

NEOMED RESEARCH POLICY	Policy No: 3349-R-678
RESEARCH POLICY TITLE: Cost Sharing Policy	EFFECTIVE DATE: 07/01/2025
RESPONSIBLE DEPARTMENTS: Office of Research and Sponsored Programs	Approval Authority:

Appendix A

Sources of Cost Sharing Contributions

University Contributions

Commitments that are paid from University funds using gift, endowment, or other non-sponsored sources.

Sponsored Contributions (or Matching Funds)

Commitments that are paid from non-federal sponsored awards at Northeast Ohio Medical University. Prior approval or authorization must be obtained from non-federal sponsors providing the Cost Sharing commitment. These types of commitments must be tracked manually by the department or local unit managing the award.

In-Kind Cost Sharing

In-Kind Cost Sharing are those contributions wherein the value can be readily determined, verified, documented, and justified but where no actual cash is transacted in securing the good or service comprising the contribution. When applicable, an estimated value of the In-Kind cost sharing should be determined and documented based on the fair market value at the time of the accepting award. In-Kind Cost Sharing must be tracked manually by the department/local unit managing the award.

Subrecipient Cost Sharing

Commitments, expenses, or In-Kind Cost Sharing made by subrecipients where Northeast Ohio Medical University is the prime awardee. Cost share is included in the subrecipient's proposal and documented in the subaward agreement. These types of Cost Sharing commitments cannot be tracked in Northeast Ohio Medical's systems; therefore, the commitments must be verified manually through subrecipient invoices.

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Cost Sharing Expenditure Types

Cost Sharing commitments can be met using direct or indirect costs that are allowable, allocable, reasonable, and consistently accounted for in accordance with the University and sponsor policies.

A. Direct Costs

1. Committed effort

Salary and fringe benefits associated with faculty and staff committed effort. Note that Over-the-Cap salary, or salary paid to an individual in excess of a sponsor-designated limit, cannot be used to meet a Cost Sharing commitment.

2. Other direct costs

Direct costs that are considered allowable on a sponsored award could be cost shared. Some examples include the following:

- Travel expenses (Note: Cost sharing for a federal award must comply with federal travel regulations, including the lowest economy airfare and the Fly America Act),
- Laboratory and other supplies that were not purchased using federal funds,
- Consultant costs and other professional services, and
- Equipment items that do not meet the capitalization threshold

The purchasing of goods and services as Cost Sharing expenses must comply with federal procurement requirements including use of the vendor justification form and debarment certification, as outlined in the University Procurement Policy.

3. Equipment

Moveable, tangible personal property with a useful life of one year or more and a per-unit acquisition cost of \$5,000 or more. Capital equipment includes scientific equipment, fabrications, and software. Capital equipment is recorded on the University's general ledger as a capital asset and expensed to the appropriate capital equipment object code.

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Existing capital equipment cannot be offered as Cost Sharing. Rather than committing the use of existing Northeast Ohio Medical University-owned equipment as cost sharing, proposals should characterize the equipment as "available for the performance of the project at no direct cost to the sponsored award."

B. Indirect Costs (IDC) or Facilities and Administrative (F&A) Costs

Indirect costs or F&A are costs that are incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular sponsored project, instructional activity, or any other institutional activity.

Indirect costs may be offered in a proposal to meet Cost Sharing requirements imposed by the sponsor and must be approved by the sponsor to include the amount as part of a Cost Sharing commitment.

Specifically, in the case of a federal award, the federal agency’s approval can be based on the acceptance of a budget that clearly includes F&A/IDC as part of cost share or a specific approval by the agency. Without such approval the indirect costs cannot count toward Cost Sharing requirements.

1. Unrecovered overhead

The amount of indirect costs not recovered from a sponsor due to a sponsor funding an award with an indirect cost rate below the University’s federally negotiated F&A/IDC rate. This type of unrecovered overhead cannot be included as part of cost sharing or matching without the prior approval of the sponsor.

2. Overhead on cost shared University resources

When direct costs using the University funds are included as Cost Sharing commitments, the associated indirect cost is not visible in General Ledger. Overhead on cost shared University resources may be included as part of the University Cost Sharing commitment only if it is approved by the sponsor.