



Research Administration Practices (RAP) Sessions

Cost Sharing: Post Award Management

May 23, 2023

Josh Freedman, *Director for Finance and Administration,
Institute for Soldier Nanotechnologies*

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Erin George, *Senior Staff Accountant, Sponsored Accounting, VPF*

Carole Trainor, *Senior Research Administration Support and Education Specialist, VPR*

Agenda

RAP Sessions: Targeted skills based educational offerings open to the Research Administration community at MIT. Information gathered and shared with attendees can be taken back to their desks and applied immediately.

What is Cost Sharing?

Sponsor Requirements

Cost Sharing at MIT

Tracking & Documenting:

- Salary & EB
- Tuition Subsidy for Grad RA Effort
- F&A
- Non-Salary
- Third Party

Reporting and Closeout of Award with Cost Sharing

Introductions

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Carole Trainor, *Senior Research Administration Education and Support Specialist, VPR*

What is Cost Sharing?

Cost sharing, also known as “matching” or “Non-Federal Share” is that portion of a project or program cost that is not borne by the sponsor.

Mandatory

- **Required by the sponsor as condition of the award** (e.g., solicitation states “at least 20% cost sharing” – MIT views 20% Mandatory and anything beyond that as Voluntary)

Voluntary

- **MIT offers cost sharing that the sponsor does not require or in excess of mandatory cost sharing requirements**

Note: F&A costs associated with a voluntary cost sharing commitment must be borne by the DLCI.

Auditable Commitment

Whether cost sharing is required by the sponsor or is offered voluntarily, once an award is made **all cost sharing commitments represent binding obligations of the Institute.**



Federal Sponsors and Uniform Guidance

Uniform Guidance [2 CFR 200.306 Cost sharing or matching](#):

- Voluntary cost sharing is not expected in federal research proposals and cannot be used as a factor during the merit review. For cost sharing to be considered by the funding agency it **must be specified in a notice of funding opportunity**.
- No cost sharing should be budgeted unless it is specifically required by an agency's funding solicitation.

Read the FOA/Solicitation for Cost Sharing

Check the “**Cost Sharing**” section of a Federal sponsor FOA or look for terms like “**matching**” or “**In-Kind**” contributions in Non-Federal solicitations.

A Funding Opportunity Announcement (FOA) or solicitation may require a minimum percent of the total project cost, or percent of the total amount funded by the sponsor.

The requirement may also vary based on criteria in the FOA. *For example, ARPA-E may have a reduced cost share requirement for project teams made up solely of Educational Institutions.*

Grantees with a cost sharing/matching requirement must provide the correct amount of match funds, use the funds only on allowable expenses, and maintain records.

Calculating Cost Share Required Amount

Example of Calculating Cost Sharing/Matching Requirement

The federal government (DOE) funds a \$1,000,000 grant, and the match requirement is an 80/20 ratio (federal/recipient).



Applicants are bound by the cost share proposed in their Full Applications.

1. BASE COST SHARE REQUIREMENT

ARPA-E generally uses Cooperative Agreements to provide financial and other support to Prime Recipients (see Section II.C of the FOA). **Under a Cooperative Agreement or Grant, the Prime Recipient must provide at least 20% of the Total Project Cost¹¹ as cost share,** except as provided in Sections III.B.2 or III.B.3 below.¹²

Create your budget so that you know the amount of Federal Funds needed to conduct the project. That amount will be the **Federal Share (80% in our example)**

1. Compute total project cost

Federal funding of \$1,000,000

Formula: Federal share (\$) divided by federal share (%) = Total Project Cost

Example: \$1,000,000 / .8 = **\$1,250,000**

2. Compute cost share/match amount

Formula: Total Project Cost (\$) minus federal share (\$) = Non-federal share (\$)

Example: \$1,250,000 minus \$1,000,000 = **\$250,000**

3. Confirm cost share percent

Formula: Non-federal share (\$) divided by Total Project Cost (\$) = Non-federal share (%)

Example: \$250,000 divided by \$ 1,250,000 = **20%**



Cost Sharing **MUST**

Cost sharing is eligible when all of the following criteria are met

- **VERIFIABLE** from the recipient's records
- **NOT** included as contributions for any **OTHER FEDERALLY ASSISTED PROGRAM**
- **NECESSARY** and **REASONABLE** for accomplishment of project objectives
- **ALLOWABLE** under the applicable cost principles of the sponsored agreement
- **NOT PAID BY THE FEDERAL GOVERNMENT** under another assistance agreement (unless the agreement is authorized by federal law to be used for cost sharing or matching)
- In the **APPROVED BUDGET** when required by the sponsoring agency
- **INCURRED** during the **EFFECTIVE DATE OF THE AWARD**
- **CONFORM** to other provisions of the applicable **AGENCY GUIDELINES**.

See MIT RAS [What Is Allowable/Eligible Cost Sharing?](#)

Cost Sharing Types

Cash contributions (MIT preferred types)

- **MIT Tuition Subsidies for Graduate Students' RA Effort**
(at proposal stage limited to 66% tuition subsidy committed as cost sharing)
- **Effort/Fringe Benefits and F&A** (i.e., Faculty AY Salary & EB, F&A)
- **Equipment Purchase** (other non-salary expenses)

In-kind contributions (3rd Party)

- **Services**
- **Equipment**
- **Supplies**
- **Real Property**



NOT Allowed as Cost Sharing

The following expenses **CANNOT** be offered as cost sharing:

- **Other Federal Awards:** The PI may NOT utilize funds from one Federal award as cost sharing on another Federal award (the PI may utilize funds from non-federal awards as the source of cost sharing when specifically allowed by the federal sponsor).
- **Use of MIT-Owned Equipment (in MIT's current inventory):** The sponsor is already paying for a portion of it through the F&A rate calculation and the equipment was not purchased for use on this project.
Note: Use of Service Centers (direct charges) should be allowable)

NOT Allowed as Cost Sharing

- **Institute facilities such as laboratory space.** The use of MIT facilities is recovered from sponsors through the application of the F&A cost rate.
- **Unallowable costs per Uniform Guidance** ([2 CFR, Part 200 Subpart E](#))
- **Salary dollars above a regulatory cap.** i.e., NIH salary cap limits the salary amount that may be charged to NIH grants and contracts. The Institute may pay an individual's salary amount in excess of the salary cap with non-federal funds. However, **this differential cannot be used for cost sharing.**

DLCI should **NOT** request a cost share child for salary dollars over the cap. VPF runs a report for all awards with NIH as sponsor or prime sponsor that shows all WBS accounts over the cap and JVs excess salary expense using an account identified by the DLCI.

See RAS [What Is Allowable/Eligible Cost Sharing?](#)

KC Award

Terms, Payment, Reporting Requirements

Understand the cost sharing commitments

- Most awards require that the cost sharing commitment be fulfilled by the expiration of the award. **However, there may be interim obligations for expenditures and/or reporting**
- Some awards **may limit the re-budgeting of cost sharing or may require approval** for certain costs
- Costs must be **allowable per agreement terms**

Award Set Up – Parent & Cost Share Child (if needed)

RAS creates a **Parent (Level 1)** award in KC and an **Award ID** is assigned. The Parent award will pull forward cost share commitment information from the **KC Institute Proposal > Distribution** tab, which must be updated by the DLCI submitting a [Cost Share Template](#).

RAS and the DLCI will have a conversation about needing a cost share template submitted. A cost share child is created for **MIT ‘Mandatory Funded’** or **‘Voluntary Funded’** cost share (except Tuition Subsidy).

For example, if you are using **Faculty salary, EB** and associated **F&A**, a Cost Share Child will be created.

KC Award Level-1 Parent

The screenshot shows the 'KC Award Level-1 Parent' interface. At the top, a navigation bar contains tabs for 'Award', 'Contacts', 'Commitments', 'Budget Versions', 'Payment, Reports & Terms', 'Compliance', 'Supplemental Info', 'Comments, Notes & Attachments', 'Award Actions', and 'Medusa'. A red arrow points to the 'Commitments' tab. A purple callout bubble points to the 'Commitments' tab with the text 'Cost Sharing Types, Source, Amount'. A red callout bubble points to the 'Award Actions' tab with the text 'Agreement/ Cost Sharing commitment'. Below the navigation bar, a message states 'Document was successfully reloaded.' To the right, there are buttons for 'time & money', 'Award Budget', 'expand all', and 'collapse all'. A list of sections is displayed, each with a 'show' button: 'Payment & Invoices', 'Contract And Grants Billing', 'Reports', 'Terms', 'Special Approval', and 'Closeout'. A blue callout bubble points to the 'show' button for 'Payment & Invoices' with the text 'Invoice (Cost Share reporting?)'. A green callout bubble points to the 'show' button for 'Terms' with the text 'Terms & Prior Approvals'.

Check **Commitments** to view Cost Sharing pulled from Institute Proposal or updated by Cost Share Template

KC Award Commitments

Sponsor Name: DOE - Office of ARPA-E Last Update: 08/24/20 01:28 PM

Award Contacts Commitments Budget Versions Payment, Reports & Terms Compliance Supplemental Info Comments, Notes & Attachments Award Actions Medusa

Cost Sharing hide

Cost Sharing											
	Percentage	Type	* Project Period	*Source	*Destination	Commitment Amount	Cost Share Met	Verification Date	Unit Name	Unit	Actions
1	0.00	Funded	1	0000007	6789123	3,000.00			(select)		
2	0.00	Funded	1	0000005	6789123	23,117.11			(select)		
3	0.00	Funded	1	3895580	6789123	10,624.52			(select)		
4	0.00	Funded	1	0000001	6789123	2,965.00			(select)		
5	0.00	Funded	2	3895580	6789123	9,205.12			(select)		
6	0.00	Funded	2	0000005	6789123	24,041.79			(select)		
7	0.00	Funded	2	0000001	6789123	2,556.00			(select)		
8	0.00	Funded	2	0000007	6789123	3,000.00			(select)		

If the **Commitments > Cost Sharing** screen has Type = "Funded" and Project Period = 1, 2, 3, etc., instead of FY, it indicates that the award has not been updated per a Cost Sharing Template.

If a Cost Share Template is not received, the red lines will feed to SAP Authorized Total (incorrectly inflate the award amount)

KC Award Commitments:

What will feed to SAP Authorized Total

KC Award ?		PI:	Document ID:	Status:
		Lead Unit:	Award ID: Account:	
		Sponsor Name: DOE - Office of ARPA-E	Last Update: 10/01/20 02:44 PM by	

Award	Contacts	Commitments	Budget Versions	Payment, Reports & Terms	Compliance	Supplemental Info	Comments, Notes & Attachments	Award Actions	Medusa
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Cost Sharing hide											
Cost Sharing ?											
	Percentage	Type	* Project Period	*Source	*Destination	Commitment Amount	Cost Share Met	Verification Date	Unit Name	Unit	Actions
1	0.00	MNF-Subrecipient	2023	0000000	9999999	3,000.00			(select)		
2	0.00	MF-Tuition Subsidy	2023	0000005	9999999	23,117.11			(select)		
3	0.00	MF-Salary & EB	2023	3856875	6943918	10,624.52			(select)		
4	0.00	MF-F&A	2023	1402600	6943918	2,965.00			(select)		
5	0.00	MF-Salary & EB	2024	3856875	9999999	9,205.12			(select)		
6	0.00	MF-Tuition Subsidy	2024	0000005	9999999	24,041.79			(select)		
7	0.00	MF-F&A	2024	1402600	9999999	2,556.00			(select)		
8	0.00	MNF-Subrecipient	2024	0000000	9999999	3,000.00			(select)		
Total:						\$78,509.54	\$0.00				
Comments: 10/01/2020 updated cost share for FY2021-FY24. Ref. OST 45987 Added Cost Shares from Proposal Number 20071798 +											

Rates show
Preaward Authorizations show

The Red lines will have amounts feed to SAP Authorized Total.
Why?

Because Project Period is current or prior fiscal year *and* Source Account does not start with '0'.

KC Award Cost Share Data Feeding to SAP

The Authorized Total will include only those lines:

- that are for the **Current FY and Prior FYs**. If FY is in the future, it will not feed to the SAP A/T. (*Note – if period is not updated to a Fiscal Year, then “1” and “2” are seen as years and *will* feed*)
- have a source account that does not start with ‘0’. **Any account not starting with 0, whether a valid Cost Object or not, will cause the cost sharing amount to feed.**
- The SAP A/T is increased for parent(S) so that CS child distributions can be made; \$ will feed (i.e., be distributed from the parent) to the CS Child A/T based on the CS lines entered in the child account.

Cost Sharing Template: DLC responsibility

Cost Sharing Template
(Complete separate template for each fiscal year)

Level One WBS Element: _____
Level One WBS Project Period: _____

Please Shade Cell of Cost Sharing Type		Cost Sharing Detail	FY	Amount	Funding Source	Destination Account****
(a) Funded Cost Sharing						
MF	VF	Salary & EB*: [Individual Name]				
MF	VF	Non-Salary				
MF	VF	F&A**				
MF	VF	Tuition Subsidy			0000005	9999999
MF	VF	UIOP			0000006	
MF	VF	Unrecovered F&A				
MF	VF					
MF	VF					
(b) Non-Funded Cost Sharing						
MNF	VNF	Volunteer Services			0000000	9999999
MNF	VNF	Subrecipient***			0000000	9999999
MNF	VNF	Non-Federal Sponsored Support			0000000	9999999
MNF	VNF	Equipment			0000000	9999999
MNF	VNF	Other			0000000	9999999
Total Cost Sharing				0.00		

Comments: _____

Important Note: Comments are entered only on the Level One WBS and may be viewed by all COEUS users.

* When a salary % (not \$) is committed as cost sharing, use the current FY salary to calculate future year amounts. Then when actual salary and EB are known, complete and submit to OSP a COEUS Cost Sharing Data Change Form. When cost sharing salary is funded by a cost object outside the administering DLC, enter a separate line for each individual adding the individual's last name. (Individual names will not be entered in COEUS.)

** Unless otherwise negotiated, enter Institute account 1402600 as funding source for Mandatory-Funded (MF) F&A. Enter a DLC account for Voluntary Funded (VF) F&A.

*** Must be entered if subrecipient cost sharing is proposed.

**** Destination account must be entered only when more than one lower level WBS cost sharing account is requested. If cost sharing accounts have not yet been created, enter Destination "A", "B", "C", etc. to identify the separate accounts.

Approval of funding source(s) outside the administering DLC

Funding Source	Approval
_____	_____

- Full cost sharing obligation under the award must be described, including MIT Funded and Non-Funded (3rd party, donated), per FY for project period.
- DLC may consolidate amounts for all non-funded cost sharing “Other” except for that provided by subrecipients.
- Indicate Type, Amount and Funding Source.
- If another DLC is funding a cost share type, get account# and signature.
- Must be submitted to RAS for review and posting to KC award parent and child.
- Yearly, prior to mid-July, submit to RAS all changes to the cost sharing plan for the current FY.

See [Cost Sharing Template Guide](#)

Cost Sharing Template

Please Shade Cell of Cost Sharing Type		Cost Sharing Detail	FY	Amount	Funding Source	Destination Account****
(a) Funded Cost Sharing						
MF	VF	Salary & EB*: George Westerman	FY21	\$ 46,498.90		
MF	VF	Salary & EB*				
MF	VF	Non-Salary				
MF	VF	F&A**				
MF	VF	Tuition Subsidy	FY21	\$ 26,724.97	0000005	
MF	VF	Tuition Subsidy				
MF	VF	UROP			0000006	
MF	VF	Unrecovered F&A				
(b) Non-Funded Cost Sharing						
MNF	VNF	Volunteer Services			0000000	9999999
MNF	VNF	Subrecipient***			0000000	9999999
MNF	VNF	Non-Federal Sponsored Support			0000000	9999999
MNF	VNF	Equipment			0000000	9999999
MNF	VNF	Other			0000000	9999999

Record post-award cost sharing obligations. **A Funding Source (SAP Account) must be entered for MF/VF** (not a source code beginning with “0”)

Update using Cost Share Template:

- Annually review and fund cost sharing commitments

- Respond to project changes that affect sources, staffing

KC Award Commitments: After initial Cost Share Template

Award Contacts **Commitments** Budget Versions Payment, Reports & Terms Compliance Supplemental Info Comments, Notes & Attachments Award Actions Medusa

Cost Sharing hide

Cost Sharing											
	Percentage	Type	* Project Period	*Source	*Destination	Commitment Amount	Cost Share Net	Verification Date	Unit Name	Unit	Actions
1	0.00	MNF-Subrecipient	2023	0000000	9999999	3,000.00			(select)		
2	0.00	MF-Tuition Subsidy	2023	0000005	9999999	23,117.11			(select)		
3	0.00	MF-Salary & EB	2023	3856875	6943918	10,624.52			(select)		
4	0.00	MF-F&A	2023	1402600	6943918	2,965.00			(select)		
5	0.00	MF-Salary & EB	2024	3856875	6943918	9,205.12			(select)		
6	0.00	MF-Tuition Subsidy	2024	0000005	9999999	24,041.79			(select)		
7	0.00	MF-F&A	2024	1402600	6943918	2,556.00			(select)		
8	0.00	MNF-Subrecipient	2024	0000000	9999999	3,000.00			(select)		
Total:						\$78,509.54	\$0.00				
Comments: 10/01/2020 updated cost share for FY2021-FY24. Ref. OST 45987 Added Cost Shares from Proposal Number 20071798											

Rates show

Preaward Authorizations show

Only the blue lines should be included in the Cost Share Child Account.

Why?

Because they represent actual revenue funding that will be transferred into, and planned expenditures that will be charged to, the SAP account. (Funded Cost Sharing)

Cost Sharing Myths

- ✘ Cost Sharing is MIT's money – we can spend it as we see fit (do not need to follow Uniform Guidance regulations on Allowable Costs or restrictions in terms of the agreement).
- ✘ Cost Sharing should be treated as a “Rainy Day fund” – spend the sponsor funding first, then use the cost share if needed.
- ✘ Cost Sharing funds that are not spent at the end of the award can be used on other projects or moved to the PI's discretionary account.
- ✘ DLCI does not need to track and document Cost Sharing Tuition Subsidy because it's not in SAP.

VPF JV Cost Share Funding

	Percentage	Type	* Project Period	*Source	*Destination	Commitment Amount	Cost Share Met	Verification Date	Unit Name	Unit	Actions
1	0.00	MF-Salary & EB	2019	[REDACTED]	[REDACTED]	46,258.36			(select) 		
2	0.00	MF-Salary & EB	2019	[REDACTED]	[REDACTED]	24,936.54			(select) 		
3	0.00	MF-F&A	2019	1402600	[REDACTED]	39,157.20			(select) 		

When the **Commitments > Cost Sharing** screen for the WBS Cost Share Child is updated, VPF processes JV funding entries for all amounts shown on the cost sharing WBS with funding source accounts for the current fiscal year. The cost sharing \$s will be transferred by from the MIT source cost object (using GL 800702 Cost Sharing - Transfer Out) to the cost sharing WBS account (using GL 800701 Cost Sharing- Transfer In) based on Quali Coeus data.

VPF will reach out to the DLCI if the Cost Share template needs to be modified.



SUMMARY STATEMENT

WBS 1234567

Month End October 31 2020

Supervisor:

COST SHARE CHILD: M. HALASSA

Begin: 09/01/2017 End: 06/30/2021

Authorized Total: \$ 199,884.67

Company: Mass. Inst. of Technology

Project: Agreement Type: 14

Profit Center: Costing Sheet: Research MTDC On Campus 54.70 ON - 6.00 OFF Sponsor: MIT - Internal Cost Sharing

Funds Available \$ 42,410.98

Contract Number:

Description	Current	Fiscal YTD	Cumulative	Commitment		
EXPENSE NET OF REVENUE						
Expenses						
Direct Expenses						
Salaries & Benefits						
Salaries & Wages						
400040 - Faculty Non-Tenured-On	3,091.11	6,182.22	80,902.27			
TOTAL Salaries & Wages	3,091.11	6,182.22	80,902.27			
Employee Benefits						
Fund & MTDC Base EB On Campus						
600204 - EB On	825.33	1,650.66	20,890.66			
TOTAL Fund & MTDC Base EB On Campus	825.33	1,650.66	20,890.66			
TOTAL Employee Benefits	825.33	1,650.66	20,890.66			
TOTAL Salaries & Benefits	3,916.44	7,832.88	101,792.93			
TOTAL Direct Expenses	3,916.44	7,832.88	101,792.93			
Indirect Expenses						
Indirect Expenses						
F&A						
600304 - F&A On	2,028.72	4,057.44	55,492.96			
TOTAL F&A	2,028.72	4,057.44	55,492.96			
F&A Adjustments						
600316 - Adj F&A On to Spon Base/Rat	113.57	227.14	187.80			
TOTAL F&A Adjustments	113.57	227.14	187.80			
TOTAL Indirect Expenses	2,142.29	4,284.58	55,680.76			
TOTAL Indirect Expenses	2,142.29	4,284.58	55,680.76			
Summary/Authorized Total						
Summary/Authorized Total						
400000 - Summary Posting for Systems						
TOTAL Summary/Authorized Total						
TOTAL Summary/Authorized Total						
*** TOTAL Expenses ***	6,058.73	12,117.46	157,473.69			
Revenue						
Transfers & Cost Sharing						
Cost Sharing						
800701 - Cost Sharing - Transfer In			145,356.09			
TOTAL Cost Sharing			145,356.09			
TOTAL Transfers & Cost Sharing			145,356.09			
TOTAL Revenue			145,356.09			
TOTAL EXPENSE NET OF REVENUE	6,058.73	12,117.46	12,117.60			

Cost Sharing:

%	Type	Project Year	Source Acct	Destination Acct	Amount
		2020			\$32,916.00
	MF-Salary & EB		2666666	1234567	
		2020			\$18,005.05
	MF-F&A		1402600	1234567	
0.00		2019			\$30,899.99
	MF-Salary & EB		2666666	1234567	
0.00		2019			\$16,902.30
	MF-F&A		1402600	1234567	
0.00		2018			\$16,488.76
	MF-F&A		1402600	1234567	
0.00		2018			\$30,143.99
	MF-Salary & EB		2666666	1234567	
0.00		2021			\$35,247.95
	MF-Salary & EB		2666666	1234567	
0.00		2021			\$19,280.63
	MF-F&A		1402600	1234567	
					Total: \$199,884.67

Comments:

09/08/20: updated FY21 cost share. OST #47334 |
 08/26/19: added FY20 cost share for 1234567 per OST |
 3/11/19: Updated fy18 and added fy19 1234567 cost share per OST re-opened |
 1/17/19: Updated fy18 cost share per OST 16017 |
 08/13/2018: added FY18 for 1234567

Tuition Subsidy

MIT currently provides a 55% tuition subsidy for Graduate Student Research Assistant (RA) during the Academic Year and 100% tuition subsidy during the Summer.

During proposal phase, only 66% of the tuition subsidy may be used to budget for cost sharing but at award phase, 100% of the actual incurred expenses for tuition subsidy may be used (based on RA effort).

Tuition Subsidy

In the Cost Share Template, use **0000005** as the **Funding Source** and **9999999** as the **Destination** account.

Since the Tuition Subsidy is paid for with MIT general funds , cost share funding for Graduate RA Tuition Subsidy is not moved to a WBS cost share child account.

Fall and spring RA tuition subsidy is charged to the Academic Department's RA Tuition Account 17XXXXX; the summer RA tuition subsidy is charged to the Institute's Account 1732200.

The DLCI should document:

- name of the student,
- his/her percent effort
- period of the effort on the project
- total amount of the subsidy provided during that period.

Each year, the DLCIs must send cost sharing documentation for a graduate student RA tuition subsidy to the RAS CA (via OST).

Salary/EB and F&A

Funds for the faculty Salary/EB and F&A will be transferred by VPF to the WBS Cost Share child cost object based on the Cost Sharing Template entered in KC Award. **SAP will display the funds as Revenue.**

The DLC is then responsible for **changing salary distribution to the WBS cost sharing child cost object.** The Expenses must match Revenue.

Salary and related employee benefits must be tracked and certified in the effort reporting system. The DLCI submits an updated Cost Share Template to ensure that accurate Salary & EB and F&A are described.

See <https://vpf.mit.edu/salary-distribution-requirements>



Associated F&A Costs

The Institute will absorb the F&A costs associated with cost sharing that is **Mandatory** (required by the funding agency). Funds for the F&A associated with the salary/EB and other non-salary costs are transferred by VPF to the WBS child cost object. In the Cost Share Template, the DLC must calculate the correct F&A cost per FY. For Mandatory Funded F&A, 1402600 as funding source.

Funding for F&A costs on cost sharing commitments that are **Voluntary**, not required by the funding agency, a DLC account must be provided as funding source in the Cost Share Template.

Third party In-Kind Contributions

Per Federal regulations, the value of non-cash contributions provided by non-Federal third parties, may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program.

- Detailed Valuation and Documentation Guidelines are described in the reference document – [Cost Sharing Primer for DLC Administrators](#), pages 10-13.
- Third-party cost sharing on federal awards and grants must meet the Uniform Guidance criteria that define [allowable cost sharing expenditures](#).

Action Items for DLCIs:

- Maintain copies of non-MIT-funded cost sharing – in the event of an audit or questioned costs (DLCI may send copies to RAS CA to upload to KC Award)

Subawards

4. LEGAL RESPONSIBILITY

Although the cost share requirement applies to the Project Team as a whole, the funding agreement makes the Prime Recipient legally responsible for paying, or ensuring payment of the entire cost share. The Prime Recipient's cost share obligation is expressed in the funding agreement as a static amount in U.S. dollars (cost share amount) and as a percentage of the Total Project Cost (cost share percentage). If the funding agreement is terminated prior to the end of the period of performance, the Prime Recipient is required to contribute at least the cost share percentage of total expenditures incurred through the date of termination.

The Prime Recipient is solely responsible for managing cost share contributions by the Project Team and enforcing cost share obligations assumed by Project Team members in subawards or related agreements.

- RAS Research Subawards Team (RST) includes cost sharing requirements in the subrecipient agreement, requiring cost sharing reporting on invoices for payment.
- DLCI has responsibility for determining that the subrecipient has completed sufficient work for the invoice to be paid and are meeting cost sharing requirements.

Tracking & Documenting

It is the responsibility of the DLCI to monitor, track, and document cost sharing to ensure that all cost sharing commitments (mandatory and voluntary) made as a condition of the award are met, properly recorded and documented.

SAP Summary Statements for WBS cost sharing child cost objects must be reviewed each month or quarterly so that adjustments can be made in a timely manner, and that rates of expenditures can be monitored to assure availability of funds.

Cost Share Reports

- DLCI – check KC award and agreement terms for reporting requirements. Some sponsors may require more detail than others.
- DLCI - report to sponsor based on agreement terms (some require interim/quarterly reporting). Share copies of all cost sharing reports to the sponsor with RAS.

Final Financial:

- VPF audits the WBS Cost Share Child
- VPF will include total amount of cost share expenditure (if needed)
- DLCI will provide VPF with records of Cost Sharing that are not funded through a WBS cost share child as needed.

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page	of
XYZ Corporation		AGRMT DTD MAY 30, 2018		1	1
3. Recipient Organization (Name and complete address including Zip code)					
Massachusetts Institute of Technology 77 Massachusetts Avenue Cambridge, Massachusetts 02139					
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number	6. Report Type	7. Basis of Accounting	

Recipient Share:

8. Project From: 5/30/20	i. Total recipient share required	\$25,504.24
10. Transaction (Use line 8)	j. Recipient share of expenditures	\$25,504.24
	k. Remaining recipient share to be provided (line i minus j)	\$0.00

Federal	
a. Cash Receipts	\$982,914.18
b. Cash Disbursements	\$982,914.18
c. Cash on Hand (line a minus b)	\$0.00
<i>(Use lines d-o for single grant reporting)</i>	
Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	\$982,914.18
e. Federal share of expenditures	\$982,914.18
f. Federal share of unliquidated obligations	\$0.00
g. Total Federal share (sum of lines e and f)	\$982,914.18
h. Unobligated balance of Federal funds (line d minus g)	\$0.00
Recipient Share:	
i. Total recipient share required	\$25,504.24
j. Recipient share of expenditures	\$25,504.24
k. Remaining recipient share to be provided (line i minus j)	\$0.00
Program Income:	
l. Total Federal program income earned	\$0.00
m. Program income expended in accordance with the deduction alternative	\$0.00
n. Program income expended in accordance with the addition alternative	\$0.00
o. Unexpended program income (line l minus line m or line n)	\$0.00

	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
11. Indirect Expense	Fixed	50.00 On - 5.00 Off	5/30/2018	12/31/2020	\$503,008.24	\$296,774.88	\$287,587.90
	g. Totals:				\$503,008.24	\$296,774.88	\$287,587.90

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)

a. Typed or Printed Name and Title of Authorized Certifying Official	c. Telephone (Area code, number and extension)
Mike Hiekin, Assistant Manager	(617) 258-8228
b. Signature of Authorized Certifying Official	d. Email address
	mksykin@mit.edu
	e. Date Report Submitted (Month, Day, Year)
14. Agency use only:	

Standard Form 425
OMB Approval Number: 0348-0051
Expiration Date: 10/31/2011

Paperwork Burden Statement
According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0051. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0051), Washington, DC 20503.

Cost Share Closeout

- VPF will audit cost share child accounts.
- DLCI needs to provide information on whether everything is posted to the child account. If not, inform VPF.
- VPF confirms the correct FY Rates were used, checks that Secondary Costs, Categories were funded correctly.
- Funded amount (Authorized Total) must equal expenditures.
- DLCI must revise Cost Sharing Template as needed.
- Account in balance is closed.

See *RAP: Financial Closeout of Sponsored Projects* [[PDF](#)] [[Video](#)]

Feedback

We are providing a **QR Code** for you to access a **RAP learning session feedback survey** via your phone or mobile device.



I will also provide a link
https://mit.co1.qualtrics.com/jfe/form/SV_d121aUlu3eumtaS
to access the form via the web and in a follow up email.

Helpful Resources

VPF Sponsored Accounting Team

<https://vpf.mit.edu/staff/134>

RAS Grant & Contract Administrator

<https://ras.mit.edu/about-ras/staff/by-department>

RA Support

Ra-help@mit.edu

Josh Freedman (offers assistance with tuition subsidy tracking questions)

joshf@mit.edu

MIT Cost Sharing Resources

- [RAS Cost Sharing webpages](#)
- [MIT Cognos Cost Share Reports](#) (Public Folders > Departmental Reports > Financial DLC Reports > Cost Sharing Reports)
- [Cost Sharing Primer](#)



Cost Sharing

Tips from the Trenches... A case study
Institute for Soldier Nanotechnologies

ISN Cost Sharing

Mandatory from original BAA

22.7% of the cost of the program is cost share

Capped at \$14.6M

Funded from many sources

Sponsored pushed hard for same cost sharing to get renewal in 2007 and for 2012.

Pre Award

Planning Cost Sharing for a Proposal

Mandatory

F&A is covered! (Free Money)

Voluntary

Don't do it! Not used to evaluate proposal.

Cost share on entire project if possible, not on specific tasks. Be careful how your proposal is worded and how the award reads.

Section G - Contract Administration Data

ACCOUNTING AND APPROPRIATION DATA

AA: 97201301833AC2154E633070000005062063115F667100001939036209F1ATD42200G0010000AAF67100
COST CODE: A60FJ
AMOUNT: \$1,000,000.00
CIN GFEB001029846700001: \$1,000,000.00

AB: 02120132014204000006616112550030002617R.0007100.1 6100.9000021001
COST CODE: A60FJ
AMOUNT: \$472,209.00
CIN GFEB001029852400001: \$472,209.00

AC: 2122040000026N6N20622786E010025FBN35C30MIPR2KDATN140425291FS19130
COST CODE: A60FJ
AMOUNT: \$100,000.00
CIN GFEB001029852400002: \$100,000.00

AD: 2122040000026N6N2062278625FBN35C30MIPR2KDATN136225091JS19130
COST CODE: A60FJ
AMOUNT: \$93,057.34
CIN GFEB001029852400003: \$93,057.34

AE: 02120132014204000006616112550030002617R.0007099.1 6100.9000021001
COST CODE: A60FJ
AMOUNT: \$31,297.00
CIN GFEB001029852400004: \$31,297.00

TERMS AND CONDITIONS

1. Contracting Officer's Representative: Dr. Robert Kokoska
2. Principal Investigator: Dr. John Joannopoulos
3. The purpose of this task order is to provide funding for three Natick Projects titled, "An Autonomous, Adaptive, Responsive, and Modular Second Skin Based on Organohydrogels", "Improving the Performance of Electrospun Materials and their Composites under End-Use Conditions", "Responsive Hybrid Block Copolymer Photonic Crystals", and for the Air Force Projects titled "Controlled Release from Surfaces for Battlefield Medicine", "Novel Ultrasound Transducing Fabrics for the Continuous Monitoring and Early Detection of Pneumothorax and Pulmonary edema in Airlifted Patients", "Materials for Non-Invasive and Cell-Targeted Drug Delivery", "Device For Non-Invasive Rapid Determination of Hydration State", and "Devices For Monitoring Tissue Oxygenation in Compartment Syndrome Patients." The SOWs and cost proposals are hereby incorporated by reference.
4. Cost Sharing is not applicable for this task order.
5. This task order will be performed in accordance with the terms and conditions of Contract W911NF-13-D-0001.

RA Tuition Subsidy

“Free” cost sharing

Never works as you project

Reduces Flexibility for PI

Potential Change in Subsidy Rates

\$1,000,000+ hit to the original ISN contract when rate went from 65% to 45%

Not easy to track and document

Other Sources of Funds

PI Discretionary

Good luck with that!

Department, Deans, VPR, Provost, etc.

For larger projects with mandatory funding

Third Party Sources - Industry

Be very careful here: Document & question everything

Cost Sharing Template

Learn to love it!

Fill it out ASAP and get it signed.

This is the real documentation for all the deals you and your PI(s) made to get the cost sharing

Check to make sure funds are drafted

Yearly template for F&A on Mandatory CS

Use template to move funds from Parent to Child

Cost Sharing Template
(Complete separate template for each fiscal year)

Level One WBS Element: 6915506

Level One WBS Project Period: 5/1/07 - 12/31/09

Please Shade Cell of Cost Sharing Type		Cost Sharing Detail	FY	Amount	Funding Source	Destination Account****
(a) Funded Cost Sharing						
MF	VF	Salary & EB*: [Individual Name]				
MF	VF	Non-Salary				
MF	VF	F&A**	2009	\$194,706.75	1402600	6915506
MF	VF	Tuition Subsidy				
MF	VF	UROP				
MF	VF	Unrecovered F&A				
MF	VF					
MF	VF					
(b) Non-Funded Cost Sharing						
MNF	VNF	Volunteer Services				
MNF	VNF	Subrecipient***				
MNF	VNF	Non-Federal Sponsored Support				
MNF	VNF	Equipment				
MNF	VNF	Other				
				Total Cost Sharing	194,706.75	

Comments: Funding for Cost Sharing on the ISN contract. This is to draft in the F&A to balance the account through 12/31/09.

Mandatory cost sharing on the ISN contract.

Important Note: Comments are entered only on the Level One WBS and may be viewed by all COEUS users.

- * When a salary % (not \$) is committed as cost sharing, use the current FY salary to calculate future year amounts. Then when actual salary and EB are known, complete and submit to OSP a COEUS Cost Sharing Data Change Form. When cost sharing salary is funded by a cost object outside the administering DLC, enter a separate line for each individual adding the individual's last name. (Individual names will not be entered in COEUS.)

** Unless otherwise negotiated, enter Institute account 1402600 as funding source for Mandatory-Funded (MF) F&A. Enter a DLC account for Voluntary Funded (VF) F&A.

*** Must be entered if subrecipient cost sharing is proposed.

**** Destination account must be entered only when more than one lower level WBS cost sharing account is requested. If cost sharing accounts have not yet been created, enter Destination "A", "B", "C", etc. to identify the separate accounts.

Approval of funding source(s) outside the administering DLC

Funding Source
<u>1402600</u>

Approval
<u><i>John Donnelly 2/1/2010</i></u>

During the Project

Spend the cost sharing funds.

It only counts for actual expenditures, not what has been drafted into the account.

ESDS / Data Warehouse to track RA tuition.

[Sample RA Tuition Report](#)

Summer Tuition - Cost Object 1732200

RAS has access to this account in SAP

[Summer Tuition Report](#)

During the Project

PS1 (1) (030)

Summary Edit Goto System Help

Summary Statement

Expand All Expand Collapse Collapse All DTR Download

Cost Center **1732200**
 Title GRADUATE SUMMER TUITION Month End May 31 2015
 Company Mass. Inst. of Technology
 Begin 03/01/1999 End 12/31/9999
 Supervisor ZEIEN /CHRISTOPHER A
 Costing Sheet General (No F&A)

	BUDGET (Version 0)	CURRENT	FISCAL YTD	CUMULATIVE	UNEXPENDED	COMMITMENT	UNCOMMITTED
NET EXPENSES							
Expenses							
Direct Expenses							
Other Charges							
422310 - Tuition-RA-not MTDC	50,413,308.00		50,449,522.00	50,449,522.00	36,214.00-		36,214.00-
TOTAL Other Charges	50,413,308.00		50,449,522.00	50,449,522.00	36,214.00-		36,214.00-
TOTAL Direct Expenses	50,413,308.00		50,449,522.00	50,449,522.00	36,214.00-		36,214.00-
* * * TOTAL Expenses * * *	50,413,308.00		50,449,522.00	50,449,522.00	36,214.00-		36,214.00-
TOTAL NET EXPENSES	50,413,308.00		50,449,522.00	50,449,522.00	36,214.00-		36,214.00-

RAS has access to this account in SAP

[Summer Tuition Report](#)



Detail Transaction Report

Change Sort Order Change Layout Download

Cost Center **1732200** GRADUATE SUMMER TUITION July 2014 - May 2015
 Company Mass. Inst. of Technology
 Supervisor ZEIEN /CHRISTOPHER A

Type	Document Number	Trans Date	Description	Amount	Check Number
Cost Element 422310 - Tuition-RA-not MTDC					
FS	4100035376	06/30/2014	Reverse 4100034890 FY14 Summer Aid def	47,539,755.00	
SS	5314702843	07/01/2014	2014SU 912438610 He, Yan	14,900.00	
SS	5314702843	07/01/2014	2014SU 929842056 Kim, Eunha	14,900.00	
SS	5314702843	07/01/2014	2014SU 917049241 Ong, Katherine	14,900.00	
SS	5314702843	07/01/2014	2014SU 924266807 Liu, Shuyue	14,900.00	
SS	5314702843	07/01/2014	2014SU 929561975 Ahmad, Salman	14,900.00	
SS	5314702843	07/01/2014	2014SU 956379721 Yamana, Teresa	14,900.00	
SS	5314702843	07/01/2014	2014SU 915745422 Utzat, Hendrik	14,900.00	
SS	5314702843	07/01/2014	2014SU 950842228 Tsiaulouski, Egor	14,900.00	
SS	5314702843	07/01/2014	2014SU 982866426 Carbin, Michael	14,900.00	
SS	5314702843	07/01/2014	2014SU 925556067 Tandon, Shubhang	14,900.00	
SS	5314702843	07/01/2014	2014SU 927881085 Brodsky, Micah	14,900.00	
SS	5314702843	07/01/2014	2014SU 928683650 Mimee, Mark	14,900.00	
SS	5314702843	07/01/2014	2014SU 953447592 Bates, Richard	14,900.00	
SS	5314702843	07/01/2014	2014SU 926972401 Perez, Alfonso	14,900.00	
SS	5314702843	07/01/2014	2014SU 973475766 Velez, Javier	14,900.00	
SS	5314702843	07/01/2014	2014SU 926367699 Wang, Irving	14,900.00	
SS	5314702843	07/01/2014	2014SU 919487322 Wong, Kevin	14,900.00	
SS	5314702843	07/01/2014	2014SU 921123600 Bangert, Julian	14,900.00	
SS	5314702843	07/01/2014	2014SU 928621910 Keshavarz, Bavand	14,900.00	
SS	5314702843	07/01/2014	2014SU 929916663 Matias, Jorge	14,900.00	
SS	5314702843	07/01/2014	2014SU 912333725 Diniz, Giovanni	14,900.00	
SS	5314702843	07/01/2014	2014SU 916576289 Phillips-Brown, Milo	14,900.00	
SS	5314702843	07/01/2014	2014SU 917814783 Carlson, Stacy	14,900.00	
SS	5314702843	07/01/2014	2014SU 924004096 Thomas, Dale	14,900.00	
SS	5314702843	07/01/2014	2014SU 924374329 Jain Figueroa, Anjuli	14,900.00	
SS	5314702843	07/01/2014	2014SU 927563489 Jain, Sonam	14,900.00	

Summer Tuition Report

Third Party Cost Sharing

Great source of cost sharing in many cases

Get documentation of in kind contributions

Relatively easy to do

Use “retail” value of items if at all possible

Documentation of salaries from company of personnel working on your project

Third Party Cost Sharing

CONTRACT COST ESTIMATOR					
Join selected cells, or separate joined cells into single cells				July 1, 2006 - April 30, 2007	
EMPLOYEE	HOURS	RATE/HR	COST		
Technician	6		\$145		
Scientist	1336		\$82,569		
Professional	644.5		\$24,827		
Total Direct Labor	1986.5		\$107,541		
					\$0
2006 DL Overhead		Varies	\$91,096	Total Outside Services	\$0
2007 DL Overhead		Varies	\$92,540		
Total Overhead			\$183,636		
					\$0
Total Labor and Overhead			\$291,177	Total Outside Service G&A	\$0
2006 G&A		11.52%	\$16,658		
2007 G&A		11.52%	\$16,921	Relocation/Living Expenses	\$24,041
Total G&A			\$33,579	Total Miscellaneous Costs	\$24,041
TOTAL NET LABOR			\$324,756	TOTAL NET MISC	\$24,041
GRAND TOTAL					\$348,797
**Indirect rates have not been audited by the DCAA					

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personnel working on your project

Westwood, April 13, 2011

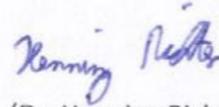
Dear ISN,

We are delighted to let you know that Nano-C, Inc., as part of its co-investment in the ISN, has sent today the following materials to Raoul Correa, working with Prof. Mounji Bawendi. The values assigned to these currently not readily available products are based on the efforts required for their preparation and the materials used.

- a) 5 mL of unseparated as-produced SWCNT dissolved in an aqueous sodium cholate solution (2wt%), concentration: 0.1 mg/mL. Value: \$150.
- b) 5 mL of separated semi-conducting SWCNT dissolved in an aqueous sodium cholate solution (2wt%), concentration: 0.012 mg/mL. Value: \$950.
- c) 5 g of sodium cholate as used for the preparation of the aqueous solution. Value: courtesy.

Addition of \$20 shipping costs results in a total value of \$1,120.

Kind regards,


(Dr. Henning Richter)

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ATTACHMENT B
CO-INVESTMENT BY JEOL USA, INC.

Document Detailing the Co-investment of
JEOL USA, INC.

As a Major Industrial Partner in the Instrumentation Company Category
of
The Institute for Soldier Nanotechnologies at MIT

Date: _____

The co-investment of JEOL USA, INC. is as follows. If MIT purchases the JSM-6700F Scanning Microscope currently located at the ISN for \$200,000, JEOL USA will provide the JEM-9320FIB also currently located at the ISN at no charge. Moreover, JEOL USA will provide a six month warranty for each of these two instruments to begin April 1, 2011 provided JEOL USA has received by March 31, 2011, a letter of intent to purchase the JSM-6700F Scanning Microscope from JEOL USA. Thus the valuation of JEOL USA, Inc.'s co-investment in the ISN is as follows:

Equipment Item or Service	Fair Market Valuation, \$	ISN Contribution, \$	Value of JEOL USA, Inc. Co-investment
JSM-6700F with accessories	260,000.00	200,000.00	60,000.00
JEM-9320FIB with accessories	510,000.00	0.00	510,000.00
6-month warranty on JSM-6700	13,827.38	0.00	13,827.38
6-month warranty on JEM-9320FIB	15,647.50	0.00	15,647.50
TOTAL	799,474.88	200,000.00	599,474.88

JEOL USA, INC., may if it wishes and entirely at its sole discretion, provide additional co-investment to the ISN for purposes mutually agreed upon by JEOL USA, INC. and the ISN, and consistent with the mission of the ISN and MIT.

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Questions

