NSF 2- Month Rule Worksheet User Guide

Updated 2/12/2019

Purpose: Use this worksheet to determine if proposed Senior Personnel (those listed on the NSF Award) will exceed NSF's 2-Month limitation in the current fiscal year. For more information on this limitation, see the PAFC webpage.

This User Guide follows the example on the "Sample Worksheet" tab.

General Information:

Complete the information in the white cells only; cells in grey are either instructions or formulas.

Rows with a letter designation [e.g., (A)] are used in the calculation; all other data is informational.

At the UW, salaries are paid twice a month on the 15th and last day of the month. The "TranDate2" field in the UW financial system is the pay for the last day of the pay period.

> Examples:
>
> TranDate2 of 7/15/2018 is for the pay period July 1 – 15 2018.
>
> TranDate 2 of 7/31/2018 is for the pay period July 16 – 31 2018.

Information for each field:

UW Fiscal Year: Enter the FY for which the calculation is being completed. UW Fiscal Year runs from July – June with the year designation being the year for the January – June period.

> Examples:
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> FY 2018: July 2017 – June 2018
> FY 2019: June 2018 – July 2019

(A) Pay Months Left in FY: This is the number of months of pay available after the last pay period listed on the EDW "NSF Compensation by Fiscal Year" Report.

To calculate this number, determine the last pay period posted in the "TranDate2" field on the EDW "NSF Compensation by Fiscal Year" Report then calculate the number of pay months remaining in the year.

> Example: The last pay period posted in "TranDate2" field on the EDW report is 1/15/2019 which means that the second January pay period has not yet been posted as of the time this report was run. The calculation for the number of pay months remaining in the Fiscal year would be:
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> > .5 for January + February + March + April + May + June = 5.5 pay months.

(B) Senior Personnel Institutional Base Salary (IBS): Enter the IBS as of the time of the form's completion. Even if it is anticipated that the IBS may change in the FY, the calculation is completed using the current IBS.

(C) Two Months IBS: This calculation, which is built into the Worksheet, takes the monthly IBS and multiplies it by two. This is the maximum amount of IBS that can be charged on all NSF Awards by this person in this FY.
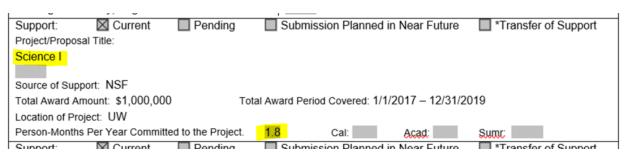
The next two fields use information taken from the "Current and Pending Support" form submitted with the proposal. Use the information on this form as described below for each appropriate field.
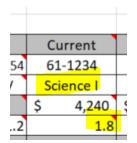
> **Proposal or Award Number:** Enter the 6-digit Budget Number (for Awards) or the eGC1 Number (for this proposal or pending awards). This information is to assist in identification for each applicable proposal/award.

> **Proposal/Award Name:** A brief description, if needed, to further assist in proposal/award identification.

(D) Expended IBS to Date: Data obtained from the EDW "NSF Compensation by Fiscal Year" report. Enter the total amount of IBS paid to date on each of the Awards. There will be no actual expenditure data available for the Proposal and Pending proposals.

(E) Person Months Committed to on each Proposal/Award: Enter the "Person-Months Per Year Committed to the Project" from each Current or Pending Award should be entered – in the person-month format - in the appropriate column on this form.

> Example, for Current Budget 61-1234/Science I, the Person Months Committed to is 1.8 and that number is entered into the corresponding column in the worksheet:

(F) Monthly Commitment: This calculation, which is built into the Worksheet, divides the total Person Month Commitment per year by the total number of months in a year (12) to determine the average person month commitment per month of the FY.

(G) Estimated Pay Months Left in the FY: Enter the number of months remaining in the FY that the IBS will be expended on each Current and Pending award. Some guidelines:

For the Proposal: estimate the date of the proposal being awarded and calculate the number of pay months from that date to the end of the FY.

> Example, the estimated date of award is 1 April so the total number of pay months left in the FY is April + May + June = 3.

For Awards that will end after this FY: the number of pay months will equal the total number of Pay Months available in this FY, as IBS will be expended for the remainder of the FY.

> Example: Budget 61-1234 ends after the end of this FY so the total estimated months is 5.5 as that is the total number of months left on this FY.

For Awards that already ended in this FY: the estimated pay months left is 0 as there will be no more IBS payments on this award.

> Example: Budget 61-5678, which ended in July 2018.

For Pending Awards: estimate the date when IBS will start to be incurred (typically the same as the Award start date) and calculate the number of pay months from that date to the end of the FY.

> Example, the estimated award start date is 1 March 2019 so the total number of pay months left in the FY is March + April + May + June = 4.

(H) Total FY Projected IBS Pay for Remaining of FY: This calculation, which is built into the worksheet, calculates the estimated amount of IBS to be paid in the FY by multiplying:

The Monthly IBS (B) x the Monthly Commitment (C) x Estimated Pay Months left in the FY (G).

> For example, for Budget 61-1234 the calculation is:

> Monthly IBS $13,000 x .15 Monthly Commitment x 5.5 Pay Months left = $10,725.

The total of the proposal, current and pending awards is totaled and automatically entered into the worksheet.

(I) Balance: 2 Months IBS less Actual and Projected IBS pay in the FY: This calculation, which is built into the Worksheet subtracts the total actual and projected IBS pay from 2 months of IBS. If the number is:

Negative: the Senior Personnel is estimated to exceed the 2-month limitation for the FY and the proposal should include a request to exceed the limitation.

Example: the balance is -$4,229 which means that with this proposal the Senior Personnel will exceed the 2-month IBS limitation. The proposal should include a request for the Senior Personnel to exceed the 2-month limitation.

Positive: the Senior Personnel is not estimated to exceed the 2-month limitation for the FY.

<u>Worksheet Retention</u>

This worksheet is a tool to be used by department staff to ensure compliance with the NSF 2-month Salary limitation. This worksheet does **not** need to be attached to the proposal eGC1 **nor** submitted to OSP. This worksheet should be retained in the department's files for departmental review and reference.