



Update on NSF Implementation of the NSB's Cost Sharing Recommendations to Congress

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America COMPETES Act Requirements

- Section 7013 of the America COMPETES Act directed the National Science Board (Board) to “evaluate the impact of its [2004] policy to eliminate cost sharing for research grants and cooperative agreements for existing programs that were developed around industry partnerships and historically required industry cost sharing, such as the Engineering Research Centers and Industry/University Cooperative Research Centers.” The Act directed that the Board “also consider the impact that the cost sharing policy has on initiating new programs for which industry interest and participation are sought.”
- The NSB Cost Sharing Report was delivered to Congress on February 8, 2008

NSB Recommendations on Cost Sharing

- Recommendation 1:

NSF should define and communicate a set of overarching principles to guide the application of mandatory cost sharing, to include specific goals and expected outcomes of its application.

Implementation Status:

NSF plans to await issuance of the second NSB cost sharing report, including any associated recommendations, and revised policy statements, prior to developing an appropriate implementation strategy.

NSB Recommendations (cont'd)

- Recommendation 2:

NSF should continue to employ OMB Circular A-110 to define cost sharing and should communicate all changes to NSF cost sharing policy to its stakeholders.

Implementation Status:

NSF has, and will continue to employ, OMB Circular A-110 to define cost sharing.

Any future changes to the NSF cost sharing policy will be disseminated widely to our proposer and awardee community.

NSB Recommendations (cont'd)

- Recommendation 3:

NSF should enhance its training of program officers to avoid unintended implicit or explicit requests for voluntary cost sharing/institutional commitment during the budget negotiation process. Further, NSF should continue to emphasize that merit review is founded on the quality of the work to be performed, with cost sharing (where applicable) as an eligibility, not a merit review, requirement.

Implementation Status: In the past year, BFA staff have conducted training for the Directorates on the existing cost sharing policy, as well as the role of program staff during the proposal and award process. We will continue these efforts and plan to include a module on cost sharing on a new internal in-reach program currently under development by BFA.

NSB Recommendations (cont'd)

- Recommendation 4:

NSF should reinstate mandatory cost sharing for the following programs for which cost sharing is foundational to strategic programmatic goals: ERC program, the EPSCoR program, I/UCRC program. In addition, NSF should retain the successful industrial participation features that it has adopted in its implementation of the interagency SBIR and STTR programs, as established by Federal statute and over which the SBA has statutory authority to develop Federal Government-wide guidelines. As appropriate, NSF should identify whether the actions undertaken by NSF in implementing these unique programs can be adapted as a model for industrial participation in other NSF-supported activities.

Status of Programs

■ ERC Program:

- Last solicitation issued: 07-521
- Status of revision process for new solicitation: The ERC solicitation is being revised to re-institute a cost sharing requirement.

■ I/UCRC Program:

- Last solicitation issued: 07-537 (issued as multi-year solicitation)
- Status of revision process for new solicitation: The I/UCRC solicitation is being revised to re-institute a cost sharing requirement.
- Next due date for full proposals is September 26, 2008.

■ EPSCoR Program:

- Last solicitation issued: 08-500
- Status of revision process for new solicitation: EPSCoR-Research Infrastructure Improvement Grant solicitation is being revised to re-institute a cost sharing requirement.

NSB Recommendations (cont'd)

- Recommendation 5:

NSF should continue to communicate the requirements of tracking and reporting mandatory cost sharing to all institutions to which it provides funding.

Implementation Status:

Currently, NSF's Grant General Conditions (GC-1) specify the Foundation's requirements for tracking and reporting of cost sharing on NSF-funded activities. The NSF Award and Administration Guide (Chapter II.D.) provides additional policy guidance on cost sharing for use by the awardee community.

NSB Recommendations (cont'd)

- Recommendation 6:

NSF should periodically and systematically review its cost sharing policies and their impacts and report its findings to the Board.

Implementation Status:

NSF concurs and plans to continue to periodically and systematically review its cost sharing policies and report these findings to the Board.