



## RESEARCH POLICY 3 (RP-3) (FORMER RP-43) EFFORT REPORTING ON SPONSORED GRANTS AND AWARDS

### 1. Policy Scope

This Research Policy applies to all employees who commit and devote effort to a sponsored grant or award as well as those employees who are involved in certifying the effort of individuals on a sponsored grant or award.

### 1. Policy Statement

As a recipient of federal funding, Duquesne University is required to comply with the Federal Office of Management and Budget Circular Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) as well as other federal requirements for certifying effort expended on sponsored grants and awards. Duquesne requires that all employees who receive sponsored funding comply with University policies and sponsoring entity requirements regarding the proposing, charging, and reporting of effort on those awards.

Sponsored grants or awards may be used to support salaries of exempt, non-exempt, part-time, and student personnel, in whole or in part, commensurate with the committed effort expended on the award. An individual’s remuneration from a sponsored grant or award begins with his/her active involvement in the work supported by the sponsored grant or award. The salary will continue to remain a proper charge to the sponsored grant or award until the work on the project is terminated or the support discontinued.

Payroll charges to sponsored grants and awards serve as the initial data points for the University’s effort reporting system. Total compensation must conform to 2 CFR Part 200 Standards for Documentation of Personnel Expenses, as applicable, and be in accordance with the terms and conditions of the sponsored grant or award. Annual Effort Certifications are the primary means for complying with the federal regulations relating to effort certification. A report is generated by Duquesne’s financial systems and distributed by Post Award Services annually. University employees must accurately confirm each year that their effort distribution on all sponsored grants and awards matches the effort distribution of salary charged to a particular account and is appropriate given effort expended and the specific terms and conditions of the sponsored grant or award and the sponsoring entity’s policies.

### 2. Definition of Terms

<b>Institutional Base Salary (IBS)</b>	For the purpose of effort reporting, the definition of Institutional Base Salary (“IBS”) is the annual compensation paid by the University for an employee’s appointment, whether that individual’s time is spent on
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	<p>research, teaching, administration, patient care, service, or other activities. The IBS does not include bonuses, one-time payments, or payments for administrative work. The IBS may not be increased as a result of replacing University salary funds with sponsored grant or award funds. The IBS is established by the University in an appointment letter, or other similar documentation. Salary charges to the grant or award must not exceed the proportionate share of the IBS for the period during which the individual worked on the award. Generally, charges for work performed on Federal awards during periods not included in the base salary period will be at a rate not in excess of the IBS.</p>
<p><b>Committed Effort</b></p>	<p>Committed effort is the amount or percentage of time an individual has communicated to the sponsoring entity that they will work on a specific sponsored grant or award over a specified period of time. Commitments are made in the proposal for an external sponsored grant or award and may be documented by the sponsoring entity in award documents relative to IBS. Individuals should be aware of their level of committed effort to sponsored grants or awards and their ability to meet those commitments in light of any other University obligations they may have. The commitment of effort accounts for 100% of all effort for which the University compensates the individual. Even where the number of hours of effort the individual expends each week substantially differs from a “typical” week of 35-40 hours, <b>effort percentages must be based on total effort, not hours.</b> In no case can the percentage of an individual’s salary charged to a sponsored grant or award exceed the percentage of the individual’s total effort that is expended on the sponsored grant or award during the annual effort reporting period.</p>

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### **3. Charging Effort to Grants as a Percent of IBS**

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The proportion of time spent by an individual on any University activity may be expressed as a percentage of time with respect to the total appointment. The percentage of time on sponsored grants and awards may be applied to the IBS to determine the amount of compensation to charge. 100% effort is the total time spent on University work regardless of how many or how few hours an individual worked in the reporting period. The total effort reported for an individual will always equal 100%, even if they are less than 1.0 FTE. Total effort includes sponsored grants and awards and non-sponsored activities that are funded by the University including work performed outside of normal work hours and work performed off-campus.

When requesting salary support from a sponsoring entity or providing effort on a sponsored grant or award in the form of mandatory or voluntary committed cost sharing, the anticipated effort calculated in the form of person-months or percent effort must be based on the individual's IBS. The portion of effort multiplied by the IBS will determine the appropriate dollars to request from the sponsoring entity or approved by the University if in the form of cost sharing.

Effort is allocated to a sponsored grant or award through submission of the Scheduled Payroll Authorization form ("SPA") which requires approval from the the administrators having supervisory responsibility for the employee. Changes to reduce or increase committed effort may require sponsor approval.

**Note:** Salaries paid from sponsored research agreements must be consistent with salaries paid from University funds to Duquesne employees with similar titles, duties, and responsibilities. Further, some sponsoring entities, including the NIH, have a salary rate cap and the NSF's general policy limits proposed support for senior personnel to no more than 2 months aggregate among any combination of NSF grants, except with prior approval under certain circumstances. Additionally, depending on the type of proposal submission the salary rate cap may or may not apply when preparing the proposal but the salary rate cap will apply once an award is made.

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### **4. Teaching Buy-out (Course Release) for Faculty**

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Full-time Faculty are allowed to reduce their instructional load through course buy-outs in order to further the research and sponsored program mission of the University. Principal Investigators are responsible for ensuring their sponsored grant and award budgets have the proper allocation of salary and fringe and sponsoring entity approvals that are needed for the buy-out. Teaching buy-outs must be approved by the administrators having supervisory responsibility for the employee at the time of the proposal, using the Proposal Approval Form (PAF).

Guidelines for the percentage of effort required for course buyouts are outlined in the Duquesne University Faculty Handbook. Funds required to compensate for the reduced workload will be determined in accordance with the School or College workload policy and approved by the Department Chair and Dean. As a general rule, assuming a 24-credit/100% workload model, each credit is equivalent to 4.17% effort (i.e., 12.5% effort is required for release from a 3-credit course).

The Director of Business and Grants Administration will work with the faculty member to ensure accuracy of the sponsored grant or award proposal budget.

Faculty members may not buy out of teaching responsibilities if it will compromise the ability of their department to deliver its instructional program. Buyout of teaching will result in a reallocation of workload (including teaching, scholarship, and service activities) in accordance with the School or College workload policy. Buyout of teaching does not release faculty members from performing their service obligations on behalf of the University, college, or department.

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### **5. Supplemental Summer Salary for Faculty**

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Full-time faculty members on 9-month contracts may earn supplemental compensation above their IBS up to three person-months (three-ninths) of their IBS on sponsored research contracts subject to sponsor policies and the terms and conditions of the related awards. Supplementary summer salary for 9-month faculty members will count towards that faculty member's total effort calculation (not to exceed 12 months of pay). Full-time faculty members on 12-month contracts are not eligible for supplemental compensation above their IBS from sponsored research grants and contracts.

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### **6. Salary Enhancement for Hourly Employees (non-exempt personnel)**

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Hourly employees may receive additional compensation chargeable to the sponsored grant or award if such work is performed in addition to regular working hours, or if its performance during regular working hours requires overtime in response to a special or urgent need to work outside of the regularly scheduled hours. All hours worked after 35, and less than 40, in the workweek will be compensated for at the individual's hourly rate. All hours worked in excess of 40 in the workweek will be compensated for at the rate of one and one-half times the hourly rate. An individual's hourly base salary cannot be increased as a result of obtaining sponsored research.

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### **7. Student Employees**

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Duquesne University students may be employed and paid on sponsored grants and awards at an hourly rate multiplied by hours worked weekly. Attention must be paid to possible financial aid and Internal Revenue Service limitations and regulations when budgeting wages for this classification.

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### **8. Consultants**

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When necessary to accomplish the goals of sponsored grants and awards, and as permitted by the sponsoring entity, the University may contract for limited services with external consultants. Consultants are individuals who are not required to work regular hours for an extended period of time on a sponsored grant or award. They are generally paid by the sponsored grant or award subject to sponsoring entity policies and the terms and conditions of the related sponsored grant or

award. Consultants are not considered employees of Duquesne University. Therefore, no fringe benefits need to be built into the budget to cover this group.

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## **9. Cost Transfers Related to Change in Effort**

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Cost transfers (whether related to personnel or other direct costs) are sometimes necessary in order to correct errors made in an initial charge to a sponsored grant or award, but such errors must be identified and corrected in a timely manner. Errors in charging costs to a sponsored grant or award should be identified and the correction should be initiated and submitted to the Controller's Office within ninety (90) days after the original posting of the transaction in order to allow for timely completion of the review process. Further, the principle of consistency in cost accounting periods requires that, where practicable, errors be corrected in the same fiscal year in which they were made. Transfers based solely on funding considerations (e.g., solely because there are funds remaining in the destination account at the close of the sponsored project), or for other reasons of convenience unrelated to the actual allocation of effort, are prohibited.

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## **10. Fringe Benefits**

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Duquesne University negotiates a fixed Fringe Benefit Rate with the Department of Health and Human Services. A fixed rate is based on an estimate of the costs for the period covered by the rate and includes: FICA, Retirement, Disability Insurance, Life Insurance, Worker's Compensation, Health Insurance, Dental Insurance, Employee Assistance Program, and Tuition Remission, regardless of which individual benefit is elected. Fringe Benefits are direct costs that must be applied to salaries and wages commensurate with the appointment of the individual participating on the project, as set out in the fringe benefit table and as subject to sponsoring entity policies and the terms and conditions of the related awards (Appendix A).

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## **11. Facilities and Administrative Costs (F&A)**

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F&A (Indirect, or Overhead) Costs are those that are incurred for common or joint activities of the University and therefore cannot be identified readily or specifically with a particular sponsored grant or award, instructional activity, or other University activity. Expenses incurred for general departmental and institutional business are recognized as indirect costs. Duquesne University establishes these rates with the Department of Health and Human Services as part of a negotiated rate agreement.

When applying to sponsoring entities that accept the University's negotiated Facilities and Administrative rate, F&A costs must be included in the budget. The current F&A is as follows:

From July 1, 2020 to June 30, 2024, the Facilities and Administrative (Indirect Cost) Rate is:

- On-campus: 38.00% Modified Total Direct Costs (MTDC)
- Off-campus: 18.00% MTDC

Modified Total Direct Costs (MTDC) are the base to which F&A costs are applied. The Negotiated Rate Agreement defines the base as excluding capital expenditures (building, individual items of equipment; alterations and renovations), and that portion of each subaward in excess of \$25,000.

## 12. Exceptions

Exceptions to this Research policy and procedures require approval from the Vice Provost for Research and normally will be made with the agreement of the administrators having supervisory responsibility for the employee, and may also require approval from Human Resources and the Controller's Office. Any exceptions must be in full accordance with the regulations of the sponsoring entity.

## 13. Related Documents

This Research Policy works in conjunction with the following Research and University Policies, which are fully applicable. To the extent there is any conflict between this Research Policy and any of the Research or University Policies listed below, the University retains the sole discretion to determine which takes precedent.

Research Policy/TAP	Title	Web Address
RP-1	Procedure for Submitting External Sponsored Grants and Awards	<a href="https://www.duq.edu/research/research-conduct">https://www.duq.edu/research/research-conduct</a>
RP-2	The Use of Human Subjects in Research	<a href="https://www.duq.edu/research/research-conduct">https://www.duq.edu/research/research-conduct</a>
RP-4	Governmental, Corporate, Foundation and Privately Sponsored Grants and Awards	<a href="https://www.duq.edu/research/research-conduct">https://www.duq.edu/research/research-conduct</a>
RP-5	Intellectual Property	<a href="https://www.duq.edu/research/research-conduct">https://www.duq.edu/research/research-conduct</a>
RP-6	Research Integrity	<a href="https://www.duq.edu/research/research-conduct">https://www.duq.edu/research/research-conduct</a>
RP-7	Conflicts of Interest in Sponsored Grants and Awards	<a href="https://www.duq.edu/research/research-conduct">https://www.duq.edu/research/research-conduct</a>
RP-8	Research Agreements and Private Business Use	<a href="https://www.duq.edu/research/research-conduct">https://www.duq.edu/research/research-conduct</a>
TAP-33	Conflict of Interest	<a href="https://www.duq.edu/work-at-du/human-resources-home/the-administrative-policies-(taps)/33-conflict-of-interest">https://www.duq.edu/work-at-du/human-resources-home/the-administrative-policies-(taps)/33-conflict-of-interest</a>

RP-9	Participation in Commercial Entities	<a href="https://www.duq.edu/work-at-du/human-resources-home/the-administrative-policies-(taps)/46-commercial-entities%E2%80%9494faculty-staff-and-student-participation">https://www.duq.edu/work-at-du/human-resources-home/the-administrative-policies-(taps)/46-commercial-entities%E2%80%9494faculty-staff-and-student-participation</a>
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#### 14. Contacts

Office	Telephone Number	Email Address and/or URL
Office of Research and Innovation	412-396-6326	duq.edu/research <a href="mailto:ORI@duq.edu">ORI@duq.edu</a>
Office of Controller, Awards Administration	412-396-5455	<a href="https://www.duq.edu/research/sponsored-research/award-administration">https://www.duq.edu/research/sponsored-research/award-administration</a>

Web Address for this Research Policy: <https://www.duq.edu/research/research-conduct>

#### 15. Effective Date and Revision History

This Research Policy is subject to periodic review and update by the Office of the Provost and the Vice Provost for Research.

9/12/22 (Previous revision was dated 07/01/17)

## Appendix A

Personnel Category	Federal	Non-federal
<b>Faculty (12 month)</b> Full-time	32.5	40
<b>Faculty (9 month)</b> Full-time	32.5	40
<b>Faculty (9 month)</b> Summer Supplemental Pay (required retirement contribution)	32.5	40
Students with Academic Full-time Enrollment	None	None
Students with Part-time Academic Enrollment, Summer Hourly	7.65	11
Postdoctoral Researchers	32.5	40
Full-time Employees (includes release time for exempt personnel)	32.5	40
Part-time Employees (25 hours/week or less)	7.65	11
Full-time Non-Exempt Employees earning over-time for additional work	7.65	11