

## Cost Sharing Guidance

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### Responsibility

Responsible McCormick Official: Senior Associate Dean Richard M. Lueptow  
Responsible Office: McCormick Office of Research Administration  
Last Updated: February 19, 2021

### Overview

This guidance applies to proposals requesting cost share with McCormick investigators, and serves as a supplement to guidelines from the Office for Research, [https://cpb-us-e1.wpmucdn.com/sites.northwestern.edu/dist/c/3231/files/2020/05/Cost\\_share\\_guidance.pdf](https://cpb-us-e1.wpmucdn.com/sites.northwestern.edu/dist/c/3231/files/2020/05/Cost_share_guidance.pdf). Both sets of guidelines should be considered when making a cost share request at either the school or institutional level.

McCormick engages in cost sharing, but limited to situations in which it is mandated by the sponsor per the 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 includes commitments of faculty time, graduate student support, and/or cash support.

### Optional Support from TGS, McCormick, and Departments

Voluntary cost sharing is optional, not an entitlement. McCormick and The Graduate School may decline to provide cost sharing or may provide cost sharing at a level below what is requested. Furthermore, departments have varying guidelines for cost sharing, with some requiring cost sharing commitments from individual faculty or other specific requirements. Faculty involved in a proposal or award in which cost sharing is requested are responsible for being aware of their own department policies.

### Eligibility

Voluntary cost sharing is only considered for multiple-investigator proposals to external sponsors for grants with sponsor budgets of at least \$5M. Cost sharing is at the discretion of the Office of the Dean.

- **Single-Investigator Proposals:** The Office for Research does not typically consider any requests for cost sharing for single-investigator proposals. PIs may request cost share support through their department and McCormick.

### Cost Share Level

- **Mandatory:** Mandated sponsor cost support is typically outlined in the sponsor's solicitation. In cases where mandatory cost share is requested from a sponsor without a specific cost share level, the cost share support should be no more than 10% of the sponsor budget coming to McCormick and remaining at McCormick.
- **Voluntary:** McCormick and the University do not generally encourage voluntary cost share and if requested, the PI needs to provide a strong justification. Voluntary committed cost share support should be no higher than 10% of the sponsor budget coming to McCormick and remaining at McCormick. Voluntary cost share requests are limited to contributed faculty effort, unrecovered indirect costs (i.e. unrecovered F&A), and graduate student support.

### Partner Institutions

If cost sharing is requested from McCormick, it is expected that partner institutions (e.g., subcontractors) will also provide 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 and fringe benefits, 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.

- **McCormick and Department Cost Share Commitments:** For proposals with mandatory cost share, the McCormick Office of the Dean and individual McCormick departments will provide equal amounts of cash cost share provided that 100% of the cash cost for both the McCormick Office of the Dean and the department is recovered via academic year salary recovery.<sup>1</sup> The combined department/PI/school cash commitments are usually matched by the Office for Research. Thus, the typical overall cost share split is 25% from departments/PI, 25% from schools, and 50% from the Office for Research.
- **Fractional Cost Share Support:** Fractional cost share apportioning across departments is based on the number of senior/key personnel and their department affiliation. For example, if there are a total of 5 PIs with 3 from one department and 2 from another, 60% of the total departmental cash cost share will come from the first department and 40% of the departmental cash cost share will come from the second department.

## Academic Year Salary Commitments

Faculty are required to meet their academic year salary commitments made at the time of proposal that satisfy either the contributed academic year salary cost share commitments or the academic salary recovery required for the McCormick cash commitment. Academic year salary recovery may not be re-budgeted for summer salary, either directly or as flow-through from academic year salary to summer salary, and the portion of the academic year salary returned to the investigators' accounts may not exceed 35%. Additionally, academic year salary recovery may not be re-budgeted into any other research expense category (i.e. to fund additional postdoc salary, supplies, services, etc.)

## Other Types of Cost Share Support

- **Graduate Student Support:** McCormick works with The Graduate School (TGS) to provide University Fellowships as cost sharing, typically at the level of one 12-month University Fellowship per \$1M in sponsor funding carrying full F&A that comes to and remains in McCormick. Graduate student support (with costs based on the standard student costs that would be included in the sponsor budget) is included in the 10% cost share maximum cost share level. Graduate student support provided by McCormick should be used to support McCormick doctoral students.
- **Space:** McCormick does not provide space as part of cost sharing. Requests regarding incremental or renovated space should be discussed with the relevant department chairs early in the proposal preparation process.

## Award Modifications

For programmatic reasons, sometimes faculty cease participation in awarded projects in which they have a cost share commitment. In order to satisfy the project's cost share, the commitments must then be redistributed. The revised cost share plan must be submitted to the Cost Share Officer in the Office for Sponsored Research, who will obtain the necessary approvals.

## Notes

- **Timing:** Consistent with Office for Research guidelines, the PI should make the initial request for cost sharing support at least four weeks (preferably 6-8 weeks) before the proposal deadline (<http://osr.northwestern.edu/proposals/costsharing>).
- **Summer Salary:** Academic year salary recovery should be a priority when cost-sharing is requested. Summer salary for investigators is discouraged if the academic year salary recovery is inadequate to cover the cash cost-share.
- **Request Procedures:** Request procedures and templates related to cost sharing are available from McCormick Research Administrators. All cost share requests, regardless of whether or not OR support is being requested, are to be submitted by the department research administrator to the Cost Share Officer in the Office for Sponsored Research.
- **Preproposals:** Cost sharing commitments are not made at the pre-proposal stage.

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<sup>1</sup> For example, based on the standard academic year salary recovery split (35% to investigator; 32.5% to the investigator's department; 32.5% to McCormick), and a standard 50% split with OR, a budgetary cash cost share request of \$10,000 will require approximately \$7,692 in academic year salary recovery (including fringe benefits) charged to the sponsor.