**Award Acceptance**

**Question:** What items can hold up my Award?

**Answer:** *Examples of what may delay an award:*

* *Award terms require negotiation, e.g. copyright or intellectual property right restrictions, liability concerns, etc.*
* *Revised scope of work / revised budget*
* *PI has not approved award terms & conditions*
* *PARS has not been initiated*
* *Missing UMaine Compliance Approvals*
* *Missing Subrecipient Commitment Forms, if applicable*
* *Missing proposal documents*

**Cost Transfers**

**Question:** Does the Cost Transfer policy apply to voluntary committed cost sharing funds?

**Answer:** *Yes, voluntary committed cost sharing funds are subject to the same terms and conditions, and institutional policies that apply to the sponsor funds.*

**Question:** Does the Cost Transfer policy apply to transfers of expenses among class codes but within the same account?

**Answer:** *No. You may transfer expenses within the same account code to multiple class codes when you need to track account expenses at a greater level of detail. Whenever possible, however, rather than assigning class codes after-the-fact, include them on the initial transaction.*

**Direct Charging of Expenses**

**Question:** When is it appropriate to directly charge a Sponsored Agreement for administrative and clerical support?

**Answer:** *You may charge a Sponsored Agreement for administrative and clerical support where a project requires extensive administrative or clerical assistance, such as working with large amounts of data or producing large reports or books. The support required must be* ***integral*** *to the award and such expenses must also be specifically identified with and benefit the project and be listed in the approved proposal budget. You cannot charge sponsored agreements for those types of costs that are routine, such as costs for budget monitoring, recordkeeping, purchasing, personnel actions, etc. You can only charge those types of administrative costs that are specific to the project scope.*

*A project no longer needs to be identified as “major;” however, the administrative salary expense needs to be integral or essential to the project in order to be directly charged. It must also be included in the approved proposal budget and justification. Most of the other requirements for direct charging salary are the same as with major projects***.**

**Question:** If I know that the project is administratively intense and will need administrative and clerical support, what should I do?

**Answer:** *When writing your proposal, include a budget justification for categories of administrative costs, tailored to the sponsor requirements and the specific project. Explain the function of the position or cost as it directly relates to and benefits the project. Be sure to include project specific details to highlight the activities that make the administrative support* ***integral*** *to the sponsored project.*

**Question**. If we can't charge administrative assistance to this grant, can we provide, for example, 10 hours a week of a clerical person's time as UMS cost-share?

**Answer:** *No. You can only provide administrative assistance as cost-share if that assistance is integral to the sponsored project. The same requirement to be “integral” to the project must be met that would permit charging such assistance as a direct cost to the sponsor.*

**Question:** Is it ever appropriate to direct charge postage to a Sponsored Agreement?

**Answer:** *Yes, when the scope of the project demands exceptional expenditures for postage and the cost of postage is included in the grant budget.*

**Question:** The PI on this award is going to a meeting in another state. While there, he will report on results of two separately funded research projects. He will also meet with a collaborator to plan a joint application for renewal funding of a third project. To which projects are his travel costs properly allocable?

**Answer:** *The travel costs should be reasonably determined for the three projects that benefited. One way to calculate such costs would be to determine the percentage of time spent on each task and prorate the costs accordingly. The cost that related to the renewal funding on the third project is, however, a departmental cost, and should not be charged to a sponsored project chartfield combination.*

**Question:** We have a federal grant for an eight-week summer seminar for high school teachers, drawn from around the country. The grant provides stipends to the participants to cover their travel, housing, meals, and other seminar-related expenses. We plan a reception for them on the evening of their arrival date and a banquet on their final day. Can we charge the costs of food, honorariums, and a band or disc jockey for these two events to the grant, or are they considered "entertainment?" And where shall we charge the costs of the beer and wine we'll serve?

**Answer:** *If the reception and the banquet have been justified in the proposal as beneficial to the project, and if their costs have been explicitly requested of and approved by the sponsor, then those costs may be charged. The initial reception, for example, might be justified as a particularly appropriate means for seminar participants to first become acquainted with each other and/or to begin to develop important contacts. A band or DJ might be difficult to justify as something other than entertainment, therefore, unless such justification can be found, such costs may not be charged to the grant. The alcohol costs may not be charged to the grant.*

**Question:** I am purchasing a piece of equipment through my department's budget but I need more money and I have some left over in a sponsored project. Can I charge the sponsored project?

**Answer:** *No*. *You may charge to the sponsored project only those costs that benefited the sponsored project.*

**Question:** What type of membership costs may I charge to a project funded by a grant?

**Answer:** *Each membership cost needs to be looked at on a case by case basis. Memberships may only be charged to a sponsored project in those instances where the membership purpose fits the scope of the project and is included in the budget. The membership period also needs to coincide with the period of the project. Costs of membership in any civic or community organization or any country, social or dining club may not be charged to a grant-funded project.*

**Question:** Is insurance for research equipment an allowable cost?

**Answer:** *Generally speaking, insurance should not be direct charged to a grant. Insurance for the grant period could be charged if it were 100% allocable to the grant, otherwise, directly charging such expense to the grant would not be appropriate.*

**Question:** I haven't used all of my budgeted labor funds. May I use them for other grant-related purchases?

**Answer:** *Whether you can use these dollars for other grant-related purposes depends on the specific terms and conditions of the grant and sponsor. Contact the Office of Research Administration for guidance in this area.*

**Foreign Currency**

**Question**: Can the University of Maine accept foreign currency as payment under a sponsored project?

**Answer**:  *Yes.  However, the final amount received may not convert to the exact amount invoiced in U.S. dollars due to exchange rate fluctuations.  U.S. banks will automatically convert the foreign currency to U.S. dollars based on the exchange rate at the time of payment.  If the daily exchange rate results in a gain, then that gain would result in additional funding for the project. On the other hand, if the daily exchange rate results in a loss, the loss would result in reduced funding for the project.   A budget modification will be required as payments are received to account for the fluxuations in the exchange rate. The Office of Research Administration will not absorb the gain or loss on the currency exchange.*

**Indirect Costs (F&A)**

**Question:** What are F&A costs?

**Answer:** *Facilities and Administrative (“F&A”, “indirect”, or “overhead”) costs are those costs associated with providing and maintaining the infrastructure that supports the research enterprise and which cannot be easily identified with a specific project.  F&A costs are classified into two broad categories: “Facilities” and “Administration.” “Facilities” include libraries, buildings, grounds and buildings upkeep, etc.  “Administration” is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of “Facilities”.*

**Question:** Why are F&A costs necessary?

**Answer:** *Full cost recovery is necessary to support the University’s physical and administrative capacity to perform research. When indirect costs are not fully recovered, maintaining the University’s research capabilities and infrastructure is compromised. All sponsored agreements should share the burden of the cost of sponsored projects.*

**Question:**  How are F&A costs established?

**Answer:** *F&A rates for proposals to agencies of the Federal government are set forth in the agreement between the University of Maine System (UMS) and the U.S. Department of Health and Human Services.  A copy of which may be found on the University of Maine System website at http://www.maine.edu/about-the-system/system-office/finances/facilities-and-administrative-cost-rates-and-benefit-rates/.*

**Question:** How do I determine the applicable F&A rate for my project?

**Answer:** *The following factors must be considered:  1) the project type (research, instruction, or other sponsored activity; 2) whether the project is on-campus or off-campus; and 3) the funding source.*

**Question:** What is the criteria for the research F&A rate?

**Answer:** *Organized Research is research and development (R&D) activities of an institution that are separately budgeted and accounted for, including federally sponsored R&D, federally supported research training activities that occur in conjunction with, and in the same facilities as, the federally funded R&D activities, and university research and development that is supported by institutional funds (2 CFR § 200 Appendix III.1.b).  “Research” is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. “Development” is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. R&D activities include the following subcategories:*

* *Basic research is undertaken primarily to acquire new knowledge without particular application or use in mind.*
* *Applied Research is conducted to gain the knowledge or understanding to meet a specific, recognized need.*
* *Development is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes*

**Question:** What is the criteria for research training in regard to F&A?

**Answer:** *The training of individuals in research techniques (e.g. externally-funded research training grants) that occur in the same facilities in which R&D is conducted is categorized as Research (rather than Instruction). Characteristics of R&D include systematic investigation; contributions to generalized knowledge; supporting, refining or refuting other research studies; production of research outcomes; intent to publish or disseminate results, etc. R&D varies greatly by field.*

**Question:** What is the criteria for the instruction F&A rate?

**Answer:**  *Instruction means the teaching and training activities of an institution financed by federal, state and private agencies and organizations. Except for research training, this term includes all teaching and training activities, whether they are offered for credits toward a degree or certificate or on a non-credit basis, and whether they are offered through regular academic departments or separate divisions, such as a summer school division or an extension division. It includes activities that are part of the University’s instruction program to communicate educational content for-credit and not-for-credit courses (2 CFR § 200 Appendix III.1.a).*

*Examples include:*

* *Teaching University students, faculty or staff*
* *Course and curriculum development for University students and faculty*
* *Academic advising and development*

**Question:** What is the criteria for the “other sponsored activity” F&A rate?

**Answer:** *Other Sponsored Activities are programs and projects financed by federal, state and private agencies and organizations which involve the performance of work other than instruction and organized research (2 CFR 200 Appendix III.1.c).*

*Examples include:*

* *Conferences, workshops, & symposiums with primary audience of non-UMaine students*
* *Purchases for infrastructure that do not impact any research*
* *Travel grants*
* *Support for University public events*
* *Support for teachers or students in elementary or high schools for outreach purposes*
* *Support for library collections or art museums, etc.*
* *Support for activities where there is no training of students, data collection or evaluation of any kind*

*Public Service is one of the more common activity types that generally falls under Other Sponsored Activities. It is characterized as the delivery of professional (non-instructional) services to individuals and groups external to the University.*

*Examples of public service include:*

* *Health service projects*
* *Community service projects*
* *Community health clinics*
* *Public broadcasting services*
* *Museum and gallery exhibits*
* *Conferences, seminars and workshops*
* *Special events open to the public*
* *Summer camps*

*When distinguishing between Public Service and Research and Development, consider if the Principal Investigator would conduct the project or work without an evaluation of outcomes or any academic recognition for the project such as publication of results and/or presentation of results at an academic meeting, then the project would be categorized as Public Service.*

**Question:** When is it appropriate to use the off-campus F&A rate?

**Answer:** *The off-campus rates may be applied for federally sponsored grant, contract, or cooperative agreement activities when the project activities occur in facilities not owned by UMaine and when rent for those facilities is treated as a direct cost in the project budget and reimbursed by the sponsor or provided by the sponsor at no charge. Additionally, the off-campus rate only applies if more than 50% of the project activities are performed in or out of such rented facilities. If 50% or less of the project activities is performed in such rented facilities, the on-campus rate prevails.*

*Activities that do NOT constitute the use of the off-campus rate:*

* *Routine field work, such as data and sample collection for environmental research*
* *Collection of observational data in local public schools for educational research*
* *Manuscript review at an out-of-state library for historical research*
* *Conference or meeting travel*
* *Short-term rental of space in the community for delivery of project services or activities do not qualify a project for the off-campus F&A rate unless facility rental costs charged to the project are substantial. In these cases, project personnel typically retain office space on-campus and access to university infrastructure and resources from which they develop their projects, conduct experiments and analyze samples and data, and prepare reports and manuscripts. Significant use of these on-campus resources likely entitles the University to collect F&A to cover facilities costs.*

*Because the Federal government does not provide detailed guidance on how to determine the portion of project activities being conducted off-campus, determining the applicable F&A rate is not an exact science. In its review to determine if the >50% threshold is met for off-campus designation, ORA will take into consideration where project personnel effort will be expended, where expenditures will be incurred, the facilities rental payment in comparison to total direct costs of the project, the duration of the rental agreement in relation to the project period, whether project personnel have assigned space on-campus, with access to library and research facilities, while work is performed in the rented facility, and other pertinent factors. Federal intent of an off-campus rate and ability of the rate decision to withstand audit will also be considered.*

*If the PI/PD wishes to make a case for a lower F&A rate based on project location, he/she should clearly explain the nature, location, and duration of the off-campus work and its proportion of the total project. Details of ownership to any off-campus facilities to be utilized and rental or use agreements for those facilities should also be included. (Note that hotel sleeping rooms and rented residential space when an individual is in travel status are not considered off-campus facilities.)*

**Question:** What F&A rate should I use when requesting supplemental funds for my current project?

**Answer:** *The F&A rate approved at the time of award should be used for supplemental funding requests.*

**Question:** What F&A rate should I use for my continuation proposal?

**Answer:** *All current awarded projects will continue to have the F&A rate applied under which the award was made.  This rate will be used until the award expires.  This includes non-competing continuation requests when the continuation year for which you are requesting funds was awarded in the original award document.*

*Example:  If the award is from July 1, 2019 through June 30, 2021 at a rate of 46% MTDC, the 46% MTDC will be used for the life of the award.*

**Question:** Are there instances when less than the full F&A recovery is allowed?

**Answer:** *Although F&A rates are federally negotiated, UMaine applies these rates to all sponsored activity, regardless of sponsor type. Thus, the appropriate federally negotiated F&A rate should be applied to all sponsored projects based on performance location unless the sponsor has a* ***published*** *policy that limits F&A recovery (e.g., the 8% training limit applied by some agencies). In particular, full F&A must be included in research proposals for business and industry sponsors. Fixed price agreements with these business and industry sponsors that are based on fully burdened costs may be particularly appropriate. Researchers are strongly encouraged to consult with ORA prior to initiating or participating in any discussions of project cost and F&A application with sponsors to ensure appropriate project costing.*

**No-Cost Time Extensions**

**Question:** What is a no-cost extension?

**Answer:** *A no-cost extension extends the project period beyond the current expiration date. As the phase “no-cost” suggests, there is no additional funding provided by the sponsor. A no-cost extension may be requested by the PI when all three of the following conditions are met:*

* *the end of the project period is approaching,*
* *there is programmatic need to continue the sponsored activity, and*
* *there are sufficient funds remaining to cover the extended effort.*

*The fact that funds will remain at the expiration date is not in itself justification for an extension.*

**Question:** How do I apply for a no-cost extension?

**Answer:** *Submit a request to ORA via* [***PARS***](http://www.pars.umesp.maine.edu/)***.****Use the information below to help you meet sponsor requirements.  We may need to ask you to follow up with a hard copy, signed letter if the sponsor requires it.  Most sponsors do not.*

**Question:** What information will I need to include in my request?

**Answer:** *1.* *Relevant information that identifies your project:*

* *people soft project number,*
* *grant/contract number,*
* *the current project end date,*
* *the new requested end date (month/day/year), and*
* *the amount of unspent project funds from GL.*

*2. A justification for the extension, which should include:*

* *a brief reason for the extension including the reason(s) the project was not completed within the original period of performance,*
* *a brief summary of work to be accomplished during the extension period; and,*
* *if the request is considered late by the sponsor, a reason for the late submission.*

*See question below for additional help with justifications.*

**Question:** What justification (reasons) are sponsors likely to accept?

**Answer:** *The justification for a no-cost extension should include how the use of the remaining funds helps to accomplish the scientific aims of the grants original scope of work.*

*Here are some examples of justifications most sponsors would accept:*

* *additional time to assure completion of the original approved project scope and objectives*
* *to conduct additional testing to validate unexpected research findings*
* *to repeat tests to obtain results lost in a campus building fire*
* *lack of success in locating a graduate student with suitable capabilities*
* *extensive delay in production or shipment of key equipment or supply items*
* *transfer of a key project participant*
* *time lost due to illness or accident of a key project participant*

**Question:** Do I need to get approval from or notify my Dean or Vice President of the request?

**Answer:** *ORA does not require dean or vice president approvals on no-cost extensions.*

**Question:** Would I save time if I sent my request directly to the sponsor?

**Answer:** *No.  In fact, your request may be set aside or delayed since most sponsors will not review requests before they have been endorsed by the University's authorized administrative official.*

**Question:** Do I need to refer to my award document and its attachments?

**Answer:** *It's a good idea to do that since it's the easiest way to find out if your sponsor will consider a request and to learn about any special sponsor requirements.  If your award agreement does not address no-cost extensions, assume you may submit a request and follow the general guidelines provided here.  Sometimes sponsor guidelines, available on the internet, can be of help as well.*

**Question:** How do I find out the current termination date of my project?

**Answer:** *There are several ways to confirm the date; review your award document, look at the "termination date" indicated on the PeopleSoft GL Inquiry screen for your project number, or call ORA (*[*Cassandra Gauvin*](mailto:cassandra.gauvin@maine.edu) *581-1411).*

**Question:** How long of an extension can I request?

**Answer:** *Sponsor rules vary.  Most federal sponsors allow an extension of up to 12 months beyond the current termination date.  Other sponsors will consider shorter or longer time periods oftentimes determined by the reasons you indicated for needing an extension.*

**Question:** Under what conditions are sponsors likely to deny a request?

**Answer:** *Non-approvals vary from sponsor to sponsor:*

* *most sponsors deny requests made merely for the purpose of using remaining funds*
* *some federal sponsors may deny extension requests they receive after the termination date*
* *the terms and conditions of the award prohibit the extension*

**Question:** How much lead-time must I allow?

**Answer:** *Lead-times may be listed in the terms and conditions of an award, but sponsor requirements vary. Requests submitted more than 90 days prior to the project termination date may be refused by the sponsor.  First-time requests are generally due to sponsors from ORA 30 business days prior to the current termination date of the project.  Please allow an additional week for ORA to review and process your request.  Any subsequent extension requests, if permitted by the sponsor, are typically due to the sponsor 60 business days prior to the termination date of the project.  Please allow an additional week for ORA to review and process your request.*

**Question:** What happens if my request to the sponsor is late?

**Answer:** *ORA will do its best to get your request in on time.  If your request is late, however, the sponsor may deny it.  Any costs incurred after the termination date would be transferred to the project closing account.*

**Question:** Who approves or denies my request for a no-cost extension?

**Answer:**  *Sponsor approval is required for no-cost extension requests. Some federal sponsors have delegated the University authority under grant awards to approve a one-time, no-cost time extension for up to 12 months. If approved, ORA will notify the sponsor of the approved extension. Additional no-cost extension requests beyond the first approval will need prior sponsor approval.*

***ORA approval is required for all no-cost extension requests, which should be submitted through PARS.***

**Question:** How will I know if my request has been approved?

**Answer:** *For requests that ORA is authorized to approve, PIs will be copied on the email notice to the sponsor indicating the University has approved the no-cost extension request.  The notice will include the revised termination date.*

*For requests that require a decision by the sponsor, ORA will notify PI’s when the sponsor’s approval is received. If the PI receives an approval directly from a sponsor the PI is asked to forward a copy of the approval to ORA to ensure end dates of project account(s) are updated in GL.*

**Question:** After my no-cost extension request is approved, may I spend the funds  
remaining in my account?

**Answer:** *Yes.  All remaining funds can be used for project purposes provided liquidation occurs before the extended termination date.  The term "no-cost" is sometimes misinterpreted.  It does not mean you cannot spend during the extension period.  It means you have requested additional time beyond the original termination date of the project without having received any additional funding.*

**Question:** May I request additional funds in my no-cost extension request?

**Answer:** *No.  Sponsors have separate processes for requesting additional funds.  Contact ORA for information about requesting additional funds.*

**Question:** Can I submit a request for a SECOND no-cost extension?

**Answer:** *It depends. Some federal sponsors may not consider a request for a second extension.  When a second request is allowed, it requires sponsor approval and a lead-time of approximately 60 days prior to the project termination date.  Consult the terms and conditions of your award or contact ORA for guidance.**Please note that second requests usually require a more detailed justification for the extension request. Also, some sponsors require a budget broken down by budget category of funds remaining, including a budget justification.*

**Question:** Who can help me if I have questions?

**Answer:** *Please contact* [*ora@maine.edu*](mailto:ora@maine.edu) *at 581-1484.*

**Participant Support Costs**

**Question:** Are subsistence payments a non-allowable expense if the participant is local?

**Answer:** *NSF limits subsistence payments to “local” participants. This is an NSF specific restriction that many institutions have adopted in their own policy language. To date, UMS has not added this restriction on subsistence cost for “local” participants, though the APL does state that “specific agency guidelines on participant support vary from sponsor to sponsor and from program to program thus it is important to refer to agency and program-specific guidelines.” Therefore, it would be best to verify this requirement directly with the sponsor.*

**Question:** Are PSC tuition fees allowed for UMaine or non-UMaine students?

**Answer:** *If a project requires tuition for participants to take part and that tuition can be specifically identified to the participant, then it is allowable as a participant support cost regardless of the status of the participant (i.e., UMaine Student, non-UMaine Student, member of the public, teacher, etc.). The primary thing to note here is that anyone who is directly responsible for organizing, administering, or supporting the project cannot be considered a participant and thus their tuition could not be classified as a PSC.*

**Question:** If a participant decides to stay an extra night, what is covered as PSC?

**Answer:** *Any extra hotel nights, meals, etc. would be on the participants own expense. Only the costs associated with the conference, etc. would be paid.*

**Question:** What happens if the participants spends more/less than the pre-determined stipend amount?

**Answer:** *The participant receives a certain amount of money as a stipend. Unused funds do not need to be paid back, and any additional expenses would be on the participant’s own expense.*

**Question:** What is covered under PSC if the Agency if Sponsor doesn’t have any guidance?

**Answer:** *If the Agency or Sponsor allows PSC but doesn’t provide any guidance, then UG and university policy would be followed if the sponsor is a federal agency. If the sponsor is a non-federal agency, then university policy only would be followed.*

**Question:** Who approves the re-allocation of budgets involving PSC?

**Answer:** *Budget revisions come down to sponsor directives. All budget revisions should be reviewed by ORA.*

**Program Income**

**Question:** Does the Program Income policy apply to ALL projects?

**Answer:** *The Program Income policy applies to ALL projects funded in whole or in part with Federal or Federal pass-through funds. It applies to a nonfederally-funded project if the sponsor agreement so requires.*

**Question:** Is the use of program income subject to audit?

**Answer:** *Yes. Under OMB Uniform Guidance, Subpart F, a grantee’s program income will be reviewed for compliance with the terms and conditions of award, including allowability of costs, financial management, and reporting.*

**Question:** How does program income affect the project funding?

**Answer:** *Unless the sponsor specifically instructs differently, program income generated by research projects increases the project’s funding (addition method).*

**Question:** When preparing a proposal budget, do I assess F&A costs against program income?

**Answer:** *Yes, assess F&A costs against program income at the same rate you assess F&A costs against sponsor funds.*

**Question:** What happens when I have program income remaining at the end of the project’s period of performance?

**Answer:** *Spend program income before spending sponsor funds. If program income funds remain at the end of the project’s period of performance, they must be returned to the sponsor as unspent funds.*

**Question:** How do I handle program income earned after the end of the grant period?

**Answer:** *Unless Federal awarding agency regulations or the terms and conditions of the award provide otherwise, recipients have no obligation to the Federal Government regarding program income earned after the end of the grant period. If the activity generating the program income continues after the grant ends, income and expenses are recorded in a different fund.*

**Question:** Is income from the sale of property considered “program income”?

**Answer:** *No, proceeds from the sale of property shall be handled in accordance with the requirements of the Property Standards in OMB Uniform Guidance, §200.311 Real property, §200.313 Equipment, and §200.314 for Supplies, or as specified in Federal statutes, regulations, or the terms and conditions of the Federal award.*

**Time & Effort Certification**

**Question:** What are Time and Effort Reports?

**Answer:** *Time and Effort Reports are required for personnel who are compensated in whole or in part by a federal grant.*

**Question:** Which employees are required to certify effort?

**Answer:** *All employees paid in whole, or in part, through grants and contracts projects are required to certify effort. Faculty, professional employees, classified employees, and graduate students do so on the Time and Effort Reports produced three times each year. Undergraduate students and Muskie School of Public Service non-faculty employees do so daily, bi-weekly, or monthly when they report their time. Please see the above section, ‘Documenting Effort Certification’.*

**Question:** Who prepares Time and Effort Reports?

**Answer:** *ORA prepares the reports from information gathered from PeopleSoft.*

**Question:** Are subrecipients required to certify effort?

**Answer:** *No.*

**Question:** What if an employee is not available to certify the Time and Effort Report?

***Answer:*** *If an employee cannot sign the form, it may be signed by the applicable principal investigator or other responsible official with first-hand knowledge of the work performed and suitable means of verification. It is not permissible for a departmental support person, such as a secretary, administrative assistant, program assistant, or office manager, to certify an employee’s effort.*

**Question:** How do I account for my effort if I am employed less than full time (1 FTE)?

**Answer:** *An employee’s effort is always reflected as 100%. If an individual has a .5 FTE appointment of which .3 is dedicated to Grant A and .2 is dedicated to Grant B, 100% of the person’s effort as a half-time employee is dedicated to Grants A and B with 60% effort on Grant A and 40% effort on Grant B.*

**Question:** What if I only work 10 hours a week?

**Answer:** *Your 10-hour work-week constitutes 100% of your effort. Assign percentages to the amount of effort dedicated to each activity.*

**Question:** What if I work more than 40 hours a week?

**Answer:** *Your effort is 100% regardless of the hours you work. For example, if you work equally on two grants and put in 60 hours a week, you assign 50% effort to Grant A and 50% effort to Grant B.*

**Question:** Does effort certification include effort funded by direct cost sharing?

**Answer:** *Yes. Effort funded by direct cost sharing is reflected in funds 04 and/or 24 on the Time and Effort Report.*

**Question:** If I am working on a “pre-award spending” project, do I have to certify effort?

**Answer:** *Yes, effort must be certified for the reporting period during which the work was performed.*

* *Payroll charged to a “pre-award spending” project will be reflected on the Time and Effort Report. Revise the percentages if they are not a reasonable estimate of your effort. In this case, you treat pre-award spending projects no differently from other projects.*
* *If you expended effort on a pre-award project, but payroll for that effort is charged to an Education and General (E&G) department or to another project, add a line on the report for the pre-award spending project and adjust the percentages to reflect your effort. When you submit your revised report, a retroactive distribution adjustment made in the payroll system will move the costs accordingly.*
* *In the event a pre-award project is subsequently NOT approved by the sponsor, at the time of non-approval, salary costs will be removed from the project and charged to the employee’s E&G department.*

**Question:** What kind of review should be conducted before a report is signed?

**Answer:** *Account names, account numbers, percentage of effort, and employee names should be checked for accuracy.*

**Question:** What if the information on the report is inaccurate?

**Answer:** *If the employee, responsible official with first-hand knowledge of the employee’s work effort, or department fiscal officer, finds the information to be inaccurate, s/he should:*

* *describe, in writing on the form, the issues that need to be resolved*
* *enter the corrections in the report and sign the form to indicate that the review has occurred*
* *return the signed original to the Office of Research Administration for review by external auditors retained by the University of Maine System*

**Question:** Will a new Time and Effort Report be printed that shows the corrections made by an employee?

**Answer:** *No, a Time and Effort Report that reflects the changes a certifier notes on the original form is not produced. The form with the changes manually noted by the certifier is to be retained on file by the Office of Research Administration for possible subsequent review by auditors.*

**Question:** Are wages paid to students covered by Time and Effort reports?

**Answer:** *The Federal Government does not require that wages paid to undergraduate students be certified.  However, from time to time, names of enrolled students may appear on the report forms.  If this occurs, the departmental fiscal officer should:*

* *indicate on the report that the employee is an undergraduate student*
* *sign the form*
* *return the signed form to the Office of Research Administration*

**Question:** How much time do departments have to conduct reviews of the Time and Effort reports?

**Answer:** *The Office of Research Administration is asking departments to returned signed Time and Effort reports as quickly as possible, but no later than thirty (30) days from receipt by the department.  If signed Time and Effort Reports are not filed in a timely manner, the Office of Research Administration will recommend that project accounts be frozen to prevent the University from being in non-compliance with its grant obligations.*

**Question:** If we have a 100% grant-funded employee out on short-term disability, how does this impact his/her effort report for that time period? Our short-term disability is part of our institution's fringe benefits. This employee's fringe benefits are grant funded. Does s/he still report 100% grant effort?

**Answer:** *Depending on the funding source, most Federal regulations specifically acknowledge that this occurs, and state that short term fluctuations (such as one or two months) need not be considered as long as the distribution is reasonable over the longer term, such as an academic period.  However, if the employee is the PI then the Institution has the responsibility to notify sponsors of significant changes from the proposed PI or key personnel effort devoted to a project. Although the actual requirement may vary depending on the sponsor, normally a change of 25% or more from the committed effort of the PI or other key personnel on the proposal requires notification of the sponsor. The PI has the responsibility for initiating such notification and all notifications should be routed to the sponsored research office for review, approval, and transmission to the sponsor.*

**Question:** How does someone account for their efforts that include MEIF and E&G funding?

**Answer:** *Here is an example scenario:  Dr. John Doe has a 50% teaching and a 50% research position.  During the semester, his percentage of effort is 30% E&G, 41% MEIF and 29% on a research project.  Dr. Doe does not know how to reconcile his effort based on this allocation of pay.  The 29% effort on the research project is part of his 50% research effort.  E&G funds can be used towards teaching, research or community service.  The allocation is at the college or departmental discretion.  MEIF funds can be used towards teaching, research or community service as well.  The unspoken rule is that only 25% should go towards teaching; and the rest should be for research and community service.*

**Question:** What do we do if our college/unit receives a time & effort report for an employee who used to work for us but now works for another college/unit?

**Answer:** *Time and Effort reports are generated and organized by an employee’s home department.  The employee’s new college/unit should process a Personnel Data Update form located at* [*http://umaine.edu/hr/forms/*](https://gojira.its.maine.edu/confluence/display/HumanRes/Forms)*(you must log into the MyCampus Portal) to update the employee’s new home department.*

**Question:** Some of our employees usually receive time & effort reports, but they did not receive a time & effort report this semester.  Should they have?

**Answer:** *There could be several reasons why your employees may not have received a time & effort report this semester.*

* *They may not have received any wages from a sponsored project or program.  If they should have been paid from a sponsored project or program, then you should immediately review and correct their pay allocation through labor cost transfers and employee pay distribution forms.*
* *The employee’s time & effort report may have gone to another department.  Employee time & effort reports are sent to the home department listed in the HR System.  Review the employee’s home department on their appointment form.  If it needs to be corrected, then the employee’s new college/unit should process a Personnel Data Update form located at* [*http://umaine.edu/hr/forms/*](https://gojira.its.maine.edu/confluence/display/HumanRes/Forms)*(you must log into the MyCampus Portal) to update the employee’s new home department.*

**Question:** Are fellowships included in time & Effort Reports?

**Answer:** *Any fellowship that is not processed through payroll is considered financial aid and is not regarded as compensation for work performed.*

**Question:** Do I have to sign a Time & Effort Report if it only includes fund 12’s?

**Answer:** *No.  Fund 12 represents MAFES and Cooperative Extension E&G funds.  Fund 12 is similar to fund 00, except that the accounts represent the federal fiscal year instead of the academic fiscal year.*

**Question:** Once signed, who retains the reports?

**Answer:** The Office of Research Administration retains the reports.

**Question: Who examines the signed reports?**

**Answer:** *A-133 Auditors examine the signed reports.  Funded activity units of the University may also use the reports to verify time and effort devoted to sponsored projects by employees.*

**Question:** What are some effort reporting “red flag” issues for auditors?

**Answer:** *They include manually adjusted certified reports that show effort that is not a reasonable estimate of the equivalent salary and wages charged to the Federally funded project, multiple certification revisions resulting from cost transfers, and late or missing certifications.*

**Question:** How long does the Department need to keep a copy of the T & E report?

**Answer:** The Department can discard time and effort reports 3 years from that semester issue. ORA office will keep a copy for 7 years after the project ends.

**Unexpended Balances on Closing Projects**

**Question:** What happens when a sponsored project reaches its termination date but the PI has not drawn down all of the award funds obligated by the sponsor?

**Answer:**

* *30 to 60 days after the termination date ORA will continue to invoice against the approved award to cover late-arriving expenses for goods and services that were provided* ***before*** *the project termination date. New charges are not allowed without sponsor approval.*
* *Between 30 to 90 days after the termination date, ORA will prepare a final invoice and statement for the sponsor unless (a) the PI requests and receives approval of a new scope of work to which the unexpended balance may be devoted, and (b) the sponsor agrees to extend the project termination date to allow the work to be accomplished.*

**Question:** Some sponsors, including many foundations, send checks to the University at the time award agreements are executed. What steps will be taken if a cash balance is on-hand 90 days following the termination date of a sponsored project?

**Answer:**

* *Up to 60 days after the termination date ORA will continue to use the unexpended cash balance to cover late-arriving expenses for goods and services that were provided* ***before*** *the project termination date.*
* *90 days after the termination date ORA will prepare a final statement for the sponsor and return the unexpended balance unless (a) the award was a firm, fixed price agreement, or (b) the PI requests and receives approval of a new scope of work to which the unexpended balance may be devoted, or (c) the sponsor agrees to extend the project termination date to allow the work to continue or additional work to be accomplished.*