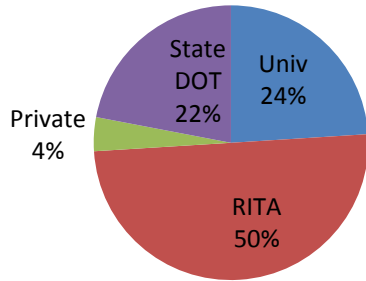


## TransNow Matching or Cost Sharing

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

### Funding Sources



In the case of TransNow, the University of Washington receives the funds from RITA and administers them on behalf of TransNow. Therefore, TransNow must comply with University of Washington/State of Washington accounting requirements and federal requirements.

The University of Washington recognizes three types of cost sharing: Mandatory (as is the case with RITA), 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, TransNow gathers matching funds from many types of sources including:

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

Indirect Costs (now called Facilities and Administrative Costs or F&A) cannot be counted as cost-sharing funds because F&A costs are usually provided by federal sources. There are exceptions however. There are several areas in SAFETEA-LU such as the Innovative Bridge Research and Deployment Program, the Innovative Pavement Research and Deployment Program, the Safety Innovation Deployment Program, etc. which can be counted as

matching dollars. Although the University of Washington does recognize unrecovered F&A as cost sharing, RITA does not.

When a PI participates in the TransNow Request for Proposals, TransNow requires the PI to get matching dollars (cost sharing) for their project. TransNow will give \$100 for every \$150 in matching dollars\*.

*Example: PI has \$150,000 in match from WSDOT:  
 $\$150,000 \times 2 = \$300,000 / 3 = \$100,000$  from TransNow*

\*Total committed match can always be more than required by the above rules.

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 RITA and the University of Washington

#### Documentation requirements/PreAward/Pis

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

- Is written on official letterhead;
- Signed by 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
- That the funding is not being used as a match for any other federal project.

UW Pis that are contributing faculty salaries (01-1X Obj. code) as in-kind match are not required to provide a Letter of Commitment for that match.

#### Documentation requirements/During Award/Semiannual Budget Report

- UW faculty salaries (01-1X Obj. Code) used as in-kind match are not required to be provided with documentation as that can be verified through UW financial systems.
- Matching funds that went through UW budgets should be supported with UW Budget Activity Reports (BARs) with highlighted expenditures that were contributed toward match. This applies to all expenditures reported on BARs except faculty salaries (01-1X Obj. Code).
- Documentation requirements for non-UW sponsors (third-party). Sponsors are required to give the PI a Confirmation Letter which:
  - Is written on official letterhead;
  - Signed by agency representative;

- Outlines the work 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;
- That the funding is not being used as a match for any other federal project.
- If the third-party contributor donates salary, support documentation 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 benefited the project,
  - time period of the contribution (must be within the budget period), and
- If the third-party contribution is a cash match, you must also attach a copy of the check to document your receipt of the funds.