

TO: CALS Department Chairs, Directors, and Administrative Managers

FROM: Barbara Knuth, Jan Nyrop

DATE: November 25, 2008

RE: Proposal Writing Effort and Soft-Money Funding Sources

We are writing with regard to your academic or non-academic staff who expend effort writing proposals for future sponsored project funding and are funded on soft-money (sponsored funds). The purpose of this memo is to remind you that any individuals with effort supported on sponsored funds cannot use that same time to prepare new funding proposals. This includes situations in which salaries are paid through sponsored funds for:

1. those who have PI status by the nature of their appointment(e.g., Senior Research Associates, Senior Extension Associates);
2. those who have PI status related to Form 5 approvals (e.g., Research Associates, Extension Associates);
3. any staff who are fully funded through sponsored funds but may become engaged in writing proposals for the next round of funding (e.g., technical staff, post-docs – but see special note below);
4. professorial faculty appointed on 9-months who charge summer salary to sponsored project funds.

Please review the information below and let us know if you have any questions regarding implementation. See the special note below regarding post-docs and graduate assistants; the university is still working on clarifying these particulate cases. When we have more definitive information on these cases we will let you know.

This guidance has been reviewed at the university level by Senior Vice Provost for Research Bob Buhrman and Senior Director of Sponsored Financial Services Jeff Silber.

To comply with federal requirements, principally OMB Circular A-21 J.38 ([www.whitehouse.gov/omb/circulars/a021/a21\\_2004.html](http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html)), and university policy 3.11 ([policy.cornell.edu/vol3\\_11.cfm](http://policy.cornell.edu/vol3_11.cfm)) all academic appointees and staff who are involved in anything other than a *de minimis* (e.g. less than an aggregate of one week per year) of proposal-writing to secure future funding must have a minimum of 5 percent of their salary paid (and thus appointment) on non-sponsored funds. Non-sponsored funds include core or State dollars provided by the College, department funds, income funds, salary recovery funds, returned F&A charges (indirect cost return), direct NYS Appropriations, and other funds not considered “sponsored.”

Federal Formula Fund (FFF) resources may be used only in cases for which the time is spent on writing the next FFF proposal and proposal-writing effort has been included in the project description in furtherance of the funded project. This does not apply to other federal funding sources (e.g., current NIH dollars may not be used to fund the time to write the next proposal to NIH).

Special grants from the State or from State-oriented entities such as the New York Farm Viability Institute, State agencies, or member items obtained through the NYS legislative process, may be allowable to use toward proposal-writing effort, if those funds are intended to help leverage additional resources toward furthering the funded activity and the awards have proposal-writing activities clearly identified in their scope of work to make such charges allowable. If you have any of these cases for which you have questions, please contact one of us.

Professorial faculty who are on 9-month appointments may not charge a full three months of summer salary to a sponsored grant if they are taking any vacation time during this period, or if they are writing any funding proposals during this time. The portion of their summer spent writing proposals for future funding must be funded by non-sponsored sources. Every faculty member seeking to charge three months of summer salary to a sponsored project must sign an affidavit that all three months will be devoted to that project and no time will be spent on vacation or writing proposals for future funding. Department chairs (or Division directors) are required to keep the affidavit on file for audit purposes. (Current policy also requires the Dean's approval for faculty wishing to spend 3 summer months on sponsored funds; Dean's approval is not needed for 2.5 months or less summer salary.) The Office of the Vice Provost for Research (OVPR) will be providing a template for this affidavit by the end of 2008. This will be posted on the OVPR and Sponsored Financial Services web sites

Please note that these provisions apply to proposal-writing effort, not to progress-reporting activities on sponsored projects.

Effort reporting to the college/university must match the effort reported in the grant(s) and effort cannot exceed 100 percent, nor exceed the effort relative to the appointment terms of the faculty member (e.g., the assigned percent research).

When you submit a Form 5 PI status approval form to the College (to Lisa Warner or Linda Harris), please indicate the source(s) of annual funding for the individual for whom you are seeking PI status. It must be clearly documented that at least 5% of their annual effort is paid by non-sponsored funds (to account for proposal-writing effort), or the Form 5 will be rejected.

When new Senior Associate positions are created, none will be allowed to be 100 percent soft (sponsored) funds, because Senior Associates automatically have PI status. Thus, future appointments will need to identify other funds (for at least 5% salary) to ensure these individuals are able to serve in this PI function on appropriate salary sources.

Current soft-money Senior Associate positions will need to shift to at least 5% salary on non-sponsored funds.

**SPECIAL NOTE ON GRADUATE ASSISTANTS AND POST-DOCS:** The university is still developing its final policy statement and interpretation of federal audit requirements regarding how this policy applies to post-docs and graduate students. We will issue an update to this message when we have more definitive information. For now, please consider the following:

- a. A post-doc funded on a fellowship may have more leeway than a post-doc funded on a grant award. A fellowship may be considered as advancing training and education, including developing ability to write grant proposals. We are waiting on a final ruling on this. It may be allowable for a grant-funded post-doc to spend effort writing a proposal to fund an individual fellowship; we are waiting on a final ruling on this as well.
- b. However, a post-doc funded on a sponsored research project falls clearly within the overall policy as above. When a post-doc is funded on a sponsored project, an alternative non-sponsored funding source is required to cover proposal-writing effort directed toward future sponsored research projects (i.e., 5%).
- c. Graduate assistantship compensated time for the purposes of this policy relates only to the time funded on the sponsored award assistantship. None of a student's "coursework" time is considered compensated time under this policy. Therefore, as we discussed in the recent chairs' meeting, proposal-writing done under a research course or graduate research credit should be fine. Again, we are waiting on a final ruling on this in case there are any nuances of which we should be aware.

Thank you for your help in proper implementation of these rules. Please let us know if you have any questions.