Project Effort Confirmation
SPA-11-026

About This Policy

Effective Dates:
01-30-2020

Last Updated:
12-31-2020

Responsible University Administrator:
Associate Vice President for Research

Policy Contact:
Steve Martin
Associate Vice President for Research Administration
stemarti@iu.edu

Scope

This policy applies to any portion of Institutional Base Salaries (“IBS”) paid in full or in part on federal and federal pass-through sponsored research awards.

Policy Statement

1. To meet the federal documentation requirements identified in 2 CFR part 200.430 (Compensation - personal services), Indiana University requires Award Project Directors (Confirmers) of federal and federal pass-through awards to annually review and confirm the percent of effort for each individual charged to their awards. The percent of effort is based on the proportion of Institutional Base Salary allocated to the project. Award Project Directors (Confirmers) are required to confirm that the percent of effort and associated IBS compensation allocated reasonably reflects employee efforts on the project.

2. The requirements of this policy are in addition to those set forth in SPA-11-003, which requires Award Project Directors (Confirmers) and departmental fiscal officers (or delegates) to conduct regular reviews of all expenditures allocated to federal and federal pass-through awards and to ensure appropriate and timely corrections via cost transfers.

Reason For Policy

The purpose of this policy is to provide direction with respect to documentation of compensation on federal and federal pass-through awards in accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200.430 Compensation - personal services.

Procedure

1. a. Project statements are issued annually based on calendar year as detailed on the ORA website.
   b. For each federal or federal pass-through sponsored award, project statements record each employee’s IBS allocated on the respective award. The Award Project Director (Confirmer) has the responsibility for confirming that the proportion of IBS allocated to the award reasonably corresponds to the employee’s effort.
   c. Project statements shall be issued annually based on calendar year. ORA will send an email notification to the Award Project Director (Confirmer) that the annual project statement is ready for confirmation on March 1st, and the Award Project Director (Confirmer) must review and approve the project statement by March 31st. Extensions are allowed on an exception basis and may be granted only with prior ORA approval.

2. Cost Transfers
All cost transfers on federal (including federal pass-through) cost reimbursable grants and contracts must adhere to IU Policy SPA-11-003, Cost Transfers on Cost Reimbursable Grants and Contracts.

3. **Retroactive Payroll Adjustments**
   Retroactive pay adjustments and payroll cancellations that will change the percentage of IBS allocated to federal or federal pass-through sponsored research awards on a previously confirmed project statement require prior approval by ORA.

4. **Approved Practice Plan Effort**
   For Approved Practice Plans, IU School of Medicine faculty may include the fixed component of practice plan salaries as part of their IBS allocated to awards, in addition to the portion of IBS paid directly by IU. In such cases, the percent of effort on the project statement shall apply equally to both sources of compensation allocated to the award.

**Definitions**

**Approved Practice Plans:** Those practice plans approved by Indiana University to recover salary costs related to research conducted under the auspices of Indiana University.

**Project Statements:** Project statements are issued annually recording employee IBS allocation to the respective award.

**Institutional Base Salary (IBS):** The annual compensation paid by Indiana University for an individual’s appointment, whether that individual’s time is spent on research, instruction, administration, or other activities. This includes, if appropriate, compensation from both Indiana University and an Approved Practice Plan. IBS does not include overload or supplemental payments.

**Award Project Director (Confirmer):** The award principal investigator listed in the Kuali Coeus system for the overall award (Kuali Coeus “A” Node).

**Sanctions**

Failure to adhere to the principles and processes in this policy may result in the disallowance of award costs.

**History**

Previous Versions:

- 

**Related Information**

2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
Office of Research Administration (ORA) Website
SPA-11-003, Cost Transfers on Cost Reimbursable Grants and Contracts