

Email Distribution on September 14, 2009

On May 20<sup>th</sup>, we sent an email to you regarding NSF's recent clarification of its salary policy. The guidance provided in that email was based on our review of the salary policy and input from other universities and professional associations. We received many questions and comments. Following are responses to the most frequently asked questions. The answers have been confirmed with the NSF Policy Office. Please let us know if you have further questions.

Michelle and Jhn

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**When is the clarification to the NSF salary policy effective and to what does it apply?**

The policy became effective on January 5, 2009. It applies to all **proposals** submitted on or after January 5, 2009.

**To whom does the policy apply?**

The salary policy applies to all Senior Personnel regardless of appointment type. NSF's definition of Senior Personnel is -

“ 1. . . . Principal Investigator(s) [co-Principal Investigators] -- the individual(s) designated by the proposer, and approved by NSF, who will be responsible for the scientific or technical direction of the project. NSF does not infer any distinction in scientific stature among multiple PIs, whether referred to as PI or co-PI. If more than one, the first one listed will serve as the contact PI, with whom all communications between NSF program officials and the project relating to the scientific, technical, and budgetary aspects of the project should take place. The PI and any identified co-PIs, however, will be jointly responsible for submission of the requisite project reports.

2. Faculty Associate (faculty member) -- an individual other than the Principal Investigator(s) considered by the performing institution to be a member of its faculty or who holds an appointment as a faculty member at another institution, and who will participate in the project being supported.”

The individual's role on a project determines whether that individual is covered by the salary policy. [The salary policy applies to individual's typically included under 'Section A' of NSF proposal budgets.]

**What inferences should be drawn from the phrase in the salary 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”?**

- ◇ **All NSF effort expended during a given Vanderbilt fiscal year [July 1 – June 30] must be approved** either 1) by NSF at the time an award is made, or 2) by Vanderbilt in accordance with NSF policy for approving post-award changes to effort commitments.

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1. Proposals should request the effort necessary to conduct the proposed project. As always, all Senior Personnel effort commitments should be thoroughly addressed in the Budget Justification section of the NSF proposal. When evaluating pending proposals, NSF will assess the effort commitments of all Senior Personnel across all NSF awards in which the Senior Personnel participate to determine the level of effort appropriate for the pending proposal.
2. When effort beyond what NSF approved is deemed necessary, approval may be granted through local authority delegated to Vanderbilt by NSF. This expenditure of additional effort must be requested and approved through the University' s **prior** approval system and appropriate re-budgeting processes before the effort commitment is made.
3. Additional effort is requested and re-budgeted using the **Vanderbilt Restricted Fund Budget Revision Form** found on DSR' s website:  
<http://www.vanderbilt.edu/dsr/forms/BudgetRevision.pdf> .  
Adjust the salary line item to reflect the increase in effort and use the ' remarks box' on page two of the form or attach a separate sheet containing a justification for the effort increase.

To summarize, as long as all effort for individual' s listed as senior personnel is either approved by NSF at the time of award, or any additional effort is properly approved locally at Vanderbilt and re-budgeted, an individual may be over the NSF 2 months effort threshold, across all their NSF funding sources, during any given fiscal year without violating the NSF salary policy.