

Minimum Allowable PI Effort

Summary

The University receives federal funding for a variety of research and other sponsored activities. The federal government has clarified that, except in very unusual circumstances, each federally funded project should have allocated to it some level of committed Principal Investigator/Project Director (PI) effort. As the federal government requires that it be charged no more than any other sponsor, the University is generally required to charge all sponsors for some portion of faculty effort related to any sponsored activity.

Application

The minimum allowable PI effort for purposes of proposing, accounting and reporting is 1% of a PI's salary. The 1% can be:

1. Allocated and charged to each sponsored project or
2. *Allocated and charged to the project's related cost-sharing amount

The only federal exception to this policy is for "programs for equipment and instrumentation, doctoral dissertations, and student augmentation" [1] that involve only an insignificant amount of the PI's time and effort. See footnote* below regarding a further exception related to cost sharing.

* Allocation of PI effort to a cost sharing account is limited by UA policy to only that required in the written policy or program announcement of the sponsor. An exception to this policy, allowing a PI to charge a 1% effort to a cost sharing account, may be granted if the Office for Sponsored Program's (OSP) [Approval for Cost Sharing of](#)

Effort Form is submitted to OSP, with approval indicated by all listed signatories, prior to submission of the proposal to a funding agency. Upon award of a grant or contract for which there is this documented exception, the PI's department must account for the PI's time and effort allocable to the project by establishing, funding and charging a cost share fund related to the award. **No exception will be given for any grant or contract in which some portion of the PI effort is direct charged to the grant or contract.**

Reference:

This policy is derived from an OMB Clarification memo referenced in the footnote below and viewable at the following link:

<http://www.whitehouse.gov/omb/memoranda/m01-06.html>

For more detailed information related to UA's policy on this issue, please see the following: [Appropriate Use of Voluntary Uncommitted Cost Share](#) or call the Office for Sponsored Programs.

[1]Office of Management and Budget, M-01-06, Memorandum for the Heads of Executive Departments and Establishments, Clarification of OMB A-21 Treatment of Voluntary Uncommitted Cost Sharing and Tuition Remission Costs, January 5, 2001