

# ADMINISTRATIVE PROCEDURE - College of Agriculture and Natural Resources

Sub-unit: **College of Agriculture and Natural Resources**

Subject: **COST-SHARE ACCOUNTS**

Effective Date: March 1, 2021

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## **A. Purpose**

Cost-sharing or matching refers to that portion of a project or program costs not paid by the sponsor or is explicitly required by the program or solicitation, without which an application would be ineligible. These costs represent an implied or explicit agreement on the part of the University to assure that non-sponsor resources are contributed to a project, either from sources within or external to the University.

Most USDA-NIFA Capacity Funding includes a minimum 1:1 match, which is primarily met through fringe benefits for salaries applied to state and capacity accounts. These fringe benefits are paid through separately tracked state support accounts. The establishment and transfer of salary expenses and fringe to a cost-share account when personnel paid from sponsored awards are also paid from Capacity Funds would reduce the visibility into the fringe portion that applies to the Capacity Fund match.

## **B. Procedure**

Each AGNR unit shall designate a staff member that is responsible for receiving and reviewing Award Notifications.

When an Award Notification is received, the Office of Research Administration will enter the award information in Quali Research (KR). This award notification will include whether cost-share has been committed. For each new award, a Restricted account is established in Quali Financial System (KFS). If cost-share is committed, a cost-share account is created by Sponsored Program Accounting and Compliance (SPAC) and added to KFS.

When a sponsored project is awarded, the designated AGNR unit staff member should carefully examine the proposal and award documents in Quali Research and KFS to determine if cost-share has been committed. If cost-share has been committed, the designated staff member should determine if any person paid from the award has any portion of their salary paid from Capacity Funds. This can be done by looking at the funding sources for employees in PHR; this would include any account in the 4450000-4458999 range.

If no portion of personnel salaries are paid from Capacity Funds, the established cost-share account should be utilized to track the cost-share commitment and funding should be transferred to the account to cover the cost-share.

If any portion of personnel salaries are paid from Capacity Funds, the designated staff member should immediately complete the attached "Memo to delete cost-share account" with the KR Award#, Project Title (as listed on the Award Notification), and PI Name and send the memo via email to [SPAC@umd.edu](mailto:SPAC@umd.edu) with a cc to the Assistant Director of AgPAS to request that the cost-share account be deleted.

If a cost-share account has been deleted, the designated staff member will complete the "Quarterly Cost Share In-Kind Contribution Report" workbook, save it as a .pdf file, obtain the appropriate employee/s signature, and submit the report to SPAC on a quarterly basis.

**C. Contact**

Questions relating to this procedure are to be directed to the Assistant Dean for Finance and Management or the Assistant Director for AgPAS.