



FLORIDA ATLANTIC UNIVERSITY

Research Accounting

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DATE: *Today's Date*

TO: *Department Budget Coordinator*
Department Name

FR: Edwin Bommel
Director, Contracts and Grants

RE: Cost Share Account for *Dr. Smart's Project Entitled XYZ Research*

SAMPLE

Based on the Institutional Contribution Statement included with the proposal for FAU Project Account 1 234-567-89, this award includes cost share. The new cost share account number is 1234-701-35 and the FRS # is 123456. The FRS # is needed to request the grant position number(s) for personnel to be paid from the cost share account. To request a new grant position number, go to the University Budget Office's website at <http://www.fau.edu/admin/fiscal/budget/> to complete and submit the required form.

In order to comply with Federal regulations, a separate cost share account is being set up to record and document the project costs being funded by FAU. According to these regulations, cost share must:

1. Be verifiable from the University's records
2. Not be used as cost share for any other project (counted only once)
3. Be necessary for the accomplishment of the program objectives
4. Be reasonable and appropriate for the project
5. Be allowable, as required by OMB Circular A-21, the award's terms and conditions, and the University's guidelines
6. Not be paid by the federal government under another award (except if approved in writing by the federal government)
7. Be incurred during the effective dates of the award

By the end of the project period, the cost share must be met. Research Accounting will monitor these costs, but it is the PI's responsibility to use this account to record the cost share outlined in the approved budget. Failure to meet the cost share requirements could result in an audit finding or having to return funding dollars to the sponsor.

The cost share account should be set up at the same time that the FAU Project Account is set up. In order to set up the cost share account, please process a budget transfer as follows:

For cost share that is funded by E&G funds, state the E&G account number on the left side of the budget transfer and the new cost share account on the right side of the budget transfer. The budget should mirror the budget approved by the sponsor. After obtaining the appropriate signatures, submit the budget transfer to the University Budget Office, Admin. 265.

For cost share that is funded by an overhead account or another non-federal account, state the source account on the left side of the budget transfer and the cost share account on the right side of the budget transfer. The budget should mirror the budget approved by the sponsor. After obtaining the appropriate signatures, submit the budget transfer to Research Accounting

Thank you very much for your assistance. If you have any questions, please call.