



Financial Policies Training:

***Effort Commitment
on
Sponsored Projects
(2.1.20)***

Effective Date: July 1, 2009



These PowerPoint slides are intended for training purposes. In the event of any discrepancy or interpretation difference between the policy and the slides, the policy dictates.



Effort Commitment on Sponsored Projects

- ◆ **Agenda**

- ▶ *Background Information*
- ▶ *Determining Committed Effort*
 - ◆ Proposal Development Estimates
 - ◆ Minimum/Maximum Commitments
 - ◆ Extra Compensation for Recess Periods
- ▶ *Making Changes in Committed Effort*
- ▶ *Managing Committed Effort*
- ▶ *Handling Imposed Salary Caps*
- ▶ *Handling Dual Compensation*
- ▶ *Roles and Responsibilities*
- ▶ *Resources*



Background Information

- **Federal regulations require the university to ensure:**
 - ▶ *Effort commitments in proposals are **reasonable, allowable and consistent** with regulations and institutional policy*
 - ▶ ***Effective management** of effort commitments (compensated and uncompensated) once an award is made*
 - ▶ *Amount of **time worked** on any project is at least equal to **salary charged** (labor verification)*



Background Information

- **Policy 2.1.20 (Effort Commitment on Sponsored Projects)**
 - ▶ *Addresses how faculty and staff should **commit effort** in proposal applications*
 - ▶ *Applies to all individual whose salaries are proposed for*
 - sponsored projects (in whole or in part) **OR**
 - cost share
 - ▶ *Using the employee's total institutional base salary*



• Labor Verification on Sponsored Projects (2.1.21) provides

- ▶ Definitions
 - *Institutional Base Salary (IBS)*
 - *Effort*
 - *Total effort*
- ▶ Listings of activities included/excluded from total effort



Determining Committed Effort

Proposal Development Estimates

- ▶ PI **estimates** effort of all individuals needed for project activity as
 - *% of that person's total UC effort* **OR**
 - *number of UC person months as required by the funding announcement*

- ▶ Total effort must be expressed as a **percentage** (not hours) for each budget period



Determining Committed Effort

Minimum Commitments

- ▶ PI's, Co-I's, key personnel:
 - *Minimum of 1% effort unless specifically exempted by sponsor*
 - *Exceptions to the above:*
 - ▶ Equipment or instrumentation grants
 - ▶ Travel grants
 - ▶ Conference awards



Determining Committed Effort

Maximum Commitments

- ▶ Activities that may **preclude 100% commitment** of total UC effort in proposal applications for some individuals:
 - *Departmental/university research*
 - *Instruction*
 - *Administration*
 - *Proposal writing*
 - *Committee work*
 - *Institutional community service*
 - *Professional organizations*



Determining Committed Effort

Extra Compensation for Recess Periods

- ▶ Nine month academic appointments can
 - ◆ *Commit to an additional 14 weeks of effort*
 - ◆ *Earn up to 14 weeks of additional salary for that effort as extra compensation*

(See Extra Compensation Policy at <http://srs.uc.edu>)

- ▶ Request for recess salary in a proposal application indicates effort will be performed within the allowable recess period



Making Changes in Committed Effort

- **When?**
 - ▶ **Absences** (3 or more months) on project by PI or other key personnel
 - ▶ **Significant reduction** of effort (25% or more)
- **How?**
 - ▶ PI must obtain sponsor and university **prior** approval
- **What else?**
 - ▶ Reduction in effort requires commensurate **reduction in salary charged** to project



Managing Committed Effort

- ***Individuals on the project***
 - ▶ **Aware** of effort committed to sponsored projects
 - ▶ **Devote** the effort committed
 - ▶ **Communicate** inabilities to meet effort committed to the respective business office

- ***Department business***
 - ▶ Initiate any prior approval requests to Sponsored Research Services



Handling Imposed Salary Caps

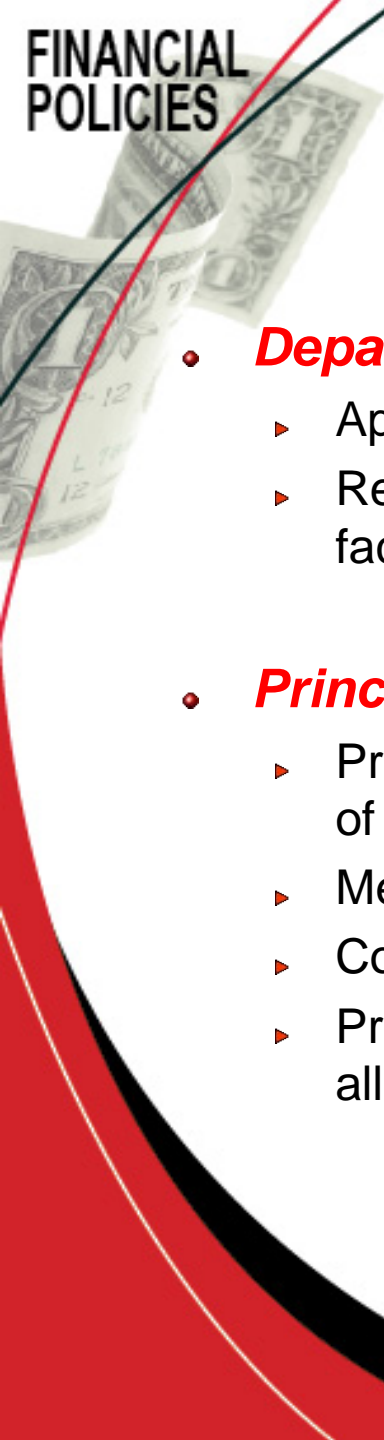
- ***Imposed Salary Caps***
 - ▶ Some sponsors impose a **limit** (cap) on salary reimbursement
 - ▶ Effort committed **must be met** regardless of such caps
 - ▶ Difference between reimbursed salary (“capped amount”) and unreimbursed salary
 - *Should be considered **cost share***
 - *Must be documented as cost share in UC payroll records*



Handling Dual Compensation Issues

- ***What circumstances?***
 - ▶ Those with VA appointments wishing to commit effort on NIH proposal applications
 - ▶ Those with clinical appointments wanting to reduce clinical responsibility and increase UC responsibilities

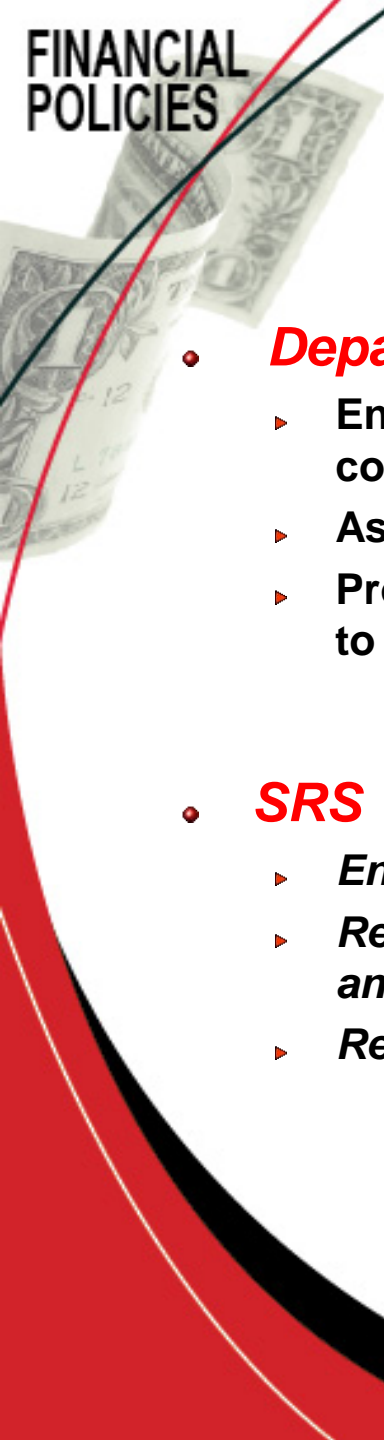
- ***Who to contact?***
 - ▶ Your assigned Grant Administrator (GA) in Grants Division of SRS for additional requirements
 - ▶ Additional requirements info at: <http://srs.uc.edu/>



Roles and Responsibilities

- ◆ ***Department Head or Chair***
 - ▶ Approve mandatory and voluntary cost share
 - ▶ Review proposed effort to ensure that other activities required of the faculty member will not conflict with proposed commitment

- ◆ ***Principal Investigator/ Faculty***
 - ▶ Provide reasonable estimates of effort in order to carry out the aims of the proposal and fulfill other UC obligations
 - ▶ Meet effort commitments made on sponsored awards
 - ▶ Comply with sponsor requirements regarding reduction in effort
 - ▶ Provide a minimum of 1% effort or more in all proposals (if sponsors allows)



Roles and Responsibilities

- ***Department Office Personnel***
 - ▶ **Ensure sponsor imposed salary caps are calculated and recorded correctly**
 - ▶ **Assist PI with prior approval requests for reduction in effort**
 - ▶ **Provide PIs with salary distribution and effort commitment information to facilitate proper allocation of effort on sponsored projects**

- ***SRS***
 - ▶ ***Ensure proposals submitted are reviewed in accordance with this policy***
 - ▶ ***Review awards to ensure cost sharing is documented for mandatory and voluntary effort***
 - ▶ ***Review and approval prior approval requests for reductions in effort***



Resources

- **Effort Commitment on Sponsored Projects (2.1.20)**
(www.uc.edu/af/policies)

- **Related policies** (www.uc.edu/af/policies)
 - ▶ *Labor Verification on Sponsored Projects (2.1.21)*
 - ▶ *Allowability, Reasonableness and Allocability of Costs for Sponsored Projects (2.1.22)*
 - ▶ *Cost Transfers on Sponsored Projects (2.1.23)*

- **SRS website** <http://srs.uc.edu/>

- **Questions?**
 - ▶ *Contact your SRS representative* <http://srs.uc.edu/>