

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 up front, 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:

| Sponsored Research Report | Cost Sharing By... |
|----------------------------------|--|
| Spendable Balance report | Shows beginning balance, revenue, expenses, encumbrances and ending balances by Fund |
| Ledger Detail | Expense by Dept., Fund, Account, Project |
| Sponsored Award Summary | Budget categories and expense by Award |
| Sponsored Project Summary | Budget items and expense by Project |
| Notice of Award | Commitment and budget dollars by Award |
| Cost Share | Commitment, budget, expenses and assignment journal dollars by Dept or Award |
| Sponsored Project Detail | Expense by Award or Project |

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

| Source | Commitment Dept* | Budget Dept** | Commitment & Budget Fund |
|---|--|--|--|
| Provost Science Funds | 51005: PRV-Faculty & Infrastructure | Project Owning Dept | A0003 |
| SEAS Science Funds | 25000: SEA-Sch of Eng & Appl Sci | Project Owning Dept | A0003 |
| DFR | 51700: DFR-Ofc Dean for Research | Project Owning Dept | Commitment and budget Fund should match |
| AR Tuition | 40000: DGS-Central Admin Grad Flwshp | Project Owning Dept | A0000 |
| Faculty AY Salary & Benefits | Contributing Dept's Main # (ends in 00) / Main Dept Name | Contributing Dept's Main # (ends in 00) | A0000 |
| Dept Funds | Dept name or subdept name as provided by the Contributing Dept. (Starts with 3 letter code for the dept or subdept name) | Project Owning Dept | Commitment and budget Fund should match |
| Subrecipient Third Party In-Kind Support | Leave Blank | Include this type on the form, but leave Dept blank on the form. Not included in PS Budget (Tracked offline) | Include this type on the form, but leave Fund blank on the form. |
| F&A*** Unrecovered F&A*** | Leave Blank | Include this type on the form, but leave Dept blank on the form. Not included in PS Budget (Tracked offline) | Include this type on the form, but leave Fund blank on the form. |

*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