

Business Office

Personnel Activity Report (PAR) Instructions

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This is a working document and as such, we would appreciate any information and/or insight which would help us develop stronger policies for NMIMT's research community.

Definitions

- **OMB A-21** - Federal Office of Management and Budget Circular (OMB A-21), "*Cost Principles for Educational Institutions*" establishes principles for determining costs applicable to grants and contracts with educational institutions.
- **Effort** - for the purpose of the PARs , is all work performed for compensation and received from NMIMT. Effort is always stated in percentages of total effort that is always equal to 100% even if it is part-time or a portion of the reporting period.
- **Volunteered Cost Sharing^[1]** – defined as effort above and beyond that which was proposed/accepted by the funding agency. For the purpose of the PARs , it is the percent of effort worked on a sponsored project in excess of the percent of pay received from that project. Volunteered cost share differs from contractually obligated cost share which is defined as effort proposed/accepted by funding agency. Contractually obligated cost share must be tracked/documented in accordance with NMIMT's Cost Share Policy available at <http://infoserve.nmt.edu/rfunds/Cost Share>

Activity Definitions

- **Organized Research** – all research activities which are separately budgeted and accounted for by NMIMT. Two types:
 1. **Sponsored research** – organized research funded from federal, state and private sources.
 2. **University research** – a form of organized research which is separately budgeted under an internal allocation of institutional funds. (Cost Category 10, A-21, Section B1.b.1 & 2)
- **Other Sponsored Activities** – programs and projects financed by federal and non-federal agencies and organizations which involve the performance of work other than instruction and organized research. (Cost Category 130, A-21 Section B.1.c) .
- **Instruction** – means the teaching and training activities of an institution including departmental research which means development or scholarly activities that are not separately budgeted and accounted for as research. (Cost Category 20, A-21 Section B.1.a).
- **Other Institute Activities** - are auxiliary enterprises and costs which are "unallowable" (for indirect cost rate purposes) to sponsored agreements. Examples: Operation of residence Halls, Intercollegiate athletics, bookstores, **Student Administration and Services, Lobbying and Marketing (defined as the unsolicited promotion of NMIMT) efforts.** (Cost Category 30, A-21 Section B.1.d)

^[1] Cost sharing in more general terms, represents NMIMT's share of funding for a specific sponsored project.

- **Overhead Exempt** - for internal accounts i.e., profit and loss, accounts receivable etc.
- **Operations & Maintenance** – activities that have been incurred by a central service organization for the operation and maintenance of the physical plant. Examples: custodial and utility services, building repairs and grounds maintenance. (Cost Category 80, A-21 Section F.4)
- **Library** - activities that directly support the operation of the library. (Cost Category 70, A-21 Section F.8)
- **General Administration** – represents central general executive and administrative activities of NMIMT, i.e., Payroll, Purchasing, Office of the President etc. (Cost Category 50, A-21 Section F.5)
- **Departmental Administration** – administrative and supporting services pertaining to department objectives. It includes the *general activities* performed in academic departments to support instruction and research. *Examples:* administrative duties such as serving as department head or recruiting, grant and contract proposal preparation for solicitation of outside sponsor. (Cost category 40, A-21 Section F.6)
- **Research Administration** – departments established primarily to administer sponsored projects. **This category does not include direct activities of an employee related to a sponsored project.** (Cost category 60, A-21 Section F.7)

General

OMB A-21 prescribes required substantiation and documentation of direct and indirect (via overhead rate) payroll costs charged to federal grants and contracts. To comply with the requirements, NMIMT has established a Personnel Activity Report (PAR) system which consists of after-the-fact effort reporting (Section J.8.c2). In addition to meeting the substantiation requirement, the PAR will be used as a tool to monitor if functions of various accounts have deviated from their originally intended (and coded) purposes.

The Personnel Activity Report (PAR) represents a six-month summary on how your salary was distributed to various activities of NMIMT as represented by unique account numbers.

Distribution

PARS will be distributed semi annually to all faculty members, graduate students and staff members who are paid from sponsored projects. Principal Investigators with cost share obligations as indicated by RFD financial administrators. Exempt employees in indirect cost pools charged to federal government include accounts with cost categories:

- **40 - Departmental Administration**
- **50 - General Administration**
- **60 - Research Administration**
- **80 - Operations & Maintenance**

Instructions

1. Familiarize yourself with the attached definitions of the various activities.
2. Review the distribution of your salary among the various activities. If you feel it is an adequate representation, then sign and forward to the attention of the Indirect Cost Analyst in Restricted Funds Department, Brown Hall, Room #20-D.

If you feel that the PAR is not a reasonable representation of how you have spent your time among the various activities, then indicate the percentage of time spent on the various activities under the **Actual Work Distribution Column**. The revised actual distribution should equal 100%.

Note - the percentage of time worked is the point of interest, not the amount paid. This exercise does not have any relation to a forty-hour workweek or any prescribed teaching load. If you are a faculty member and you average 65 hours a week on teaching, research or administrative matters, then that is 100% of your activity. If you are a graduate assistant and you average 20 hours per week in your job, then that is 100% of your time. It is not possible to have more than 100% of activities.

If there is an error on the PAR, do not erase, obliterate or use white out on the preprinted form. Instead footnote the nature of the error and return, the RFD will then forward to the financial administrator assigned to the account to research and correct.

Document Cost Sharing

Contractually obligated cost share (proposed and accepted by funding agency) must be documented in accordance with NMIMT's Cost Share policy available at <http://infoserve.nmt.edu/rfunds/Cost Share>

Voluntary cost share (defined as effort above and beyond that which was proposed/accepted by funding agency) can be documented in one of two ways:

- Reference a sponsored agreement (29x) account number on which you worked but were not paid. This indicates to RFD that the level of effort expended constitutes voluntary cost share.

Or

- Indicate a higher proportion of your time spent on a contract or grant. The difference between the distribution that appears on the preprinted form and the Actual Work Distribution Column constitutes voluntary cost share.

Volunteered cost share is to be "memo entered" into the IDC study as an increase to the research function in order to address allocability issue referenced in OMB A-21's clarification memo dated 1/5/2001.

"Negative Cost Sharing" - If you did not spend as much of your time on a contract or grant as the payroll distribution indicates, then the amount overcharged to the agreement will have to be charged to some other institute account.

Note: This form must be completed in order for NMIMT to ensure compliance with the various federal regulations we are subject to as a recipient of federal funds. Each employee should complete the form. If the employee is not available, then a responsible person with suitable means of verification can make the confirmation that the work was performed. Graduate students must have the Principal Investigator or Chairperson sign the form. If a staff member or faculty member signs his/her own form, no other signature is necessary.