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MATCHING GRANTS LEVERAGE PROGRAM

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Table of Contents

1. The Matching Grants Leverage Program ***3***

A. Overview *3*

B. Eligibility *3*

C. Funding Amounts *4*

D. Activities to Be Supported *4*

E. Application Process *4*

F. Review Process *5*

G. Reporting *6*

H. Award Notification *6*

I. Submission of Information *6*

1. The Matching Grants Leverage Program

A. Overview

The goal of the Empire State Development Division of Science, Technology & Innovation (NYSTAR) Matching Grants Leverage Program is to assist New York State research institutions in attracting new federal and private foundation funding for applied research, technology acceleration or supply chain assistance funding. NYSTAR will consider a Matching Funds Grant request once all the required information as described below has been submitted.

A funding commitment made through this program demonstrates New York State support to strengthen an applicant's proposal and increase the likelihood that state research institutions will be awarded competitive federal funding. For this reason, applications are to be submitted prior to the federal grant submission deadline. Time permitting, those applicants recommended for funding will be provided commitment letters to include with their federal proposal. Under no circumstances will NYSTAR accept applications after the federal grant has been awarded. Although commitment letters are provided prior to federal grants being awarded, the New York State funding will only be provided to research institutions that are successfully awarded the federal funding to which the matching grant commitment is tied.

If funding is available, NYSTAR will accept applications monthly with a submission deadline of the 20th (if the 20th falls on a weekend, the deadline will be the next business day). Monthly applications will not be reviewed prior to submission deadline and, as a result, a response may not be provided prior to the federal or foundation funding proposal submission deadline. In such a case, applicants may request a support letter to include with their federal submission. (*A support letter indicates NYSTAR's support of the research institution and the project and will include a statement that a Matching Grant application has been submitted, but not yet reviewed. It is not a funding commitment by NYSTAR.)*

B. Eligibility

Higher education research institutions and not-for-profit research institutions (herein referred to as research institution)[1] in New York State are eligible to apply for matching funds.

To qualify for a Matching Funds Grant, NYSTAR requires the research institution to meet a ***minimum*** *2:1 matching requirement of dollars coming to New York State. For every dollar a research institution receives from NYSTAR, the research institution must receive two dollars from other sources. [2] Funds eligible for matching are those received by the research institution from the federal or foundation granting entity and/or from private industry that will remain in New York State. Other state funds are not eligible to calculate the 2:1 matching funds requirement.*

1 For the purposes of the High-Tech Matching Grant, **research institutions** must be oriented to applied research. Applied research is a form of systematic inquiry involving the practical application of science. Applied research "aims at finding a solution for an immediate problem facing a society, or an industrial/business organization. The purpose of applied studies is closely associated with the solution of specific problems. In applied studies, research objectives are set by clients or sponsors as a solution to specific problems they are facing. Research institutions providing customer discovery and/or prototyping services may be considered eligible for the HTMG. NYSTAR considers customer discovery as research and prototyping a step in the R&D process.

2 The 2:1 matching requirement is a **minimum** threshold. The entire amount of the extramural grant awarded to the applicant, that remains in New York State, shall be counted as match to the NYSTAR grant. Economic impact is a priority in the scoring of applications, and as such the federal/ foundation funds attracted through the proposal are considered as part of the grading.

Items eligible for consideration as match must be directly related to the purpose of the proposed activities. Items eligible for institutional match include but are not limited to: compensation for project staff and students working on the project; and costs related to constructing, renovating, preparing, and equipping the workspace required for the project.
The 2:1 match is required in the executed contract the institution will enter into with NYSTAR, if the applicant is successfully awarded funding and the State makes a financial commitment.

C. Funding Amounts

*The minimum matching funds that may be applied for from the State is $100,000 per year. The maximum term is five years. The maximum TOTAL grant is $1,000,000. ***Research Centers (EFRC, ERC, REACH, MRSEC, STC) that are applying for a matching grant to a renewal of a federal grant opportunity can apply for an additional $1M. To be eligible for the additional funding the applicant must provide proof of extensive collaborations with industry partners under the previous federal and NYSTAR matching grants. Proof must in the form of compiled impacts supplied by a 3rd party survey tool or by providing detailed economic impact letters signed and notarized by ten (10) company partners. The ratio of non-job impacts to NYSTAR grants must be at least 7:1. The number of full-time jobs created must meet or exceed 50.*

For the Economic Development Administration's (EDA) Tech Hub Program, up to 20% of the federal award will be available for a matching grant commitment to New York lead Phase 2 eligible applicants seeking the EDA Tech Hub award and having completed a matching grant application. Eligible applicants must be a designated Tech Hub that has not received implementation funding. Applications must be submitted between October 27, 2025 and October 31,2025 for this commitment only. The review process below will be followed.

D. Activities to be Supported

State matching funds may be used for expenses including, but not limited to, salaries of staff directly involved in the proposed project, equipment, materials, and supplies. All indirect costs charged to NYSTAR funds are limited to a maximum of 15 percent of total salaries plus fringe benefits. NYSTAR does not recognize the full Federal indirect cost rate when calculating indirect costs on its contracts.

E. Application Process

For NYSTAR to consider a request for a Matching Funds Grant, research institutions are required to submit the following:

a. *A cover letter addressed to Ben Verschueren, Director, requesting consideration of a Matching Fund Grant signed by an individual at the research institution who has the legal authority to enter into contracts on behalf of the institution;*
b. *A summary of the grant opportunity and institution's proposal. (2 page maximum);*
c. *A completed Application Form;*
d. *Budget Form 1: A list showing the source of funds for the project;*
e. *Budget Form 2: For grants supporting a consortium, a breakdown showing how the funds will be disbursed among the members of the consortium;*
f. *Budget Form 3: A list showing the breakdown of use of funds for this project. OTHER EXPENDITURES must be described in the space provided.*
g. *The date the Federal application is due;*
h. *Indication of whether the matching funds grant request will support initiatives that have received, or is receiving, New York State grants from any agency or public benefit corporation; and*

i. *Indication of whether the research institution has received, or is receiving, ESD grants for this or any other research initiative(s).*

Upon submission of the information listed above, NYSTAR will review the application and may request further information or clarification of information. ***An individual who has the legal authority to enter into contracts on behalf of the institution must submit all applications.***

Annually, NYSTAR will have up to 12 rounds of grant reviews with a proposal due date of the 20th of each month.

Questions may be submitted through email to: nystar-mglp@esd.ny.gov. Frequently Asked Questions (FAQs) will be updated and posted in a timely manner at https://esd.ny.gov/nystar/matchinggrants.asp.

F. Review Process

Upon receipt of the required information, NYSTAR will review the request to determine if all matching fund requirements have been met. If all submission requirements have been met, NYSTAR will forward it for consideration by the review committee. Requests will be reviewed by a panel of three or more individuals who will provide individual scores. An average of the reviewers' scores will be the final score of the application. In the event of multiple requests receiving the same score, and funding is not available to fund proposals with a tied score, funding levels will be lowered for the tied proposals by the same proportion until they total at or under the available funding level. In addition, the panel has the authority to approve less than the full amount that the applicant is seeking. NYSTAR reserves the right to suggest modifications to the proposal.

The review committee will consider the following factors when scoring the proposals:

- *Economic Impact potential (25 Points);*
  - *Applicants should include the following potential impacts that the proposal will likely achieve including: research institution and private industry jobs created/retained; sales increased/retained; cost savings; companies created; angel/venture/other funding; additional research funding and/or other information that demonstrates expanding the innovation economy. Potential long term (5-10 years) impacts should be provided by applicants whose projects are in the early stages of development and may not have short term impacts.*
- *Technology focus potential (15 Points);*
  - *Applicants should briefly explain the potential of the technology and/or project potential and the importance to New York State **industry**. Examples of disruptive technology and/or technology that may be accelerated / commercialized are expected.*
- *Credentials of key personnel (15 Points);*
  - *Summarize the background of key staff and their experience in the technology sector or project and previous work with industry/entrepreneurs. Include quantifiable examples of experience (patents, products commercialized, grants won, etc.*
- *Industry and/or entrepreneur partners (20 Points);*
  - *Applications should list companies and/or entrepreneurs that will be partnering on the project and explain the nature of the partnership and the level of their participation*
- *Reasonableness of Budget (25 Points)*
  - *Applicants should breakdown funding sources and uses of funding. ***Provide a description of OTHER EXPENSES in the space provided.*

Only requests receiving a score of 75 or better from the review committee will be recommended for Matching Grant Leverage Program Funding. In the event that funding is limited at the time of consideration of requests,

NYSTAR will fund the top scoring applications (in full or partially) until the funding is fully committed. [2]

G. Reporting

Each institution receiving a State matching fund grant will be required to complete and file financial and progress reports to NYSTAR bi-annually. In addition, success stories and impacts/metrics are expected to be captured and reported. Upon execution of a contract for such matching funds, NYSTAR will provide reporting guidelines and forms to the institution. Any institution receiving a matching funds grant equal to or more than one million dollars, in total, may be required to provide NYSTAR with an annual report for up to five years after receiving all the State's matching funds.

All awardees must provide the following minimum deliverables to ESD; more details will be included in the agreement:

- *Bi-Annual progress and financial reports;*
- *Information on technology transfer and associated economic benefits (impacts); and*
- *Success stories.*

H. Award Notification

Applicants that receive a commitment through the Matching Grant Leverage Program must notify NYSTAR within 60 days after the federal or foundation award announcement has been made by the granting entity, or the funding commitment made through this program will be rescinded. A copy of the award letter must be emailed to NYSTAR before the contract process will begin. Should the extramural award be reduced by the federal program or foundation to an amount less than five times the NYSTAR Matching Grant requested amount, the Matching Grant will be reduced by the same percentage.

I. Submission of Information

Applications to the Matching Grants Leverage Program should be emailed to: nystar-mglp@esd.ny.gov.

Also, on the electronic fillable PDF application, select submit to generate a copy of the application and then email it to the address above (NOTE: the subject line of the self-generated email is designed to automatically route the application to NYSTAR staff – Do not add, delete, or change the subject line).

If you have any questions about the Matching Grants Leverage Program, please call 518-292-5100.

[2] Although applications with a score of 75 or better will be recommended for funding, NYSTAR reserves the right to reduce the requested funding amount by 20% if the application is scored lower than 80 (eighty) but at or above 75. Applications scored at this level are not considered as strong as those scored above an 80.

In order to provide matching funds to as many worthy projects as possible, NYSTAR will reduce commitment amounts by 20% for applications from Institutions with cumulative outstanding and/or committed Matching Grant balances of more than $7 million.