

**LOYOLA UNIVERSITY OF CHICAGO
STRITCH SCHOOL OF MEDICINE
OFFICE OF RESEARCH SERVICES**

Cost-Sharing Policy

Loyola does not voluntarily cost-share time and effort on a grant.

If cost sharing is appropriate and desired, the department must provide documentation to the Dean's Office (e.g., a memo signed by the department chair) indicating their desire to allocate a Loyola-funded salary as a cost-share and justification for that request. If approved, this becomes an official part of the budget and should be documented on the budget justification page. Records confirming the actual performance of this cost-shared effort must be retained by the department for documentation to the agency.

Many sponsored agreements require that the University (i.e., Stritch School of Medicine) contribute a portion of the costs of the project being performed. Documentation and accounting for cost sharing is as important as documentation of costs charged to the sponsor. Cost-sharing is normally provided by "releasing" faculty or other department personnel being paid by the university from university funds to work a portion of their time on the project, without charge to the sponsor. Agreement for such cost sharing must be documented through the Dean's Office and the Office of Research Services.

Matching Funds Policy

On occasion, a potential sponsor will ask the applicant to cite the University's contribution to the cost of a proposed program or project. This is most often referred to as Cost-Sharing. Frequently, University cost sharing is accomplished through the cost of faculty salaries (along with associated benefits costs and indirect costs) that might otherwise be charged to the grant or contract. Other means of cost-sharing are also possible. Whatever the proposed cost to be shared or incurred by the University,

commitments **must** be made in consultation with one's Chair, the Office of Research Services and the Dean, **Prior to Grant Submission**.

"Matching" is a form of cost sharing. Normally, when a sponsor imposes "Matching Fund" requirements it means that the sponsor will pay only a previously agreed upon portion of an expense. For example, it is common in the case of instrumentation awards or equipment grants that sponsors will issue a type of formula matching grant. The University might be required to pay a dollar for each dollar received toward the purchase of a specific instrument. Sometimes the formula might be more-favorable to the University, such as two-dollars awarded in return for each University-dollar spent. Whatever the ratio, the University's contribution would be considered "*Matching Funds*."

It is important to keep the following points in mind, on matters relating to Cost-Sharing and Matching Funds:

- Cost-sharing should be verifiable through the University's financial records.
- Normally, cost-sharing must be accomplished during the period of one's grant or contract - not earlier, and not later.
- In most cases, a single expense cannot be cited as cost-sharing on more than one grant or project.
- With few exceptions, federal grants cannot be used as cost-sharing on other federal or federal-flow-through grants and contracts.

These conditions are outlined in a document issued by the federal government, OMB Circular A-110 (Uniform Administration Requirements for Grants and Other Agreements with Institutions of Higher Education).