

## UNIVERSITY RULE

### 15.01.01.M1.03 Cost Sharing Procedures

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*Next Scheduled Review: Currently Under Review*

**Supplements [System Policy 15.01](#), [System Regulation 15.01.01](#), and [University Rule 15.01.01.M1](#)**

#### 1. GENERAL

- 1.1. Cost sharing occurs on a sponsored project for the following situations:
  - 1.1.1. Texas A&M University is required by the sponsoring agency to contribute a certain dollar amount or percentage of dollars to the project; or,
  - 1.1.2. The University has voluntarily offered a contribution of cost sharing dollars (salaries, benefits, travel, equipment, or other project related expenses) for the project, that are shown in the grant or contract budget, and the budget has been accepted and approved by the external sponsor.
- 1.2. Texas A&M University will comply with the [System Policy 15.01.01 Administration of Sponsored Agreements - Research and Other](#), section 10 on Cost Sharing.
- 1.3. University Accounts Used as Cost Share Accounts—The following ranges of University accounts are *often* used as a source for cost sharing on research projects:
  - 1.3.1. State Accounts for Research: 158000-179999
  - 1.3.2. Local or Discretionary Funds: 200000-550000
  - 1.3.3. Professorship/Chair Accounts: Included in 51xxxx range
  - 1.3.4. Resident Instruction or Teaching Accounts may be used for faculty salaries or equipment that will be used in the classroom: 130000-134999; 144000-145999. For HSC: 135000-135999
  - 1.3.5. State fellowship accounts may be used to match a fellowship grant
  - 1.3.6. The FAMIS account ranges shown in 1.3.1 through 1.3.5 are not an all-inclusive list of accounts that may be used for cost sharing. If you have a question about the allowability of a particular source of funds for cost sharing, contact the Department of Contract Administration.
- 1.4. These procedures apply to any department or division that has grant or contract activity and uses a TAMU (02) account as a source of cost sharing, regardless of

what System component is administering the grant or contract (Research Foundation, TEES, TAES, TAMU, or other component).

- 1.5 Cost sharing accounts should be established prior to any expenditure being made on the sponsored project account. Cost sharing account numbers should be provided to the sponsored project office that is administering the grant or contract (i.e., RF, TEES, TAES or other). A cost sharing account is either a separate sub-ledger account or a support account within an existing sub-ledger (“parent”) account.

## 2. DOCUMENTATION OF COST SHARING EXPENSES

- 2.1 Cost sharing must be documented and identifiable in Texas A&M University’s accounting system. Examples of documentation include financial transaction reports, payroll confirmation reports, timesheets, payroll voucher detail, vendor invoices, or interdepartmental transfers. Third party contributions for cost sharing should also be documented in like manner by obtaining the documentation from the third party. (“Third party” refers to a source of cost sharing outside of the University or System, such as a private corporation.)
- 2.2 Cost sharing expenses should be documented in the same way that other costs charged directly to a sponsored project are documented. For example, if cost sharing is in the form of a salary contribution, the project effort should be documented by the payroll confirmation system or payroll voucher detail reports. For employees who complete a timesheet or timecard, the time record will serve as documentation for effort charged to the project. If the cost sharing contribution is in the form of travel costs, costs should be documented in the same way that travel is charged directly to a sponsored project (i.e., a travel voucher with attached airline and hotel receipts).
- 2.3 Cost sharing should be accounted for by separate FAMIS accounts or support accounts in the University’s financial accounting system. An account or support account established for cost sharing on a sponsored project will be assigned an effort category (shown on Screens 008 or 051 for support accounts in FAMIS) of CSOR, CSIN, or CSOS by TAMU—FMO (Financial Management Operations) or TAMU—Contract Administration. It is important to identify cost share accounts for correct classification of accounts used in the preparation of the indirect cost rate calculation and for annual research expenditure reports filed by the University, like NSF (National Science Foundation). Effort categories for Cost Sharing Accounts are:

CSOR = Cost Sharing for Organized Research project

CSIN = Cost Sharing for Instruction project

CSOS = Cost Sharing for Other Sponsored Activity project (all other projects that are not research or instruction).

- 2.3.1 For sponsored projects administered by the TAMU Department of Contract Administration, the Contract Financial Administrator for the sponsored project will establish the necessary account and/or support account(s) to record cost sharing expenditures, and will notify the principal investigator

and project financial contact about cost sharing accounts or support accounts that have been established.

2.3.2 For sponsored projects administered by another organization, such as the Texas A&M Research Foundation or other System component (i.e., TAES, TEES) the principal investigator or project financial manager is responsible for ensuring that appropriate cost sharing account(s) is/are established and utilized for recording cost sharing expenses. Contact TAMU—Financial Management Operations for assistance in creating a new account to be used to record cost sharing expenses. When using support accounts to record cost share expenses, the department may set up their own support accounts with access and training for support accounts provided by TAMU—FAMIS.

2.4 The TAMU account and/or support account used for cost sharing must be reflected on Payroll documents such as the PAR—Personnel Action Request (Form 500) in order for payroll expenses to be charged to the correct cost sharing account or support account.

### 3. RESPONSIBILITY FOR COST SHARING ACCOUNTS

3.1 For TAMU administered sponsored projects, it is the responsibility of the Department of Contract Administration to facilitate the establishment of appropriate account or support accounts within the University’s financial system that will adequately document cost sharing expenditures for sponsored projects. See section 2.3.1 of this Standard Administrative Procedure.

3.2 Sponsored projects administered by the Texas A&M Research Foundation or other System components often utilize University accounts as sources of cost sharing. Cost sharing from University sources should be accounted for by a separate FAMIS account or support accounts in the University’s financial accounting system. See section 2.3.2 of this Standard Administrative Procedure.

### 4. SETTING UP NEW FAMIS ACCOUNTS FOR COST SHARING

4.1 Separate accounts may be established in FAMIS for cost sharing. This may be the more desirable option for major projects that extend for multiple years.

4.1.1 A New Account Request Form can be found at <http://finance.tamu.edu/fmo/dyforms.asp>. The New Account Request Form should clearly state the purpose of the new account, the project number of the sponsored project, and the System component that is administering the project, such as Research Foundation or TEES. Begin the title with CS for “cost share.” See 5.2.5 below for further clarification on naming the account. Send the New Account Request Form to FMO at MS 6000, or call (979) 845-8106. Allow at least ten (10) days for new accounts to be set up.

4.1.2 Once the cost sharing account is established, a Fiscal Request Form should be completed that shows the requested amount of budget to establish in the

account. Funding for the cost share account will have to be transferred into the new account from another source account. The Fiscal Request form is found at <http://finance.tamu.edu/fmo/dbr/forms/fms-request.pdf>. Mail Fiscal Requests to FMO, MS 6000. Allow at least ten (10) workdays for Fiscal Requests to be processed. Call (979) 845-8108 for questions.

## 5. SETTING UP NEW FAMIS SUPPORT ACCOUNTS FOR COST SHARING

5.1 Support Accounts may be established in FAMIS for cost sharing. The use of Support Accounts allows the department direct control over cost sharing accounts because the department creates the Support Accounts by using the Support Account screens in FAMIS.

5.2 To be able to establish Support Accounts, the following procedures should be followed:

5.2.1 Obtain Access to Support Accounts screens—Contact TAMU—FAMIS, FMO at (979) 847-8833 for access to Support Account screens.

5.2.2 Set flags on Parent account to allow for support account transactions. Flags should be set to for allow for both budget and actual transactions to post. This is done on Screen 006 in FAMIS. Contact TAMU—FMO, (979) 845-8108, MS 6000, to set or change flags.

5.2.3 Obtain Training—Contact TAMU—FAMIS, FMO at (979) 847-8833 to set up Training for Support Accounts.

5.2.4 Assign account number for the new Support Account for cost sharing on Screen 050—Establish the new Support Account number by using the first five digits of the sponsored project account number. This will facilitate identifying all cost share accounts on FAMIS reports and in the indirect cost calculation. For example, if your project number is 441508, use the Support Account number of 44150.

5.2.5 Set up Title of New Support Account for cost share on Screen 050—Begin the title with CS for “cost share”. Example: CS – PI Last Name – RF, TEES, TAES, etc.—Project Number. Examples: 1) CS—Hall—RF #445566,” or 2) “CS—Smart—TEES—#32999. **Please do not deviate from this naming scheme.** By using the letters “CS” at the beginning of the Support Account title, TAMU—FMO or Contract Administration can easily find all Support Accounts used as cost sharing.

5.2.6 Transactions may be transferred between Support Accounts and “parent” account by the department on Screen 056.—Financial transactions can be transferred between a Support Account and the “parent” account without requesting that FMO—Accounts Payable process an expense transfer. Payroll transactions can also be transferred to a Support Account from the “parent” account without sending a PAR—Personnel Action Request (Form 500) correction to Payroll.

6. CONTACTS FOR QUESTIONS REGARDING COST SHARING ACCOUNTS, FAMIS ACCESS, AND SETTING UP NEW ACCOUNTS OR SUPPORT ACCOUNTS

- 6.1 Access and Training on FAMIS Support Accounts—Call TAMU—FAMIS, (979) 847-8833
- 6.2 New Account Requests—Call TAMU—FMO, (979) 845-8106, MS 6000
- 6.3 Fiscal Requests—Call TAMU—FMO, (979) 845-8108, MS 6000

7. SPONSORED PROJECT ADMINISTRATION CONTACTS (for questions regarding cost sharing requirements and accounts).

TEXAS A&M UNIVERSITY:

TAMU—Contract Administration—Manager of Grants & Contracts Financial Administration, (979) 845-0097.

TEXAS A&M RESEARCH FOUNDATION:

Texas A&M Research Foundation—Contact your Research Administrator for questions about cost sharing requirements on research awards/projects.

TEXAS ENGINEERING EXPERIMENT STATION:

TEES—Contact Office of Sponsored Research about cost sharing requirements on the project at (979) 862-1696.

TEES—Contact your departmental accountant about creating new Support Accounts in FAMIS.

AG PROGRAM—TEXAS AGRICULTURAL EXPERIMENT STATION:

Ag Program (TAES)—Contact Contracts & Grants at (979) 845-0519 about cost sharing requirements on the project.

8. CONTACT PERSON FOR THIS STANDARD ADMINISTRATIVE PROCEDURE

Contact the Manager of Grants & Contracts Financial Administration or your Contract Financial Administrator in the Department of Contract Administration at (979) 845-0097 if you have any questions regarding this Standard Administrative Procedure. Please refer to the Department of Contract Administration's post-award web site for grant and contract accounting procedures at <http://contracts.tamu.edu>.

OFFICE OF RESPONSIBILITY: [Department of Contract Administration](#)