



South Carolina Research University Infrastructure Act Cost Share Accounting Policy

- (1)(a) Each institution must, in each proposal for Infrastructure Act funds, provide the *estimated total cost* of an individual Research University Infrastructure Act project. Estimated total cost must include all costs necessary and reasonable to make the project whole or complete; i.e., all costs that are necessary and reasonable for proper and efficient accomplishment of the project's objective(s).
- (b) Concomitant with the definition of 'estimated total cost,' each institution must provide a specific *project definition* which clearly delineates the components of the estimated total costs of the project, and which provides a clear rationale for the project.
- (2) Land, facilities, improvements, services, and other types of in-kind matches as listed in Section 70 of the Research University Infrastructure Act can be certified only to the extent that they demonstrably promote quantifiable future economic development directly related to the project definition. That is, institutions must demonstrate how each matched item *directly* relates to the project as specifically defined.
- (3) Overmatching is permissible. Section 70 of the Research Infrastructure Act requires that “**at least** fifty percent of the cost of each research infrastructure project” be matched by non-state sources, thus allowing for more than half of the total cost to be matched.
- (4) The cost share accounting standards articulated in OMB Circular A-110, Section 23 shall be the guiding principles used for determining the value and veracity of in-kind matches, especially as they pertain to determining the value of title-transferred/rent-discounted land and facilities.
- (5) In order for an in-kind match to qualify as a certifiable match, it must (a) derive from a non-state source; (b) be documented by an agreement between the institution and a third party; and (c) be in-hand or perfected.
- (6) The fair market value of any individual building or parcel of land may only be claimed as a match if title itself transfers to the institution. Otherwise, only the cost of the discounted rent/lease value, computed over a specifically-defined occupation of time, may be claimed.

(7) Concerning purchases of capital items (equipment or computer software), the difference between the Manufacturer's Suggested Retail Price and the final cost to the institution may be claimed as a valid match, provided the institution validates the claim with appropriate documentation.

(8) All non-state matching funds (including federal funds) and in-kind contributions may not be committed as matching funds in another private, municipal, state, or federal project or program.¹

(9) Institutionally affiliated 501(c)(3) organizations and component units may contribute matching donations, provided such funds do not derive from state appropriations, tuition, institutional revenue or fees. Matching donations from such entities must be accompanied by a letter from the entity's chief financial officer, as well as the chief financial officer of the research institution, verifying that the funds have not derived from these sources.²

(9) These policies and procedures are applicable to all approved in-kind matches for South Carolina Centers of Economic Excellence proposals.

[Effective February 26, 2007]

[Revised August 20, 2007]

¹ Added at the August 20, 2007, CoEE Review Board meeting.

² Ibid.