



Sponsored Effort Management Guidelines: What you need to know

Effort management starts at proposal development and ends at close out. This document is a guide to align your management of effort commitments to best practices and the application of the Harvard T.H. Chan School of Public Health of the Sponsored Effort Management Policy.

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PAYROLL JOB RECORDS FOR PERSONNEL PAID ON GRANTS

Types of Job Records

An individual's salary is fully distributed in one job record; however, an individual could have more than one record.

- **Type 1: Paid job record**
 - Job record that contains an individual's full salary distribution (Institutional Base Salary).
 - Allows grant managers to identify funding sources and effort allocations
 - Effort must add up to 100%

- **Type 2: Non-paid job record(s)**
 - Administrative: Record of administrative appointment such as department chair. Maintain non-paid appointment(s) as separate job record(s).
 - Other University appointments: Maintain non-paid appointment job record(s) for appointment(s) outside of the Harvard Chan School.

Note: Wasabi is the SPH interface used to update salary records and comply with PeopleSoft requirements.

Related Policy/Procedures

[Creating One Payroll Record Job Aid](#)

Related Definitions:

- Institutional Base Salary (IBS)
 - Annual compensation paid by the University for an employee's appointment whether that individual's time is spent on research, teaching, or other activities.
 - **IBS includes** all supplemental salary including chairs, deans, and directors of programs charged to object codes 6010 – 6040.
 - **IBS does not include** bonuses, one-time payments, or incentive pay payments from other organizations or income that individuals are permitted to earn outside of their University responsibilities, such as consulting.
 - IBS must be used as the base salary on all grant proposals unless there is a statutory limit on compensation (e.g. NIH cap).

PROPOSAL BUDGET DEVELOPMENT

Proposal budgets are the financial expression of the statement of work and should accurately reflect the funding needs to complete the project. Effort expressed as a percentage (or its equivalent in calendar months) proposed in an application become a commitment once the application is awarded and accepted. Therefore, the proposer should think this through very carefully as reductions and/or reallocation of effort may require prior approval. Steps to take to help PI think through effort allocations for the project:

- Review investigator's proposed effort against portfolio projections to ensure capacity in the event of an award
- Enter committed effort into Research Team module via GMAS and upload budget justification
- By signing off on the proposal in GMAS, the PI is confirming that the levels of effort proposed are reasonable and aligned with the work to be performed
- Reserved time for non-sponsored activities: Other academic appointees submitting proposals for research grants must reserve a minimum of 5% effort to grant writing activities.
- **REMEMBER: Proposed effort is a commitment to sponsor**

Salary distribution for less than full-time appointments still equal 100%

- Whether an individual has a full or less than full time appointment their paid job records must contain their full paid salary distribution and must add up to 100%. Therefore, for those with less than a full-time appointment, care should be taken to accurately represent (1) FTE in Wasabi and (2) effort on grants.
- See Example, page 8

Related Policy/Procedures

- [Harvard T.H. Chan School of Public Health, Sponsored Effort Management Policy](#)
- [NIH Grants Policy Statement, 8.1.2.6 Requests for Prior Approval, Change in Status Including Absence of PD/PI and Other Senior Key Personnel Named in the NOA](#)
- [Uniform Guidance: Revision of budget and program plans §200.308 \(b\) and \(c\)\(1\) \(iii\)](#)

Related Definitions:

- Prior approval: Written approval from the sponsor evidencing prior consent before a recipient undertakes certain activities or incurs specific costs.

PRESENTING EFFORT ON OTHER SUPPORT

Other Support documents may be requested at various times depending on the sponsor's policies. These times may include: proposal stage, Just-in-Time (JIT) and progress reports

- Other Support: Key Personnel
 - Compare Other Support of key personnel to their effort commitments in Wasabi; check with PI and key personnel for accuracy of current commitments and plan (if needed) for future effort adjustments
 - Make sure converting to calendar months correctly
 - Make sure the distribution is consistent with the School's effort policy and your commitment
 - Make sure that effort being reported on Other Support is consistent being contributed and proposed
 - Make sure that any deviations from your commitments have sponsored approval if required
 - Make sure to include the effort for the application or award that the OS is being requested for
 - **REMEMBER: Effort cannot exceed 100% and should include reserved time for non-sponsored activities per School's effort policy.**

Related Policy/Procedures

- [Harvard T.H. Chan School of Public Health, Sponsored Effort Management Policy](#)
- [NIH Other Support](#) (Please be aware that each funding agency or funding announcement may have its own specific requirements for other support.)

Related Definitions:

- Key personnel: Senior/key personnel designated in the application by applicant organization: The program director/principal investigator (PD/PI) and other individuals who contribute to the scientific development or execution of a project in a substantive, measurable way, whether or not they request salaries or compensation.
- Other support: All financial resources, whether Federal, non-Federal, commercial or organizational, available in direct support of an individual's research endeavors, including, but not limited to, research grants, cooperative agreements, contracts, or organizational awards for key personnel. (Other support does not include training awards, prizes, or gifts.) See the sponsor's policy for requirements.
- Just-in-Time (JIT) procedures can be any information requested for the sponsor prior to award asked for when a proposal is in serious consideration for funding.

NOTICE OF AWARD/ACCOUNT SET-UP

The use of GMAS Research Team functionality is required for all sponsored activity for those appointments covered by the School's Sponsored Effort Management Policy¹. Other individuals must be added to the GMAS Research Team for PHS+ sponsors.

Research Teams in GMAS

- **Who should be on the Segment Research Team?**
 - Anyone who is a Harvard faculty member
 - Anyone who is considered "key personnel" per the sponsor's definition
 - Anyone who meets the PHS definition of an "investigator": any individual responsible for the design, conduct, or reporting of the research, regardless of their title or position
 - Anyone associated with the Harvard portion of the award who is performing research, even if they do not meet the above criteria, as they will need to sign the Harvard Participation Agreement

- **Effort Commitments**
 - Effort commitments for the research teams entered in the request module at proposal stage should *accurately reflect commitment to the project and be confirmed at award set-up*.²
 - Effort commitments in GMAS must reflect the sponsor's understanding of the individual's level of commitment.
 - Commitments for key personnel as defined by the sponsor should not be changed in GMAS without prior approval from sponsor

- **Confirm/Verify Research Team in GMAS**
 - Review/confirm that effort allocation complies with effort policy
 - Review award for budget cuts and discuss impact on effort with PI (if applicable)
 - Prior approvals required for effort reductions of $\geq 25\%$

- **Set-up over the cap companion accounts when applicable**
 - Companion accounts *must contain the sponsored activity and sub-activity* of the sponsored account **and** non-sponsored fund number.

¹ The School's Sponsored Effort Management Policy covers appointments charged to 6010, 6020 and 6030, and others who are PI).

² Data entered for GMAS Teams is the basis for costing in Wasabi and for effort management reports.

Project	Fund	Acti vity	Subactivity
R01	112233	234567	0001
R01 Companion Account	442335	234567	0001

- Over-the-cap salary may not be cost shared by any other sponsored project. It is recommend that you use the [Wasabi Cost Sharing Wizard](#) to calculate over-the-cap cost.

- **REMEMBER: A commitment of effort on a proposed project is an understanding between the institution and the sponsor that the amount of effort proposed and salary requested is necessary to complete the project.**

Related Policy/Procedures

- [Confirming the Research Team in GMAS](#)
- [Cost Sharing: Over-the-Cap Salary Companion accounts](#)
- [Harvard T.H. Chan School of Public Health, Sponsored Effort Management Policy](#)
- [Notice on Salary Limitations on Grants, Cooperative Agreements, and Contracts \(NIH\)](#)
- [NIH Salary Cap Summary \(FY 1990 – Present\)](#)
- [Wasabi Cost Sharing Wizard](#)

Related Definitions:

- Companion account: A cost sharing account set-up when the NIH over-the-cap limit is reached. In over-the-cap circumstances a person’s salary is charged to the sponsored project and the amount over the NIH cap is charged to a companion account.
- HHS Salary Cap/Salary Limitation: None of the funds appropriated in the governing appropriation Act for the NIH (the Act), shall be used to pay the salary of an individual through a grant or other extramural mechanism at a rate in excess of that prescribed in the Act. Applications and proposals with categorical direct cost budgets reflecting direct salaries of individuals in excess of the rate prescribed in the Act will be adjusted in accordance with the legislative salary limitation. Current and historical information on the applicable salary cap for each fiscal year is on the [OER Salary Cap Summary](#) webpage.

AWARD MANAGEMENT

Accounts should be reconciled and PIs consulted on a monthly/quarterly basis to ensure that personnel expenditures are in line with work performed. The cost of effort charged to the project must be effort devoted exclusively to the activities supported by the project. The cost principles (allowable, allocable, reasonable and consistency) should be applied during the reconciliation process.

Monitor effort commitments and salary allocations for activity including but not limited to:

- Commitments to projects at proposal stage that are not met upon award or at any time after the award is made
- Frequent changes in costing i.e., requests for prospective changes in salary distributions
- Frequent salary journals and/or cost transfers to reallocate salary i.e., transferring a posted salary expense from one account to another
- Effort allocated to a large number of grants
- Frequent salary journals or cost transfers during effort certification open periods.
- 25% or greater reductions of effort on federal awards
- Frequent use of minimal levels of effort, including use of Other Significant Contributor roles
- **REMEMBER:** Carefully review salary allocations monthly/quarterly and prior to effort certification.

Related Policy/Procedures

- [Uniform Guidance §200.430 Compensation – personal services](#)
- Prior Approval (See sponsored related requirements)
- [Cost Transfer Policy](#)
- [Harvard T.H. Chan School of Public Health, Sponsored Effort Management Policy](#)
- [eCRT Requirement for Salary Journal Entries](#)

Related Definitions:

- Cost principles: The cost principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or F&A costs, and set forth allowability and allocability principles for selected items of cost
- Allowable: An allowable cost is one that is eligible for reimbursement from the federal government as defined in the Uniform Guidance. Additionally, costs must be
 - Necessary and reasonable for the performance of the Federal award
 - Allocable : A cost is allocable to a project only if it advances the work of that specific project
 - Consistency: In general, the principle of consistency pertains to whether costs are charged as direct costs or indirect costs

EXAMPLE: Salary distribution for less than full-time appointments

Professor Chan has paid appointments at the Harvard T. H. Chan School of Public Health (SPH) and Brigham and Women’s Hospital. Each appointment is for 0.5 FTE (half-time). His salary at (SPH) for his half-time appointment is \$100,000. The full-time equivalent would be \$200,000. His current salary distribution looks like this:

Current SPH Salary (0.5 FTE)	100,000						
Salary Cap (0.5 FTE)	93,500						
Amount over Salary Cap	6,500						
Salary Equivalent (1.0 FTE)	200,000						

Project	Fund	Activity	Subactivity	Salary Charged	Salary Charged as % of 0.5 FTE	Salary Charged as % of 1.0 FTE	Actual Calendar Months (0.5 FTE)
R01 (40% effort)	112233	234567	0001	37,400	37.40%	18.70%	2.244
R01 Companion Account	442335	234567	0001	2,600	2.60%	1.30%	0.156
U01 (40% effort)	114455	223344	0101	37,400	37.40%	18.70%	2.244
U01 Companion Account	442335	223344	0101	2,600	2.60%	1.30%	0.156
Other Institutional Activities	442335	556001	0000	20,000	20.00%	10.00%	1.200
			TOTAL	100,000	100.00%	50.00%	6.000

Budget Justification for R01:

Professor Chan, Principal Investigator: Professor Chan’s appointment at the Harvard T. H. Chan School of Public Health (SPH) is a half-time appointment (0.5 FTE). While he will contribute 40% of his total Harvard effort to this project, the actual percent effort and calendar months, based on a full-time appointment (1.0 FTE) is 20% or 2.4 calendar months.

Other Support:

Same logic as for justification – must be presented similarly so as not to mislead sponsor.

DEFINITIONS

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Other support: All financial resources, whether Federal, non-Federal, commercial or organizational, available in direct support of an individual's research endeavors, including, but not limited to, research grants, cooperative agreements, contracts, or organizational awards. Other support does not include training awards, prizes, or gifts.

Prior approval: Written approval from the sponsor evidencing prior consent before a recipient undertakes certain activities or incurs specific costs.

Reserved time for non-sponsored activities: The school's academic appointees may be engaged in a wide variety of non-sponsored activities that should not be allocated to sponsored accounts unless deemed allowable in the sponsor's terms and conditions. See the School's Sponsored Effort Management Policy for percent effort that should be reserved for non-sponsored/school activities.