

Personnel Budgeted on Grants and Contracts Minnesota State University, Mankato

This procedure was developed to clarify the need and provide support for consistent, University-wide application of and compliance with [2 CFR 220, Appendix A, J. General Provisions for Selected Items of Cost, Section 10](#) from the Office of Management and Budget Circulars and Guidance:

10. Compensation for personal services.

a. General.

Compensation for personal services covers all amounts paid currently or accrued by the institution for services of employees rendered during the period of performance under sponsored agreements. Such amounts include salaries, wages, and fringe benefits (see subsection J.10.f of this Appendix). These costs are allowable to the extent that the total compensation to individual employees conforms to the established policies of the institution, consistently applied, and provided that the charges for work performed directly on sponsored agreements and for other work allocable as F&A costs are determined and supported as provided below. Charges to sponsored agreements may include reasonable amounts for activities contributing and intimately related to work under the agreements, such as delivering special lectures about specific aspects of the ongoing activity, writing reports and articles, participating in appropriate seminars, consulting with colleagues and graduate students, and attending meetings and conferences. Incidental work (that in excess of normal for the individual), for which supplemental compensation is paid by an institution under institutional policy, need not be included in the payroll distribution systems described below, provided such work and compensation are separately identified and documented in the financial management system of the institution.

Research and Sponsored Programs adheres to and provides the subsequent guidance:

Any employee funded by a grant or contract must document the time they spend working on the project. Documentation must reflect actual time spent on the grant or contract. Any salary charged must be accurately recorded.

The University internally documents and approves this via the Campus Approval for Externally Funded Projects form, specifically page 3. Question 7:

7. Will the project require salary compensation for faculty and/or staff? If YES, ATTACH explanatory information. The compensation will need to adhere to bargaining unit-specific language.

Additionally, the University certifies employee personnel commitment on federal awards; please reference the Time and Effort Reporting policy and procedures.

Supplementary Guidance:

Course buyout must be charged to the grant or contract for the individual performing the project work, i.e. the external award should not pay an adjunct to buyout the time of personnel. If the PI wishes only to charge the adjunct rate to the award (for budget savings), it is considered a hard cash match with the College cost sharing the remaining salary of the project personnel.

Please note that this is not necessarily the procedure for buying out personnel time with funds on the Foundation side (via a gift). This should be determined (in advance) with the appropriate contact(s) from University Advancement.