Cost Sharing Quick Guide
Last Updated 8/5/20

Process for Departments

Proposal
- Complete cost sharing budget in Princeton ERA
  - Within the working budget, select Create Cost Share
  - Select Cost Share Type (Mandatory or Voluntary) and identify Cost Share Entity (should be submitting Department)
  - Also complete the cost share budget form and add the attachment in Princeton ERA
- Complete Create-Update Cost Share Commitment activity in Princeton ERA
- Add Ancillary Reviews as type Cost Sharing and send to Organizations in Princeton ERA for all cost sharing commitment approvals
  - If Voluntary, Ancillary Review to ORPA Director is required for approval

Award Setup
- Revise Create-Update Cost Share Commitment activity, cost share budget, and upload revised cost share budget form in Princeton ERA if commitment changed between proposal and award stages

Assignment Journals
- After receiving NOA, initiate Assignment Journals to move funding from source to the Project, Dept, Activity, keeping the same Fund. Exceptions:
  - If the cost sharing source is Provost or DFR funding, ORPA will initiate assignment journals.
  - Faculty AY Salary & Benefits and AR Tuition are not moved by assignment journals.
- If Dept does not move all funding upfront, Dept moves cost sharing on periodic basis.

Cost Sharing Charges
- An item is charged as cost sharing when the Project # is used, and the Fund is not a G fund
- Use the cost sharing Chartstring on the NOA for charging cost share other than account code

Cost Sharing Charges via Labor Accounting (LA):
- Departments must charge Faculty AY Salary & Benefits using their main Dept. (ends in 00) and Fund A0000 (teaching budget) along with the Project and Activity in the cost share chartstring.
- When Departments create distributions for AR Tuition using a G fund and project chartstring, LA will automatically move 50% of the tuition costs out of the G fund and into A0000 when eligible for the University’s tuition subsidy.

Managing Cost Sharing Chartstrings (Available Balances & Expenditures)
- Leverage the NOA which provides all cost share chartstrings
- Develop internal practices for charging cost share expenditures when multiple chartstrings are involved.
- Run the Spendable Balance Report on a monthly basis to monitor available balances on cost share funds
  - Factors to Consider:
    - If feasible, charge against one chartstring at a time
  Reminder: Cost share expenditures for AR Tuition and Faculty AY Salary are automatically processed via Labor Accounting once in effect.
IW Reports

- Funds from the assignment journals appear as revenue on the Spendable Balance and Ledger Detail reports.
  Cost sharing budget, commitment, and/or expense can be seen on these reports in the University Financials – Prime folder in the IW:

<table>
<thead>
<tr>
<th>Sponsored Research Report</th>
<th>Cost Sharing By...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spendable Balance report</td>
<td>Shows beginning balance, revenue, expenses, encumbrances and ending balances by Fund</td>
</tr>
<tr>
<td>Ledger Detail</td>
<td>Expense by Dept., Fund, Account, Project</td>
</tr>
<tr>
<td>Sponsored Award Summary</td>
<td>Budget categories and expense by Award</td>
</tr>
<tr>
<td>Sponsored Project Summary</td>
<td>Budget items and expense by Project</td>
</tr>
<tr>
<td>Notice of Award</td>
<td>Commitment and budget dollars by Award</td>
</tr>
<tr>
<td>Cost Share</td>
<td>Commitment, budget, expenses and assignment journal dollars by Dept or Award</td>
</tr>
<tr>
<td>Sponsored Project Detail</td>
<td>Expense by Award or Project</td>
</tr>
</tbody>
</table>

Rules

- A separate project is not created for cost sharing because the sponsor budget and cost sharing budget can be included in one PS project budget.
- Commitment and budget reflect all years of cost sharing, regardless of when funds are transferred via an assignment journal or how sponsored funds are awarded.
- Fund is the same for the commitment and the budget
- Commitment dept is the source of the cost sharing.
- Budget dept is the project owning dept, and cost sharing dollars are moved by assignment journal to the project owning dept, project # and activity except:
  - Faculty AY salary & benefits are not moved. Dept # is the Contributing Dept’s Main # (Fund A0000).
  - AR Tuition is not moved. Dept # is the project owning dept (Fund A0000).
- Subrecipient, Third Party In-Kind Support, F&A and Unrecovered F&A appear in the PS commitment but not in the PS budget (tracked offline).
Commitment/Budget Dept/Fund chart for Princeton ERA and Cost Sharing Form

**Amounts:** Commitment and budget reflect all years of cost sharing, regardless of when funds are transferred via an assignment journal or how sponsored funds are awarded.

**Fund and Dept:** As per the chart

**Commitment Year:** Fiscal Year

<table>
<thead>
<tr>
<th>Source</th>
<th>Commitment Dept*</th>
<th>Budget Dept**</th>
<th>Commitment &amp; Budget Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provost Science Funds</td>
<td>51005: PRV-Faculty &amp; Infrastructure</td>
<td>Project Owning Dept</td>
<td>A0003</td>
</tr>
<tr>
<td>SEAS Science Funds</td>
<td>25000: SEA-Sch of Eng &amp; Appl Sci</td>
<td>Project Owning Dept</td>
<td>A0003</td>
</tr>
<tr>
<td>DFR</td>
<td>51700: DFR-Ofc Dean for Research</td>
<td>Project Owning Dept</td>
<td>Commitment and budget Fund should match</td>
</tr>
<tr>
<td>AR Tuition</td>
<td>40000: DGS-Central Admin Grad Fllwshp</td>
<td>Project Owning Dept</td>
<td>A0000</td>
</tr>
<tr>
<td>Faculty AY Salary &amp; Benefits</td>
<td>Contributing Dept’s Main # (ends in 00) / Main Dept Name</td>
<td>Contributing Dept’s Main # (ends in 00)</td>
<td>A0000</td>
</tr>
<tr>
<td>Dept Funds</td>
<td>Dept name or subdept name as provided by the Contributing Dept. (Starts with 3 letter code for the dept or subdept name)</td>
<td>Project Owning Dept</td>
<td>Commitment and budget Fund should match</td>
</tr>
<tr>
<td>Subrecipient</td>
<td>Leave Blank</td>
<td>Include this type on the form, but leave Dept blank on the form. Not included in PS Budget (Tracked offline)</td>
<td>Include this type on the form, but leave Fund blank on the form.</td>
</tr>
<tr>
<td>Third Party In-Kind Support</td>
<td>Leave Blank</td>
<td>Include this type on the form, but leave Dept blank on the form. Not included in PS Budget (Tracked offline)</td>
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<tr>
<td>F&amp;A***</td>
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<td>Unrecovered F&amp;A***</td>
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*Commitment in the “Create-Update Cost Share Commitment” activity in Princeton ERA, PS Award Commitment, NOA Commitment

**Budget Form, PS Project Budget & NOA Cost Sharing Budget

*** F&A, Unrecovered F&A, Subrecipient and Third Party In-Kind Support should be included in the Commitment in the “Create-Update Cost Share Commitment” activity in Princeton ERA and Budget Form only if approved by the sponsor.

Need help? Email erasupport@princeton.edu