

## MEMORANDUM

To: Deans, Directors, Department Heads, Principal Investigators, and Research Administrators  
From: David Bond, Director, Sponsored Research Services  
Milagros Concepcion, Director, Sponsored Programs Accounting  
Date: April 5, 2011  
Subject: **NSF Salary Policy**

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In January 2011, the National Science Foundation (NSF) clarified its existing policy regarding salaries and wages for senior project personnel charged to NFS awards. While the Foundation's policy has not changed since January 2009, the NSF reiterated the policy and took the opportunity to provide additional clarification in the form of Frequently Asked Questions<sup>1</sup>. With the Summer quarter quickly approaching, it is an opportune time to review specific details of the NSF's policy and to provide information about the steps our offices are taking to assist you in complying with the requirements.

Effective January 1, 2009, the NSF revised its "Grants Proposal Guide" to allow two months cumulative salary compensation for senior personnel through a one year period. The NSF proposal preparation policy Section C.2g.(i)(a) states:

*"NSF regards research as one of the normal functions of faculty members at institutions of higher education. Compensation for time normally spent on research within the term of appointment is deemed to be included within the faculty member's regular organizational salary.*

*As a general policy, NSF limits salary compensation for senior project personnel to no more than two months of their regular salary in any one year. This limit includes salary compensation received **from all NSF-funded grants**. If anticipated, any compensation for such personnel in excess of two months must be disclosed in the proposed budget, justified in the budget justification, and must be specifically approved by the NSF in the award notice."*

### **Additional Clarifications:**

- Any post-award re-budgeting that would increase the compensation for senior project personnel above the two-month limit requires NSF prior approval.
- The policy applies to all awards received by RIT directly from the NSF and any subaward received from another University where the prime sponsor is the NSF.

- The policy identifies the salary limit as applicable to “any one year”. RIT defines this one year period as encompassing four academic quarters starting with the Fall quarter and ending in the Summer quarter.
- The salary limitation applies only to salary reimbursed from NSF award (s).
- This policy does not apply to:
  - Post doctoral professionals
  - “Soft-funded” employees (“research faculty”, research scientists, and similar individuals who are normally supported through sponsored-funding, i.e. their positions are not supported by permanent operating budget dollars)
  - Research scientists not budgeted as senior personnel
  - Other personnel not budgeted as senior personnel

**Action Required to Ensure Compliance:**

1. If you have a University faculty appointment and are designated as senior personnel on NSF awards, please review the percentage of academic year effort you have charged thus far to NSF awards. Your effort for the academic year 2010-2011 (Fall, Winter, and Spring) and any effort you intend to charge to NSF projects during the upcoming summer quarter cannot exceed two months, unless the excess effort beyond the salary cap was previously approved by the NSF in the award notice.
2. By mid-April, if you were designated as senior project personnel and have charged academic year effort to NSF awards, you will receive an e-mail communication from your SPA Representative advising you of the percentage of effort you have charged to your NSF projects thus far. This information will assist you in planning your summer salary effort. The notification will also include information regarding any NSF awards for which you have already received NSF approval to charge effort in excess of the two month cap.

We have prepared a set of Frequently Asked Questions (FAQ) for the RIT research community to provide additional clarification regarding this policy. The FAQs are available at the following link: <http://finweb.rit.edu/controller/sponsored/faq.html> and will be updated as additional questions arise. In the meantime, if you need assistance determining your percentage of effort or have questions about the NSF Salary Policy, contact your Senior Research Administrator for pre-award information or your Sponsored Programs Accounting Representative for post-award information.

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<sup>1</sup> Frequently Asked Questions (FAQ's), NSF's Revised Cost Sharing Policy (1/27/11)  
[http://www.nsf.gov/pubs/policydocs/csfaqs\\_jan2711.pdf](http://www.nsf.gov/pubs/policydocs/csfaqs_jan2711.pdf)