

Cost Sharing Primer

February, 2011

McCormick, WCAS, and University
Research Center Administrators



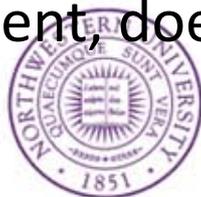
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What is cost sharing?

University financial contributions to a sponsored project

Three types:

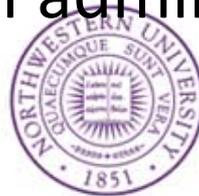
- Mandatory = University contribution required by the terms of the project, must be formally tracked
- Voluntary committed = University contribution not a specific sponsor requirement, must be formally tracked
- Voluntary uncommitted = University contribution not a specific sponsor requirement, does not need to be formally tracked



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Why do we care about cost sharing?

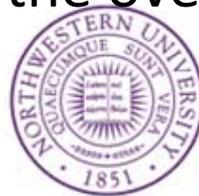
- If cost sharing is mandatory or voluntary committed, we *must* honor that commitment, or face disallowances and damaged reputation/relationships
- Cost sharing is a shared responsibility between the PI, Co-I(s), the lead unit, the funding unit(s), the dean's office(s), OSR, ASRSP
- Current cost sharing processes and systems at NU presume the unit-level administrator will lead this shared responsibility



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Cost sharing considerations – Big picture

- Cost sharing is uncommon, and most government agencies have moved away from it (NIH, NSF)
 - Some agencies still “encourage” it in their solicitations (DOE, DOD)
 - It will not disappear anytime soon
- Cost sharing is burdensome and a matter of high risk
 - Important to match resources to these risks
 - Cost sharing increases the overall complexity of a sponsored project



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Fund 191 Cost Share – Case Study

- Keep a copy of the final commitment email generated at the proposal stage. If you are unsure that you have a copy of the final commitment contact your Dean's Office. There is cost share commitment information recorded in InfoEd, however, you will want the source document to verify accuracy.



Fund 191 Cost Share – Sample Financial Section of the Commitment Email

(1) Total Cash Request Distribution over 5 yrs
 (School % based on faculty participation)

TOTAL	OR	WCAS	McC
100%	50.0%	33.3%	16.7%
\$ 300,000	\$150,000	\$99,900	\$50,100

← Total commitment is \$300,000

OR Contribution:

\$ 150,000	over <u>5 yrs</u>	---	OR	\$ 150,000
\$ 30,000	avg cash/yr			

← OR matches the \$50,100 total from McC and the \$99,900 total from WCAS and commits \$30,000 per year for 5 years – sub total is \$150,000

McC Contribution:

\$ 50,100	over <u>5 yrs</u>	---	McC	\$ 25,050
\$ 10,020	avg cash/yr		MSE	\$ 25,050

← MSE Dept commits \$5,010 per year for 5 years and McC Dean's Office commits a matching amount of \$5,010 per year for 5 years – sub total is \$50,100

WCAS Contribution:

\$ 99,900	over <u>5 yrs</u>	---	WCAS	\$ 49,950
\$ 19,980	avg cash/yr		Chem	\$ 24,975
			P&A	\$ 24,975

← Chem Dept commits \$4,995 per year for 5 years; Physics Dept commits \$4,995 per year for 5 years and WCAS Dean's Office commits a matching amount of \$9,990 for 5 years – sub total is \$99,900



Fund 191 Cost Share – ORD-Ez Form

Distribution Summary		
Number of Investigators:	1.00	Auto-Check
Total Cash Contribution:	\$0	\$0
All Department Cash Contribution:	\$0	\$0
All Deans' Cash Contribution:	\$0	\$0
All Schools (Depts & Deans) Cash Contribution:	\$0	\$0
OR Cash Contribution:	\$0	\$0

Cash Distribution

Total Cash Request by Period from Schools/Departments								
	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Total	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Enter School Name									
Total School Commitment (Depts. & Dean):			Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Total
Enter the No. of Investigators	% of Total Investigators	Department	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Total
1.00	100.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1.00		School Dean Share	\$0						

Enter School Name									
Total School Commitment (Depts. & Dean):			Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Total
Enter the No. of Investigators	% of Total Investigators	Department	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Total
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	Department Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0.00		School Dean Share	\$0						

Office for Research								
	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Total	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

In-Kind Distribution

University Fellowships							
Total Quarters Requested:							
Unit	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Total
School 1:							0.00
School 2:							0.00
The Graduate School:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total:	0.00						



Fund 191 Cost Share – Step #1: OSR Opens Fund Type and Establishes Expense Budget

- To determine whether or not the 191 fund type is open on a particular project run a GM045 report for that project. If the fund type is open, it will be included and budgeted on the report. If the 191 fund type has not been opened on the project, contact OSR and request that the fund type be opened.
- This establishes an expense budget on the project, and as a result, spending authority.
- You will need to provide oversight that appropriate expenses are charged to the 191 fund type.



Fund 191 Cost Share – Step #2: OSR Prepares a Budget Journal to Create a Revenue Budget

- This Budget Journal creates a liability which indicates funds are owed from each unit that made commitments. The journal will be routed electronically to the area approver(s). No funds are moved at this time.
- To determine if a Revenue Budget has been established you can use the GL068, GL069, GL005 or Budget Overview.



Fund 191 Cost Share – Step #2: OSR Prepares a Budget Journal to Create a Revenue Budget

- If the Revenue Budget has not been processed contact OSR. To expedite the process provide OSR with (1) a copy of the original commitment and (2) the dept id's of the contributing units.
- OSR needs to process a new Revenue Budget each fiscal year.



Fund 191 Cost Share – GL068/GL069 (run by dept id)

Area Weinberg College Arts&Sciences

Department	Department Description	Fund Code	Fund Description	Project	Project Description	Carryforward Expense Budget	Fiscal Year Expense Budget	Total Expense Budget	Total Actual Expenses	Total Encumbrances	Total Obligation	Fiscal Year Revenue Budget	Recognized Revenue	Fiscal Year Surplus/ (Deficit)	Cumulative Surplus/ (Deficit)
4001510	Matching Funds	191	Mandatory Cost Sharing	60014456	Institute for Environmental Ca	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				60014524	Mrsec: Multifunctional... (nsf)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				60021926	IGERT: Quantum Coherent Optica	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$29,000.00	\$29,000.00	\$29,000.00
				60023150	An Integrated Open-Access Hf P	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,239.00	\$11,239.00	\$0.00	\$0.00
				60023481	New Carbon-based Porous Materi	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				60024646	Institute for Atom-Efficient C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,705.00	\$13,705.00	\$0.00	\$0.00
				60024962	MRI: Acquisition of a Time-of-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				60025342	Coding, Decoding, Transfer, an	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				60025780	FCRP Center on Functional Engi	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				60025802	Intrinsically Acentric High-Re	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				60025846	MRI-R2: Development of Biophot	(\$15,720.00)	\$0.00	(\$15,720.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$15,720.00	\$15,720.00	\$15,720.00
				60027737	Theatre After Athens: Receptio	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,500.00	\$6,500.00	\$0.00	\$0.00
				191 Sub Total		(\$15,720.00)	\$0.00	(\$15,720.00)	\$0.00	\$0.00	\$0.00	\$31,444.00	\$76,164.00	\$44,720.00	\$29,000.00

Revenue Budget

Recognized Revenue



Fund 191 Cost Share – GL005

Example of GL005 after OSR has done a Budget Journal

The budget journal puts the cost sharing commitment on the department ID of the department that made the commitment to the project. In this example, Chemistry is the department that made a commitment to fund cost sharing for a project in the Cancer Center. At the time this report was run, the commitment had not been funded yet, so the balance is a negative number.

Account		Current Period Summary			Fiscal Year to Date			Current Budget(Un)Favorable Balance	
		Pre-Enc/Enc	Actual	Total	Pre-Enc/Enc	Actual	Total		
Revenue	40000 Revenue*	0.00	0.00	0.00	0.00	0.00	0.00	4,474.00	(4,474.00)
Revenue Total		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,474.00	(\$4,474.00)
Net Position: Revenue less Expense		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,474.00	(\$4,474.00)
Net Position Excluding Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,474.00	(\$4,474.00)

Example of GL005 after Department has done an Actuals Journal

The actuals journal funds the commitment. In this example, Chemistry did an actuals journal to transfer funds from their department account to the Cancer Center project. Chemistry used their own department ID - not the Cancer Center department ID - when doing the transfer because the transfer will offset the commitment on the books for Chemistry's department ID. This brings Chemistry's balance down to zero. It also allows everyone with access to the project to see that Chemistry funded their commitment for the year.

Account		Current Period Summary			Fiscal Year to Date			Current Budget(Un)Favorable Balance	
		Pre-Enc/Enc	Actual	Total	Pre-Enc/Enc	Actual	Total		
Revenue	40000 Revenue*	0.00	0.00	0.00	0.00	0.00	0.00	4,474.00	(4,474.00)
	88802 Non-Mandatory Transfer from	0.00	4,474.00	4,474.00	0.00	4,474.00	4,474.00	0.00	4,474.00
Revenue Total		\$0.00	\$4,474.00	\$4,474.00	\$0.00	\$4,474.00	\$4,474.00	\$4,474.00	\$0.00
Net Position: Revenue less Expense		\$0.00	\$4,474.00	\$4,474.00	\$0.00	\$4,474.00	\$4,474.00	\$4,474.00	\$0.00
Net Position Excluding Benefits		\$0.00	\$4,474.00	\$4,474.00	\$0.00	\$4,474.00	\$4,474.00	\$4,474.00	\$0.00



Fund 191 Cost Share – Budget Overview

Example of Budgets Overview Screen

This screen shows the cost sharing commitments for all departments included on the OSR budget journal and it shows all of the departments that have funded those commitments through an actuals journal.

In NUFinancials, navigate to:

Commitment Control > Review Budget Activities > Budgets Overview

Set up a new run control or modify an existing one selecting the following criteria:

Select the Ledger Group: KK_REV_DT (Non-Grant Revenue Detail)

Enter the Fiscal Year Range that should be returned

Enter only the Project number to review commitments and funding from all departments

Click Search

Budget Inquiry Criteria
Budget Overview

Inquiry: MLG539 KK Description: Non-Grant

[Amount Criteria](#) Search Clear Reset

Budget Type

*Business Unit: NWUNV Ledger Group/Set: Ledger Group Ledger Group: KK_REV_DT
View Stat Code Budgets Non-Grant Revenue Detail
Display Chart

Time Span

*Type of Calendar: Detail Accounting Period

Select	Ledger Group	Detail Calendar	From Year	From Period	To Year	To Period	Include Adjustment Period(s)	Include Closing Adjustments
<input checked="" type="checkbox"/>	KK_REV_DT	FY	2010	1	2010	12	<input checked="" type="checkbox"/>	<input type="checkbox"/>

ChartField Criteria

ChartField	ChartField From Value	ChartField To	ChartField Value Set	Update/Add	Budget Status
Account	%	%		Update/Add	<input checked="" type="checkbox"/> Open
Dept	%	%		Update/Add	<input checked="" type="checkbox"/> Closed
Fund	%	%		Update/Add	<input checked="" type="checkbox"/> Hold
Project	60025802	%		Update/Add	

Save Return to Search Previous in List Next in List Notify Refresh Add Update/Display



Fund 191 Cost Share – Budget Overview

This example shows that three departments committed funds to this project, and that OSR did the budget journal to set up these commitments. OSR used the department ID's of the corresponding departments. The Revenue Estimate Column shows the commitments.

Budget Overview

Business Unit: NWUNV
 Ledger Group: KK_REV_DT Non-Grant Revenue Detail
 Type of Calendar: Detail Accounting Period
 Amounts in Base Currency: USD
 Revenue Associated

Return to Criteria Max Rows: 100 Display Options Search

Ledger Totals (6 Rows)			
Revenue Estimate:	18,000.00	Net Transfers:	0.00
Recognized Revenue:	18,000.00		
Available Budget:	0.00		
Collected Revenue:	0.00		
Uncollected Revenue (Rec-Coll):	18,000.00		

Budget Overview Results

	Ledger Grp	Fund	Dept	Project	Account	Fiscal Year	Period	Revenue Estimate	Recognized Revenue	Collected Revenue	Available Budget	Uncollected Revenue (Rec-Coll)	Percent Available
1	KK_REV_DT	191	4001510	60025802	40000	2010	6	4,500.00	0.00	0.00	4,500.00	0.00	100.00
2	KK_REV_DT	191	4011400	60025802	40000	2010	6	4,500.00	0.00	0.00	4,500.00	0.00	100.00
3	KK_REV_DT	191	8011200	60025802	40000	2010	6	9,000.00	0.00	0.00	9,000.00	0.00	100.00
4	KK_REV_DT	191	4001510	60025802	88802	2010	9	0.00	4,500.00	0.00	-4,500.00	4,500.00	0.00
5	KK_REV_DT	191	4011400	60025802	88802	2010	12	0.00	4,500.00	0.00	-4,500.00	4,500.00	0.00
6	KK_REV_DT	191	8011200	60025802	88802	2010	6	0.00	9,000.00	0.00	-9,000.00	9,000.00	0.00

Return to Criteria *Notes

Save Return to Search Previous in List Next in List Notify Refresh Add

In addition, this example shows that all three departments did an actual journal to fund the commitments using the same department ID that OSR used on the budget journals. The Recognized Revenue Column shows this.



Fund 191 Cost Share – Budget Journal Prepared by OSR to Establish the Revenue Budget

Review Budget Journal

Journal Information			
Rev Journal ID:	0000103535	Submitter:	JLH725
Exp Journal ID:	0000103536	Status:	Posted
Journal Date:	10/25/2010	Workflow Status:	Approved to Post
Budget Period:	2011		
Type:	Non-Recurring		

Description (200 characters allowed)

Processing mandatory cost share commitments for PI Poeppelmeier's project, 60024646 (SP*4502), FY 2011. Note: This is only a budget journal and no actual funds will be transferred.

Budget Lines
Revenue

- A positive Revenue amount will increase your line item's budget.
- A negative Revenue amount will decrease your line item's budget.

Status: Posted

Lines

Line	Fund	Department	Project	Account	Amount
1	191	8011200	60024646	40000	27,209.00
2	191	4703000	60024646	40000	3,780.00
3	191	4732000	60024646	40000	3,780.00
4	191	4001510	60024646	40000	6,954.00
5	191	4011400	60024646	40000	6,954.00

Expense

- A positive Expense amount will increase your line item's budget.
- A negative Expense amount will decrease your line item's budget.

Status: Posted

Lines

Line	Fund	Department	Project	Account	Amount
1	191	8213100	60024646	70000	48,677.00

Journal Total: 0.000

Close Modify Copy

A positive revenue amount will increase your line item's budget. This indicates you have a liability (you owe \$ to the project).

Note:
The figures differ from the original commitment because the award was awarded at a lower amount than proposed – all commitments are reduced on a percentage basis.

Note:
Fund = 191
Dept ID = funding unit
Project ID = managing unit



Fund 191 Cost Share – Step #3: Funding Units Transfer Funds with Transfer Journal

- Each contributing unit will prepare an transfer journal to fulfill their cost share commitment and fulfill their liability. Each contributing unit will debit (+) to increase expense to the chart string they use to fund cost share commitments and credit (-) to *191-their dept id-project id* to increase revenue on the project.
- The managing unit for this project will run reports by project id (because it's on the funding units dept id) in order to track this revenue. Make sure you run it for the fiscal year to date rather than project end date.



Fund 191 Cost Share – WCAS Dean’s Office Transfer Journal (FY10 and FY11)

Review Transfer Journal

Reallocate internal funds from one chart string to another.
 Not to be used for budget changes or with Agency or Sponsored Activity chart strings.

Journal Information	
Journal ID:	0000112779
Journal Date:	01/07/2011
Period:	January 2011 - FY11
Date Posted:	01/12/2011
Submitter:	GST643
Source:	TFR - GL Transfer Journal
Workflow Status:	Approved to Post

Transfer Resources (e.g. Fund to Fund, Project to Project)

- Journal Rules**
1. Must use Transfer Accounts (8 series).
 2. Not allowable on chart strings where the Fund ChartField is in the Grants (600), Agency (700), or Cost Sharing (190) series.
 3. Journal must balance.
 4. To increase:
 - Expense, enter a positive amount (debit)
 - Revenue, enter a negative amount (credit)
 5. To decrease:
 - Expense, enter a negative amount (credit)
 - Revenue, enter a positive amount (debit)

Original Journal Detail (Not Applicable)

Original Journal ID:
 Posted Date:
 Source:

Reason / Description (200 characters allowed)

FY11 cost share commitment from WCAS for K Poepfelmeier's Institute for Atom-Efficient

Select	Line	Fund	Dept	Project	Activity	Program	ChartField 1	Account	Amount	Reference	Journal Line Description
<input type="checkbox"/>	1	110	4001510					88801	13,705.00	POEPELM	TFR ;
<input type="checkbox"/>	2	191	4001510	60024646	01			88802	-13,705.00	POEPELM	TFR ;
<input type="checkbox"/>	3	110						10101	-13,705.00		Cash-Due To-From Offset
<input type="checkbox"/>	4	191		60024646	01			10101	13,705.00		Cash-Due To-From Offset

Totals					1 of 1
Total Lines	Total Debits	Total Credits	Journal Status	Budget Status	
4	27,410.00	27,410.00	Posted	Valid	



Fund 191 Cost Share – McC Deans Office Transfer Journal (FY10 and FY11)

Review Transfer Journal

Reallocate internal funds from one chart string to another.
 Not to be used for budget changes or with Agency or Sponsored Activity chart strings.

Journal Information	
Journal ID:	0000110345
Journal Date:	12/15/2010
Period:	December 2010 - FY11
Date Posted:	12/22/2010
Submitter:	EEA378
Source:	TFR - GL Transfer Journal
Workflow Status:	Approved to Post

Transfer Resources (e.g. Fund to Fund, Project to Project)

- ### Journal Rules
1. Must use Transfer Accounts (8 series).
 2. Not allowable on chart strings where the Fund ChartField is in the Grants (600), Agency (700), or Cost Sharing (190) series.
 3. Journal must balance.
 4. To increase:
 - Expense, enter a positive amount (debit)
 - Revenue, enter a negative amount (credit)
 5. To decrease:
 - Expense, enter a negative amount (credit)
 - Revenue, enter a positive amount (debit)

Original Journal Detail (Not Applicable)

Original Journal ID:
 Posted Date:
 Source:

Reason / Description (200 characters allowed)

Transferring McCormick Cost-Share Commitment funds for both FY10 (\$3,670) and FY11 (\$3,780) for Poepelmeier IACT project, 60024646.

Select	Line	Fund	Dept	Project	Activity	Program	ChartField 1	Account	Amount	Reference	Journal Line Description
<input type="checkbox"/>	1	171	4703000	10003947	01			88801	7,450.00		TFR; ;
<input type="checkbox"/>	2	191	4703000	60024646	01			88802	-7,450.00		TFR; ;
<input type="checkbox"/>	3	171		10003947	01			10101	-7,450.00		Cash-Due To-From Offset
<input type="checkbox"/>	4	191		60024646	01			10101	7,450.00		Cash-Due To-From Offset

Totals					1 of 1
Total Lines	Total Debits	Total Credits	Journal Status	Budget Status	
4	14,900.00	14,900.00	Posted	Valid	



Fund 191 Cost Share – OR Transfer Journal (FY10 and FY11)

Review Transfer Journal

Reallocate internal funds from one chart string to another.
Not to be used for budget changes or with Agency or Sponsored Activity chart strings.

Journal Information	
Journal ID:	0000107092
Journal Date:	11/18/2010
Period:	November 2010 - FY11
Date Posted:	11/19/2010
Submitter:	CBO656
Source:	TFR - GL Transfer Journal
Workflow Status:	Approved to Post

Transfer Resources (e.g. Fund to Fund, Project to Project)

- Journal Rules**
- Must use Transfer Accounts (8 series).
 - Not allowable on chart strings where the Fund ChartField is in the Grants (600), Agency (700), or Cost Sharing (190) series.
 - Journal must balance.
 - To increase:
 - Expense, enter a positive amount (debit)
 - Revenue, enter a negative amount (credit)
 - To decrease:
 - Expense, enter a negative amount (credit)
 - Revenue, enter a positive amount (debit)

Original Journal Detail (Not Applicable)

Original Journal ID:
Posted Date:
Source:

Reason / Description (200 characters allowed)

Poeppelmeier DOE-EFRC subcontracts. 1st (\$26,417) and 2nd (\$27,209) of 5 year commitment. Budget journals for 1st year not entered in FY2010.

Lines Find

Select	Line	Fund	Dept	Project	Activity	Program	ChartField 1	Account	Amount	Reference	Journal Line Description
<input type="checkbox"/>	1	110	8011200					88801	53,626.00		TFR; ;
<input type="checkbox"/>	2	191	8011200	60024646	01			88802	-53,626.00		TFR; ;
<input type="checkbox"/>	3	110						10101	-53,626.00		Cash-Due To-From Offset
<input type="checkbox"/>	4	191		60024646	01			10101	53,626.00		Cash-Due To-From Offset

Totals 1 of 1

Total Lines	Total Debits	Total Credits	Journal Status	Budget Status
4	107,252.00	107,252.00	Posted	Valid



Fund 191 Cost Share – Helpful Tips

- You may find it helpful to refer to the quick guide “NU Financials Journals: A Quick Guide” on the WCAS staff finance & budget page if you are not comfortable with processing transfer journals.
- You may find it helpful to maintain an excel spreadsheet on the status of your cost share commitments. WCAS, McC and OR Dean’s Offices all have a format they are currently utilizing which they will be happy to share.



Fund 192 Cost Share- Differences and Tips

- As currently defined, Fund 192 is used for most salary cost share (except mandatory)
 - Typically includes administrative core expenses
- No formal budgets for tracking:
 - NO BUDGET JOURNAL
 - No appropriated budget in NUFinancials
 - Fund 192 on budget statements accumulate expenses against \$0 budget



Fund 192 Commitments

- Commitments created at proposal submission and are funded by transfer journals
 - Responsibility for Tracking these commitments twofold:
 - **Funding unit** needs to know their outstanding liabilities
 - **Managing unit** each year communicates with funding unit to initiate transfer journal



Fund 192 Journals

- Journals differ from 191 journals- DEPARTMENT ID
- Journals transfer funds from the “funding department” to the fund 192 of the managing unit of the award

Department	Fund	Dept	Project	Account	Expense	(Revenue)
McCormick	171	4703000	10003947	88801	\$10,000	
Center X	192	8200000	60000000	88802		(\$10,000)



Reports and Tracking All Cost Share

- Spending occurs and is tracked on GM045 for both Fund 191 and Fund 192
 - Spending (fiscal year) will also track on the managing unit's GL005 for managing unit
- Funding of cost share commitments is NOT reflected on GM045



Tracking Cost Share Commitments and Funding

- Tracking by Unit: Cognos
 - Funding Unit
 - GL068: Track ALL cost share commitments and transfers for a given **department ID** (eg. Chemistry or McCormick Deans' Office)
 - GL005: Track by PROJECT ID
 - Managing Unit
 - GL005: Track by Project ID (leave out dept ID!!) to track which funding units have funded commitments in the current fiscal year
- TIP: many funding units don't transfer until August!*
- Refer to handout*



Tracking Cost Share Commitments and Funding

- Tracking by Unit: NUFinancials
 - Budget Overview can be used to track by Department ID or Project
 - Will track both journals and funding transfers
 - Refer to handout*



RA & BA Tips for Interpreting, Reconciling and Oversight

Tips for interpreting your PAS and Budget Statements

- The budget amounts listed under fund 191 on the PAS and GM045 only represent the spending authority (or expense budget); they are not an indication of dollars collected from the funding units.
- The following types of cost sharing will NOT be reflected on the PAS or GM045:
 - Cost Shared Fellowships
 - Third Party Cost Sharing
 - Unrecovered F&A



RA & BA Tips for Interpreting, Reconciling and Oversight

A few notes about unrecovered F&A:

- Some sponsors allow institutions to count as cost sharing the F&A that would have been assessed had an expense been applied to the sponsored funds rather than the cost sharing. This is referred to as “unrecovered F&A.”
- Although you will see an F&A budget account under fund 610 (or 650, 620, etc.), you will never see a budget for unrecovered F&A on fund 191 or 192, as it is not tracked in NUFIN.
- If you are counting on a certain amount of unrecovered F&A to meet a cost sharing threshold, be careful about spending more cost sharing dollars on tuition and/or capital equipment than originally planned.



RA & BA Tips for Interpreting, Reconciling and Oversight

Tips for interpreting your PAS and Budget Statements, Cont'd.

There are currently two primary methods used at NU to capture and track cost shared faculty effort:

- Charging the salary directly to fund 191 or 192
- Using certified effort reports from ERS (Effort Reporting System) as documentation

If you use the second method, but the faculty salary and fringe have been budgeted on fund 191 or 192, the bottom line available balance on the GM045 will appear greater than it truly is.

If you have expenses hitting fund 192, the bottom line available balance on the GM045 will appear lower than it truly is due to the \$0 budget.



RA & BA Tips for Interpreting, Reconciling and Oversight

Tips for spending on cost sharing budget lines

- Make sure faculty and staff are aware of the cost sharing budget, including how much they need to spend and what types of purchases can be made. Stress that not only *can* they spend the budgeted amount, they *must* spend it. Explain how to list fund 191 on the requisitions for all purchases they want counted as cost sharing.
- The sponsor may become concerned if financial reports indicate slow cost share spending. If you notice slow spending, check back in with faculty and staff.
- Purchases not allowed as direct costs on the sponsored portion of the chart string **CANNOT** be charged to its 191 or 192 accounts. Just like charging a sponsored project, all expenses must be allowable, allocable, reasonable, and consistently treated.



RA & BA Tips for Interpreting, Reconciling and Oversight

Tips for spending on cost sharing budget lines, Cont'd.

- At initial award setup, the managing unit may need to decide if they would like cost sharing account codes opened on chart strings that have been redistributed to other departments. Factors to consider include:
 - This allows multiple investigators to spend the cost sharing funds, which may help prevent slow spending.
 - Redistribution may make it more challenging for the managing unit to closely monitor and reconcile cost sharing expenditures.
 - If using fund 191, the budget journal(s) must set up revenue budgets for *all* chart strings on which cost sharing account codes have been opened.



RA & BA Tips for Interpreting, Reconciling and Oversight

Miscellaneous Tips

It can be very helpful to keep a spreadsheet tracking information related to your department's cost sharing commitments. Important information to track includes:

- All commitments made to pending and awarded proposals, broken down by fiscal year
- Which commitments you have funded
- Fellowships your department has committed as cost sharing
- Required academic year salary recovery related to cost sharing
- Mandatory cost sharing of faculty academic effort

Prototypes of these spreadsheets are available; contact your Dean's office or the presenters if you would like to see an example.



RA & BA Tips for Interpreting, Reconciling and Oversight

Miscellaneous Tips, Cont'd.

- If your department's cost sharing commitment is dependent upon released funds from academic salary charged to the sponsored project, make sure the required SDA or direct charging is processed in a timely fashion.
- Communication between the managing unit and ASRSP is often necessary to ensure that all sources of cost sharing are reported to the sponsor. These sources may include unrecovered F&A, fellowships, and certified cost shared effort that was not charged to fund 191 or 192.

