

Guidance: Measurable Effort and Salary Support on Grants

Contents

Purpose	1
Definitions	1
Effort Requirement	2
Cost Share Implications.....	3
Post Award Monitoring of Effort	4

Purpose

NU-RES Research Administration is responsible for the institutional review of all proposals and award obligations made to Northeastern University (NU), including adherence to University and funding agency policies.

This review includes making sure that, consistent with federal regulations, all sponsored research programs (except for those noted below) reflect measurable effort (in person months) for project personnel, whether compensated by the funded award¹ or cost-shared by NU. An investigator can propose levels of committed effort at any time within the budget period (academic year, summer months, or both).

While the need to track committed effort is based on federal regulations, measurable effort also reflects the investigators’ contribution related to the scientific, administrative, and fiscal management of the extramurally funded research project; fulfilling these responsibilities typically requires a discrete, allocable, effort commitment. This document provides guidance on the requirement that senior/key researchers include measurable effort and request corresponding salary on extramurally funded sponsored research projects. It further provides guidance related to cost-sharing obligations when an individual’s proposed level of committed effort creates an NU contribution or cost share.

Definitions

Level of Committed Effort- means the amount of time a researcher will devote to the specific research project. An investigator’s proposed level of effort should reflect an estimate of what is reasonably necessary to complete the research aims and goals of the proposal. Committed effort is measured in person months.

Funding agencies use proposed levels of effort to assess whether the goals of the project can be successfully completed based on the proposed levels of effort and, also to calculate salaries.

¹ Memoranda 01-06 Clarification of OMB A-21 Treatment of Voluntary Uncommitted Cost Sharing and Tuition Remission Costs

Guidance: Measurable Effort and Salary Support on Grants

Proposed levels of commitment function as the baseline once award is made and during life of award. During the period of performance of an award, committed effort is tracked to confirm whether prior approval is needed due to any changes in effort based on funding agency guidelines and in reporting requirements. For example, a review of committed effort is conducted during the NIH RPPR review and, annually, via Time & Effort certifications.

Measurable Effort – means quantifiable and greater than *de minimis*, i.e., not less than 1%. The minimum of 1% is calculated based on total annualized effort.

Legislatively Mandated Salary Cap - The DHHS² salary cap is a legislatively mandated provision limiting the direct salary an individual may receive under a DHHS award. The cap establishes a maximum annual rate of compensation and is tied to Executive Level II of the Federal Executive Pay Scale.

For projects where a legislatively mandated salary cap is applicable, salary requests must be calculated using the cap. Per 2 CFR 200, Uniform Guidance, salary over the legislatively mandated cap is *not* considered committed cost sharing; the amount paid over the cap is, however, a contribution by NU.

Sponsor-Stipulated Salary Limitation – A limitation imposed by funding agencies on direct salary charged to sponsored projects, other than the Legislatively Mandated Salary Cap. Note: such Sponsor - Stipulated Salary Limitation may be imposed by a DHHS Agency (e.g. NIH K08 and K23 awards).

Cost Share (Under Recovery of Salary)

- Please refer to the [NU Cost Share Policy](#)
- Committed Cost Share (either voluntary committed or mandatory/stipulated) requires a separate Cost Share budget allocation form.
- Please refer to the [NU-RES Glossary](#) for additional information and definitions related to Cost Share.

Effort Requirement

Organized Research Activities³ require allocable, measurable commitment of effort (measured in person months) for senior/key researchers. Accordingly, salary support requested at the time of proposal should correspond to the proposed level of commitment. $SSOG = \text{Person Months} \times \text{Institutional Base Salary (IBS)}$.

If the proposed level of committed effort and salary requested do not correspond (i.e., the proposal budget reflects less than Person Months x IBS or no salary) the amount not covered by the funding agency constitutes **committed cost share**⁴.

² <https://www.hhs.gov/about/agencies/orgchart/index.html>

³ May exclude certain research activities (e.g., equipment, conference grants) as well as Instructional and Other Sponsored Activities. Please check with NU-RES re: agency or project specific committed cost sharing requirements.

⁴ Please review sponsor rules and regulations before proposing cost share, some sponsors prohibit or limit inclusion of cost share in proposals.

Guidance: Measurable Effort and Salary Support on Grants

Federal regulations require that grantees account for effort committed on grants. Specifically, Memoranda 01-06 Clarification of OMB A-21 Treatment of Voluntary Uncommitted Cost Sharing and Tuition Remission Costs: “...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). Such committed faculty effort shall not be excluded from the organized research base by declaring it to be voluntary uncommitted cost sharing. If a research program research sponsored agreement shows no faculty (or senior researchers) effort, paid or unpaid by the Federal Government, an estimated amount must be computed by the university and included in the organized research base. However, some types of research programs, such as programs for equipment and instrumentation, doctoral dissertations, and student augmentation, do not require committed faculty effort, paid or unpaid by the Federal Government, and consequently would not be subject to such an adjustment.”

This measurable effort requirement does not apply (i.e., no committed effort is required) for equipment and instrumentation grants, doctoral dissertation grants, student augmentation grants, conference grants and instruction grants. It is also not applicable to Instructional or Other Sponsored Activities (OSA)⁵. For Instruction and OSA activities, effort will be considered concurrent with other professional responsibilities (e.g., academic, service, or administrative).

However, if a proposal submitted with an effort commitment does not include corresponding SSOG that quantifiable commitment in the budget and/or budget justification constitutes **voluntary committed cost sharing** because the effort is not compensated by the funding agency.

Minimum Effort Requirement: Effort must be measurable, i.e. 1% or more. Less than 1% is considered *de minimis*.

Maximum Effort Requirement: For faculty, per the Faculty Handbook, effort on *all* funded research awards cannot exceed 95%, without College approval.

Cost- Share Implications

Measurable Effort is required for sponsored research activities and corresponding SSOG must be included in the proposal. Salary that is not charged to the funding agency, must be tracked as **committed cost share**.

For other extramurally funded Instruction and OSA projects (not organized research), discrete measurable effort allocable to the project may not be required, agency requirements vary. In these cases, effort may be concurrent with other professional responsibilities. If discrete effort allocable to the project is listed in the proposal but not charged to the funding agency, then it must be tracked as

⁵ Instructional and Other Sponsored Activities: performance of work other than organized research. (e.g., community service programs) (See 2 CFR 200 (A.1) Appendix III).

Guidance: Measurable Effort and Salary Support on Grants

voluntary committed cost share.

At proposal stage, when a cost share commitment is made, a complete cost share approval form and cost share budget must be provided in the ePAWs record. The cost share approval form must identify the source (ORG and non-research index (“CS Fund #”)) of the NU-covered amount. If the non-research index is unknown at proposal stage, it will need to be provided prior to award setup. At award stage, not all types of commitments will require a separate 5 ledger cost share account. Research Finance will determine when a separate ledger is needed.

In the case of a **Sponsor-Stipulated Salary Limitation**, when an investigator’s IBS is greater than the salary limitation, the difference between the amount that can be charged to the project and the actual salary that the investigator receives for the commensurate effort on the project is considered committed cost sharing.

For example, NIH Career (K-Series) awards have salary limitations that vary by funding opportunity announcement (FOA) and/or individual NIH component. A sample calculation is provided below for reference:

Investigator’s IBS: \$120,000 for 12-month appointment, monthly rate of \$10,000
 FOA required effort: 9 months (75% of 12 months)
 Commensurate salary: 9 x \$10,000 = \$90,000
 K award limitation: \$75,000
 Salary being cost shared: \$15,000

Committed Cost Share Types and Documentation Requirements:

Committed Cost Share Type	Documentation Requirements	Need for 5 Ledger Cost Share Account
Mandatory committed cost share	Completed Cost Share Approval Form Cost Share Budget	Yes
Sponsor stipulated salary limitations for organized research projects.	Completed Cost Share Approval Form Cost Share Budget	No*
Voluntary committed cost share	Completed Cost Share Approval Form Cost Share Budget	Maybe – a discrete cost share account might be needed if sponsor requires commitment to be tracked and reported*.
Effort Concurrent with Other Professional Activities (Instructional, OSA)	Document in the Budget Justification	No

Guidance: Measurable Effort and Salary Support on Grants

*If a separate account is not created, department should still track the commitment in their records. For additional information related to cost share, refer to the [Northeastern University Policy on Cost Sharing](#).

Post-Award Monitoring of Effort

Federal regulations require that compensation and effort devoted to sponsored projects is accurate, allowable, and properly allocated. While effort commitments at the proposal stage are based upon the planned or estimated workload of faculty and others, the actual effort of each individual working on sponsored projects must be monitored. Effort commitments, salary caps, and corresponding salary charges should be reviewed on a regular basis to address variances between the proposed and actual effort.

Senior/key personnel should charge their effort on sponsored projects on a consistent basis. Rebudgeting funds originally intended to support the committed effort of senior researchers as a cost-savings method is not advised. By charging the projects for the effort/work being performed, we provide assurance to sponsors that senior researchers are meeting their commitments.

Please contact your NU-RES Grant Officer or Sponsored Analyst if you have questions or need additional guidance.