Title: Effort Reporting Policy

Effective Date: August 1, 2023

Issuing Authority: Office of Research

Responsible Officer: Dean of Research

Scope

This policy applies to all individuals who commit and devote effort to a sponsored project administered by Gallaudet University and all individuals who certify the effort of individuals on those sponsored projects.

Policy Statement

The University is committed to ensuring the reasonable accuracy of effort statements completed in connection with sponsored projects. The University provides this assurance by requiring periodic effort statements (Effort Certification Statements, or ECS) for each individual whose salary is charged to one or more sponsored projects and/or cost sharing accounts during the effort reporting period and is devoting time to a sponsored project.

The University will follow the restrictions and requirements of Office of Management and Budget (OMB)'s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, known as the Uniform Guidance, as well as other applicable federal regulations with respect to certifying effort charged to federally sponsored projects. The University's practice is to utilize an after-the-fact effort reporting system to certify that salaries and wages charged to sponsored projects, including committed cost share, are reasonable and consistent with the work performed.

Financial penalties, expenditure disallowances, and harm to the University's reputation are among the consequences that could result from providing inaccurate effort certifications or failure to comply with the University's effort reporting requirements.

Reason for Policy

Effort reporting is a federal requirement. The government requires that institutions receiving federal funds for sponsored agreements maintain an effort certification process that complies with the requirements set forth in **Uniform Guidance Subpart E §200.430**.

Furthermore, federal and state agencies, private foundations, organizations, and industry provide significant funding to enable the University to conduct research, public service, and training projects. The University's effort reporting system assures these external sponsors that funds for the projects they sponsor are properly expended. All employees involved in certifying effort must understand that severe penalties and funding disallowances could result from inaccurate, incomplete, or untimely effort reporting.

Finally, sponsors and auditors must be able to verify that funds allocated for cost sharing have been provided. The effort reporting system is the mechanism the University uses to document cost-shared salary expenses

A. Definitions

- **Effort** is the time spent on any activity by an individual, expressed as a percentage of the individual's total University effort.

- **Effort reporting** is performed by completing an Effort Certification Statement (ECS), which documents the proportion of time devoted to sponsored projects, teaching, clinical practice, and other activities, expressed as a percentage of total University effort.

- **Effort certification** is the affirmation by the individual completing each ECS that the percentages of effort reported on the statement are accurate.

B. Frequency

1. **Faculty, staff, and post-doctoral associates**: ECS is generated five times a year within Workday for certifications every two months (October 1 - December 31; January 1 - February 28; March 1 - April 30; May 1 - July 31; and August 1 - September 30). These ECSs must be completed, certified, and submitted in accordance with this policy.

2. **Students**: ECSs are generated on the same timetable as for faculty/staff/post-doctoral associates. When certifying undergraduate, graduate student, or postdoctoral researchers, their effort represented should reflect only actual salary charged to an award and exclude stipends. These ECSs must be completed, certified, and submitted in accordance with this policy.

C. Effort Certification Statements

1. When completing an ECS, individuals must review the summary of payroll costing percentages on the effort statement and determine whether those percentages reasonably correspond to the percentages of the individual's actual effort on each project or activity.

2. When certifying the ECS, the basis must be how the individual's effort was expended for the reporting period. No other factors such as the availability of funds or the level of committed effort should influence the certification.

3. The completed effort statement must reflect all activities for which compensation is paid by the University. The total work effort expended cannot be more or less than 100%. Effort associated with non-sponsored University activities will be aggregated for the purpose of certification while committed sponsored effort will be certified at the account level.

4. The effort percentage must always be based on the total University effort, regardless of the total number of hours worked during the effort reporting period. For example, if a faculty member works an average of 50 hours per week during an effort reporting period and works an average of 10 hours per week on a particular sponsored project, the correct effort percentage for that project would be 20%.

5. In cases where a faculty individual is actively teaching and doing service in addition to sponsored research, their effort on sponsored projects should be reported as the percentage of time devoted to the sponsored project. If the faculty individual is 100% committed to the sponsored research project and does not do other work for the university, then the total effort may be assigned to the sponsored project as budgeted and approved by the funding agency. If a faculty member has administrative or other non-sponsor related responsibilities (including vacations) during the period for which they are requesting supplemental salary, they are precluded from devoting the maximum allowable effort to sponsored projects and cannot request the full 3 months of salary from sponsored projects.

6. In no case can the percentage of an individual's salary charged to a sponsored project exceed the percentage of the individual's total effort that is expended on the project during an effort reporting period. Significant changes to planned effort distributions should be made as soon as they are known. If, at the end of a certification period, the effort percentage reflected on the certification is not a reasonable estimate of the employee's actual effort, the percentage should be updated within Workday, which will trigger a payroll accounting adjustment. If changes will be needed going forward, a new costing allocation will be required in Workday to correct payroll accounting going forward.

7. If the percentage of total effort expended in an effort reporting period is less than the percentage of salary charged to the sponsored project, the salary charges must be reduced to reflect actual effort.

8. If the reduction in effort percentage on a grant is more than 25% (Example: faculty reduces effort from 20% to 10%, which is a change of 10% but a reduction of 50%), the Office of Research must be notified. When appropriate, the sponsor may also need to be notified with a request for approval.

D. Persons Responsible as Certifiers

1. The grant principal investigator (PI) certifies the effort statements of the research personnel working on his or her sponsored projects. If the PI does not have a suitable means of verifying their effort, they should not certify the effort statements and should contact the Office of Research to discuss how those effort statements should be completed.

2. Effort certifications should be completed within 30 calendar days from when ECSs are available. All approvals through the process indicate approval with the following statement:

   > *"In accordance with OMB Uniform Guidance, we are required to certify the effort of employees that have payroll charged to federal grants (including cost-shares). The effort percentage is calculated based on which programs/gifts/grants the employee's costs were charged to. Unless you have any questions or notice any errors, please sign the report to certify your effort on any grants worked on.*

   > *By signing, you are certifying that you have first-hand knowledge of (or have suitable means of verifying) that the changes to the distribution percentages reasonably represent the actual effort expended on each project listed for the period covered. You are aware that any false, fictitious, or fraudulent information may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section 1001)."*

3. Cost sharing describes the portion of a sponsored project's cost that is borne by the University rather than by the external sponsor. The effort not supported by the sponsor should be reported as cost sharing. It appears on the effort certification report as a grant that is labeled as cost-share. Any cost-sharing time should be checked for accuracy as part of the review of the overall effort identified in the certification report.

4. If for any reason the person completing the statement has questions or concerns about how the statement should be completed or certified, they should consult the

appropriate business administrator of their division, the Effort Certification administrator, and the University Research Compliance Director.

5. Should a grant PI be unavailable to certify his/her effort statement because of separation from the University or for other reasons, the Effort Certification administrator should be notified and will determine the appropriate steps to take to achieve meaningful certification.

Sanctions for Non-Compliance or Fraud

Violations may result in administrative and/or disciplinary actions in accordance with university disciplinary procedures and, without limitation:

1. If an ECS is not completed and returned in a timely manner, salary costs associated with uncertified grant activity may be removed and charged to a departmental account.

2. The Office of Research may suspend submission of any new proposals on behalf of a noncompliant PI, or inclusion of a noncompliant researcher in proposals, until effort reports are up to date and properly completed and certified.

3. Certification of effort statements that are known to be materially inaccurate may expose the individual who completed the reports to personal disciplinary action, including but not limited to sanctions under civil and criminal fraud statutes.

Roles & Responsibilities

Principal Investigator
- Complete the effort report within 30 days from the date of availability.
- Responsible for understanding the principles of accurate effort reporting.
- Must be aware of the level of effort committed to a sponsor in relation to all other professional activities included in total effort.
- Inform the Office of Research to request sponsor approval when the reduction in effort is greater than 25%.
- Identify situations where the salary representing the effort devoted to an award exceeds the actual percentage of effort devoted to the award.
- Request a change of effort on the ECS when inaccuracies exist.
- Must certify his/her own statement and should certify ECS of others working on his/her awards.
- Nine-month faculty receiving summer salary during the summer months must ensure that the effort was expended during the summer effort reporting period for which they were funded.
- Review, approve, and sign manual effort form templates if, for example, terminating employment with the University and the effort reports are not yet generated.

Effort Certification Reviewers
- Encouraged to review effort statements within the first 15 days of availability.
- Review effort statements for accuracy prior to releasing to the certifier.
- Ensure that sponsor-imposed salary caps are calculated, and appropriate salaries are recorded properly.
- Provide certifiers with a better understanding of effort reports and the effort reporting process.
- Make any necessary adjustments requested by the certifier to the ECS.
- Ensure that effort statements are completed and certified.
- Retain supporting documentation related to salary and effort distributions.
- Complete a manual effort form template(s) prior to the departure of a certifier from the University for those individuals for which the certifier is responsible to certify (including him/herself). Templates might be necessary if ECSs are not yet available for the reporting period.

Office of Research
- Review and approve University requests for reductions of effort as required by sponsor terms and conditions.
- Monitor and facilitate the effort certification process.
- Assist with questions regarding effort reporting principles and/or process.
- Work with Principal Investigator to request sponsor approval when the reduction in effort is greater than 25%.
- Review ECSs for compliance with university policy.