

## Office for Research Guidance: Cost Sharing

Per Northwestern University's [Cost Sharing on Sponsored Program policy](#), Northwestern engages in cost sharing when it is in the best overall interest of the University, but limited to situations in which it is mandated by the sponsor per solicitation or policy guidelines (mandatory cost sharing), or deemed appropriate in light of specific and compelling circumstances (voluntary cost sharing). Cost sharing on large-scale proposals usually comprises commitments of contributed effort, graduate student support, space, and/or cash support (only available for mandatory cost sharing). When requesting institutional cost share, the guidelines below should be followed. Note that not following the guidelines will result in delays and possibly reduced cost sharing.

- **Eligibility:** Voluntary cost sharing is only considered for multiple-investigator proposals to external sponsors. Eligible proposals typically involve multiple departments and multiple schools. Research proposals that are eligible for a voluntary cost share request typically include a sponsor budget of at least \$5 million.
- **Preliminary Proposals:** The Office for Research, schools, and departments do not usually make cost sharing commitments at the pre-proposal stage. However, if cost sharing will ultimately be sought or required, depending on the level of detail required at the preliminary proposal stage, the PI may need to follow the process of obtaining institutional support.
- **Timing:** The initial request for cost sharing support to the schools and the Office for Research should be made by the PI at least three weeks before the proposal deadline. For more complex team proposals (multiple schools and/or universities), requests for cost sharing support should be made even earlier, typically 6-8 weeks before the proposal deadline.
- **Space:** Commitment for space can be an important component in demonstrating institutional support for large-scale proposals. Commitments for space should be directed to the relevant department chair or dean's office. Commitments for space come about as a collaborative effort, and it is important that any potential requests regarding incremental or renovated space be discussed with the relevant department chairs and associate deans early in the proposal preparation process. Space requests are not included in the process of obtaining institutional cost share support.
- **Cost Share Level:** Voluntary cost share is not generally encouraged by the University and – if requested, the PI must provide a strong justification for consideration. Voluntary cost share support should be no higher than 10% of the sponsor budget coming to and remaining at the University. This percentage includes the value of unrecovered indirect costs (i.e., unrecovered F&A). If cost sharing is requested from Northwestern, it is expected that partner institutions (e.g., subcontractors) will also be asked to cost share at the same percentage level.
- **Cash Support:** Cash cost sharing may be proposed only when cost sharing is mandatory. It may be proposed for budgetary items including service contracts, postdoctoral fellow salaries, equipment, and other items that cannot be fully supported within the constraints of the grant budget. In unusual cases, administrative support may be covered by cash cost sharing, but this is generally discouraged unless the proposal includes a sponsor budget of more than \$3 million per year at Northwestern. In these instances, it may be appropriate to

request partial support for an administrative core staff, such as support for an administrative director, business administrator, and/ or program assistant. Voluntary cash cost sharing support is not available.

- **PI and Department Cost-Share Commitments:** Mandatory cash cost share generally starts with a cash commitment from involved departments. The department cash commitments are usually matched by the school. The combined department/school cash commitments are usually matched by the Office for Research. Thus, the typical overall cost share split is 25% from departments, 25% from schools, and 50% from the Office for Research. Fractional cost share apportionment across departments and schools is based on the number of senior/key personnel (with tenured or tenure- track paid appointments) and their school and department affiliations.
- **Graduate Student Support:** Departments, schools, and The Graduate School (TGS) work together to provide graduate fellowships as cost sharing, typically at the level of one 12-month fellowship per \$2 million in sponsor funding coming to and remaining at the University. Graduate fellowship support comes from the TGS allocation for graduate student support to each school, where dean's offices and departments determine distribution.
- **Support from OR, TGS, Schools, and Departments:** Voluntary cost sharing is optional, not an entitlement. The Office for Research, TGS, and other schools at Northwestern may decline to provide cost sharing or they may provide cost sharing at a level below the requested amount. Further, departments and schools have varying guidelines for cost sharing, with some requiring cost sharing commitments from individual faculty or other specific requirements, including expectations regarding academic year salary recovery.
- **Situations not eligible for voluntary cost share:** While voluntary cost sharing is not guaranteed in any proposal situation, specific categories of proposals where a voluntary cost share request will not be considered by the Office for Research are indicated below. Schools and departments may consider cost sharing in these situations at their discretion.
  - **Institutional Training Grants:** The Office for Research does not provide cost sharing for institutional training grant proposals. While the Office for Research is supportive of training grant proposals, central support for these projects is provided through TGS.
  - **Over-the-Cap Requests:** The Office for Research does not consider any requests for cost sharing associated with a salary cap (e.g., NIH).
  - **Single-Investigator Proposals:** The Office for Research does not consider any requests for cost sharing for single-investigator proposals.
- **Process:** Please refer to the [Sponsored Research cost sharing page](#) for information relating to the Process of Obtaining Institutional Cost Share Support as well as a Cost Share Decision Tree. The website also includes standard templates for the cost share budget and cost share workbook.