Cost Share Guide for Sponsored Projects

This guide will assist Sponsored Projects Administration (SPA), Principal Investigators (PIs), and units in understanding how to manage and track cost share in the UGA Financial Management System (FMS).

All cost share must be approved by Sponsored Projects Administration. This includes any new cost share commitments, including those not in an already approved award document.

Cost Share Set Up in UGA FMS

When an award is being established/modified, SPA will work with the PI/unit to verify the cost share funding source(s) and then create cost share chart string(s) on the project ledger. The cost share budget on the project ledger is **unfunded** and cumulative, requiring management and coordination to ensure proper accounting across fiscal years. When SPA creates the cost share chart string, a cost share budget will be visible on the project ledger. However, it is the responsibility of the PI/unit to **fund** the cost share on the department ledger.

UGA has created *program codes* specifically for cost share to allow reporting of cost share expenditures based upon sponsored activity. Each cost share program code corresponds to the sponsored program code.

Program Code	Description
11110	Instruction Cost Sharing
12110	Research Cost Sharing
12220	Research Institute & Center Cost Sharing
13110	Public Service Cost Share
13210	Coop Extension Cost Share

These program codes can be found on the Chart of Accounts code structure document:
https://onesource.uga.edu/_resources/files/documents/coa_code_structure.pdf

A cost share chart string on the project ledger will contain the following chart field values: Fund; Class; Program Code; Department; Project Business Unit; Project ID; Activity; Account; and Amount.

In the example below, the sponsor awarded UGA $100 and UGA will contribute $50 in cost share, with a total project budget of $150. Both the sponsor's portion and UGA's portion contain the project identifiers (Project Business Unit, Project, and Activity) and appear on the project ledger.

Project Budget

Fund	Class	Program	Department	Project Bus Unit	Project	Activity	Account	Amount
20000	61018	12100	19260DMD	18400	RNIHXRR182459CV	A01	XXXXXX	$100

Cost Share Budget

Fund	Class	Program	Department	Project Bus Unit	Project	Activity	Account	Amount
10000	11200	12110	19260DMD	18400	RNIHXRR182459CV	A01	XXXXXX	$50

It is the responsibility of the PI/unit to fund the cost share chart string at the department level. In the example above, provided the department funded the cost share, the PI/unit will be able to spend on the cost share chart string.

Project Ledger vs. Department Ledger

Since Projects are budget controlled at the project level, a cost share budget amount is required on the project ledger. This cost share chart string is recorded in the Grants Module for tracking cost share expenses on the project only. Sources of cost share funds are budget controlled at the *fund and department* level, whereas the cumulative (sponsor funding and the departmental support of the cost share) is controlled at the *project level*. Cost share expenses posted to a project will be reflected against the project ledger, as well as the departmental ledger as shown below.

Budgeting Project Ledger

SPA is the only unit that can add a cost share chart string to a project. Cost share setup should be initiated in the Grants Portal and the department must provide the desired department number, fund code, and class code for the cost share chart string. If this information is not provided, the department number, fund code, and class code will default to match the sponsored award chart string.

Once the cost share is reviewed/approved, the information will then be entered in the FMS, including the correct cost share program code. Cumulative cost share (budget and expenditures) will be reflected in project reporting.

For sponsored projects in Funds 20000 or 213XX, cost share fund codes include:
- 10xxx
- 113xx
- 116xx
- 12xxx
- 14xxx
- 15xxx
- 20200
- 20300
- 50000
- 50100

The FMS Grant Budget By Chartfields Query (UGA_GM_BUDGET_BY_CFS) contains all current chart strings associated with a specific project in the project ledger. The column labeled "Budget BUD/Cost Share Bud CBU" identifies whether the chart string associated with a project pertains to funds provided by the sponsor or pertains to cost share funds. "BUD" designates sponsored funds; whereas, "CBU" designates cost share funds.

Budgeting Department Ledger

The cost share chart string on the project must be funded at the *Department* level. The budget is not transferred from the department chart string to the project.

The department is responsible for budgeting required cost share at the department level on a yearly basis. Budget journals at the department level will likely need to be done annually as funds to budget multi-year cost share commitments will likely not be available upfront. The department should budget to the UGA cost share program code in order to align with the cost share expenses. When submitting the budget journal to fund the cost share on the department ledger, the project identifiers (PC Business Unit, Project ID and Activity Code) are not used.

Cost Share Indirect Costs and Unrecovered Indirect Costs

Cost share indirect costs are calculated based upon the same rate as the indirect rate for the project. In the Grants Portal, the cost share budget (including indirect costs where appropriate) is tracked to ensure we meet cost share requirements while the FMS does not require a cost share indirect budget. Unrecovered Indirect Costs are calculated based upon the award documents and are tracked and reported by *Sponsored Projects Administration*.

Third-Party In-Kind Cost Share

Third-party in-kind contributions represent a third party's non-cash contributions (personnel, supplies, services, etc.) that benefit a sponsored project. The University
places no conditions on third-party in-kind contributions. Such cost sharing must be guaranteed by the third-party in writing at the time of the proposal submission. Additionally, the third-party will be required to document they met this cost sharing requirement during the award and closeout stages. Third-party in-kind cost share will not be included on a sponsored project budget. The FMS has an Award Attribute that may be used to record information about third-party in-kind cost share. The attribute is queryable and the comments field may be used to record more detailed information.   The query to use for in-kind cost share is: UGA_GM_ADD_INFO_INKIND_CS.

Posting Cost Share Expenses

Expenditures posted to the cost share chart string will be recorded in both the Department Ledger and the Project Ledger.

Once a cost share commitment is accepted, UGA is obligated to expend those funds during the award period and in accordance with the award documents. The Department is responsible to ensure every cost share expenditure is submitted on the designated cost share chart string(s) in order to post it to the project. This includes all expense types: salary; benefits; travel; operating; and equipment. Cost share expenditures must be incurred within the project start and end dates and the appropriate project budget period. They must also adhere to all applicable project guidelines.

When processing the cost share expenses, all transactions must include the UGA program code and the project identifiers on the chart string. Payroll combo codes should also be requested with cost share program code and project identifiers.

Example:

Fund	Program	Dept ID	Class	PC Bus Unit	Project ID	Activity Code
10000	12110	19260DMD	11200	18400	RNIHXRR182459CV	A01

Monthly reconciliations should be performed to verify that transactions posted to the cost share chart string are correct. The expenses should align with the applicable project plan, should be allowable, and should comply with the terms and conditions of the award. If errors or omissions are found, appropriate action to adjust/correct must be submitted timely and include proper justification.

Useful Queries for Viewing Budgets and Expenditures

Some helpful queries accessible in UGA FMS (through Grants WorkCenter) to check cost share budgets and expenditures include:

UGA_GM_OP_SUM_BUD_COSTSHARE (Project Summary Budget/CostShare): Provides a list of Cost Share budgets/actuals and encumbrances at a summary level.

UGA_GM_OP_COSTSHARE_EXP_DTL (Cost Share Expenditures): Detailed list of Cost share Expenditures with related transaction ID.

UGA_PAY_EXP_DETAIL (Payroll Expense Detail): Detailed payroll transactions per employee.

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Frequently Asked Questions

Q: Is cost share included in the Project Status Report and/or Project Status Cube?

A: Yes, cost share is included, but it is displayed separately. Because cost share budgets are included in the overall project budget, cost share actuals are included as well. However, these reports are segregated by Fund code by default, so cost share balances are displayed separately.

Remember, the cost share budget in the Project Status Report is unfunded and cumulative. Proper communication with the Principal Investigator is critical to avoid over spending the sponsor portion.

Q: Will cost share reports show salary details?

A: No, payroll detail is not on the cost share reports, but this information can be found in using the useful query mentioned above, UGA_PAY_EXP_DETAIL, or by using the Position Funding Cube. More information and a reference guide for using this cube can be found in the OneSource Training Library (training.onesource.uga.edu) under Financials Topics by Module > Reporting and Data Warehouse > Getting Started with Reporting > Data Warehouse: "Running the Position Funding Cube."

Q: Is there a way to track cost share budget and expenses?

A: Yes, the query UGA_GM_OP_COSTSHARE_EXP_DTL will provide all cost share transactions. UGA_GM_OP_SUM_BUD_COSTSHARE will provide total cost share budget, actual cost share expenditures and cost share encumbrances.

Q: Will cost share totals be cumulative even when a project spans over multiple years?

A: Yes, the cumulative amounts will be reported for all cost share posted in the UGA Financial Management System. Any cost share posted before conversion must be manually included.

Additional Information

- UGA SPA Contacts
- UGA Direct Cost Policy
- UGA Cost Share Policy
- UGA Chart of Accounts

Sample Cost Share Scenario

Getting Started

SPA creates cost share chartstring(s) with amount(s) to match.	Department User budgets $1,000.00 to cost share chartstring(s).
• This is the chartstring that cost share will be charged to for the project. • Any new awards set up with cost share in the proposal would initiate the creation of this chartstring. • Chartstring information should be provided at award time by the department. • In order to spend against this chartstring, budget needs to be set up a budget for the chartstring.	• Request a new Combo Code with the SPA-created chartstring. • You will need an Account Code added to this Combo Code: **500000** for payroll (personnel) or **700000** for expenses – personnel and non-personnel expenses. • This is high level budgeting. When budgeting, only Fund and Department are required for the budget check process.

Charging to Cost Share

Department User charges salary of $250 to cost share chartstring.	SPA charges posts to the General Ledger and cost collects into the project.
• Before you can do this, you will need a combo code set up. This is not automatically created.	

Viewing Budgets and Balances

Department User can view cost share budgets and balances.	SPA No action required.
• Salary charge can be seen in both the Project Ledger and the General Ledger. • You can use the two cost share queries in the Grants WorkCenter to check actuals, budget, encumbrances OR to view detailed transactions.	

Approaching Year End

Department User reallocates the remaining $750 balance budgeted to the chartstring to cover other needs, and it is determined that cost share will be met next year.	SPA No action required. • No rebudget is required. • $1,000 budget will remain as placeholder.
• You will allocate to a different chartstring. You may need to move to a different department or else you may overspend on your other one.	

Balance Roll Over

Department User budgets the remaining $750 to cost share chartstring(s) the following year.	SPA No action required. • No rebudget is required. • The $1,000 budget has remained as placeholder.

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