John A. Paulson School of Engineering and Applied Sciences
Guidelines for Cost Share Funding on Sponsored Awards

Overview

Cost sharing is any project cost that is not reimbursed by the sponsor on a federal or non-federal sponsored award. Cost sharing, also known as matching, is funded by Harvard or a third-party, which is generally a non-federal resource. The University policy strongly discourages faculty from offering cost sharing in a research proposal, unless such a commitment is required by the federal or non-federal sponsor and described in the notice of funding opportunity. All proposed cost sharing is reviewed and approved by the school prior to proposal submission as part of the University’s proposal submission and review process.

The Harvard John A. Paulson School of Engineering and Applied Sciences (SEAS) recognizes that when a faculty member does not otherwise have funds available, there is a need for school funds to support federal and non-federal sponsored awards that:

1. require mandatory cost sharing; or
2. expressly state that cost sharing is a factor in the evaluation and award of a sponsored proposal or
3. require the PI to fund an overhead shortfall as outlined in the FAS and SEAS Policy on Assessments on Current Use Gifts and Sponsored Awards

Such funds will be controlled by the SEAS Office of the Dean and come from philanthropic gifts rather than the SEAS annual operating budget. Cost shared funds awarded by the Dean may be used only for the proposed project. If an award is not made, the cost shared funds will not be provided.

Reason for Guidelines

Recognizing the challenge to meet sponsor cost sharing requirements and the need to support faculty research efforts, SEAS-eligible PIs may request cost share funding from the SEAS Office of the Dean in accordance with the procedures outlined in these guidelines.

Eligibility

All SEAS Principal Investigators (PIs) with at least a .5 FTE appointment are eligible to apply for cost share
funding for grants run through SEAS that require mandatory cost sharing or expressly state that cost sharing is a factor in the evaluation and award of a sponsored proposal.

### Priorities for Funding Decisions

SEAS cost share funding will generally be awarded with consideration for the following priorities:

- Junior faculty research projects
- Research areas currently identified by the School Dean which include:
  - Environment, Climate, and the Future of Energy
  - Health Technologies
  - Internet of Things
  - Quantum Engineering
- Strategic investments that support more than a single project or faculty member within SEAS.

### Procedures

#### Proposal Stage

1. **At least 30 days prior to the sponsored proposal deadline**, the PI must submit to their Area’s Assistant Director for Research Administration and Finance (ADRAF) and Research Portfolio Manager (RPM) a request for cost share funding. The request must include:
   - The sponsored proposal solicitation to which they are responding that includes the sponsor’s requirement for mandatory cost sharing or statement that cost sharing is a factor in the evaluation and award of a sponsored proposal
   - A budget that includes the amount of requested sponsored funding and cost share funding
   - A statement by the PI indicating that she/he does not have discretionary resources to provide the required cost sharing
   - A description of what the requested cost share funding will support and how it benefits the overall project and enhances its competitiveness
   - A contingency plan if cost share funding is not provided by the Office of the Dean

2. Within three business days of receipt, the ADRAF will verify the faculty members’ financial portfolio status and forward the request and their preliminary recommendation to the SEAS Dean, Executive Dean for Administration and Finance and Assistant Dean for Finance who will then make the final determination on the cost share funding request.

3. The Dean will notify the PI, ADRAF, RPM, and SEAS Senior Sponsored Research Officer of a decision via email within seven business days of the request.

4. Approved cost share funding notifications will be uploaded into the GMAS cost share approval section
by the RPM.

Award Initiation

1. When a proposal with SEAS funded cost share is awarded and an Action Memo is issued, the RPM will notify SEAS Finance.
2. SEAS Finance will establish the appropriate funding in a companion account under the PI root for the first year of the sponsored award. If the award is longer than one year, the account will be funded annually based on the required amount of cost share funding for each subsequent year.

Award Management

Cost share funding must adhere to the same sponsor requirements as direct cost expenditures and comply with the following:

- Federal or non-federal sponsored award terms and conditions
- University and school/tub-level sponsored policies and guidelines
- Donor restrictions

These expenditures will be tracked and reported to the sponsor in accordance with the award terms and conditions.

The relevant ADRAF will report any change in the sponsored project’s total budget (such as reductions in the awarded amount) to the Assistant Dean of Finance for potential adjustments to cost share funds.

Award Closeout

The sponsored award and cost share companion account will be closed out following standard University procedures. Upon submission of all final financial reports to the sponsor, the RPM will notify SEAS Finance of the award’s closeout. SEAS Finance will close the cost share companion account. Any unexpended cost share funding will be returned to SEAS.

Annual SEAS Reporting and Tracking

The SEAS finance office will track the available cost share funding, amounts promised and committed, and remaining funds.

At the end of each fiscal year, the SEAS Senior Sponsored Research Officer will coordinate with the ADRAFs to provide the SEAS Dean and Executive Dean for Administration and Finance with a report of
submitted proposals that included SEAS cost share funding, the proposal status (funded, declined, or still pending) and a description of what the requested cost share funding supported.

**Definitions**

**Mandatory Committed Cost Sharing**: Costs required as a condition of the award which must be tracked and may require reporting. This type of cost sharing is required by the Sponsor and must be included in the proposal.

**Companion Account**: An account that records cost-sharing amounts, often coded using the sponsored activity and subactivity value with a non-sponsored fund value, in the Harvard chart of accounts.

**Related Resources**

- University Cost Sharing Policy
- Faculty of Arts and Sciences Cost Sharing Procedures
- The FAS and SEAS Policy on Assessments on Current Use Gifts and Sponsored Awards

**Revision History**

TBD – New guidelines released