

**Voluntary Cost Share**  
**Guidance and Procedures**  
**(03/09/2017)**

USC policy (FINA 3.03) states the following with regard to the types of cost share that may be associated with a sponsored project.

Mandatory Cost Share is cost sharing that is required by the sponsoring agency. It may be in the form of a specific dollar amount or a percentage of total project costs. Mandatory cost share must be identified in the proposal and tracked during the course of the project. Failure to meet this requirement will result in the reduction of sponsor funding.

Voluntary Cost Share is cost sharing that is not required by the sponsoring agency, but is volunteered by the university. Voluntary cost share is discouraged by the university and should not be included in the proposed budget.

When voluntary cost share is included in a proposed budget and accepted by the sponsoring agency, it becomes committed cost share and must be tracked in the university accounting system to document that the commitment is met.

**Cost Sharing and Effort Reporting – Do Not Volunteer to Cost Share Effort!**

Often investigators and/or key personnel provide unreimbursed effort on a project. This is cost sharing. If the effort is included in the proposal budget, it becomes committed cost share, which must be tracked and documented. Whether effort is reimbursed and/or committed voluntarily, it is a component of an investigator's total time that is available to accomplish all of his/her duties (i.e. reimbursed effort + committed effort + other institutional responsibilities = 100% of time available).

Remember! The university discourages voluntary cost sharing.

- Cost share **only** when specifically mandated or required by the sponsor.
- The department/college should scrutinize cost sharing included in excess of the minimum required by the sponsor
- If obligations are not mandated, do not list on the budget pages or note in the budget narrative.

**Procedures – Volunteering to Cost Share in a Proposal**

1. Volunteered effort (no salary requested) of 5% or more must be included on the USC Cost Share Commitment Form which will accompany the proposal through the USCeRA approval process.
2. Committed cost share on funded projects will be tracked in the USC accounting system and charged to the appropriate departmental account. The committed

effort also will become part of the time and effort report which must be certified by the employee.

### **Uncommitted Cost Sharing**

Uncommitted cost sharing is defined as university faculty or senior researcher effort that is over and above that which is committed and budgeted for in the a sponsored agreement. This differs from mandatory or committed cost sharing which is cost sharing specifically pledged in the project's proposal or award.

To be considered uncommitted cost sharing, percentage of effort and/or dollar amounts cannot be included in the proposal.

The examples below may be used in proposals to address the issue of academic or programmatic contributions or support when cost sharing is not required or intended. This language is intended to reflect engagement of an individual in project activities without committing to a specific amount of effort.

Professor X will provide expert advice and consultation to the project, as needed.

- The University demonstrates support to the project through the availability and expertise of the Project Director (or PI).
- Professor X is PI and requests 25% salary support for this project. She will provide limited additional support to the project, as needed.
- Professor X will provide scientific direction and supervision for the project [including...]
- Professor X will provide expert advice and consultation on all aspects of the research.
- Dr. Y will ensure the successful execution of the proposed research and will see the data analysis and report writing through to completion.
- No salary support is being requested for Professor X; however she will provide intellectual direction for the project and will co-author publications.

Questions related to cost sharing should be resolved through consultation among the principal investigator, department chair and the appropriate SAM representative.