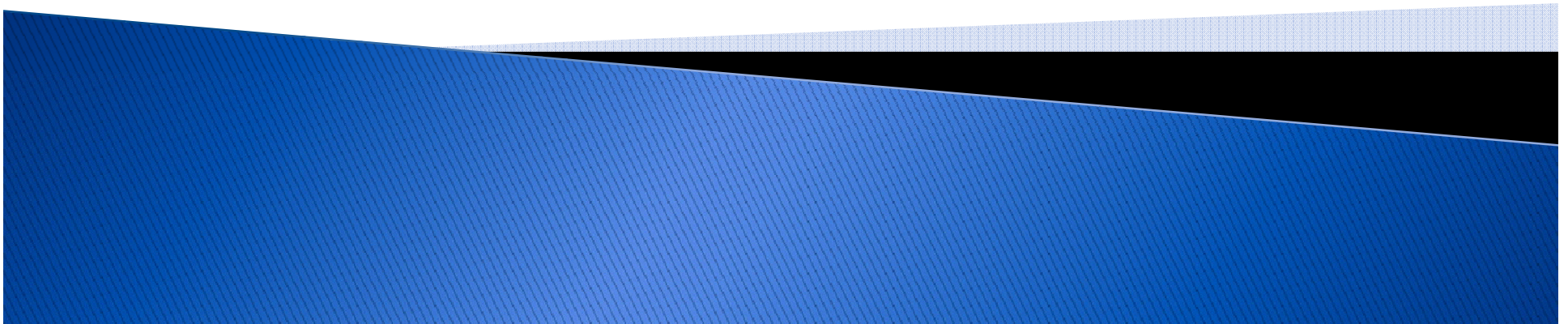


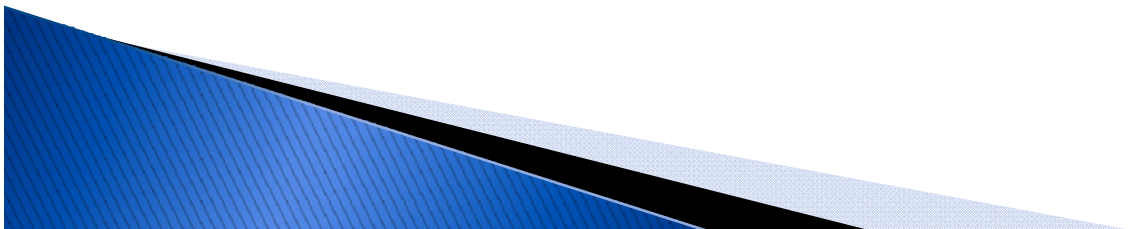
Mount Holyoke College Grant Budgets & Time/Effort Reporting

January 17, 2013



What is Effort?

- ▶ Effort is a percentage of the total of all work-related activities for which the College compensates an individual. For faculty this includes: instruction, research, administration, etc. The federal government mandates we track and certify effort charged to federal grants.
- ▶ Effort always adds up to 100% of total compensation no matter the total number of hours worked.




Why Do We Care?


- ▶ The federal government through its OMB A-21 “Cost Principles for Educational Institutions” mandates that salaries charged to grants reflect effort and that it must be certified by someone with direct knowledge, usually the PI.
- ▶ This certification confirms that personnel charges to federal grants are not more than they should be.
- ▶ Failure to provide this confirmation can result in audit findings, disallowances, and fines.



Who is Responsible?

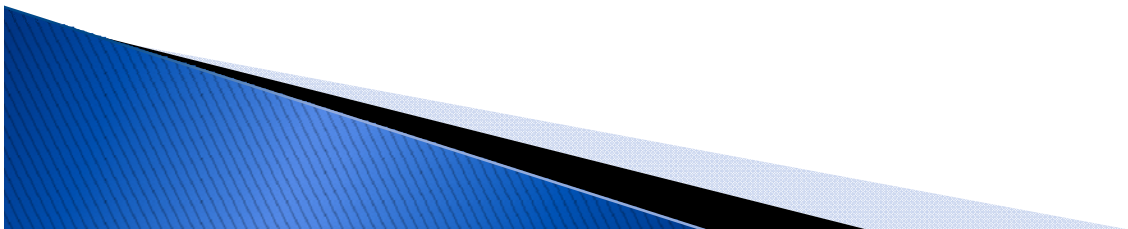
- ▶ The Principal Investigator on a federal grant is responsible for initiating payroll charges, monitoring activity, and certifying effort charged to their grants.
 - ▶ The Financial Services Office is responsible for preparing, distributing, collecting and filing Time and Effort Reports.
 - ▶ The Sponsored Research Office is responsible for assisting in preparation of budgets, submission of proposals, and notification of effort changes to agencies as needed.
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Proposed Effort

- ▶ Most agencies require effort to be budgeted in person-months.
 - ▶ Faculty person-months will be either Academic Year (AY) or Summer months. Other personnel will generally be Calendar Year (CY).
 - ▶ For PIs, the proposed effort is your promise to deliver at least that amount of your compensated time to the proposed research.
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Mandated vs. Voluntary Cost-sharing

- ▶ Mandated cost-sharing is any unpaid PI time that is promised in a proposal. Unless specifically required by the agency, this should never be included in a budget, budget justification, or narrative.
- ▶ Voluntary cost-sharing is any unpaid time spent on research that is not promised in the proposal. Most PIs contribute a great deal of voluntary cost-shared time during the course of their research. Agencies expect this.



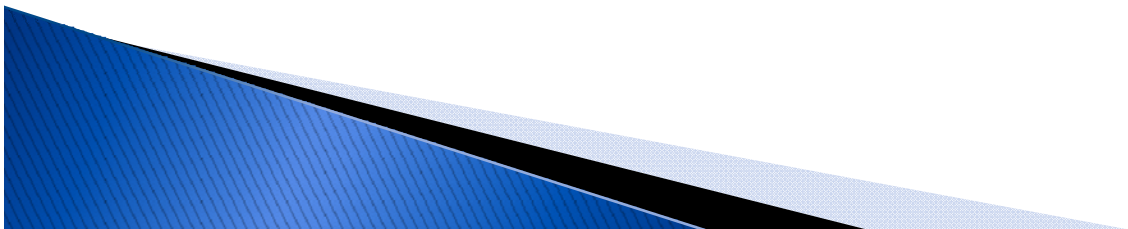
Mandated Cost-shared Effort

- ▶ Any promise to give a quantified amount of time with no compensation is automatically considered mandated cost sharing.
- ▶ NSF now prohibits all cost-sharing (unless specifically requested in the solicitation), and most federal agencies do not encourage it.
- ▶ The College is required to track all mandated cost-sharing administratively which creates additional burdens and risks for the College.



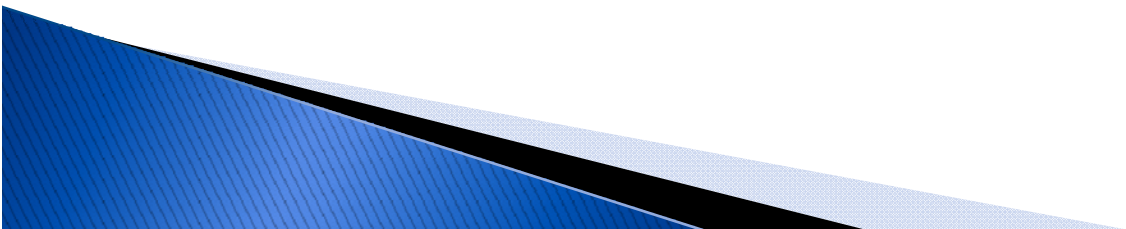
Voluntary Uncommitted Cost-shared Effort

- ▶ Any unpaid time you spend on your research that is not promised in the proposal is considered voluntary uncommitted cost sharing.
- ▶ There is no federal requirement to track this voluntary time and no benefit in doing so.
- ▶ Voluntary effort should not be considered when certifying effort.



Faculty Effort Calculations

- ▶ Annual Base/9 months = 1 month salary
Example: $\$70,000/9 = \$7,777.78$
- ▶ Amount paid from grant/1 month salary = person months
Example: $\$7,500/\$7,777.78 = 0.96$



Tools for Calculating Effort

A person-months calculator is available on the Sponsored Research/forms webpage, and one is included within the budget template.

<https://www.mtholyoke.edu/sponsoredresearch/forms>

[Financial Services Budget Template](#)

[Person-months calculator](#)

Proposal Budget Basics

Fringe Rates differ depending on type of appointment.

Please use the Financial Services budget template:
<https://www.mtholyoke.edu/sponsoredresearch/forms>

And check MHC rates here:
<https://www.mtholyoke.edu/sponsoredresearch/rates>

NOTE: All grant budgets must be pre-approved by the Grants Accountant via upload to ella dropbox

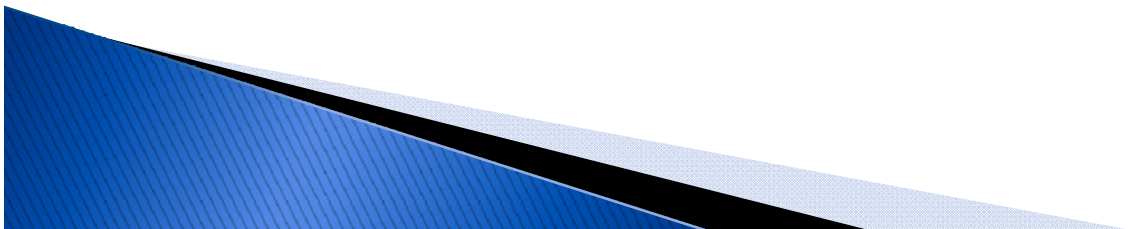
Faculty Salaries

- ▶ Faculty may only charge a maximum of three summer months to ALL grants.
(It is wise to reduce this to 2.9 months max, if you will take any vacation or work on anything else during the summer.)
- ▶ NSF generally allows only 2 months of salary to be charged to ALL NSF grants.
- ▶ All AY time (course release, etc.) must be pre-approved by the dean or associate dean before proposal submission. You should receive department chair approval as well.



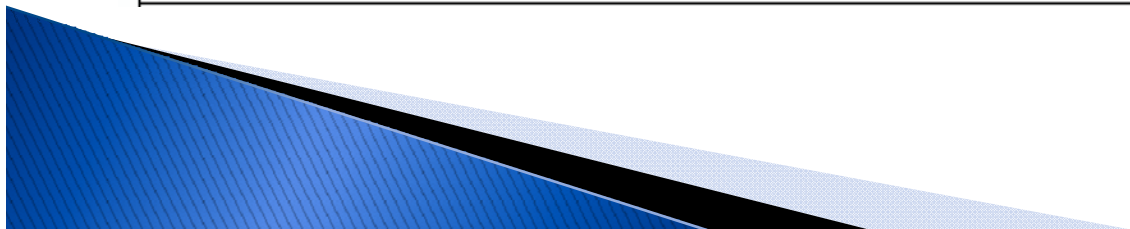
Budget Justification Language

- ▶ State salary requests in terms of number of months and the base it is calculated on, for example: “PI requests 1 summer month. Salary is calculated on a 9 month AY base.”
- ▶ Use this methodology, even when you are budgeting a percentage of calendar year months for a postdoc or other support personnel, for example: “Postdoctoral Researcher is budgeted at 6 calendar months. Salary is calculated at 50% of 12 month base.”



Example of NSF Budget Form

SUMMARY PROPOSAL BUDGET						
ORGANIZATION Mount Holyoke College		PROPOSAL NO.		DURATION (MONTHS)		
				Proposed	Granted	
PRINCIPAL INVESTIGATOR/PROJECT DIRECTOR Example Professor		AWARD NO.				
A. SENIOR PERSONNEL: PI/PD, Co-PIs, Faculty and Other Senior Associates List each separately with name and title. (A.7. Show number in brackets)		NSF-Funded Person-months		Funds Requested By Proposer	Funds Granted by NSF (If Different)	
		CAL	ACAD	SUMR		
1. Example Professor, Co-PI				1.5	\$11,666	\$
2. Example2 Professor, Co-PI			.5	1.5	15,555	
3. [REDACTED]						
4. [REDACTED]						
5. [REDACTED]						
6. () OTHERS (LIST INDIVIDUALLY ON BUDGET EXPLANATION PAGE)						
7. (2) TOTAL SENIOR PERSONNEL (1-6)			.5	3	27,221	
B. OTHER PERSONNEL (SHOW NUMBERS IN BRACKETS)						
1. (1) POSTDOCTORAL ASSOCIATES		6			25,000	
2. () OTHER PROFESSIONALS (TECHNICIAN, PROGRAMMER, ETC.)						
3. () GRADUATE STUDENTS						
4. () UNDERGRADUATE STUDENTS						
5. () SECRETARIAL - CLERICAL (IF CHARGED DIRECTLY)						
6. () OTHER						
TOTAL SALARIES AND WAGES (A + B)						
C. FRINGE BENEFITS (IF CHARGED AS DIRECT COSTS)					10,767	
TOTAL SALARIES, WAGES AND FRINGE BENEFITS (A + B + C)					62,988	

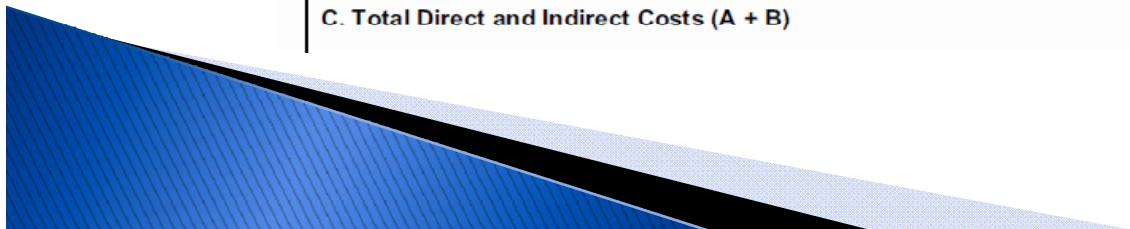


Example of NIH Budget Form (modular)

PHS 398 Modular Budget, Periods 1 and 2

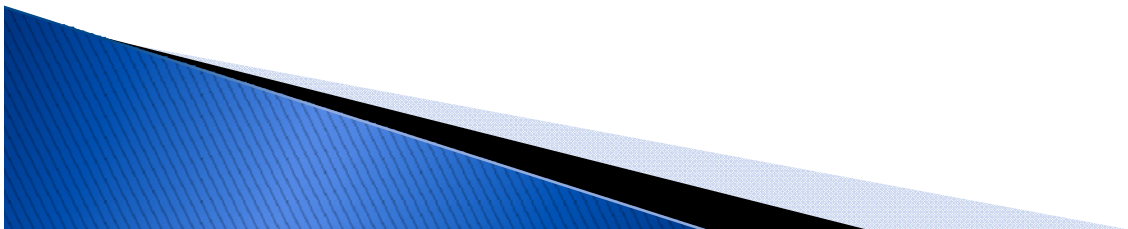
OMB Number: 0925-0001

Budget Period: 1				
Start Date: <input type="text" value="07/01/2012"/>		End Date: <input type="text" value="06/30/2013"/>		
A. Direct Costs				* Funds Requested (\$)
* Direct Cost less Consortium F&A				<input type="text" value="75,000.00"/>
Consortium F&A				<input type="text" value="4,308.00"/>
* Total Direct Costs				<input type="text" value="79,308.00"/>
B. Indirect Costs				
	Indirect Cost Type	Indirect Cost Rate (%)	Indirect Cost Base (\$)	* Funds Requested (\$)
1.	Salaries and Wages	64.1	43,500.00	27,884.00
2.				
3.				
4.				
Cognizant Agency (Agency Name, POC Name and Phone Number)		DHHS Council Moore Tel: 212-264-2069		
Indirect Cost Rate Agreement Date <input type="text" value="09/27/2011"/>		Total Indirect Costs <input type="text" value="27,884.00"/>		
C. Total Direct and Indirect Costs (A + B)				Funds Requested (\$) <input type="text" value="107,192.00"/>



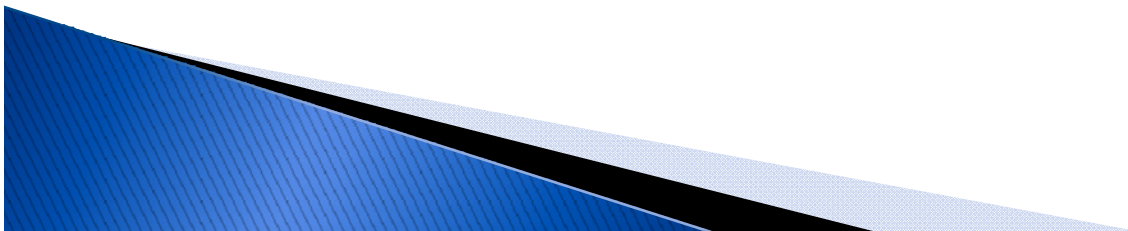
Current and Pending Effort

- ▶ Each PI should track their own budgeted effort on all current awards and pending proposals for future proposal C&Ps. If the effort varies from year to year, that should be noted.
- ▶ Current and Pending should note commitments in terms of summer and AY months.



When a Grant is Awarded

- ▶ Each PI or co-PI should know their own level of budgeted, committed effort per grant year, and have a plan to use it as budgeted.
- ▶ The PI is also responsible for ensuring payroll charges for postdocs, students, and other personnel is accurate and defensible. If salaries are allocated among grants a rationale for the percentage charged should be written for the file.

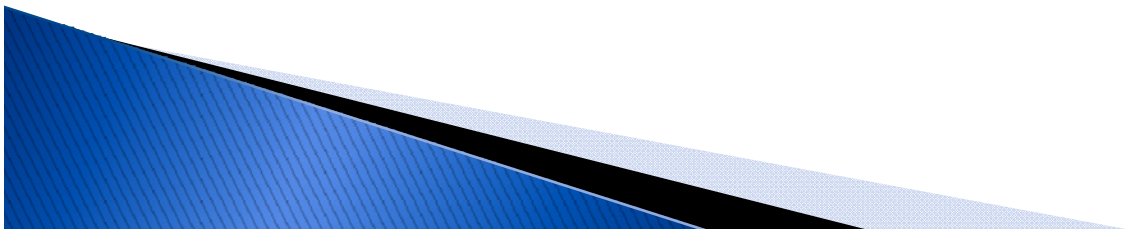


You Need Agency Pre-approval

- ▶ When a PI or Other Senior Personnel reduces their effort by 25% or more in a grant year.

Example: 2 budgeted summer months reduced to 1 actual summer month is a 50% reduction in effort

- ▶ When a PI or Co-PI is absent in excess of 90 days from his/her project.
- ▶ Also note: It is inappropriate for an employee to be paid from a sponsored project to prepare and submit proposals.



MHC Effort Policy

New policy online –

<https://www.mtholyoke.edu/sponsoredresearch/policies>

Changes:

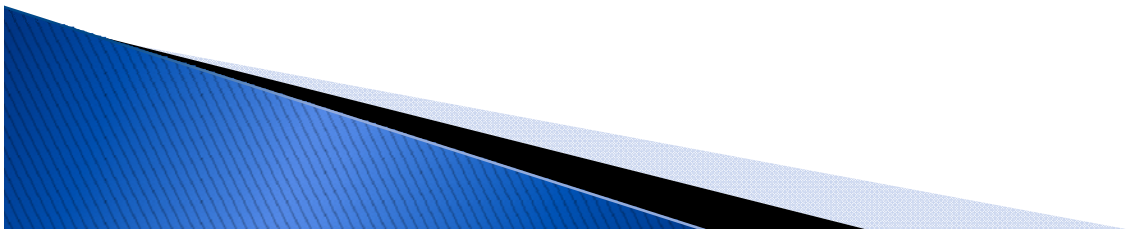
Certification 3X's a year: fall, spring, summer

PIs will sign other employee's certifications

New form

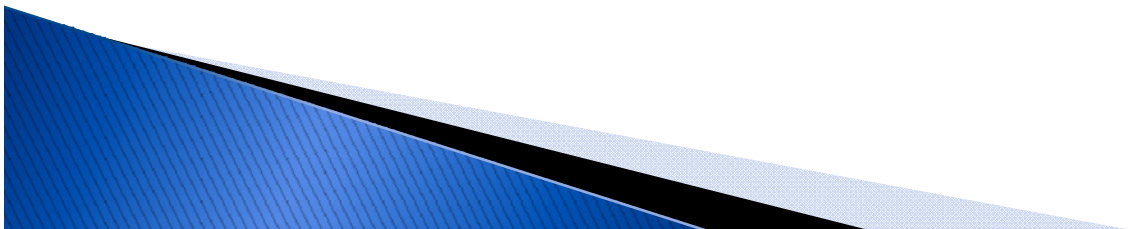
Importance of Completing Forms

- ▶ Forms must be completed in a timely fashion to avoid audit repercussions.
- ▶ Certifying effort timely will help ensure that all federal grant salaries are being charged properly and any errors corrected quickly.



Reporting Effort

- ▶ If PIs receive any outside requests for information about their effort, they should be in touch with Financial Services and Sponsored Research offices before responding.
- ▶ We recommend PIs not quantify time and effort in narrative reports to agencies.



Reporting Participants to NSF

- ▶ On NSF reports – all paid participants should be listed accurately. Effort should not be quantified beyond the 160 hours box being checked or not, as appropriate. 160 hours is approximately = to one FTE month.

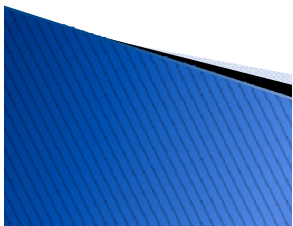
What People Have Worked on the Project? What? Why?

(1) The table below summarizes information we have so far on persons involved with your project. Click by the appropriate name and then "Review/Revise" to review and revise the information on any person listed in the table. (You should only "Delete" the information on an individual only if it was entered in error or is a duplicate, not because the person's involvement with the project has ended.)

Participant's Name(s)	Project Role(s) <small>What?</small>	>160 Hours <small>Why?</small>	
<input type="radio"/> Alan A. Alphaman	Principal Investigator	Yes	
<input type="radio"/> Bob Barker	Senior personnel	Yes	<input type="button" value="Enter Date"/>

Are any other persons involved with the project? No

If yes, please enter the number you would like to add here (maximum is 25), and then click Yes



Questions?

