F&A		Munoz-Gomez Startup F&A	\$13,852.00	\$0.00	Britton, Marcella L.	Faglesong, Madeline A	Award	Foundations	1801000000	Biological Sciences	4018 - College of Science	Johns Templeton Foundation		9/1/2024	8/31/2027	The Energetic Costs of Complexity and New Genes in Cell Evolution
	<b>Contributed F&amp;A Summary</b>			<b>\$13,852.00</b>	<b>\$0.00</b>												
41001332 - Summary				<b>\$13,852.00</b>	<b>\$0.00</b>												
41001332 - Summary				<b>\$92,344.00</b>	<b>\$0.00</b>												
41001405	Purdue University		BS Cost share	\$30,000.00	\$4,454.42	Britton, Marcella L.		Award	Foundations	1801000000	Biological Sciences	4018 - College of Science	Project Sp Foundation		2/10/2025	9/30/2026	Morphological discovery in Sp syndrome
	<b>Purdue University Summary</b>			<b>\$30,000.00</b>	<b>\$4,454.42</b>												
41001405 - Summary				<b>\$30,000.00</b>	<b>\$4,454.42</b>												
Overall - Summary				<b>\$179,193.92</b>	<b>\$46,679.93</b>												

Users can select the layout that best fits their current task—whether planning, monitoring, or reconciling cost share activity.

### *Flexible Filtering Options*

To facilitate targeted analysis, the report can be run using a variety of master data elements, including:

- Fiscal Year
- Grant Responsible Campus
- Business Area
- Cost Center
- Grant Number
- Source Account Business Area

These filters allow users to generate summary or detailed views tailored to specific grants, departments, or reporting periods.

### *Best Practices*

- Run the Cost Share Summary report regularly to ensure all cost share commitments are being met and properly documented.
- Use the Budget layout for planning and the Commitments layout for reconciliation and audit preparation.
- Coordinate with principal investigators and department leadership to address any discrepancies or outstanding commitments promptly.
- Retain supporting documentation for all cost share transactions, as these may be subject to sponsor or internal audit.

### *Additional Resources*

For step-by-step instructions on running and interpreting the Cost Share Summary report, refer to your institution's Cognos training materials or contact your Sponsored Program Services (SPS) team for guidance.

## Cost Sharing During the Life of the Project

### *Management Expectations for Projected Balances on Cost Share Accounts*

Department Business Office staff should review the projected balances on a regular basis. SPS Account Management team Administrators should review cost share commitments on interim financial reports and billings and notify the Business Office when there is insufficient progress towards meeting the cost share commitment.

1. If the cost share account is projected to have a balance, the type of cost share commitment must be reviewed in order to take appropriate action. Since F&A is not budgeted or charged to cost share accounts, remember to include the calculated F&A for projections (when applicable).
2. If the cost share commitment is a specific dollar amount:
  - a. Additional allocable effort or charges must be expended. There may be situations where a specific item (equipment, supplies, etc.) was not purchased or was less than budgeted. Exceptions to meeting the commitment will be reviewed by SPS on a case-by-case basis.
3. If the cost share commitment is a percentage of effort for an individual(s):

- a. A projection of total effort for the individual(s) should be calculated to make sure the cost sharing commitment is met.
  - b. If the percentage of effort is not projected to meet the required commitment, additional allocable effort or additional allocable charges must be expended to ensure the commitment is met.
4. If the cost share commitment is a percentage of sponsor dollars awarded (i.e. one-to-one match; 25% of sponsor budget, etc.):
- a. A projection of the total sponsor expenditure should be calculated to make sure the cost sharing commitment is met.
  - b. If the projection does not meet the required commitment, additional allocable effort or charges must be expended to ensure the commitment is met.

### Expectations for Memo Match During the Life of the Project

#### SPS Post Award Account Management Staff Expectations

SPS staff will run the reporting requirements for Memo Match monthly and if appropriate send an email reminder to the Department Business Office requesting documentation of memo match for multi-year projects. SPS will ensure that all documentation is received and placed in the SPS project (SPS external account (state, industrial, PRF fellowship/assistantships) files if applicable.

On **Memo match**, make sure to list the source of the match and assign the type accordingly (see below).



NOTE: IF THE MATCH IS ANOTHER SPS GRANT (INDUSTRIAL OR STATE) MAKE SURE TO INCLUDE ANY F&A OR GRAD FEE REMITS THAT MAY NEED MANUALLY CALCULATED.

SPS Post Award will update the Cost Share Commitment Tab when memo match documentation is received (at least annually or at closeout). Grants with complex cost sharing should be keeping spreadsheets that reconcile cost sharing throughout the life of the project. See [Appendix B](#) for sample cost sharing documentation for complex projects.

#### Departmental Business Office Staff Expectations

Departments are expected to document the memo match during the life of the project. Reports are available and can be processed to identify the accounts that have memo match to help ensure the expectations are met.

#### Examples of Documentation Required

#	Sample Description	Required Documentation
1	Equipment from a Third Party	<a href="#">Gift &amp; Loan Report</a>
2	SPS External Account (State, Industrial, PU/PRF fellowship/assistantships)	AIMs Report, Project Status Report (FSSR) or Line Item Display
3	Other	Letter from Donor/Company documenting the type of actual matching and its dollar value.

Per the [May 18, 2015 memo](#) from Chris Martin and Ken Sandel, memo match will be documented annually and included in the SPS file. The Department Business Manager is responsible for the

documentation of the memo match. The SPS Account Manager is responsible for assisting in the documentation and assuring it is placed in the SPS file.

## Cost Sharing at Closing

SPS Post Award Account Management team will work with the Departmental Business Office to review and ensure all commitments are met. The Departmental Business Office will work with the PI and Co-PI to gather and preserve all documentation of the cost sharing on the grant.

### Cost Sharing at Closing: Addressing Percent Commitment and Balances

At the close of a project, it is important to verify that the required cost sharing has been met.

What If the Percent of Sponsor Award Is Not Met?

If the required percentage of cost sharing commitment, based on the sponsor award, is not achieved at project closeout, the following steps should be taken:

- **Verify the Percent Commitment:**  
Confirm whether the percent commitment was tied to specific budget items or overall project expenditures. If the actual expenses charged to sponsor funds do not align with the intended cost share percentage, this may result in a shortfall.
- **Reallocate Expenses if Needed:**  
If eligible expenses were charged to sponsor funds but could appropriately be counted as cost share, it may be necessary to move those expenses from sponsor funds to the cost share account to fulfill the percentage commitment.
- **Acceptable Balances:**  
A remaining balance on the cost share account is acceptable as long as the committed percentage of cost sharing has been met. Similarly, if there is a percentage of the award left as a balance, this is also acceptable provided the percent commitment has been fulfilled.
- **Addressing Shortfalls:**  
If the required percent commitment has not been achieved, the situation should be handled in the same manner as if a dollar commitment has not been met—by identifying and documenting additional eligible cost share or taking corrective action as required by University policy and sponsor guidelines.

What If the Dollar Commitment Is Not Met?

If the required dollar amount of cost sharing is not achieved at project closeout, the following steps should be taken:

- **Verify the Nature of the Commitment:**  
Determine whether the dollar commitment was tied to a specific item (such as equipment, supplies, or other designated costs). If the actual cost of the item was less than budgeted, this may explain the shortfall.
- **Reallocate Expenses if Needed:**  
If eligible expenses were charged to sponsor funds but could appropriately be counted as

cost share, it may be necessary to move those expenses from sponsor funds to the cost share account to fulfill the commitment.

- **Sponsor Approval for Exceptions:**

If the dollar commitment cannot be met due to circumstances such as lower actual costs or other justifiable reasons, an exception may be possible. However, this typically requires sponsor approval. Consult the terms of the award and University policy to determine the appropriate process for requesting an exception.

What If the Memo Match Commitment Is Not Fulfilled?

If the amount of memo match committed is not met, the options for resolution are similar to those for a dollar commitment shortfall:

- **Review and Reallocate:**

Assess whether eligible expenses can be reclassified to meet the memo match requirement.

- **Follow Exception Procedures:**

If the commitment cannot be met, follow the same procedures as for a dollar commitment, which may include seeking sponsor approval for an exception or identifying additional eligible costs.

Closing Expectations for Balances on Cost Share Accounts



**NOTE:** IF THERE IS A BALANCE REMAINING AND THE COMMITMENT HAS BEEN MET, PLEASE CONSULT WITH THE DEPARTMENT TO DETERMINE IF A BUDGET DECREASE SHOULD BE DONE FOR BUDGETS ASSOCIATED WITH INTERNAL FUNDS. THIS DECISION NEEDS TO BE MADE BY THE DEPARTMENT SINCE IT IS ACTUALLY SET UP IN FM ON THEIR FUNDS.

If the Cost Share account has a balance, the type of cost share commitment should be reviewed to take appropriate action. Since F&A is no longer budgeted or charged to cost share accounts, remember to include the calculated F&A.

1. If the cost share commitment is a specific dollar amount: This dollar amount must be met! The department needs to discuss the situation with PI and SPS. There may be situations where a specific item (equipment, supplies, etc.) was not purchased or the cost was less than budgeted. Exceptions to meeting the commitment will be reviewed by SPS on a case-by-case basis.
2. If the cost share commitment is a percentage of sponsor dollars awarded (i.e. one-to-one match; 25% of sponsor budget, etc.): A balance is acceptable if the commitment has been met.
3. If the cost share commitment is a percentage of effort for an individual(s), as stated in the award document, balance is acceptable as long as the commitment has been met.

Once cost share is reported to the sponsor (typically on an FFR/SF-425 or other required financial report), it becomes:

- Part of the official award record
- Subject to audit (internal, sponsor, or federal auditors)
- Locked in as certified institutional contribution

At that point, any amount reported in excess of the committed cost share is also auditable and is treated as having been voluntarily committed by the institution. Sponsors and auditors generally view reported cost share as intentional, regardless of whether it exceeded the original commitment.

#### Closing Expectations for Overdrafts in Cost Share Accounts

If the Cost Share account is overdrafted and the charges are allowable and within the project period, the department may decide to leave the charges on the account and request a budget increase. Otherwise, the charges need to be removed.

#### Expectations of Memo Match in Closeout

SPS staff will run the reporting requirements for Memo Match monthly and if appropriate send an email reminder to the Department Business Office requesting documentation of memo match for closeout of the project. Departments are expected to send documentation of the memo match to SPS within 60 days after the expiration. SPS will ensure that all documentation is received and placed in the project file. SPS Post Award will update the Cost Share Commitment Tab when memo match documentation is received at closeout.



PI CERTIFICATION MAY BE REQUIRED IF THERE IS NOT A BASIS FOR ALLOCABILITY OF THE COST SHARING.

#	Sample Description	Required Documentation
1	Equipment from a Third Party	<a href="#">Gift &amp; Loan Report</a>
2	SPS External Account (State, Industrial, PU/PRF fellowship/assistantships)	AIMs Report, Project Status Report (FSSR) or Line-Item Display
3	Other	Letter from Donor/Company documenting the type of actual matching and its dollar value.

### Cost Sharing Resources

Topic	Link
<b>Sponsored Program Services Post Award Cost Sharing Page</b>	<a href="#">Cost Sharing - Sponsored Program Services - Purdue University</a>
<b>Cost Share Guidelines/Policy</b>	<a href="#">Cost Share Guidelines/Policy - Sponsored Program Services - Purdue University</a>
<b>Memo defining expectations related to Memo Match Cost Sharing</b>	<a href="#">Defining Memo Match Cost Sharing Expectations</a>
<b>Cost Share Summary (Cognos Report)</b>	<a href="#">Cost Share Summary Report</a>

Appendix A – Sample Cost Share Tracking

Cost Share Tracking Sample 1

<b>Cost Share Expense Totals</b>					
<b>Current Grant Number</b>	<b>Current Sponsored Program Number</b>	<b>Sponsored Program Description</b>	<b>Total Direct Costs July 1, 2019- Dec 31, 2023</b>	<b>Total Calculated Indirect Costs (38%)</b>	<b>Total Cost Share at 12/31/2023</b>
1XXXXXX1	F.9XXXXXX.02.012	Sample 1 Program Income FY 2024	\$ 125,000.00	\$ 47,500.00	\$ 172,500.00
1XXXXXX1	F.9XXXXXX.02.013	Sample 1 Location 1	\$ 500.00	\$ 190.00	\$ 690.00
1XXXXXX1	F.9XXXXXX.02.014	Sample 1 State Agency Funds	\$ 10,000.00	\$ 3,800.00	\$ 13,800.00
1XXXXXX1	F.9XXXXXX.02.015	Sample 1 State Agency Funds 2	\$ 10,000.00	\$ 3,800.00	\$ 13,800.00
1XXXXXX1	F.9XXXXXX.02.017	Sample 1 Program Income FY 2025	\$ 1,775,500.00	\$ 674,690.00	\$ 2,450,190.00
<b>18100026 Total</b>			<b>\$ 1,921,000.00</b>	<b>\$ 729,980.00</b>	<b>\$ 2,650,980.00</b>
2XXXXXX1	F.9XXXXXX.02.026	Sample 1 State Agency Funds 3	\$ 494,642.92		\$ 494,642.92
<b>20000186 Total</b>			<b>\$ 494,642.92</b>	<b>\$ -</b>	<b>\$ 494,642.92</b>
2XXXXXX2	F.9XXXXXX.02.027	Sample 1 State Agency Cost Share	\$ 39,665.66	\$ 15,072.95	\$ 54,738.61
2XXXXXX2	F.9XXXXXX.02.028	Sample 1 State Agency 2 Cost Share	\$ 27,526.73	\$ 10,460.16	\$ 37,986.89
<b>208468 Total</b>			<b>\$ 39,665.66</b>	<b>\$ 15,072.95</b>	<b>\$ 92,725.50</b>
In Kind Company 1			\$ 75,000.00		\$ 75,000.00
In Kind Company 2			\$ 3,750.00		\$ 3,750.00
<b>Total In Kind Donations</b>			<b>\$ 78,750.00</b>	<b>\$ -</b>	<b>\$ 78,750.00</b>
State Memo Match			\$ 955,861.77	\$ 363,227.47	\$ 1,319,089.24
State Memo Match 2			\$ 643,678.76	\$ 244,597.93	\$ 888,276.69
<b>Total Memo Match</b>			<b>\$ 1,599,540.53</b>	<b>\$ 607,825.40</b>	<b>\$ 2,207,365.93</b>
<b>Grand Total</b>			<b>\$ 4,133,599.11</b>	<b>\$ 1,352,878.35</b>	<b>\$ 5,524,464.35</b>

## Sample 2

<b>Sample Cost Share Summary</b>		
<b>Cost Share Description</b>	<b>Total Cost Share To Date</b>	
Company 1	\$ 482,576	
Company 2	\$ 845,500	
Internal Donation 1	\$ 1,213,602	
Internal Donation 2	\$ 634,320	
Internal Donation 3	\$ 2,879,531	
<b>Total</b>	<b>\$ 6,055,529</b>	
See XXXX Document with backup documentation for each match item.		

### Items to consider when tracking complex Cost Sharing

When working with complex cost sharing, there are several important items to consider to ensure clarity, fairness, and efficiency. Here are some key points:


1. **Clear Definitions:** Clearly define what costs are to be shared and the basis for sharing them. This includes direct and indirect costs, fixed and variable costs, and any specific exclusions.
2. **Allocation Methods:** Determine the method for allocating costs among parties. Common methods include proportional allocation based on usage, revenue, or another relevant metric.
3. **Documentation:** Maintain thorough documentation of all agreements, calculations, and assumptions. This helps in resolving disputes and ensuring transparency.
4. **Regular Reviews:** Periodically review the cost-sharing arrangement to ensure it remains fair and relevant. Adjustments may be needed due to changes in costs, usage, or other factors.
5. **Communication:** Maintain open and regular communication among all parties involved in the cost-sharing arrangement. This helps in addressing concerns promptly and maintaining trust.

## Appendix B – Memo Match Sample

### Sample of Cost Share Tracking Spreadsheet

Sample Cost Share Summary (No contributed F&A)						
	Committed Cost Share	Total Cost Share To Date	Projected Match through 6.30.2024	Total Match Actual + Projected	Balance Committed - Total Actual + Projected	Notes
Company 1	\$ 495,326	\$ 495,326		\$ 495,326	\$ -	
Company 2	\$ 279,300	\$ -		\$ -	\$ 279,300	
Company 3	\$ 845,500	\$ 845,500	\$ -	\$ 845,500	\$ -	
Purdue S&W/ Fringe/Fee Remits Mer	\$ 1,000,000	\$1,131,327	\$ 80,000	\$ 1,211,327	\$ (131,327)	
Purdue Donated Building Space	\$ 684,000	\$ 572,000	\$ 44,000	\$ 616,000	\$ 112,000	25% of 8000 sq ft @ \$11/sq ft - \$22K per month
Salesforce Licenses	\$ 1,440	\$ 1,440	\$ -	\$ 1,440	\$ -	50% of 13 Licenses @ \$390/yr
Repayment for Range Infrastructure	\$ 60,000	\$ 60,000	\$ -	\$ 60,000	\$ -	invoice 109 through iLab
Apprentice Salary Match	\$ 834,434	\$2,442,440	\$ -	\$ 2,442,440	\$ (1,608,006)	Total graded salary match per Salesforce
<b>Total</b>	<b>\$ 4,200,000</b>	<b>\$5,548,033</b>	<b>\$ 124,000</b>	<b>\$ 5,672,033</b>	<b>\$ (1,348,033)</b>	

### Sample of Backup Documentation for Memo Match Including Valuation



Auxiliary Services 9/27/2021

To: [Redacted]

From: [Redacted]

Date: June 28, 2021

Re: Purdue University / Office of Institutional Partnerships – Memorandum of Understanding

Dear [Redacted],

University Real Estate Office and the [Redacted] worked collaboratively to identify [Redacted] as a prospective tenant for the 2550 Northwestern Building, West Lafayette IN 47906. Based on our projections, by selecting the 2550 Northwestern Building over various other West Lafayette options, [Redacted] should experience a cost avoidance of at least \$500,000 over the next five years.

Our project delivery team will work with you to develop plans, setup your space, and welcome you to our new facility. The University intends to make a significant investment for your team to join the facility. The University Real Estate Office would like to see the partnership with TAP to grow & proposes the following terms:

- Premises:** Located in the 2550 Northwestern Building, West Lafayette IN 47906, with an office suite of 5,542 sq. ft. located on the southeast side of the building. In addition [Redacted] agrees to furnish and manage a 2,520 sq. ft. dedicated large classroom. This classroom will be reservable by other 2550 tenants.
- Tenant Access Date:** (Tentatively) July 1, 2021
- MOU Commencement Date:** July 1, 2021
- Rent Commencement Date:** July 1, 2021
- Term:** Upon the MOU Commencement Date through June 30, 2024
- Options to Renew:** Tenant option renews automatically, and can be terminated at any time with 90 days-notice.
- Rent:** Tenant agrees to pay rent in the amount of **\$11.00/SF** for use of the office-suite space. No additional rent will be charged for the classroom as long as it remains reservable to other tenants when not in-use. Rent shall increase by 5% annually. TAP will transfer rent in full annually once state line item is appropriated and in accordance with the following rent schedule:
  - Year 1: \$60,962 (\$11.00 /SF)
  - Year 2: \$64,010 (\$11.55 /SF)
  - Year 3: \$67,210 (\$12.13 /SF)
- Operating Expenses, Utilities, & Amenities:** The Rent shall be gross rent and include all operating