

Clarification of Stanford Policy Regarding Proposing, Charging for, and Reporting Faculty Effort

POLICY

IMPLICATIONS

PROPOSING	
Propose all direct effort as you intend to devote it (taking into account the fact that adjustments may be required later based on actual awards and progress of the work.) "Direct effort" is that effort which will directly benefit the technical scope of work being proposed to the sponsor.	Academic oversight, intellectual direction, multi-project coordination, mentoring and instruction of graduate students, and effort devoted to pursuit of parallel research objectives <u>not covered</u> within the scope of work of a sponsored project are NOT considered to be "direct effort" and need not be proposed.
Only direct effort need be shown on the Pending and Committed report and on the Proposal Routing Sheet (SU-42).	Effort that is not considered direct should <u>not</u> be shown on the Pending and Committed report or on the Proposal Routing Sheet SU-42.
Proposals for research funding should include some commitment of the PI's effort to the project. If the PI intends that the costs of this direct effort will be paid by Stanford, those costs are considered committed by the University to the sponsor and will be treated as cost sharing.	Stanford will not submit proposals for research projects without a commitment of AT LEAST 1% FTE for the PI's effort during the period in which effort is devoted. That amount of salary, if not directly charged, must be cost shared.
CHARGING	
Charge for direct effort the way it is devoted (making formal adjustments to the way it was proposed, as necessary, and keeping in mind that A-21 permits reasonable approximation). Some averaging of effort is appropriate within an academic quarter.	Changing the way effort is charged may require a change to payroll documents. PIs should confer with their research administrators.
If substantially less direct effort is devoted than was committed, the commitment needs to be changed.	Changing effort commitments may require sponsor notification/pre-approval and formal modification in the award documents. PIs should confer with their research administrators.
If less direct effort was charged than was committed and devoted, the difference must be treated as cost sharing. For example, if we committed and devoted 20% of effort, but charged for only 5%, the difference (15%) must be treated as cost sharing.	Capturing cost sharing after the initiation of a sponsored project requires establishment of a new account. PIs should confer with their research administrators.
If more direct effort is devoted than was committed, the difference may be considered to be donated by the University. No cost sharing is needed.	Donated faculty effort is generally considered to be a component of the Instruction and Departmental Research function, and is properly accounted for as such.
REPORTING	
Effort should be reported to the sponsor as actually devoted and charged.	Effort percentages as reported on annual reports to sponsors should match the way the effort was charged through the payroll system. Salaries charged should be appropriate in relation to work performed, allowing for some averaging of effort within an academic quarter. Variances should be corrected through expense transfers.