



FLORIDA ATLANTIC UNIVERSITY

Research Accounting

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DATE: *Today's Date*

TO: *Department Budget Coordinator*
Department Name

SAMPLE

FR: Edwin Bemmell
Director
Research Accounting

RE: Cost Share Status Report for FAU Project Account # 1234-567-44
Cost Share Account # 1234-701-35
PI: *Dr. Smart*
Sponsor: *NSF*
End Date: *06/30/2003*

Attached is a Cost Share Status Report for the above referenced project. By the end of the project period, the Cost Share Obligation must be met and documented. According to Cost Accounting Standard 501, delineated in OMB Circular A-21, FAU is required to document both mandatory and voluntary committed cost share.

The Direct Expenses are reflected as expenditures posted on the departmental ledgers for the cost share account. The Indirect Expenses do not post on the departmental ledgers. Rather they are merely a computation made by Contracts and Grants and documented in the file, based on the indirect cost rate and base included in the approved budget. Third party in-kind contributions are documented with a letter from the third party on their letterhead and signed by their authorized representative, endorsing the amount of the actual cost share contributed to the project. Third party in-kind contributions, such as volunteer time or donated goods, must be stated at the fair market value at the time of donation, as outlined in OMB Circular A-110, Subpart C, Section 23.

The PI is ultimately responsible for meeting the cost share requirement. Failure to meet the required cost share could result in an audit finding or having to return funding dollars to the sponsor. If you have any questions concerning cost share, please call me at 7-2606 or email me at ebemmel@fau.edu. Thank you very much for your assistance.