

MEMORANDUM

TO: Principal Investigators/Program Managers and
Sponsored Program Administrators

FROM: Constancio Nakuma, Provost and Executive Vice Chancellor, Academic and
Student Affairs

RE: COST SHARING GUIDELINES

The University of Colorado Denver (CU Denver) recognizes the dual importance of supporting our faculty and staff's research goals and providing good stewardship of institutional and external funds. The University's stewardship includes the responsibility for complying with both federal and non-federal requirements for proposing, managing, and documenting externally-sponsored activities. The purpose of this document is to clarify guidelines with respect to institutional cost sharing investments in faculty and staff's externally-sponsored activities.

General Definitions

Cost Sharing - Project costs not funded or reimbursed by the sponsor to support the scope of work defined by the sponsored award. Cost sharing occurs when the institution redirects its resources to support a specific sponsored project beyond the funding level provided by the sponsor. In these cases, cost sharing allows CU Denver to maximize its investment in research. We use the following definitions:

- **Mandatory Committed:** Cost-sharing that is required by a sponsor in order for your proposal to receive consideration and review. Without it, your proposal will be returned without review.
- **Voluntary Committed:** Cost-sharing that is not required by the sponsor for eligibility purposes but is included in a proposal and becomes required at the time of award.
- **Third Party:** Cost-sharing that is provided by an entity other than CU Denver, such as a company. This type of cost-share is usually provided only when required by the sponsor.

Guidelines

All researchers who engage in externally-sponsored activities and receive institutional approval for cost sharing will comply with the [University's Cost Sharing Policy](#) and sponsoring agency regulations regarding the proposing, charging, tracking, and reporting of cost sharing funds on awarded projects. The [University's Cost Sharing Policy](#) is applicable to both federal and non-federal sponsored activities.

The consequences of cost sharing commitments include:

- Reducing the flexibility of researchers to conduct other research by obligating their effort to specific projects.
- Increasing the requirements for capturing, monitoring, and documenting for audit all commitments and expenditures of cost sharing funds.
- Decreasing the University's recovery of overhead costs (Facilities and Administrative costs) by the addition of cost sharing to the research base.

Cost Sharing at CU Denver

Generally, the University's Office of Grants and Contracts' guidance is to minimize institutional and third-party cost sharing on externally-sponsored activities. Cost sharing may be allowed when it is mandated by the sponsoring agency or when it is necessary to accurately reflect the resources that must be expended to accomplish the project objectives. It must be noted that the department, school, college, and/or unit supplies the majority of the cost sharing resources.

Voluntary (as opposed to mandatory or required) cost sharing will not be considered by the Provost's Office at this time. However, voluntary cost sharing may be funded by the department, school, college, and/or unit at their option. As described above, mandatory cost sharing may be considered by the Provost in limited circumstances. These circumstances in priority order include, but are not limited to:

1. Alignment of the proposed project with [CU Denver's 2030 Strategic Plan](#), including being internationally known for our research and creative work and becoming the first equity-serving institution.
2. Proposed projects which provide direct support of student researchers.

In order to be competitive and attract new grants and contracts, the University realizes that negotiations on cost sharing and/or overhead may be necessary. In those cases, the Provost's Office, through its Office of Research Services, requires a cost sharing request two (2) weeks prior to the proposal deadline for review; however, faculty and staff are strongly



encouraged to engage in cost sharing discussions at the beginning of the proposal development effort. PIs need to complete the [Cost-Share Informational Form](#) as soon as they believe cost-sharing will be part of their application package.

If cost sharing is mandatory, the Principal Investigator's budget must demonstrate contributions from department, school/college, and/or applicable unit to the proposed cost share plan. Please list the proposed cost share amounts on the [Cost-Share Informational Form](#).