

Guidelines for co-funding of externally funded research projects

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Description:

The purpose of the following document is to clarify the conditions of co-funding of externally funded research projects. In some cases the research funders demand co-funding while in others co-funding is required to cover indirect costs.

Introduction

The following guidelines apply to co-funding of externally funded research projects at Stockholm University.

The term co-funding refers to a contribution from the University to an externally funded project using its own resources (usually resources from direct government funding). The most common reasons for co-funding are the following:

1. The funder awards the grant for the research and expects the university to show long-term commitment and responsibility by co-funding (parts of direct costs).
2. The funder aspires to provide full financing of research projects. However, the indirect costs of the university exceed what is accepted by the funder.

It is important for Stockholm University to have incentives for its researchers to apply for external funding, and that requirements of co-funding do not present an obstacle to such applications.

Background

Nearly half of the research resources at the University are external grants applied for in open competition. External funding complements direct government funding, thus increasing research activities. External funding, in addition to bibliometry (publications, citations) and external relations, are key indicators for direct government funding to the University.

In its strategies for 2019-2022, Stockholm University highlights the importance of external funding:

*The University should strive to **further improve its results with national and international research councils and foundations**. The University should actively support larger research applications to, for example, various EU programmes or foundations such as the Knut and Alice Wallenberg Foundation. In addition, the University, in collaboration with research councils and foundations, should strive to **improve the long-term conditions for innovative research**.*

At present, national authorities contribute to both direct and indirect costs through proportional funding. Other funders, such as Riksbankens Jubileumsfond (RJ), contribute to indirect costs using a flat rate calculated on the basis of the level of activity in the project. The sum relates to the extent of the positions funded as direct costs. Some foundations, e.g. the Wallenberg Foundations, decide, on the basis of an agreement with the university, the level of their contribution to indirect costs, incl. premises costs.

A recurring question from the departments concerns the level of co-funding of grants and the commitments facing them. While funding from Swedish national authorities cover both direct and most of indirect costs, i.e. full cost coverage, other important research funding agencies cover only parts of indirect costs. These funding agencies, e.g. the Wallenberg Foundations, the EU Framework Programme and Riksbankens Jubileumsfond (RJ), constitute half of the University's fifteen major sources of financing. Together they account for a little over one third of the total funding paid to the University during the last years.

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Recommendations

The main principle of co-funding is that decisions as well as responsibility lie at the department level, i.d. with the Head of Department. If the Head of Department/the equivalent: estimates that the department does not have the financial margin to accommodate external funding, or considers refraining from nominating or denying researchers to apply for funding due to demands for co-funding, the Head of Department must, at an early stage, inform the Dean of the faculty concerned providing a motivation. Such a motivation must contain a concrete description of the need for co-funding, to enable the faculty/science area to perform quality testing and prioritize already when the application is submitted for internal reviewing. General requests will be rejected.

Strategic co-funding

Some funders offer grants of especially high quality as well as strategic importance, e.g. ERC grants, coordinated projects within the EU Framework Programme, KAW projects, Wallenberg Academy Fellows, Wallenberg Scholars, RJ programmes and Pro Futura, NIH and such like. A requirement of co-funding must not in itself constitute an obstacle for individual researchers to apply for grants from such funders.

EU grants

The EU Framework Programme for Research and Innovation (at present Horizon 2020) funds 100% of direct project costs and a supplement for indirect costs of 25%. The EU also has other types of grants where the level of funding varies according to the programme. ERA-NET schemes, e.g. BONUS and HERA, are coordinated by Swedish research councils and both direct and indirect costs are fully funded. Other programmes, such as LIFE and the 3rd Health Programme, which are funded by Directorates other than the Directorate-General for Research and Innovation give a smaller contribution to both direct and indirect costs.



American federal grants

Research grants from the National Institutes of Health (NIH) or other American federal grants are very prestigious, since the applicant must often show that he/she is the most qualified researcher outside the USA. However, the NIH pays only 8% of indirect costs for non-American universities.

Different levels of indirect costs

At Stockholm University every department is responsible for its own economy. Additional costs relating to external grants vary considerably. The levels of indirect costs depend on such factors as the size of the department, wage costs, etc. The departments have different financial margins and the need for co-funding must be considered when researchers wish to apply for external funding or when researchers joining the department bring external funding.

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