



University of Pittsburgh

NSF 2-Month Salary Rule for Senior Personnel (August 2020)

FINANCIAL GUIDELINE

I. Guideline Background

Section II.C.2.g(i)(a) of the NSF Proposal & Award Policies & Procedures Guide limits compensation reimbursement requested in proposal budgets for senior project personnel to no more than 2 months of their regular salary in any one year from all NSF-funded sponsored research awards. Responsibility to define the term "year" falls to the University and must be applied consistently to all NSF funding and disclosed in proposal budget justifications.

II. Scope

The guidelines stated in this document apply to all existing NSF sponsored projects and to all future NSF proposal submissions. It is the responsibility of the Principal Investigator (PI) and Research Administrator(s) to monitor all NSF awarded effort commitments and related funding to ensure that the 2-month rule is not exceeded for the year.

III. Guideline

For purposes of complying with the NSF 2-month rule, the University defines the term 'year' as the Academic Year (September 1 – August 31). This definition aligns the NSF limitation with the effort reporting Periods of Performance and provides for consistent salary levels throughout the year. This definition must be specified in the budget justification of each NSF proposal and include the following statement in all NSF budget justifications for Senior Key Personnel who are requesting salary:

- *"[X] month(s) of salary is requested for [name PI here] in years [X], with one month being equal to 1/8 of [his/her] academic-year salary. Such rates are determined by the University of Pittsburgh for the standard Pitt academic year of September 1 through April 30."*

PIs and Research Administrators must monitor awarded NSF effort



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commitments on current sponsored projects and all effort commitments included in proposal budget submissions to ensure that any overlap of project periods does not result in senior personnel exceeding the 2-month salary limit in any Academic Year. If effort committed in a proposal would result in an excess of 2 months salary, this must be disclosed in the proposal budget, explained in the budget justification and approved by the NSF in the award notice budget.

The 2-month salary limit applies only to compensation reimbursement approved in the award notice budgets for senior project personnel. Once the budget has been awarded, rebudgeting authority allows for increases or decreases in effort/person months devoted to a project provided that the objectives or scope of work does not change. No sponsor approval is required for this type of budget change even if the change results in senior personnel salary reimbursement exceeding the 2-month rule. NSF prior approval is only required if the objectives or the scope of the project is changed.