**Decision Tool for Charging Non-Working Individuals to Sponsored Research**

**Updated 5/8/2020**

Below, please find guidance for charges to sponsored programs by researchers who are currently unable to perform allocable effort on their projects. Additional FAQs will be forthcoming.

1. **WAGES.** Wage personnel can only charge hours to sponsored programs to the extent they are performing [allocable effort](https://policy.psu.edu/policies/ra10#C) (including remote effort) on a sponsored program. Exceptions may be permitted with the prior written approval of the sponsor. PIs should work with their college research office to secure prior written approval. In the absence of such approval, wages must be removed from sponsored programs. This includes wages that may have been charged to sponsored programs in recent weeks as we were awaiting additional guidance. Costs incurred through 4/30/20 will need to be transferred to institutional funds. After 4/30/20, wage payroll personnel are not to be paid unless they are performing allocable effort.
2. **GRADUATE STUDENT STIPENDS (updated 5/8/2020).** As announced at the [Graduate School Town Hall](https://news.psu.edu/story/614934/2020/04/09/administration/graduate-school-leaders-address-student-questions-concerns) (4/9/20), all graduate students paid on traineeships, assistantships, or fellowships will have their stipend continued through the end of the Spring semester. Graduate students may continue to charge stipends, benefits, and tuition to sponsored programs in accordance with previously established allocations of effort through the end of the Spring assistantship appointment period. Please provide your [College Research Office](https://www.research.psu.edu/osp/research-office-directory/directory) with a list of all graduate students who have been unable to work on the sponsored programs on which they are being paid so they can document charges and notify sponsors as may be required. Graduate students should not be appointed on sponsored programs for Summer or Fall appointments unless they will have allocable effort they can perform.
3. **SUMMER SUPPLEMENTS FOR FACULTY MEMBERS ON 9-MONTH APPOINTMENTS.** Summer supplements for faculty members working on 9-month appointments can only be charged to the extent faculty are actively working (remotely or otherwise) on a sponsored project.
4. **OTHER SALARIES**

**CATEGORY 1: Essential Personnel.** Any project personnel deemed “[essential personnel](https://www.research.psu.edu/covid_labs)” fall into CATEGORY 1 as long as they are continuing to perform [allocable effort](https://policy.psu.edu/policies/ra10#C) on your project. You may continue to charge salaries as you normally would.

**CATEGORY 2: Working Remotely.** Other individuals who are performing [allocable effort](https://policy.psu.edu/policies/ra10#C) on your project (either [remotely](https://www.research.psu.edu/remote) or otherwise) fall into CATEGORY 2. You may continue to charge salaries as you normally would. If such individuals run out of tasks that can be performed remotely, it may be necessary to reclassify them in another category at that time. If all of your project personnel are covered in categories 1 and 2, there is no need to review remaining categories.

**CATEGORY 3: Short-term Fluctuations.** According to Federal guidelines, short term fluctuations are acceptable as long as the distribution is reasonable over the longer term. Thus, even though most on-campus research activities were suspended March 24, 2020, if you can get project personnel working on allocable effort (either [remotely](https://www.research.psu.edu/remote) or otherwise) by no later than May 24, 2020, this period of non-work may be considered a “short-term fluctuation.” Similarly, if an individual was able to work remotely for one month, but then ran out of work, they can begin a short-term fluctuation as of the day that they ran out of work, as long as they can “catch up” over the longer term. This option is not available to individuals who are paid 100% on sponsored projects, since such individuals cannot work more than 100% in future months to “catch up” with work they are not performing now.

**Summary:** You may continue to charge salaries of non-working individuals for up to two months if their overall (average) effort on the project will remain accurate over the life of the project. It is not necessary to adjust salary assignment schedules to reflect short term fluctuations. If all of your project personnel are covered in categories 1-3, there is no need to review remaining categories.

**CATEGORY 4: Fixed Price Projects.** A fixed price contract is a commitment to deliver a service in exchange for a certain amount of money. You may continue charging non-working individuals to a fixed price contract as long as you are confident that all deliverables can be met. However, if funds are exhausted during a period of non-work, you will have to identify additional funds to meet your contractual obligations to your sponsor. You should not expect the sponsor to provide any additional funds under a fixed price contract, regardless of circumstances. If all your project personnel are covered in categories 1-4, there is no need to review remaining categories.

**CATEGORY 5: Federal Grants.** If your project is a ***grant*** or ***cooperative agreement*** funded by [DoD](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.darpa.mil%2Fattachments%2FDoDTermsandConditionsforCOVID19Waivers.pdf&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763266964&sdata=nW9V0SRdNTYjOo2%2BuKy19I6CjS%2F8jLmzvCD2C6Qhoxk%3D&reserved=0), [ONR](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.onr.navy.mil%2F-%2Fmedia%2FFiles%2FContracts-Grants%2Fdocs%2FONR-FAQs-to-Current-and-Prospective-Grant-Recipients-Impacted-by-COVID-19_v2-02-APR-2020.ashx%3Fla%3Den&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763276921&sdata=OtjohBmTFd6hdPyThxK8BmcI4bKYK6cBAUU9tq0eXiE%3D&reserved=0), [NIH](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgrants.nih.gov%2Fgrants%2Fguide%2Fnotice-files%2FNOT-OD-20-086.html&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763286880&sdata=xz2eFsDq2AV8ckMeonznesq4OUjq%2FjA5C6qZEpd8VNE%3D&reserved=0), [NSF](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.nsf.gov%2Fbfa%2Fdias%2Fpolicy%2Fcovid19%2Fcovid19_nsfombimplementation.pdf&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763286880&sdata=hdQZwRG0K43SJMPTmqaPfxB9s22lVEj%2FiNgYF85E6dM%3D&reserved=0), [USDA NIFA](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fnifa.usda.gov%2Fsites%2Fdefault%2Ffiles%2Fresource%2FNIFA-20-006-Coronavirus-OMB-M-20-17.pdf&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763296834&sdata=AGUCqYmkYDyfLQBJlbKABHgGiVyToo4B%2FLiEslgkvIg%3D&reserved=0), [DOE](https://www.research.psu.edu/sites/default/files/COVID-19%20Attachment%202%20DOE-NNSA%20Implementation%20of%20OMB%20Memorandum%20M-20-17.pdf), [NASA](https://www.research.psu.edu/sites/default/files/NASA_s_Implementation_of_M-20-17_COVID-19.pdf), [HRSA](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.hrsa.gov%2Fgrants%2Fmanage-your-grant%2FCOVID-19-frequently-asked-questions&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763296834&sdata=%2FjRMrZBLQ6OA%2FB40pFwC7yPD7m%2B2CUOE%2BJy2Tz72MV4%3D&reserved=0), [CDC](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.cdc.gov%2Fgrants%2Fpublic-health-emergencies%2Fcovid-19%2Ffaqs%2Findex.html&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763306789&sdata=FAgJPjYg2xgSSEtTeUO6Wt4eStn%2FZ8NyGM5klmlva2Y%3D&reserved=0), [IMLS](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.imls.gov%2Fcoronavirus-covid-19-updates%2Finformation-imls-grant-applicants-and-awardees&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763306789&sdata=jZcIyM8tOJtKCHa%2FFWCvgf6NMIy8YQoIzkdCJbdH%2F%2BI%3D&reserved=0), [NEH](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.neh.gov%2FCOVID19_FAQs&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763316750&sdata=HKhWul0rKSfRxmEanvC2rfYxNBKex0k4bPrk0TEsHzM%3D&reserved=0), or [USAID](https://www.research.psu.edu/sites/default/files/USAID%20MemorandumAuthorizingCOVID-19FlexibilitiesM-20-17rev.pdf), you *may* be permitted to continue charging salaries at ***half*** of what you otherwise would have charged to your sponsor. Such costs may also be covered on certain DoD contracts in accordance with guidance that can be found [here](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.acq.osd.mil%2Fdpap%2Fpolicy%2Fpolicyvault%2FImplementation_Guidance_CARES_3610_DPC.pdf&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763326700&sdata=nNOR5kINfUjpwET6UjPsRH5BRXSgvwi%2Bbuj85zsibZw%3D&reserved=0) and [here](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.acq.osd.mil%2Fdpap%2Fpacc%2Fcc%2Fdocs%2Fcovid-19%2FFAQ_Implementation_Guidance_CARES_Act_Sec_3610_2020.04.17.pdf&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763326700&sdata=OathYIYI3M6mtqx8DOSgYHlI3Xdn%2BRNQOysZgM%2Fxpss%3D&reserved=0). Please review the sponsor-specific guidance identified above. Different Federal agencies may require notification, documentation, or prior approval before paying the salaries of non-working individuals.

* Penn State policy on the subject is addressed at [RA64](https://policy.psu.edu/policies/ra64#B4) and in [guidance](https://news.psu.edu/story/617057/2020/04/23/administration/message-penn-state-president-eric-j-barron?utm_source=newswire&utm_medium=email&utm_term=617036_HTML&utm_content=04-23-2020-22-23&utm_campaign=Penn%20State%20Today) provided by President Barron on 4/23/2020.
* Individuals who *can* perform project-related activities (e.g., remotely) are expected to do so to the maximum extent possible.
* The above-referenced agencies have stated that “*Recipients must not assume that supplemental funding will be available should the charging of such costs or other fees result in a shortage of funds to eventually carry out the project*.”
* This “flexibility” to charge salaries of non-working individuals is currently set to expire [June 17, 2020](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.whitehouse.gov%2Fwp-content%2Fuploads%2F2020%2F03%2FM-20-17.pdf&data=02%7C01%7CLora.Weiss%40psu.edu%7C48a33bc86e0d4aef49c108d7e86cad2e%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637233425763336663&sdata=eIOtD8kbJo9zxrmpE2Pv0iGzR6qmR2b%2BzpW%2Bt1aygAc%3D&reserved=0), unless extended by the U.S. Office of Management and Budget (OMB).

If all of your project personnel are covered in categories 1-5, there is no need to review remaining categories.

**CATEGORY 6: Other.** Project personnel not covered under the above five categories fall into CATEGORY 6. Please provide your [College Research Office](https://www.research.psu.edu/osp/research-office-directory/directory) with a list of all project personnel who fall into this category. Your College Research Office will submit a formal communication to your sponsor informing them of Penn State’s policy to cover salaries of non-working individuals at 50% through 6/30/2020. If your sponsor is not willing to continue paying 50% of the salaries of non-working individuals, such costs will need to be transferred to institutional funds through 6/30/2020.