



<b>Document Title:</b> Guidance on Minimum and Maximum Effort on Sponsored Projects	<b>Version:</b> 2.0	<b>Date of Last Review:</b> 2/13/2024
<b>Document Owner:</b> Office of the Vice President for Research	<b>Approved by:</b> Ellen R. Fisher, Vice President for Research	

### MINIMUM EFFORT ON SPONSORED PROJECTS

Effective January 5, 2001 through a Presidential Review Directive and clarification Memorandum [01-06](#) 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 also states that, "...Some types of research programs...do not require committed faculty effort, paid or unpaid by the Federal government..."

In agreement with best practices being followed by similar high-activity research institutions, the University has determined that **the minimum amount of effort committed to a specific sponsored project as a direct charge (or committed and tracked cost share\*) may be no less than 1 % of the university effort for the Principal Investigator(s) in each budget year.** Fringe benefits must also be charged. Beyond this minimum, the specific amount of effort committed to a particular sponsored activity is left to the judgment of the Principal Investigator, based on his or her estimate of the actual effort necessary to meet the technical goals and outcomes of the project. In most cases, it is expected that the effort by the PI will be substantially larger than 1 % and that all key personnel will allocate effort to the award.

For faculty, the institutional base salary shall be the basis for budgeting effort.

*The following are excluded from the requirements set forth by this policy:*

- Any project in which salary and/or fringe benefits are disallowed by the sponsor. This restriction must be documented in the solicitation or sponsor policies.
- Non-federally funded projects with ≤\$25,000 cost limit per budget year, unless committed effort is required by the sponsor. A minimum effort memo, co-signed by the investigator and their chair/director, must be attached to the Streamlyne proposal record to document the unsponsored effort. If any senior personnel are paid solely on external funds, a minimum of 1% of their salary must be charged.
- Equipment and Instrumentation grants for acquisition, unless the PI or other key personnel will have effort devoted to installation, setup, etc.
- Construction grants
- Doctoral dissertation grant or other awards intended as "student augmentation",

- such as Fellowship/ Scholarship awards
- Training grants (e.g., T32, Mentors on K/Career Awards)
  - Faculty mentors on institutional training grants and large Center proposals with significant training components, including, but not limited to, NSF STC, MRSEC, EPSCoR, PIRE and PREM
  - Specific purpose awards such as travel grants, workshops, and conference support grants
  - National Science Foundation (NSF) Research Experience for Undergraduates (REU) supplements. Note that committed effort for the PI must be present on the research grant for which the REU is a supplement.
  - Professional Service Agreements (PSA) where the person performing the work is a staff member
  - Supplement Awards, including but not limited to ‘Continuing Resolution’ increases. Note that committed effort for the PI must be present on the sponsored award that receives the supplement.

Should you have questions about a particular program or sponsored activity, please contact the Office of Sponsored Projects (OSP, [osp@unm.edu](mailto:osp@unm.edu)) for further guidance.

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### **MAXIMUM ALLOWED SPONSORED PROJECT EFFORT**

Given that most faculty members have responsibilities for teaching, administration, or other University activities, it is typically not feasible for them to charge 100% of their salary or certify 100% of their effort to sponsored research. Administrative responsibilities include new proposal preparation, service as departmental chair/division head/director, and service on department/division/college committees. In general, faculty members will not be permitted to charge or certify 100% effort to sponsored research activities. Exceptions to this may include faculty who have no other teaching or administrative responsibilities (e.g., faculty who are assigned entirely to one long-term sponsored project) and will be reviewed on a case-by-case basis by the chair, dean/director and OVPR, as applicable. Sponsors may have additional restrictions on maximum effort. Read the solicitation carefully.

### **SUMMER EFFORT/SALARY FOR FACULTY WITH 9-MONTH ACADEMIC APPOINTMENTS**

Federal grant rules do not allow 9-month Faculty to pay themselves more than 1/9<sup>th</sup> of their salary in any one- summer month. Faculty on 9-month appointments may pay themselves a maximum of 3/9ths of their academic year salary during the summer from research grants.

If research is to be performed for a National Science Foundation (NSF) award, the maximum compensation for senior personnel is limited to no more than two months of regular salary in any one year, including summer salary. This limit includes salary received from all NSF funded grants. Guidance on exceptions to this limit can be found in NSF’s Proposal & Award Policies & Procedures Guide ([PAPPG](#)).

Faculty receiving summer salary from a sponsored project will typically perform such work in their normal place of business (i.e., the University) unless the project requires that the work be conducted off site. If a faculty member has academic, administrative, or other non-research activities (such as vacation) during the summer period, he or she may be precluded from devoting 100% effort to sponsored projects and thus from requesting summer salary from those sponsored projects. Additional guidelines on summer compensation can be found [at the website for the Office of Academic Personnel](#).

### **REDUCTION OF EFFORT COMMITMENTS**

During the life of the award, when required by sponsor policies, it is the PI's responsibility to obtain University and sponsor prior approval for absences (generally 3 months or more) or significant (25% or more) reductions of the PI's and/or Project Director's effort. If a reduction in effort commitment is made, the salary support coming from that award must be reduced commensurate with the effort. As UNM measures effort by salary expense, a reduction of salary expense compared to the agency accepted budget by 25% or more is considered a reduction of effort and may require prior approval.

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The following **Frequently Asked Questions** may assist in understanding this policy:

**Q1. If there is summer effort, do we also need AY effort?**

A1. No. OMB Memorandum (M-01-06) states: "...*This effort can be provided at any time within the fiscal year (summer months, academic year, or both).*" But, as indicated above, the effort budgeted should be the best estimate for the actual effort required.

**Q2. Can the minimum effort be provided as cost-share?**

A2. Yes, the effort may be provided as cost-share if it is not prohibited by the sponsor (e.g., NSF) and if pre-approved by the Vice President for Research, based upon recommendations of the department chair and dean/center director. The minimum effort should only be cost shared when the agency permits and allows voluntary cost share.

**Q3. Will I need to certify the minimum effort in my effort certification?**

A3. Yes, this is committed effort (whether paid directly from the sponsored project or cost-shared) and needs to be tracked and certified in your effort certification.

**Q4. Does minimum effort apply to "Other Senior Personnel" besides the PI?**

A4. PIs are required to contribute a minimum of 1% effort unless the situation is covered by one of the exceptions above. In keeping with the federal policy, UNM does not require minimum effort for other senior personnel, unless those personnel are paid solely by research grants. However, we strongly advise that an appropriate amount of effort be charged for each person's contribution to the proposed scope of activity. Sufficiency of personnel effort is often considered during the review process.

**Q5. Are there any special considerations I need to know for NSF?**

A5. Unless stated otherwise in the solicitation, cost sharing (match, in-kind, institutional commitment, etc.) is unallowable.

**Q6. Are there any special considerations I need to know for NIH?**

A6. The National Institutes of Health (NIH) Grants Policy Statement notes that "*Senior/key personnel must devote measurable effort to the project whether or not salaries or compensation are requested. 'Zero percent' effort or 'as needed' are not acceptable levels of involvement for those designated as **'Senior/Key Personnel'***". Individual funding opportunity announcements may set a minimum effort requirement for the PI(s). Grant scores may be affected if the effort allocated is less than that deemed necessary by reviewers. Those that may contribute to the scientific development or execution of the project, but are not committing any specified measurable effort to the project, should be described as Other Significant Contributors (OSC) rather than as a co-investigator.

**Q7. Is minimum effort required on grants from non-Federal sources?**

A7. Yes, unless the project meets one of the exclusions outlined above.

**Q8. I am on a 9-month contract; can I cost-share my unpaid summer effort to meet the minimum requirement?**

A8. No. This would result in unpaid effort which violates labor laws.

**Q9. May I make a request for an exception to the 1% effort rule?**

A9. Allowable exceptions to the minimum effort policy will be rare and will be considered on a case-by-case basis. A minimum effort waiver memo, outlining the rationale for the exception, should be submitted to [osp@unm.edu](mailto:osp@unm.edu) prior to proposal submission.

**Q10. Do I need an exception request if the sponsor does not allow salary?**

A10. No. If the solicitation explicitly states that salary cannot be budgeted, no exception is required.