

## UNIVERSITY OF NEW HAMPSHIRE

### **PROCEDURES FOR SALARIES, WAGES, AND FRINGE BENEFITS CHARGED TO FEDERALLY SPONSORED AGREEMENTS**

#### AT TIME OF PROPOSAL

1. Specific reference to all key project personnel by name or position title is made at the time of proposal. In addition, in those extraordinary circumstances in which program-specific administrative or clerical employee services compensation is being proposed, the program or project director specifically identifies each individual (by name, if known); provides the actual or anticipated USNH classified title for each individual's position; includes a description of each individual's proposed duties for the project; and includes in the proposal a detailed justification for directly charging the project for the related time and effort of these employees.
2. During proposal review, the Office of Sponsored Research (OSR) Grant and Contract Administrator (GCA) reviews the proposed employee services compensation items for adequate written justification and determines whether institutional consistency would be maintained should the listed personnel be approved for funding. When satisfied that all requirements have been met, the GCA recommends to OSR's institutional signature designee that the proposal be submitted to the prospective sponsor. The signatory official provides the UNH program or project director with an official, institutional letter stating that the requirements under this policy and OMB Circular A-21 have been met to OSR's satisfaction. The letter specifies which award(s) may be directly charged and for what period within the project period.

#### AT TIME OF AWARD AND POST-AWARD

1. When OSR receives the sponsor's notice of award, the GCA reviews the award for any employee services disallowed by the sponsor. Given none, the GCA presumes sponsor approval of all items of employee services to be charged directly to the sponsored agreement.
2. Should there be specific employee services disallowed, a personnel line item reduction, or a total budget reduction, the GCA clarifies the sponsor's intent with the sponsor and with UNH's program or project director. A significant personnel line item reduction ordinarily will result in a reduced level of effort or project scope, which must be agreed to by the sponsor and OSR. Should the project scope be maintained at a lower funding level than proposed, costs not borne by the sponsor are considered to be cost sharing. (See UNH policy: Cost Sharing on Externally Sponsored Programs.) If necessary, the GCA negotiates revised agreement terms with the sponsor. The GCA documents by letter to the UNH program or project director, Business Service Center (BSC), and official award file in OSR the specific disapproval of any employee services and the resulting impact on project scope and cost sharing, as appropriate.
3. Copies of the approved project budget, justification, award document, and OSR's Notice of Award are provided to the program or project director and the BSC that will initiate account expenses on behalf of the project director. If the project director or BSC staff questions the appropriateness of a potential expense, s/he contacts the responsible OSR GCA for guidance and a decision. The project director and BSC staff are responsible for ensuring that only appropriate and approved employee services compensation items are initiated as charges to the sponsored agreement.

4. If a program or project director wishes to re-budget funds into the personnel categories for administrative or clerical positions, s/he provides to the appropriate OSR GCA a written or e-mailed justification of why the change is programmatically necessary and explains how the change will meet the criteria of the relevant policy. The GCA reviews the request and takes appropriate action. In some cases, sponsor approval may be necessary. Funds may not be re-budgeted to charge administrative or clerical positions directly to a sponsored program in cases which have been specifically disapproved by the sponsor.
5. OSR's Financial Management Group (FMG) monitors employee services charged to sponsored programs to help ensure adherence to this policy.