

## Minimum Effort on Sponsored Programs

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**Policy Type** [University](#)

**Contact Office** [Sponsored Programs \(Office of\)](#)

**Oversight Executive**

Vice President for Research

**Applies To** Academic Division and the College at Wise.

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### Reason for Policy

The Federal agencies expect that “*most Federally-funded research programs should have some level of committed faculty (or senior researchers) effort, paid or unpaid by the Federal government. This effort can be provided at any time within the fiscal year (summer months, academic year, or both).*” A clarification memo also states that, “... *Some types of research programs...do not require committed faculty effort, paid or unpaid by the Federal government ...*”

The National Institutes of Health (NIH) Grants Policy Statement notes that “‘zero percent’ effort or ‘as needed effort’ is not an acceptable level of involvement for ‘key personnel’.”

### Definition of Terms

#### [Committed Effort](#)

#### Description

Any part of ‘*University effort*’ that is quantified and included in a sponsored program proposal and the subsequent award (e.g., two summer months, 12% time, one half of a year, three person-months, etc.). This quantified effort/time is associated with a specific dollar amount based on the employee’s Institutional Base

Salary (IBS). Associated effort and funding to support this devoted effort/time can be in the form of:

- **Direct Charged Effort:** Any portion of '*committed effort*' toward a sponsored program for which the sponsor pays salary/benefits.
- **Cost Shared Effort:** Any portion of '*committed effort*' toward a sponsored program for which the sponsor does not pay salary/benefits, which instead are paid using other, non-federal UVa sources.

## Cost Sharing or Matching

### Description

The portion of research costs that are not borne by the sponsors. Cost Sharing on a sponsored program may be comprised of one or more of the following: Mandatory Cost Sharing, Voluntary Committed Cost Sharing, and Voluntary Uncommitted Cost Sharing.

## Voluntary Committed Cost Sharing

### Description

Sharing costs of a sponsored program when it is not required by the sponsor but offered by the Principal Investigator in the proposal budget or budget justification as a commitment to the project. When the proposal is awarded by the sponsor, the voluntary cost sharing commitment becomes part of a binding agreement and an award condition. Voluntary committed cost sharing must be tracked, documented, and reported (when required) to sponsors.

## Voluntary Uncommitted Cost Sharing

### Description

Sharing costs of a sponsored program which are over and above proposed and awarded commitments. Such cost sharing does not need to be tracked, documented, or reported to sponsors. For example, key personnel committed to and charged 25% of the Institutional Base Salary to the project but spent 35% of his/her research effort on the project. The additional 10% is voluntary uncommitted cost sharing.

## Institutional Base Salary (IBS)

### Description

The annual compensation that the University and/or University Physicians Group (UPG) pays for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities (e.g., patient care or proposals preparation).

## Principal Investigators/Project Directors and Other Key Personnel

### Description

Individuals whose effort is absolutely essential to the success of the proposed activity, either because of their critical leadership positions within the proposal (and consequently their intellectual guidance) or because of the uniqueness of the expertise they are contributing relative to the proposed scope of activity. 'Key personnel' typically include research scientists, principal scientists, and senior scientists, depending on their intellectual

contribution to the proposed scope of activity. Typically, replacement of any of these individuals requires approval from the sponsor. Importantly, the status of ‘Principal Investigator/Project Director’ and ‘key personnel’ does not necessarily imply salary support from the sponsor.

## **Sponsored Program**

### **Description**

Any externally funded research, public service, or scholarly activity (including hosting or attending conferences) at the University that has a defined scope of work often including a set of specific programmatic objectives and/or deliverables, and line-item-based budget, providing the basis for sponsor expectations and awardee accountability (i.e., a reciprocal transfer of something of value). Sponsored programs are funded through agreements that usually include terms and conditions for the disposition of tangible properties and outcomes (e.g., equipment, records, specified technical reports, theses, or dissertations) or intangible properties and outcomes (e.g., rights in data, copyrights, and inventions). **Note:** The terms sponsored program, sponsored project, and/or sponsored activity are often used interchangeably.

## **Uncommitted Effort**

### **Description**

Any portion of ‘*University effort*’ devoted to a sponsored program that is not charged to the sponsor and that is above the amount committed in the proposal and the subsequent award. This ‘extra effort’ is neither pledged explicitly in the proposal nor included in the award documentation as a formal commitment. Principal Investigators/Project Directors and key personnel do not need to track uncommitted effort as cost shared effort.

## **University Effort**

### **Description**

All activities that comprise one’s professional/professorial workload at UVA, including the Medical Center and the College at Wise, for which the employee is compensated (through UVA and/or the University Physicians Group – UPG). (See definition of **Institutional Base Salary**). This includes research, instruction, other sponsored programs, administration, non-sponsored/departmental research, University service, competitive proposal preparation, and clinical activities. For payroll allocation confirmation, compensation for ‘University effort’ totals 100%, regardless of the number of hours worked or the individual’s appointment percentage. (For activities included and excluded from ‘*University effort*,’ reference [Appendix A](#) of policy [FIN-027: Time & Effort Certification](#).)

### **Policy Statement**

In proposals and subsequent awards, Principal Investigators/Project Directors and Other Key Personnel must include some level of committed effort on sponsored programs, unless specifically exempted by the sponsor or listed in [Appendix A](#) of this policy.

Effort commitments must be quantified in the proposal by using such methods as a percentage of time, dollar amount of salary, number of months, etc. These commitments can be paid from (1) the sponsored program and/or (2) other, non-federal UVA sources and must be based on the employee’s Institutional Base Salary.

The minimum amount of effort committed to a specific sponsored program may be no less than 1% of the employee's 'University effort.' Beyond this minimum, the specific amount of effort committed to a particular sponsored program is left to the judgment of the Principal Investigator/Program Director, based on his or her estimate of the effort necessary to meet the technical goals and outcomes of the project.

[See [Appendix A](#) for examples of sponsored programs that do not require a minimum level of committed effort by the Principal Investigator/Project Director and Other Key Personnel and therefore are not subject to this policy.]

## **I. Roles and Responsibilities:**

Each individual involved in proposal or budget development and/or the management of sponsored activities is responsible for adhering to sponsor requirements as well as applicable University policies and procedures. Specifically:

1. ***Principal Investigators/Program Directors and Faculty*** are responsible for:
  - Communicating with unit administrators in the establishment of accurate and timely labor distribution schedules to ensure appropriate allocations of salary costs across various sponsored and non-sponsored activities.
  - Committing effort on Federal and Federal flow-through sponsored programs when applicable and as deemed appropriate for the scope of work at hand. (**For exceptions**, see [Appendix A](#) of this policy.)
  - Ensuring that all effort commitments (directly paid or cost sharing) are accurately reflected on the effort reports.
  - Responding to any questions posed by reviewers regarding effort commitments.
2. ***Unit – Research Administrators*** are responsible for:
  - Reviewing for and advising faculty on the inclusion of effort commitments in Federal and Federal flow-through sponsored programs, as appropriate. (**For exceptions**, see [Appendix A](#) of this policy.)
  - Providing assistance to individuals supported by sponsored programs, to ensure that effort reporting accurately captures committed minimum levels of effort.
3. ***Unit Labor Distribution/Scheduling Personnel***, under the direction of the Principal Investigator/Program Directors, are responsible for:
  - Establishing proper/timely labor distribution schedules for persons supported from sponsored programs to ensure appropriate allocations of salary costs.
  - Adjusting labor schedules/performing labor distribution adjustments in a timely fashion in support of accuracy in salary allocations.
4. ***Department Chairs/Division Heads*** are responsible for:
  - Maintaining effective practices within the department/division to identify and capture effort on Federal and Federal flow-through sponsored programs in accordance with this policy.
  - Reviewing effort commitments on proposals to confirm reasonableness of proposed effort.
  - Maintaining effective practices to assist with proper and timely scheduling of labor distributions to ensure appropriate allocations of salary costs across various sponsored and non-sponsored activities.
5. The ***Office of Sponsored Programs*** is responsible for:
  - Establishing and communicating policies and procedures related to minimum effort requirements.

- Assisting Unit Research Administrators and faculty in determining if there is a requirement of minimum effort on proposed sponsored programs, some of which may not be subject to this policy (see [Appendix A](#) of this policy).
- Reviewing proposals to ensure that minimum levels of effort commitments have been made according to this policy.
- Conducting periodic reviews of certified effort reports to support effort commitments (including minimum commitments) to sponsors.

## II. Compliance with Policy:

Failure to comply with the requirements of this policy may result in the dis-allowance of expenditures by the sponsor; such expenditures will be transferred to a non-sponsored fund source. In addition, an individual's failure to comply with the requirements of this policy may result in disciplinary action up to and including termination or expulsion in accordance with relevant University policies.

Questions about this policy should be directed to the [Office of Sponsored Programs](#).

## Procedures

[OSP-Time and Effort Certification Procedure](#)  
[OSP-Cost Share on Sponsored Projects](#)

## Related Information

[FIN-027: Time and Effort Certification](#)  
[RES-009: Solicitation, Clearance, Acceptance and Ongoing Management of Sponsored Programs](#)  
[Uniform Guidance \(2 CFR 200.306 Cost Sharing or Matching\)](#)  
[M-01-06 Memorandum for the Heads of Executive Departments and Establishments](#)  
[NIH Grant Policy Statement](#)

**Major Category** [Finance and Business Operations](#)

**Next Scheduled Review** Tuesday, March 19, 2024

## Revision History

Confirmed 3/19/21; Updated links and references 3/8/19; Updated 6/25/18; Added OE/VPR 4/2/18; Revised 2/12/18; Updated 11/11/11, Revised 7/13/11.

## Category Cross Reference

[Research Administration](#)

**Approved By** Executive Vice President and Chief Operating Officer

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