

COST SHARING POLICY FOR EXTERNALLY SPONSORED PROJECTS

SLT 3.11.2

Date of Last Update:

September 04, 2019

Approved By:

- Senior Leadership Team

Responsible Office:

Office of Sponsored Programs

POLICY

Grand Valley State University (the University) shall minimize cost sharing on all externally sponsored projects (as defined at [SLT 3.11: EXTERNALLY SPONSORED PROJECTS POLICY](#)).

The University will allow cost sharing on such projects under the following conditions:

1. When it is required by the sponsoring agency (Mandatory Cost Sharing) as documented in a proposal solicitation, program description, sponsor policy, Catalog of Federal Domestic Assistance record, broad agency announcement or other official sponsor document.
2. When a reasonable justification is made that provision of Voluntary Cost-Sharing (whether Committed or Uncommitted) will improve the competitiveness of a proposal.

Further, in cases under which the University will allow cost sharing:

1. The proposed cost sharing must be thoroughly and accurately quantified;
2. The proposed cost sharing must represent an allowable cost (as defined in [SLT 3.11.1 ALLOWABLE COST POLICY](#));
3. The proposed cost sharing must be limited to what is required by the sponsor (Mandatory Cost Sharing) or to what is deemed reasonable by the Appointing Officer (as defined in [BOT 4.1.1: GENERAL PERSONNEL POLICIES FOR FACULTY AND STAFF – PERSONNEL ADMINISTRATION](#)) who has authority over the resources proposed to be committed (Voluntary Cost Sharing);
4. The approval to subsidize all proposed cost sharing must be documented by the Appointing Officer who has authority over the resources proposed to be committed;

5. The quantification and approval of cost-sharing subsidies must be documented and approved by the Authorized Organizational Representative of the University (as defined at [SLT 3.11: EXTERNALLY SPONSORED PROJECTS POLICY](#)) using the standard systems and processes of the Office of Sponsored Programs; AND
6. All approved cost sharing included in an awarded externally sponsored project must be monitored, tracked, and reported by the Grants Accounting office in accordance with all applicable federal and sponsor requirements.

DEFINITIONS

Cost Sharing: Cost sharing is that portion of an externally sponsored project cost that is not reimbursed by the sponsor (whether federal or non-federal) and therefore represents a commitment of institutional resources that would generally otherwise be devoted to other University purposes.

There are three forms of cost sharing:

1. Mandatory Cost Sharing, which is required by the sponsor as an award condition and becomes an obligation once an award is made;
2. Voluntary Committed Cost Sharing, which is voluntarily offered and documented in a proposal submission and therefore becomes an obligation once an award is made; and
3. Voluntary Uncommitted Cost Sharing, in which voluntary cost sharing is intended, but not explicitly committed (documented) in a proposal, and therefore not a binding commitment that must be tracked and reported.

For more information about this policy and the procedures established to ensure compliance with it, please contact the Office of Sponsored Programs at 616-331-6826 or osp@gvsu.edu.
