

# Time Effort MOU Guidance

## **Background:**

Investigators with joint appointments at a VAMC and an affiliate university, who wish to apply for funding from NIH, must have an MOU that defines their work/effort distribution at the two sites. NIH requires that the MOU include:

- Title of the investigator's appointment
- Distribution of compensation
- Responsibilities of the proposed investigator
- Percentage of effort available for research at each institution with the joint VA/university appointment making up 100% of the total professional responsibilities.
- Signatures from the appropriate officials of the affiliate and the VAMC

## **Issues**

Questions regarding the MOUs have been raised at various VAMCs. For example, it has been suggested that the MOU, particularly when it includes salary figures, may appear to be a contract that is promising a particular level of compensation. There has also been a concern that VA individuals who are signing on behalf of the VA have a conflict of interest since they often also have a faculty appointment at the same affiliate. Specifically, there has been a concern about ACOS/Rs and service chiefs who are often dual appointees.

## **Plan**

To assist the field, ORD proposes issuing guidance as to the preparation of the MOUs. It was felt that it would not be appropriate or useful to develop a VA form for national use since the MOUs are typically prepared by the affiliate in accordance with local preferences. Although NIH places the responsibility for the MOU on the affiliate, it behooves the VAMC to insure that the document also accurately reflects time and effort at the VA.

## **Guidance for MOUs:**

- 1) MOUs should reflect the time distribution between the affiliate and the VAMC along with the percent of time available for research.
- 2) The local site can decide how to report the time – as % of effort, hours per week, calendar-months, etc.
- 3) One potential model, that provides a great deal of clarity, is to report the effort available for research as a percentage of the time at the affiliate, a percentage of time at the VAMC, and then as a proportion of the total professional effort between the two sites combined. (see example at end of this message)
- 4) It is suggested that the MOU not include specific salary figures as this causes it to appear as a contract that is promising a specific level of compensation. This is also problematic as salaries change at irregular intervals and might require updating the MOU.
- 5) The final signatory on behalf of the VA should be an individual who does not have a disqualifying financial interest in the affiliate.
  1. Investigators who plan to earn University salary under research grants that will fall under the MOU should not be VA signatories to the MOU.

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2. Additionally, while the VA official may have an in-name-only faculty appointment at the affiliate, the VA official should not be compensated by the affiliate.
3. Disqualifying compensation includes current and ongoing benefits of significant monetary value, including but not limited to wages, salary and other taxable benefits such as affiliate contributions to life insurance, disability insurance, retirement plans and subsidized tuition benefits for employee or family members.
4. Benefits that are not considered disqualifying compensation include:
  - a) General faculty benefits that are given to all faculty members by virtue of their appointment and that are not part of the individual's particular employment arrangement. These are usually of minimal value or are required by the faculty appointment, such as parking permits, library access, admissions to artistic and athletic events, access to online university resources, office space, and the like.
  - b) Royalties and other payments earned from patents or copyrights.
  - c) The use of titles and honorifics associated with faculty membership.
  - d) Benefits to which an employee had previously accrued entitlement during prior employment with the affiliated institution, such as funds within a retirement account. A benefit was previously accrued if its receipt is not contingent upon continued current association with the affiliate.
  - e) In addition, malpractice coverage for uncompensated clinical care duties is not considered disqualifying compensation for a clinician.
- 6) Local sites may choose to have the ACOS/R and/or the service chief also sign off on the MOU even though they have dual appointments and receive salary from the affiliate. Their signature on the MOU would reflect that they are aware of the terms of the MOU and would be clearly distinguished from the signatures of the parties to the MOU. They would not be considered the final signing authority on behalf of the VA and by their signatures would not be considered to be participating personally and substantially in the MOU.
- 7) VA employees are reminded that they may not represent the University back to VA or any other Federal agency on a matter in which the U.S. is a party or has an interest in the matter.

### References

#### NIH requirements for MOU

#### 17.3 VA-University Affiliations

Investigators with joint appointments at a VAMC (VA hospital) and an affiliated university must have a valid MOU that specifies (at both the university and the VAMC) the title of the investigator's appointment, distribution of compensation, the responsibilities of the proposed investigator, and the percentage of effort available for research at each institution. The MOU must be signed by the appropriate officials of the grantee and the VAMC, and must be updated

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with each significant change of the investigator's responsibilities or distribution of effort and, without a significant change, not less than annually. The joint VA/university appointment of the investigator constitutes 100 percent of his or her total professional responsibilities. However, NIH will recognize such a joint appointment only when a university and an affiliated VA hospital are the parties involved.

A grant application from a university may request the university's share of an investigator's salary in proportion to the effort devoted to the research project. The institutional base salary as contained in the individual's university appointment determines the base for computing that request.

The signature of the AOR of the submitting university on an application to NIH that includes such an arrangement certifies that

- the individual whose salary is included in the application serves under a joint appointment documented in a formal MOU between the university and the VA, and
- there is no possibility of dual compensation for the same work or of an actual or apparent conflict of interest.

Examples of templates (suggestions only, not required)

John Smith MD  
Affiliate University

Title: Associate Professor      Dept: Medicine

Responsibilities	% of affiliate appt	Proportion of Total Professional Effort
Research	50%	16.66%
Other	50%	16.66%
Total Affiliate U. (must = 100%)	100%	

VAMC  
Staff physician

Responsibilities	% of affiliate appt	Proportion of Total Professional Effort
Research	25%	
Other	75%	
Total Affiliate U. (must = 100%)	100%	

Total Affiliate University + VAMC (must total 100%)