

 <p><b>Category:</b> Financial</p> <p><b>Policy applicable for:</b> Faculty/Staff</p>	<p><i>Policy Title:</i> <b>Effort Commitment on Sponsored Projects</b></p> <p><b>Effective Date:</b> 07/01/2009</p> <p><b>Prior Effective Date:</b> mm/dd/yyyy</p> <p><b>Enabling Acts:</b> Office of Management and Budget(OMB) Circular A-21 OMB Clarification Memo, January 5, 2001 False Claims Act Federal Sentencing Guidelines University Rule 10-5-10 and 10-5-04</p>	<p><i>Policy Number:</i> <b>2.1.20</b></p> <p><b>Policy Owner:</b> Sr. VP for Administration and Finance VP for Research</p> <p><b>Responsible Office(s):</b> Sponsored Research Services Government Cost Compliance</p>
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## Background

The University of Cincinnati is required by federal regulations to ensure that effort commitments, in proposal applications, are reasonable and conform to sponsor and university expectations. If a proposed project is funded, the university must assure the sponsor that any effort proposed (compensated or uncompensated) will be effectively managed according to sponsor requirements and university policy. In addition the university must assure the sponsor that the amount of time worked on the project is at least equal to the salary charged to those projects. *See also Effort Reporting on Sponsored Projects Policy 2.1.21.*

## Definitions

For definitions on the following: Institutional Base Salary, Effort and Total Effort see *Effort Reporting on Sponsored Projects Policy 2.1.21.*

## Policy

During proposal development, the Principal Investigator (PI) shall prepare a budget and determine the percent of effort or person months needed for each of the positions proposed to work on the project.

PIs shall provide reasonable estimates of the percent of effort for all personnel necessary to carry out any sponsored project activity when preparing proposal applications to sponsors. Any estimate of proposed effort must be expressed in relation to each individual's total university effort.

PIs must meet their proposed effort commitments, compensated or uncompensated, provided to sponsors in proposal applications

The University of Cincinnati does not typically cost share effort on a voluntary basis, consistent with its objectives of receiving fair compensation from sponsors for research and scholarly activity conducted at the university. A voluntary commitment of sponsor-uncompensated effort should be made only where the competitive circumstances or perceived institutional benefit of receiving the award are deemed to be sufficiently

strong to warrant the commitment.

Faculty and staff shall obtain approval for voluntary committed cost sharing from the Department/Unit Chair prior to the preparation of the budget and budget justification. The signature of the Department Chair on a proposal routing form (ePRF) for a proposal indicates that he or she approves and will support any voluntary commitment to cost share the individual's effort.

Faculty and other key personnel shall meet minimum mandatory effort requirements on sponsored projects. Acceptance of an award with specified minimum mandatory effort requirements, such as certain program project awards and center or career development awards, carries with it responsibility for meeting those requirements.

Faculty shall propose some level of activity (1% or more), or the minimum required by the program on proposals on which they are listed as Principal Investigator or key personnel, unless specifically exempted by the sponsor. (Examples of exceptions to the minimum 1% effort requirement might include equipment and instrumentation grants, travel grants, and conference awards.) If an award is accepted, the faculty member and key personnel are committed to providing this level of effort over the annual budget period of the award unless sponsor policies permit otherwise.

Most faculty members generally have responsibilities for teaching or administration that would preclude them from devoting 100% of their time to sponsored activities. Department chairs, faculty, and department research administrators shall regularly review proposed sponsored activity to assure adjustments are made consistent with sponsor terms and conditions when other activities required of the faculty member reduce the available effort to devote to sponsored projects. Salary support for teaching, administration, service, new or competing proposal preparation and institutional governance must come from university funds unless they are specifically approved activities of a sponsored project. It may also be appropriate for certain research faculty and staff to be charged at 100% effort to a sponsored project in cases where aforementioned responsibilities do not exist.

Faculty members compensated for 9-month academic appointments are permitted to expend up to an additional fourteen (14) weeks of effort on one or more sponsored projects in the period outside the academic year (i.e., during the recess period) and earn up to fourteen (14) weeks of additional salary for that effort, subject to sponsor and university policy

A request for recess salary in a proposal application indicates a commitment to put forth the comparable effort on the particular project during the recess period, not during the academic year. Voluntary effort expended on a sponsored project during the academic year does not satisfy a commitment related to recess effort.

Faculty members with academic, administrative or other non-research responsibilities during the recess period, can not request 100% of allowable recess salary from

sponsored projects.

Faculty who receive recess salary from sponsored projects will be required to certify whether the effort was expended on those projects during the recess effort period.

The PI shall obtain university and sponsor prior approval (if required) for absences (generally 3 months or more) or significant reductions (25% or more) of the PI's or other key personnel effort. If a reduction in effort commitment is made, the salary must be reduced commensurate with the effort.

Faculty and staff shall be aware of effort commitments and communicate any inability to meet those commitments to the respective business office to ensure that any necessary sponsor approvals of their reduced effort are obtained. Whenever a significant change in effort is anticipated, faculty, department administrators, and department chairs shall review activity to assure there is sufficient time available to meet all obligations.

University of Cincinnati's effort reporting process relies on payroll data to provide information on the projects to which an individual's salary was charged during the certification period. Although the quarterly and recess effort reporting periods may not coincide with the annual budget periods for which effort commitments are normally made, the effort reporting process offers an opportunity to consider whether the actual effort expended during the reporting period is consistent with the effort commitment.

The PI and other key personnel shall devote the amount of effort agreed upon regardless of a sponsor imposed salary cap. Certain sponsors impose a limit or "cap" on the annual rate of salary reimbursement for a given amount of effort. The difference between the reimbursed salary ("capped amount") and the unreimbursed salary is considered committed cost sharing and must be documented in the university's payroll records as cost share.

## **Roles and Responsibilities**

### ***Department Head/Chair***

- Approve mandatory and voluntary cost sharing.
- Review proposed sponsored activity to ensure that other activities required of the faculty member will not conflict with the proposed effort commitment.

### ***Principal Investigator/Faculty***

- Provide reasonable estimates of effort in order to carry out the aims of the proposals and fulfill other university obligations.
- Meet commitments to sponsor regarding voluntary and mandatory cost sharing.
- Comply with sponsor requirements regarding reduction in effort.
- Provide a minimum of 1% or more in all proposals (unless sponsor policies permit otherwise).

### ***Business Office Personnel***

- Ensure that sponsor imposed salary caps are calculated correctly and salaries are recorded properly in the university's financial records.
- Assist PI with the preparation of requests to sponsors regarding the reduction of effort.
- Provide PIs with salary distribution and effort commitment information to facilitate charging instructions for sponsored projects.

### ***Sponsored Research Services***

- Ensure that proposals submitted to sponsors are reviewed in accordance with the requirements of this policy and the sponsor.
- Review awards to ensure that appropriate cost sharing is documented for both mandatory and voluntary committed cost sharing.
- Review and approve university requests for reductions of effort as required by sponsor terms and conditions.

#### **Related links:**

[Allowability, Reasonableness and Allocability of Costs on Sponsored Projects Policy \(2.1.22\)](#)

[Cost Transfers on Sponsored Projects Policy \(2.1.23\)](#)

[Effort Reporting on Sponsored Projects Policy \(2.1.21\)](#)

[Government Cost Compliance](#)

[Researcher's Gateway](#)

[Sponsored Research Services](#)

[University \(Board\) Rules](#)

[University of Cincinnati Policies](#)

[U.S. Office of Budget and Management](#)

#### **Phone Contacts:**

[Sponsored Research Services Grant Division contact person](#)

Click link at left for directory of grant contacts by department

[Sponsored Research Services Accounting Division contact person](#)

Click link at left for directory of accounting contacts by department