
POLICY FOR COST SHARING IN EXTERNALLY FUNDED RESEARCH AND SPONSORED PROGRAMS

POLICY STATEMENT

This policy outlines the conditions and limitations for cost sharing in externally funded research or sponsored programs at Lipscomb University (“Lipscomb”).

PURPOSE

The purpose of this policy is to establish consistent guidelines for cost sharing in externally funded research or sponsored programs of Lipscomb.

APPLICABILITY

This policy is applicable to any Lipscomb employee or student participating in any externally funded research or sponsored program of Lipscomb.

DEFINITIONS

Capitalized terms that are used but not otherwise defined in this policy have the following meanings:

CFR means the Code of Federal Regulations.

Cost Sharing or Matching, as defined in 2 CFR § 200.1, means the portion of Project Costs not paid by Federal funds or contributions (unless otherwise authorized by Federal statute).

Project Cost, as defined in 2 CFR § 200.1, means total allowable costs incurred under a Federal award and all required cost sharing and Voluntary Committed Cost Sharing, including third-party contributions.

Unrecovered Indirect Costs, as defined in 2 CFR § 200.306(c), means the difference between the amount charged to the Federal award and the amount which could have been charged to the Federal award under the non-Federal entity’s approved negotiated indirect cost rate.

U.S.C. means the United States Code.

Voluntary Committed Cost Sharing, as defined in 2 CFR § 200.1, means cost sharing specifically pledged on a voluntary basis in the proposal’s budget on the part of the non-Federal entity and that becomes a binding requirement of Federal award.

PROCEDURES

Voluntary Cost Sharing: Lipscomb does not encourage voluntary Cost Sharing or Matching contributions committed toward any externally funded research or sponsored program on behalf of Lipscomb, regardless of whether the cost is committed by Lipscomb or a third party. Voluntary commitments made toward such a program may have the effect of:

- Reducing Lipscomb's capacity to provide such commitments at a later time or when required by another federally funded program;
- Negatively impacting Lipscomb's indirect cost rate calculation;
- Requiring additional human capital to maintain financial data to support audits;
- Requiring fair market value valuations, institutional base salary calculations, and other rates, as required; and/or
- Being non-compliant with the regulations of the funding entity, especially for those organizations that generally prohibit Cost Sharing or Matching.

Mandatory (or Statutory) Cost Sharing: Mandatory Cost Sharing or Matching are those commitments that are required by the funding agency as a condition of receiving an award, and are generally subject to audit. Such commitments are documented by the Office of Research and Grants to support future audits, and such commitments must be approved in advance in writing (through the applicable Routing Form) by the applicable department chair and academic dean.

Recovered Indirect Costs: Indirect costs may not be voluntarily committed as a Cost Sharing or Matching without prior approval from the Office of Research and Grants. Indirect cost calculations are based on a percentage of actual expenditures, which involves both variability and risk in commitment level. In addition, indirect costs are applied by Lipscomb to support the research enterprise and may not be committed on behalf of Lipscomb by a principal investigator or project director for a specific cause or purpose.

Unrecovered Indirect Costs: Unrecovered indirect costs may only be committed at the discretion of the Office of Research and Grants, as prior approval of the funding agency is required in accordance with 2 CFR § 200.306(c)). Should a funding agency (federal, state or private) approve the utilization of unrecovered indirect costs toward a statutory matching requirement, the Office of Research and Grants will retain a written copy of the funding agency's approval for any future audit.

Conflict: This policy is subject to applicable law. In the event of a conflict between the provisions of this policy and applicable law, including, without limitation, 2 CFR § 200, the provisions of applicable law shall control.

FORMS

- Routing Form (available at the Office of Research and Grants)

CONTACT

For additional information or questions regarding this policy, contact the Office of Research and Grants by email at researchandgrants@lipscomb.edu or by phone at 615-966-5907.

EFFECTIVE DATE

This policy was approved by the Office of the Provost on November 3, 2022.