



UWM SPONSORED PROGRAMS COMPENSATION COMPLIANCE POLICY

No: 14-02

Date: June 2023

Authority: Uniform Guidance (2 CFR Part 200)

Initiator: Vice Provost for Research, Office of Research

Responsible Party: Vice Provost for Research, Office of Research

I. Purpose

UWM recognizes the importance of providing good stewardship in managing extramural funds. This includes compliance with federal requirements to certify faculty and staff compensation on federally-sponsored projects.

This policy is created to comply with provisions of the U.S. Office of Management and Budget's Uniform Guidance (2 CFR Part 200) regarding compensation and other relevant sponsor requirements.

II. Policy

It is the policy of UWM that all faculty and staff who engage in sponsored projects will comply with university procedures and sponsoring agency regulations regarding the proposing, charging, and certifying of sponsored projects compensation.

All principal investigators, faculty, and academic staff who are involved in proposing, executing, directing, or managing sponsored projects are responsible for understanding the fundamentals of compensation compliance including: proposing, expending, and managing effort commitments, and certification of sponsored projects compensation.

A. Effort Commitments

For most federally sponsored projects, it is expected that Principal Investigators will actively participate. Thus, Principal Investigators must devote at least a one percent effort commitment to federally sponsored projects. This minimum effort does not apply to non-federal sponsored projects, equipment and instrumentation grants, doctoral dissertation grants, or student augmentation grants.

Allocations of effort to sponsored projects must be reasonable given the individual's non-sponsored university activities. Thus, faculty, whether compensated or not, cannot commit 100% of their effort to sponsored projects, as time must be reserved for other UWM duties.

The effort expended on federal sponsored projects should be consistent with the plan that was proposed to the sponsoring agency and agreed to at the time of the award. Thus, any significant change in work activity, as defined in the Uniform Guidance 2 CFR 200, for the Principal Investigator or any key personnel who are listed on the Notice of Award must be approved by the federal sponsor.

B. Payroll Certification

UWM is responsible for providing reasonable assurance that salary charges to federally sponsored projects are accurate, allowable, and properly allocated. Thus, payroll must be certified for all individuals who receive salary support from federal sponsored projects, or whose salary is provided as cost share on federally sponsored projects. Principal Investigators or their designee on such projects must certify federal sponsored project compensation every six months, in a timely manner. Certifiers are required to complete compensation compliance training as part of the certification process.

Payroll certification requires the completion of a two-step process. A federal project payroll statement must be: (i) pre-reviewed by a Compensation Compliance Coordinator; and (ii) certified by the Principal Investigator or an approved designee. To be considered timely, project payroll statements must be completed within the 90-day Certification Period.

Failure to certify any federally sponsored project's direct and/or cost-shared payroll in a timely manner could jeopardize UWM's federal research funding. To protect the interests of UWM and ensure compliance with federal policies, the university administers consequences for failing to certify federal sponsored project's direct and/or cost-shared payroll and complete the mandatory training.

Instituted administrative consequences for Principal Investigators who do not fulfill compensation compliance responsibilities include the loss of services associated with the set-up of project accounts for spending funds for new or continuing projects.

III. Resources

Additional background and information about supporting processes can be found in the [Guidelines for Effort Commitments and Payroll Certification Associated with Sponsored Projects.](#)

IV. Contact Information

Office of Research