



# Minimum Effort for Principal Investigators and Key Personnel on Sponsored Programs

**Policy Type:** Administrative

**Responsible Office:** Office of Sponsored Programs, Office of the Vice President for Research and Innovation

**Initial Policy Approved:** 10/22/2012

**Current Revision Approved:** 01/12/2018

## Policy Statement and Purpose

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This policy describes the minimum effort required for principal investigators (PIs) and key personnel on sponsored programs projects.

Effective January 5, 2001 through a Presidential Review Directive and clarification memo M-10-06 issued by the Office of Management and Budget (OMB), it is expected that *“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).”* The clarification memo also states that, *“...Some types of research programs...do not require committed faculty effort, paid or unpaid by the Federal government...”*

Further, the National Institutes of Health (NIH) Grants Policy Statement notes that “zero percent” effort or “as needed effort” is not an acceptable level of involvement for key personnel.

Therefore, in preparing proposals and in allocating effort after award, all PIs and key personnel must include some level of committed effort on most sponsored research activities. Some exclusions apply (see **EXCLUSIONS** below); however, programs that do not cover key personnel salary expenses do not qualify as an exclusion (instead, effort must be cost shared). Any effort devoted by these individuals that is above the committed effort amount is considered uncommitted effort. Other contributing personnel must be included in the proposal reflecting their effort contributions to the project.

PIs must quantify effort commitments (e.g., a percentage of time, dollar amount of salary, number of months, etc.) in the proposal. These commitments are paid from (1) the sponsor and/or (2) other, non-federal VCU sources. The effort commitments must be fulfilled within each year (summer months, academic year, or both).

The minimum amount of effort committed to a specific sponsored research activity may be no less than 1 percent of the key personnel’s university effort. Beyond this minimum, the specific amount of effort committed to a particular sponsored activity is left to the judgment of the principal investigator/program

director, based on their estimate of the effort necessary to meet the technical goals and outcomes of the project.

## EXCLUSIONS

Some federal and federal flow-through sponsored programs do not require a minimum level of committed effort by PIs and key personnel and therefore are not subject to this policy. The following are excluded from the requirements set forth in this policy:

**(This listing is not all-inclusive:** Should you have questions about a particular program or sponsored activity, please contact your school/departmental research administrator or the Office of Sponsored Programs for further guidance. Please also see the note below.)

- Equipment and instrumentation grants
- Mentor effort on doctoral dissertation, fellowship, scholarship awards, training grants, and resident research experiences
- Specific purpose awards such as travel grants, outreach programs, workshops, and conference support grants
- National Science Foundation (NSF) Research Experiences for Undergraduates (REU). (For the PI, committed effort must be present on the research grant supporting the REU.).
- NIH supplements (For the PI, committed effort must be present on the parent grant supporting the supplement.)
- NIH Other Significant Contributors as cited in the agency’s SF424 Application Guide
- Non-federally funded clinical research/trial/treatment – On a case-by-case basis, where PI oversight related to research is expected to be very minimal, it may be appropriate to budget less than one-percent effort. Documentation of time allocations for study activity in these cases must be approved at the school/center level. Examples are: expanded access and compassionate-use protocols, retrospective chart reviews, and low enrollment studies.

**Note:** Consult the sponsor’s specific program terms and conditions for the presence of required effort commitments. If minimum effort commitments are required by the sponsor’s program terms, the program specific terms take precedence over the program or sponsored activity exclusions listed above.

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.

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## **Who Should Know This Policy**

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All individuals involved in sponsored programs are responsible for knowing this policy and familiarizing themselves with its contents and provisions.

## **Definitions**

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### **Committed Effort**

Any part of university effort that is quantified and included in a sponsored program proposal and the subsequent award (e.g., two summer months, 12 percent time, one half of a year, three person-months, etc.). This quantified effort/time is associated with a specific dollar amount of the employee's compensation. Associated effort and funding to support this devoted effort/time can be in the form of direct charged effort or cost shared effort.

### **Cost Shared Effort**

Any portion of university effort toward a sponsored activity for which the sponsor does not pay salary/benefits, but instead are paid using other non-federal VCU sources.

### **Direct Charged Effort**

Any portion of university effort toward a sponsored activity for which the sponsor pays salary/benefits.

### **Key Personnel**

Individuals who provide critical leadership positions within the proposal (and consequently their intellectual guidance) or who provide unique expertise to the proposed scope of activity. Key personnel typically include principal investigators, research scientists, principal scientists and senior scientists, depending on their intellectual contribution to the proposed scope of activity. Typically, replacement of any of these individuals requires approval from the sponsor. Importantly, the status of key personnel does not necessarily imply salary support from the sponsor.

### **Principal Investigators**

Individuals who provide critical leadership positions within the proposal (and consequently their intellectual guidance) or who provide unique expertise to the proposed scope of activity. PIs also administratively manage the sponsored program. Typically, replacement of any of these individuals requires approval from the sponsor. Importantly, the status of principal investigator does not necessarily imply salary support from the sponsor.

### **Sponsored Program**

An externally funded program under which the university is obligated to perform a defined scope of work according to specific terms and conditions and within budgetary limitations. These programs are to be budgeted and accounted for separately from other activities. Sponsored programs include grants, contracts, cooperative agreements, clinical trial agreements, Intergovernmental Personnel Agreements and other awarding instruments supporting research, instruction, public service, and clinical trials.

### **Uncommitted Effort**

Any portion of university effort devoted to a sponsored activity that is above the amount committed in the proposal and the subsequent award. This 'extra' effort is neither pledged explicitly in the proposal nor included in the award documentation as a formal commitment.

### **University Effort**

The sum of all activities at Virginia Commonwealth University, for which the employee is compensated (through VCU and MCVF). This includes research, instruction, public service/other sponsored programs, administration and clinical activities. For the purpose of effort certification, university effort totals 100 percent, regardless of the number of hours worked. University effort does not include Veterans Administration compensation.

### **Contacts**

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The Office of Sponsored Programs officially interprets this policy. The Office of Sponsored Programs is responsible for obtaining approval for any revisions as required by the Policy on *Creating and Maintaining Policies and Procedures* through the appropriate governance structures. Please direct policy questions to the associate vice president for sponsored programs.

### **Policy Specifics and Procedures**

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The following offices and positions have roles and responsibilities in the documentation, recording and monitoring of minimum effort for sponsored programs.

#### **PIs and faculty are responsible for:**

- Understanding the principles and policy regarding minimum levels of effort on sponsored research programs
- Committing effort on sponsored research programs when applicable and as deemed appropriate for the scope of work (**For exceptions, see EXCLUSIONS**)
- Ensuring that effort commitments (directly paid or cost shared) are met
- Complying with sponsor requirements regarding any significant reductions (normally  $\geq 25$  percent) in effort commitments on funded sponsored programs
- Requesting effort change approvals from the sponsor, when required

#### **School/departmental fiscal/research administrators are responsible for:**

- Understanding the principles and policy regarding minimum levels of effort on sponsored research programs
- Ensuring that effort is included in all sponsored research proposals, as appropriate
- Providing assistance to individuals supported by sponsored programs, to ensure that effort reporting accurately reflects actual levels of effort expended
- Preparing effort change requests to sponsor, when required
- Submitting effort change requests to Office of Sponsored Programs, for submission to the sponsor,

through the Research Administration Management System – Sponsored Programs Online Tracking (RAMS-SPOT)

**Department chairs/division heads are responsible for:**

- Understanding the principles and policy regarding minimum levels of effort on sponsored research programs.
- Ensuring that processes are in place within the department/division to identify and accurately capture effort on sponsored research proposals and awards.
- Reviewing effort commitments on proposals to confirm reasonableness.

**The Office of Sponsored Programs is responsible for:**

- Establishing and communicating policy and procedures related to minimum effort requirements consistent with the January 5, 2001 clarification memo issued by the OMB
- Assisting school/departmental research administrators and faculty in determining if there is a requirement of minimum effort on proposed sponsored research programs, some of which may not be subject to this policy (See **EXCLUSIONS in Policy Statement and Purpose section**)
- Reviewing proposals to ensure that minimum levels of effort commitments have been made according to this policy
- Recording and reporting key personnel committed effort in RAMS-SPOT
- Obtaining approvals from the sponsor for effort changes during the project period, when required.
- Recording effort changes for key personnel during project periods as approved by the sponsor or reported through RAMS-SPOT

**The Office of Grants & Contracts and Effort Reporting is responsible for:**

- Conducting periodic reviews of certified effort reports to support effort commitments (including minimum commitments) to sponsors
- Ensuring that effort certifications are completed in a timely manner.

**Forms** \_\_\_\_\_

There are no forms associated with this policy and procedures.

**Related Documents** \_\_\_\_\_

1. OMB Uniform Guidance – 2 CFR 200  
<https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=009364e6e6a9cb3cb1b595833619ece3&ty=HTML&h=L&n=pt2.1.200&r=PART#sp2.1.200.a>
2. [RAMS SPOT](#)

## Revision History

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This policy supersedes the following archived policies:

10/22/2012

*Minimum Effort for Key Personnel on Sponsored Programs*

03/19/2015

*Minimum Effort for Key Personnel on Sponsored Programs*

## FAQ

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- 1. My sponsor's proposal guidelines state that they will not cover faculty salary on their awards. Can I use 0 percent effort in my proposal?**

No. Estimate the effort you believe is appropriate for the project and reflect that amount as cost sharing in the proposal.

- 2. I originally had 20 percent effort on my project but I'm now in a no-cost extension phase and don't need to spend nearly that amount of time to finish the project. Can I just reduce my effort to 1 percent?**

No, unless the sponsor is NIH. In accordance with federal regulations, any change of key personnel effort equal to or greater than 25 percent of the original approved effort must receive prior written approval from the Sponsor. In this case, 25 percent of 20 percent is 5 percent so a reduction in effort to 16 percent or higher would not require prior approval. A reduction to 15 percent or lower would require approval. NIH does not require prior approval to reduce effort to a measurable level (1 percent) during a no-cost time extension.

- 3. Who should I go to for advice on minimum effort on a proposal?**

You must begin with your chair or supervisor since they are responsible for oversight of your overall effort.