



PACTRANS COST SHARE EXPLANATION

Cost Sharing (or matching funds) is the amount of a project or program paid by entities other than the sponsor. PacTrans receives its funding from the USDOT to operate as a University Transportation Center (UTC). As such, PacTrans as a regional UTC is required to match funding on a 1:1 basis. PacTrans is required to provide documentation to USDOT for dollars matched.

In the case of PacTrans, the University of Washington receives funds from USDOT and administers them on behalf of PacTrans. Therefore, PacTrans must comply with the University of Washington, as well as the State of Washington's accounting and federal requirements.

The University of Washington recognizes three types of cost sharing: mandatory (as in the case with USDOT), committed, (cases where the PI volunteers cost sharing to the sponsor) and salary caps (a healthcare sponsor rule within NIH or other federal healthcare programs).

In order to maximize matching dollars for RITA, PacTrans gathers matching funds from many types of sources including:

Type or Source of Match	Notes
Outside sponsors	
Salaries and benefits of UW, WSU, OSU, UAF or UI personnel	Faculty can use up to 30% of nonfederal academic salary. Faculty can use 100% of nonfederal summer salary.
Services	Shall not exceed the fair market value.
Travel for PIs, staff and students	
Supplies	
Equipment	Shall not exceed the fair market value.
Facilities	Shall not exceed the fair market value.
Scholarships or other funding for students	

Indirect costs (or F&A) are not eligible as cost sharing match if provided by federal sources. If indirect costs are from the non-federal source and the expense associated with the indirect cost is an eligible expense under the terms and conditions of the grant, the F&A associated with the expense is eligible. For example, salary and benefits paid from a non-federal source are eligible cost share match as well as the indirect costs associated with those expenses. (Please note that although the UW recognizes unrecovered F&A as cost sharing, USDOT does not.)

When a PI participates in a PacTrans Request for Proposals (RFP), PacTrans requires the PI to obtain matching dollars (cost sharing) for their project.

Cash or in-kind third party funds qualify as match. In order to meet cost sharing criteria, any funds (cash or in-kind) must be:

- verifiable from records

- not included as cost-sharing for any other federally funded project
- must be necessary and reasonable to the project or program
- allowable under the accounting principles for both USDOT and the University of Washington.

Documentation requirements/PreAward

PIs are required to obtain a Letter of Commitment from their funding source which:

- is written on official letterhead;
- signed by an agency representative;
- outlines the work to be accomplished (use abstract wording/PI name);
- states start and completion dates
- states the amount of funds the agency is contributing and whether these funds are cash or in-kind; and
- indicates that the proposed match funding is not being utilized as a match for any other federal project.

Documentation requirements/Post Award

- UW faculty salaries used as in-kind match are processed through UW financial systems and the FEC module. A cost share calculator for the faculty FEC is required.
- Matching funds from UW budgets that are non-faculty salary related expenses are processed through the UW Non FEC cost share module. Access to the budget may be required in order to process these transactions, and have them properly reported to USDOT.

Documentation requirements for non-UW (third-party) sponsors - Sponsors are required to give the PI a Confirmation Letter which:

- is written on official letterhead;
- signed by an agency representative;
- outlines the work to be accomplished (use abstract wording/PI name);
- states start and completion dates
- states the amount of funds the agency is contributing and whether these funds are cash or in-kind
- indicates that the proposed match funding is not being utilized as a match for any other federal project.
- If the third party contributor donates salary, supporting documentation is required and must include:

- the name of the employee contributing effort,
- the employee's title,
- rate of pay,
- total value of their effort including applicable benefits,
- a statement indicating how the individual contributed to the project,
- time period of the contribution (must be within the budget period)

If the third-party contribution is a cash-match, PIs must also attach a copy of the check to document receipt of funds.