Cost sharing or matching is a commitment made by TWU to fund a portion of the total cost of a sponsored project. This commitment may include direct and/or indirect costs, and may consist of University funds and/or funds from other external sources. It is the policy of TWU that committed cost sharing shall be proposed, approved, and documented in a consistent and reasonable manner. This policy is established to comply with the requirements of OMB Circular A-110, OMB Circular A-21, and to satisfy the audit requirements of OMB Circular A-133. Committed cost sharing on a sponsored project is a legally binding obligation and is subject to audit requirements to the same degree as all University expenditures.

Definitions
Mandatory Cost Share: University resources committed to a funded project to meet explicit funding agency requirements.

Voluntary Cost Share: University resources committed to a funded project but not required by funding agency. Voluntary committed cost share becomes mandatory upon receipt of award.

Voluntary Uncommitted Cost Share: Cost sharing that is neither mandatory nor voluntarily committed in the budget and program description of a funding proposal. Voluntary uncommitted cost share is not documented or reported to funding agency.

Any cost share committed in a funding proposal must be approved by the individual(s) with budgetary authority over the obligated funds and by the University’s authorized official. Voluntary cost share must be approved by either the funding applicant’s academic dean or vice president and requires written justification that includes rationale for the commitment, documentation methods, and reporting requirements on cost share funds.

Once committed in an approved budget or notice of award, cost sharing funds other than external cost share contributions must be verifiable and fully documented in University records, even when cost sharing is not required by sponsor guidelines.
Cost sharing obligations must be funded from identified resources available to the project and shall be treated consistently with other similar University expenditures.

The Office of Research and Sponsored Programs (ORSP) is responsible for administering cost sharing procedures and is authorized to update and modify procedures and documents as necessary to comply with federal, state and University regulations. ORSP is also responsible for ensuring that TWU personnel are kept current on cost sharing procedures and requirements.

Allowable cost share expenditures:

1. Are verifiable from University records.
2. Are not included as contribution for any other funded project.
3. Are incurred for the specific program and are necessary and reasonable for accomplishment of program objectives.
4. Are allowable under OMB Circular A-21 on federally funded projects.
5. Are allowable and allocable under the terms of the sponsoring award.
6. Are allowable under applicable cost principles and TWU procurement policies.
7. Are allowable as employee salary and wage compensation to the extent that the total compensation conforms to established TWU personnel policies and that these policies are consistently applied.
8. Are not paid by the federal government under another award, except where authorized by Federal statute to be used for cost sharing or matching.
9. Are included in the approved project budget and budget narrative and referenced in the proposal narrative.
10. Are incurred during the project period of the award.
11. Conform to the provisions of OMB Circular A-110 as applicable.

Documentation of Cost Share
Documentation of cost share is the responsibility of the department committing the cost share. The Principal Investigator (PI) on a funded project is required to provide documentation to ORSP on all cost share expenditures other than salaries and indirect costs. Cost share documentation must be submitted to ORSP at the same time that required yearly or final reports are submitted to the sponsoring agency.

Cost Sharing conditions for subcontracts
A cost-sharing requirement shall be included in the terms and conditions of subcontract agreements when cost sharing is flowed down to subcontractors or consortium partners. The sub-awardee is responsible for maintaining the documentation of such costs.

Third-Party/External Contribution
External cost share contributions shall be pledged in writing (at the proposal stage), shall include the amount committed, and be signed by an authorized official. External
contributors shall be required to certify in writing that the commitment has been met and that the value of the goods and/or services can be documented.