

Sponsored Effort Management Policy

Policy Summary

Personnel on sponsored projects will provide a reasonable estimate of the effort required to complete the project tasks as part of the research proposal and are expected to meet these effort commitments once the project is underway. Commitments will be periodically reviewed and adjusted, along with the corresponding actual effort, to meet the needs of the project. This policy applies to Harvard T.H. Chan School of Public Health appointees who are or intend to be investigators on sponsored projects.

Reason for the Policy

Institutions receiving sponsored funds have a fiduciary obligation to ensure effort commitments on sponsored projects comply with sponsors' terms and conditions and constitute a good faith representation of the time, personnel and funds required to complete the project. The Code of Federal Regulations (CFR), in the *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards*, at [2 CFR 200.430: Compensation](#), contains the federal regulatory requirements for effort management.

Financial penalties, expenditure disallowances, and harm to the University's and researcher's reputations may result from an inadequate effort management and reporting methodology or from failure to comply with effort-related policies and requirements. In addition, an individual's failure to comply with applicable policies and requirements may constitute a violation of University or school policy, and/or federal or state law. Violators may also be subject to sanctions, including administrative, civil and criminal investigation and prosecution, under applicable laws and regulations.

Personnel are strongly advised to consult officials listed in the Contacts section below for guidance regarding policy requirements.

Policy Specifics

Institutional Base Salary

For institutions of higher education (IHE), the federal government uses the concept of Institutional Base Salary (IBS) as the basis for determining how a researcher's effort is apportioned, and what salary is represented on sponsored proposals. In 2 CFR 200.430(h)(2):

IBS is defined as the annual compensation paid by an IHE for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for the IHE.

At the Harvard Chan School, IBS includes supplemental salary for chairs, deans and directors of programs, as well as salary earned from other Harvard schools (charged to object codes 6010 – 6040). However, bonuses and other one-time payments, including Executive Education (ECPE) engagements,

are not included in the IBS. Please refer to the faculty offer letter for specifics on individual faculty.

Salary exceeding the federal cap

Federal regulations require that expenses associated with sponsored projects should “identify adequately the source and application of funds for federally-funded activities.” ([2 CFR 200.302](#)) For researchers whose IBS exceeds the National Institutes of Health (NIH) salary limitation, salary not charged directly to the federal award must be contained in its own account, clearly labeled, unless otherwise approved by those in the Contacts section of this policy. The “companion account” convention has been established for this purpose.

Reserved time for non-sponsored activities

The school recognizes that researchers do more than just research during their daily routines. Our academic appointees may be engaged in a wide variety of non-sponsored activities that cannot be allocated to sponsored accounts unless deemed allowable in the sponsor’s terms and conditions.

- **Senior and junior faculty** – faculty must reserve a minimum of 10% effort to proposal writing and/or institutional service, which may include committees, mentoring and other school obligations.
- **Other academic appointees** – those who submit or intend to submit proposals as principal investigator (PI) on research grants must reserve a minimum of 2.5% effort to grant writing activities for the fiscal year, unless these activities are covered under a specific grant mechanism, such as a career award or fellowship.
- **Teaching** – each 2.5-credit-hour course is compensated at an 8.5% effort commitment for the fiscal year. Co-teaching arrangements and courses with lower credit-hours should reduce effort accordingly.
- **Chairs** – department chairs must reserve a minimum of 20% effort, comprising 15% for chair/administrative duties and 5% for proposal writing. In departments with co-chairs, each co-chair must reserve a minimum of 15% effort, comprising 10% for co-chair/administrative duties and 5% for proposal writing.

Waivers for the above limits will be rare. Should a waiver be necessary, please contact Kristie Froman at kfroman@hsph.harvard.edu. Waiver requests must be in writing.

Principal Investigator responsibilities and effort

Measurable effort is required for a PI on sponsored projects, in proportion to the duties listed in the budget justification. In addition to scientific effort, PIs are expected to engage in writing sponsor-required reports, project oversight including supervision of project personnel, and reviewing expenses, subcontracts and effort with grant managers on a regular basis. PIs of subawards have the same obligations as those of prime awards.

Making and keeping responsible commitments on sponsored projects

An effort commitment represents the sponsor’s understanding of the amount of time the researcher will need to devote to accomplish the project’s aims. This understanding is established via the proposal or other written documents exchanged between the business official in SPA and the sponsor. When making commitments on **federal** proposals, researchers should keep in mind that the government is explicit in their expectation that the commitment be a reasonable estimate:

The applicant organization is responsible for verifying its eligibility and the accuracy, validity, and conformity with the most current institutional guidelines of all the administrative, fiscal, and scientific information in the application, including the Facilities and Administrative rate.

Deliberate withholding, falsification, or misrepresentation of information could result in administrative actions, such as withdrawal of an application, suspension and/or termination of an award, debarment of individuals, as well as possible criminal and/or civil penalties. The signer further certifies that the applicant organization will be accountable both for the appropriate use of any funds awarded and for the performance of the grant-supported project or activities resulting from this application. The grantee institution may be liable for the reimbursement of funds associated with any inappropriate or fraudulent conduct of the project activity. (SF-424 R&R Application Instructions, page G-47)

The PI's signature on the proposal in GMAS represents their concurrence with this language. Although sponsor policy may allow effort changes, all researchers and grant managers should keep in mind the certification language above before making substantive changes in effort regardless of key person status.

Non-federal funds may or may not have sponsor-specific guidelines regarding effort commitment; however, care should be taken to treat commitments with the same respect and stewardship afforded federal awards.

Related documents and links

- [Harvard Effort Reporting Policy](#)
- [Harvard Cost Sharing Policy](#)
- [Harvard T.H. Chan School of Public Health Outside Activities Policy](#)
- [Harvard T.H. Chan School of Public Health Sponsored Effort Management Guidelines](#)
- [Tenure-Track Junior Faculty Institutional Support Supplement Policy](#)

Contacts

- Kristie Froman, Associate Director, Research Compliance, Policy and Cost Analysis, kfroman@hsph.harvard.edu; 617-432-8141
- Judy Lo, Assistant Director of Cost Analysis and Compliance, jlo@hsph.harvard.edu, 617-432-8147

Revision history

- 9/11/18: added waiver process, added related docs, lowered other academic non-sponsored minimum, minor wording changes
- 9/18/17: clarified chair effort