

EFFORT CERTIFICATION ON FEDERAL GRANTS

Effective 12-12-19

Purpose:

The purpose of this policy is to ensure that Benedictine University (University) complies with the Federal Office of Management and Budget (OMB) standards regarding the certification of effort on federally sponsored grants.

Summary:

University employees who work on federally sponsored grants, either paid by the grant or provided as cost sharing to the project, must certify their effort.

OMB provides the standards to which federal grants must conform in 2 CFR 220 “Cost Principles for Educational Organizations” and in 2 CFR 215 “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations.”

It is the responsibility of the individual employee to provide certification **once per quarter**. It is the responsibility of the Principal Investigator/Project Director to ensure that effort certification for all staff on his/her project remains current and effort expended match sponsor commitments and requirements and Benedictine University policies and procedures were followed.

Definition:

Effort is defined as the total professional activity for which the employee receives compensation from the university. These activities include teaching and advising students, University service such as committee meetings, and participating in research and scholarly activity.

1. Effort reports and payroll distributions are not the same. Payroll distributions are the distributions of an individual's salary, while effort reports describe the actual time and effort expended on specific projects, whether or not reimbursed by the sponsor.
2. Effort is defined as all professional activities encompassed by University appointments, without regard to the number of hours expended on those activities. 100% effort is not defined as a set number of hours per week (e.g., 40 or 50 hours per week).
3. The Effort report must represent, in percentages totaling 100%, a reasonable estimate of an employee's effort for the period being reported.
4. Effort reporting shall reasonably reflect the percentage distribution of effort expended by individuals involved in federally funded grants. These reports shall reasonably reflect the activity for which the employee is compensated.

Responsibilities:

1. Level of effort is part of performance reporting. As such, accountability will lie with the Principal Investigator/ Project Director (PI/PD) and their administrative reporting body. The Finance Office and the Grants Office shall be supporting bodies.
2. Each exempt employee whose time is committed to a federally sponsored project shall certify a completed effort report. Non-exempt employees whose time is committed to a federally sponsored project shall fill out a personnel activity report, which certifies their time worked on the federally sponsored project. Committed cost sharing, either voluntary or mandatory, must be included in effort reports.
3. The Grants Office is responsible for the distribution of all employee effort reports.
4. The Finance Office is responsible for the collection, and retention of all employee effort reports. Individually reported data will be made available only to authorized auditors.

Procedure:

1. When a PI/PD receives an award from an external sponsor, he/she will prepare a projected distribution of effort for the expected duration of the grant in consultation with the Grants Office. This will be based on the budget proposed to the sponsor. The Grants Office will provide this projection with the grant paperwork and budget to the Finance Office.
2. Each exempt employee working on federally funded projects during the academic year will be required to report at the end of Fall and Spring Semesters, no later than 30 days after the end of the Academic Semester. Exempt employees working on such projects during the summer will report at the end of Summer, no later than 30 days after Fall Semester.
3. The Grants Office shall provide a blank effort report to each exempt employee and a blank personnel activity report to every non-exempt employee working on a sponsored project(s).
4. Each employee receiving this form shall complete the actual percentage of effort for the given time period and submit the report to the Principal Investigator/ Project Director.
5. Verification: All employees must sign their own individual effort reports. In addition, the PI/PD must review and verify all effort reports associated with a sponsored project using suitable means of verification that the reported work was performed. If the PI/PD is the employee completing the effort report, a Department Chair or Dean must verify the report.
6. PI/PDs are required to keep a copy of the effort report in their internal grant records and return appropriately completed and signed effort reports to the Finance Office by the due date.

7. PI/PDs are required to notify Finance Office of any salary reallocations or adjustments resulting from time and effort reports to be made per the approved grant budget.

Calculating Effort:

The federal government recognizes that, in an academic setting, teaching, research, service, and administration are often inextricably intermingled. Effort calculation is based on the time necessary to fulfill 100% of activities for which an individual can be compensated, regardless of the number of hours worked. It is not based on a 40-hour work week or on a percent of appointment, however, the estimate of effort should be reasonable. In some instances, the amount of effort may exceed the budget. Salary expense associated with effort that exceeds the funds available in the budget is not charged to the award and is, therefore, considered voluntary uncommitted cost sharing.

Calculating Percent Effort:

The percent effort is calculated by dividing the individual's average amount of time spent on a sponsored project by the average amount of time the individual works in a week over the course of the semester.

Example: 10 hours of grant activity per week ÷ 40 hours per week = 25% effort

Example: 10 hours of grant activity per week ÷ 50 hours per week = 20% effort

Tips:

1. Exempt employee should not assume a 40-hour workweek. If your average week (including work done at home) is more than 40 hours, use the number that most accurately depicts your average effort.
2. Do not include temporary phenomenon such as sick days or snow days. Do include time such as long-term disability or time away under the Family Medical Leave Act.
3. The percent effort should reflect your effort over the entire semester, so brief periods of intense activity may typically be cancelled out by periods of lesser activity.