

## Cost Sharing Guidelines

October 8, 2009

### Background

The provision of cost sharing or matching funds can be an important component in sponsored research proposals. In the case of large interdisciplinary, multi-institution proposals, or proposals for the acquisition or development of research instrumentation, cost sharing may be a requirement of the award or a significant component in the competitiveness of the proposal. This document describes the philosophy and process for administration of the cost sharing funds administered by Notre Dame Research (NDR).

### Definitions

**Cost sharing or matching** means that portion of project or program costs not borne by the funding agency. It includes *all* contributions, including cash and in-kind, that a recipient makes to an award. If the award is federal, only accepted non-federal costs qualify as cost sharing.

**Mandatory cost sharing** is required by sponsor as a condition of obtaining an award. It must be included or a proposal will receive no consideration by the sponsor.

**Voluntary cost sharing** describes resources made available to a given project solely at the discretion of the grantee institution performing the research. These resources may be **Committed** or **Uncommitted**.

**Voluntary Committed cost sharing** represents resources offered by the university (documented and quantified in the proposal) when it is not a specific sponsor requirement. It becomes a binding commitment that the University must provide as part of the performance of the sponsored agreement. Voluntary committed cost sharing commitments effectively have the same post award audit and tracking requirements as mandatory cost sharing commitments.

**Voluntary uncommitted cost sharing** is not formally pledged in the proposal and approved budget, but subsequently made available to the project.

**Cash contributions** include expenditure of University or third party funds for personnel or non-personnel costs. Cash contributions may be **incremental** to existing budgets or resources, such as the purchase of a piece of equipment or the salary of a post doc, or may reflect the **allocation of existing University budgeted resources** to the benefit of a project, such as faculty academic year salaries or graduate student tuition waivers.

**In-kind contributions** are generally referred to as non-cash contributions including contributions of real property, equipment, supplies and other expendable property, and the value of goods and services benefiting and specifically identifiable to the project or program.

**Unrecovered Facilities & Administration (F&A)** on both sponsor funding or matching funds should be included in cost sharing values unless specifically prohibited by the sponsor.

### **Cost Sharing Philosophy**

Answers to the following questions are helpful in the consideration and prioritization of cost sharing requests:

- Is the cost sharing mandatory, or will it significantly impact the competitiveness of the proposal?
- Is the proposed project in alignment with strategic research areas of the University?
- Are departments, colleges, and centers willing to show an appropriate level of prioritization of the proposed project through contribution of cost sharing resources?
- Does the proposed project add to the infrastructure of the University, and/or help to build competitiveness for the future?
- Does the cost sharing benefit a group of faculty, rather than a single investigator?

### **Mandatory Cost Sharing**

In cases in which the sponsoring agency has a published requirement for a fixed amount or a fixed percentage of cost sharing, it is the intention of NDR, subject to the availability of funds, to provide up to one-hundred (100) percent of the University's total cost sharing, if necessary. Participation in the cost sharing package by colleges, departments and centers is appreciated. We will make maximum legitimate use of contributed faculty time, tuition waivers, unrecovered F&A to make proposals as competitive as possible. An indication of the priority of the proposal by departments and colleges relative to other requests will be required.

### **Voluntary Cost Sharing**

In cases in which the sponsoring agency does not have a published requirement for a fixed amount or a fixed percentage of cost sharing, the project is a high priority of the department, college, and/or center, and the chances of success are significantly enhanced by cost share, it is the intention of NDR, subject to the availability of funds, to contribute up to fifty (50) percent of the University's total cost sharing, with the department, college and/or center contributing the remaining (50) percent of the total cost sharing. Again, we will make maximum legitimate use of contributed faculty time, tuition waivers, unrecovered F&A to make proposals as competitive as possible.

For meritorious, voluntary cost sharing up to (10) percent of the sponsor award coming to Notre Dame (i.e. total sponsor costs excluding subcontracts) is a reasonable target for total cost sharing contribution. Again, maximum legitimate use of contributed faculty time, tuition waivers, unrecovered F&A should be made.

Voluntary cost share will be approved if a case can be made that it is either expected by the funding agency (despite being voluntary) or would make a proposal substantially more competitive.

Cost sharing requests that result from a sponsor's decision to fund a proposal at an amount less than requested will follow the same guidelines as those for other voluntary cost sharing requests.

Requests for funding not in conjunction with an externally sponsored program proposal are not considered cost sharing and should be addressed through other appropriate funding mechanisms and programs available through the Colleges and/or NDR.

## Funded Costs

NDR prefers to fund cost sharing that supports equipment, graduate student stipends, or postdoctoral researchers. The NDR prefers not to fund salaries of research technicians or administrative staff. Cost sharing from NDR may not be used for faculty salaries. Each request for cost sharing will be considered on its own merits, with specific consideration to differences across disciplines.

The Dean of the Graduate School will provide guidance by department in relation to cost sharing for graduate student stipends that would represent an increase in the size of the graduate program in a given area.

It is the current policy of the University to provide tuition waivers (through the Graduate School) for graduate student researchers funded on sponsored programs and may also be shown as cost sharing. When using the value of a tuition waiver for cost sharing, care should be taken to use a tuition waiver value that accurately reflects the student's expected course load. In most disciplines, during the first two years of a graduate program a student is enrolled with a full-time course load (9 or more credit hours per semester). After the second year, the course load, and associated value of a tuition waiver is between 1-2 credit hours per semester. NDR staff can assist with this calculation.

When the sponsor specifically allows the budgeting of a program or institutional allowance that may be used to defray tuition costs (e.g., NSF IGERT) this cost should be included in the sponsor budget. The Graduate School will continue to provide a tuition waiver for these students, and can work with the PI on arrangements to return a portion of the program allowance for use on the project.

When cost sharing is not mandatory, it is possible to provide a description of institutional commitment to the program or the leveraging of institutional resources, such as recent SAPC awards, that does not result in creating a Voluntary Committed cost share situation. This approach can still show institutional commitment to the project, while minimizing the audit tracking burden post-award. NDR staff can assist with appropriate descriptions of institutional commitments for use in proposals.

## Cost Sharing Process

The identification of the need for and request to provide cost sharing should be identified as early as possible in the proposal development process. Requests for significant levels of institutional cost sharing commitments should be made no less than two weeks in advance of the sponsor deadline.

A request for cost sharing should initiate through the relevant department chair(s) and Associate Dean for Research of the College, or his/her designee. In the early stages of proposal development, this will be to secure their support and discuss the magnitude of funds involved and the type of support needed.

The Research Administrator (RA) within NDR should be included early in the discussion as well, and can assist with budget development.

Requests should be jointly forwarded by the PI and Associate Dean, in writing, to Liz Rulli, Associate Vice President for Research (AVPR). Requests should include: Names of investigator(s) and departmental affiliation, sponsor, due date, amount request from sponsor by year and in total (and amount to be expended at Notre Dame if subcontracts are involved), cost sharing budget, justification for cost share, and relative priority from department/college (in the case of voluntary cost share).

The AVPR will consult the department chair(s), Associate Dean for Research, and Graduate School as appropriate, on any cost share requests that are submitted directly to NDR

Questions may be directed to Liz Rulli, Associate Vice President for Research, Notre Dame Research, University of Notre Dame, 940 Grace Hall, Notre Dame, IN 46556 USA, 574-631-3072, [lrulli@nd.edu](mailto:lrulli@nd.edu).