Guidelines for Labor Expenditures on Sponsored Research

Effective: January 1, 2020

CHSS follows university policies and procedures regarding charging salary to sponsored research projects (see Guidelines for Charging Faculty Salary to Sponsored Research, published in association with University Policy 4019). The college has created policies specific to the needs of CHSS (see Academic Year and Summer Effort on Grants, and CHSS Salary Cap Administration Policy).

What can be directly charged to an externally sponsored project? All labor expenditures should be aligned with the project's approved budget and meet the following criteria:
  a. Allowable – the expense is allowable under the provisions of Uniform Guidance, the terms and conditions of the specific award, and University policies and procedures
  b. Allocable – the expense can be associated specifically to the project with a high degree of accuracy
  c. Reasonable – the expense reflects what a 'prudent person' would pay in like circumstances
  d. Consistent – the expense is treated the same or like circumstances across the University

Types of Positions
  • Permanent Positions – an employee hired to fill a benefited position on a full-time or part-time basis for more than six months. Examples include: instructional faculty (F0123z), research faculty (F0124z), administrative faculty (FA012z), and classified staff (01234z).
  • Temporary Positions – an employee hired on a full-time or part-time basis who has no continuous employment status (employed at will). Examples include: GRA/GTA/GL (GRB123), wages (WGA123), student wages (SW1234), adjunct (AD1234), and summer research positions (SR1234). These positions require Pooled Position numbers created by HR.

Before Charging Labor to Sponsored Projects – review the project budget that identifies the personnel and positions who have budgeted effort on the project. Communicate with the PI on hiring needs (for temporary positions) and percentage of effort (for permanent positions). Before charging labor:
  • Review the project budget - are there sufficient funds and was the labor budgeted?
  • Review the project period of performance – is the effort/hiring action within the award start and end dates?

Initiating Funding Change Forms (labor allocations) and Hiring Actions – Labor is directly charged to sponsored projects through labor allocations (processed via funding change forms) or through Electronic Personnel Action Forms/Uploads in Banner (only used for temporary positions). For detailed instructions on using the BTS Funding Change Form tool or submitting an EZ EPAF, consult the **BTS Funding Change Initiator Manual** and the **EZ EPAF Guide – Grants Detail**. The chart below quickly identifies the appropriate action depending on the position and type of allocation to be processed.

Position Type	Future Salary	Reallocation of Salary Paid
Permanent Position: (12 & 9 month Faculty & Staff)	Faculty/Staff (permanent position Future FCF)	Faculty/Staff (permanent position Reallocation FCF)
Temporary Position: Faculty Summer Research, Adjunct, PC	BTS EZ-EPAF or semester Upload	Faculty/Staff (temporary position Reallocation FCF)
Temporary Position: GRA/GTA	BTS EZ-EPAF or semester Upload	Graduate Assistant Reallocation FCF
Temporary Position: Wage/Student Wage	BTS EZ-EPAF	Wage Reallocation FCF

Important Things to Know

1. When Comments are Required – regardless of whether the labor action is a funding change form or an EZ EPAF, comments must be included with the form/request for the following conditions:
   a. If the requested effort/hire is not in the budget or if the budget line has insufficient funds – rebudgeting comments must be included.
   b. If the project has insufficient funds but is expecting an increment/supplement – a guarantee Org must be provided with comments on anticipated funding to be received.
   c. If the requested effort/hire effective dates are outside the project period of performance – a guarantee Org must be provided with comments referenced to pre-award spending (before start date) or pending extension (after end date).
   d. For Wage and Student Wage assignments – WG and SW positions must also include specific comments about total anticipated salary to be charged to the project.

2. Cost Share and Salary Cap – cost share is labor/effort that is NOT directly charged to the sponsored project. Certain federal sponsors (DHHS and DOJ) impose a limit on the annual rate of salary reimbursement for a given project effort, referred to as Salary Cap. Projects awarded with cost share or salary cap requirements will have a cost share budget that identifies labor/effort to be cost shared/capped. Research administrators should carefully track labor cost share and take appropriate processing actions to ensure cost share/salary cap is recorded. Current Salary Cap calculators are always available on the OSP Forms website.
   a. Carefully review the budget for cost share or salary cap required
   b. Confirm cost share/salary cap associated with project effort with the PI
   c. Identify the Org where the cost share/salary cap is to be charged (note: Cost share or salary cap should not be charged to a 20xxxx or a 22xxxx fund, it should be an internal Mason Org)
   d. Activity Codes are used to track effort associated with cost share/salary cap

3. PI Effort – PI's are responsible for verifying and following the agencies' requirements related to changes in personnel status and/or effort. For federal funded projects a PI (or Key Personnel) change in status is defined as withdrawal from the project, absence from the project for a period of continuous 3 months or more, or a 25% or greater reduction in time devoted to the project (over the budget period) from the level of effort approved in the budget at the time of award. Prior approval is required for any of the above noted changes in effort for key personnel.

4. Summer Research – The university has specific guidelines and limitations on faculty summer pay received May 25 thru August 24 (total summer pay can not exceed 1/3 of the faculty's prior academic year salary regardless of funding sources).   No more than 90% of effort during the summer period (2.7 months) can be charged to externally funded sponsored projects for 12-month research extended faculty appointments and for 9- and 12-month instructional faculty appointments.

5. Requesting Pooled Positions – temporary positions are assigned a Pooled position number specific to the funding source. Pooled positions listed in the award budget are requested by OSP and established at award set-up. If a Pooled position is needed that was not included in the original sponsor award budget the Sponsored Award Pooled Position Number Request Form must be completed and submitted to chssrsch@gmu.edu for review and will then be submitted to OSP for processing.

6. NSF 2-month salary limitation and RCR Training – The National Science Foundation (NSF) policy limits proposed support for senior personnel to no more than 2 months aggregate among any combination of NSF grants over a one-year period. The Mason period is defined as beginning 8/25 (inclusive of Fall, Spring and Summer effort). If an increase of the 2-month effort is needed post award, NSF prior approval must be obtained. Research administrators should track and manage labor of senior personnel on NSF grants to ensure compliance.

NSF requires that the institutions awarded NSF funding provide appropriate training and oversight in the responsible and ethical conduct of research to undergraduate students, graduate students and post-doctoral students participating in the awarded research project. Departments must include Responsible Conduct of Research (RCR) training as part of their hiring process when hiring student wages, graduate assistants, and post-doctoral students to work on their NSF awards. Details on RCR training can be found on the Research Development, Integrity, and Assurance website.

7. GRA Guidelines and Eligibility – The Provost Office sets guidelines and eligibility requirements for Graduate Assistantships, to include Graduate Research assignments (GRA). Please visit the Provost Graduate Student Appointment and Fellowships website for full details (including the Graduate Student Hiring Rules & Procedures). Details of the GRA appointment should be reviewed with the PI and all hiring actions should follow college and university policies and procedures.

8. Unallowable/Unacceptable Practices– the following labor charges are generally not allowable on sponsored projects:
- Overtime wages or salary (temporary or permanent positions) unless prior approval from the sponsor is received and documented
- Cell phone stipends and relocation benefits
- Leave payouts (except in very unique circumstances and requires OSP approval)
- Charging time and effort to a sponsored award that is not reflective of actual work/effort on the award
- Charging labor to "spend down" funds before project end

- Charging labor in advance of when effort occurs
- Sponsored project funds should not be used as a holding account for labor charges that belong elsewhere

9. Best Practices
- PIs and departmental research administrators charge the correct sponsored project initially (via FCF or EPAF)
- The PI with direct knowledge of the sponsored project must review and monitor the labor charges on the sponsored project on a regular basis to ensure labor is charged appropriately and errors are identified and corrected in a timely manner (reconciliation)
- PI approval and/or request for labor actions should be well documented
- Regularly monitor budget lines and balances
- Communicate regularly with PIs to ensure that any changes to labor for the project are properly accounted for (via new FCFs, terminations, etc.)