

To: Deans and Department Chairs

From: Andrew S. Weyrich, Ph.D., Vice President for Research

Date: March 26, 2020

Re: Effort Reporting During Covid-19 Pandemic

Salaries, Wages, and Benefits on Grants

This memorandum and the attached Guideline G3-020 are provided to clarify the rules regarding payments from grants during the Covid-19 pandemic. As you know, federal rules generally prohibit any part of an employee's salary or benefits to be charged to a grant except for those portions of the salary/benefits directly attributable to the employee's work on the grant. Federal law, however, recognizes an exception to this general rule under unexpected and extraordinary circumstances. In times of emergency, when the university and its employees are unable to perform work on a grant due to the emergency, employees assigned to a grant may continue to be paid from the grant.

Because the current Covid-19 pandemic is requiring University employees to remain at home, many researchers do not have access to their research materials and are unable to perform much, if any, work on their grants. This is clearly the type of emergency situation contemplated by the federal regulations. Therefore, you should continue to use designated grant funding to pay the salaries and benefits of your research employees until they are able to return to their labs and continue their sponsored research.

Additional Guidance:

Expenses for employees that are on paid leave (administrative, sick, vacation) qualify as appropriate direct costs under the University's F&A Rate Agreement with the Federal Government. Those expenses should remain on the projects and the University does not have a central pool to absorb those costs.

When possible and appropriate, an employee's effort should be redirected to other sponsored projects that may be performed from a virtual environment. To the extent that such opportunities are not available or are exhausted, employees should continue to have their salaries and benefits funded from designated grants. The University does not have a central pool to absorb these costs. Please work with your PI's and research staff, as well as your Human Resources contact, to manage and mitigate impact to employees where possible.

To benefit from the federal exception, sponsorship funding from non-federal sources must also continue during the emergency. As with federal grants, you should redirect an

employee's work to sponsored projects that may be performed from a virtual environment. To the extent that such opportunities are not available or are exhausted, employees should continue to have their salaries and benefits funded from designated grants. Please work directly with your sponsor representatives to clarify this practice during the current pandemic. Please also work with your PI's and research staff, as well as your Human Resources contact, to manage and mitigate impact to employees where possible.

Project cost overruns are not covered by central University funds but will be covered in order by:

- A PI's discretionary funds
- Departmental/Division funds
- College/School funds.

Faculty should not expect sponsors to provide additional project funds or extensions at this time. Supplemental funding and no-cost extensions will be at the discretion of each sponsor and made on a case-by-case basis.

PIs should contact agency program managers and other sponsor representative as soon as possible, in writing and by phone, to notify them of specific challenges and likely cost impacts. Written responses from applicable sponsors that grant permission and approval for changes (and approval for any other costs not normally chargeable to awards) should be requested and obtained by PIs, as soon as possible. The Office of Sponsored Projects can facilitate those communications as needed. Please contact your OSP representative for assistance.

Other questions and comments can be directed to: askosp@osp.utah.edu