THE UNIVERSITY OF ALABAMA
Office for Research
Effort Reporting Policies and Procedures

General

To comply with federal requirements found in OMB Circular A-21 and the terms and conditions of our sponsored agreements, The University of Alabama requires certification of the percentage of time (i.e. effort) that each employee devotes to sponsored projects. The University's effort reporting system assures external sponsors that their funds are appropriately expended in that the portion of an individual's salary charged to a project it funds is no greater than the portion of the individual's effort spent on that project. The system also provides confirmation that the University is in compliance with requirements related to meeting commitments of effort proposed and included in funded agreements. Principal Investigators (PIs) and other faculty and staff paid from sponsored projects must confirm, after-the-fact, that salaries charged to sponsored projects are consistent with the effort that was contributed. All employees involved in certifying effort should be aware of the requirements and the importance of complying with them as funding disallowances, and occasionally penalties, are imposed on the University for inaccurate, incomplete or untimely effort reporting.

Policies and Procedures

- The University utilizes a web-based system, ERS (http://osp.ua.edu/effortreporting.html), for production of Certification Forms, control of access to those forms and certification of those forms.

- Review: The actual effort devoted to each sponsored project must be the determining factor in charging the appropriate salaries to those sponsored projects. While workloads may fluctuate during a certification period, it is not appropriate to charge a sponsored project for effort not spent on that project during that certification period. Salary charges should be reviewed throughout the certification period and throughout the life of each project. It is advisable, however, for budget personnel to do a final review of the salary charges, to ensure accuracy and to note the status of any retroactive PAs, prior to review and certification by the individual (PI or other faculty or staff paid from sponsored projects).

  1. 100% Effort: Each effort report is based on 100% of the individual's effort. The 100% includes all time spent conducting University business; excluding payments in excess of base salary for cross-department, intra-University consulting (must meet strict requirements, as found in OSP policies and procedures, http://osp.ua.edu/policy_procedures.html). Work performed by faculty while on vacation or during off-hours and that is part of the individual's University appointment/job duties is included in the 100%. For hourly paid positions, 100% effort consists of the total hours

worked, including overtime. For a student, 100% effort is the sum total of all hours worked in his/her appointment(s). For example, a graduate assistant who has two 25% appointments would spend approximately 50% of his/her effort on one appointment and approximately 50% on the other for a total of 100%.

2. Cost sharing: If a quantified cost sharing commitment is made in the proposal, either in the budget or in the narrative, at the time of the award it becomes committed cost sharing whether mandatory (required by the sponsor) or voluntary. If in the proposal there is a description of institutional commitment/support that is not quantified or quantifiable, it is not considered committed cost sharing and is not included in the effort reporting requirements. Voluntary Uncommitted Cost Sharing, University faculty (including senior researchers) effort that is over and above that which is committed and budgeted for in a sponsored agreement, is included in Non-Sponsored effort.

3. Variances: The federal government recognizes that measurement of effort cannot always be precise. The University's threshold for complying with the requirements while allowing for the imprecision involved is 5%. Actual effort, therefore, can differ from that on the effort certification by up to 5% without necessitating a correction. In addition, Voluntary Uncommitted Cost Share, as described above, is not included in sponsored effort.

4. **Corrections:** It is advisable for budget personnel to perform a prior review of the certification forms and, if inaccuracies are discovered, print the report, note the necessary changes and provide the report to the individual subject to certification. If a correction is necessary, the incorrect percentages are to be corrected in the "Actual Effort" column. If a correction is updating the certification form for a PA that has already been completed and sent to payroll, that PA should be referenced on the report in the Comment section before submitting and accepting changes (e.g. "Please see superceding PA dated 11/16/01."). Otherwise, a superceding, retroactive PA should be processed and that action should be noted in the Comment section. C&G Accounting will follow-up to ensure any retroactive PAs are appropriately processed. The revised effort distribution will appear in ERS during the next certification cycle as a Recertification for the period affected. **On-line correction to effort distribution is not yet available in ERS. If a correction is needed, please follow the instructions found at http://osp.ua.edu/effortreporting.html ,** *Procedures for Correcting Effort Reports,* **until further notice.**

- Certification:

  1. Who: Submitting and Accepting the Certification Form confirms that effort, as certified, reasonably represents the effort expended by the employee during the certification period. Effort reports must be certified by the PI or employee (i.e. Faculty and Staff) or by an individual having suitable means of verification for the individual's effort for the period. PIs are considered to

have suitable means of verification for the efforts of their students and, therefore, certify the effort of their students. Other employees should certify their own effort or must provide written documentation regarding the distribution of their efforts to the individual performing the certification.

2. How: The effort reports must be certified online. Once certified, changes to the effort report require that the Effort Administrator re-open the certification so the report can be recertified.

3. When: Faculty on 9 month appointments will certify effort on a semester basis (Spring, Summer and Fall). Spring certifications will be included in the certification period 1/1-6/30 and Fall certifications will be included in the certification period 7/1-12/31. Spring and Fall certifications will exclude summer pay (5/16-8/15), which will be included in a separate certification just for 9 month Faculty. Other certifications will be based on the 6 month periods 1/1-6/30 and 7/1-12/31.

- Timing of Certifications: The following procedures are intended to result in submission of certifications to C&G accounting within 90 days of the end of the certification period. Extenuating circumstances, as determined by C&G, may necessitate deviations from the schedule outlined below.

1. Salary charges should be reviewed throughout the certification period and throughout the life of each project. Special attention should be paid during the two weeks immediately after the certification period to ensure any previously overlooked changes or corrections are addressed. Any necessary retroactive PAs must be submitted to Payroll by Payroll's deadline for processing transactions that month (typically between the 15th and 20th of the month).

2. Salary data will be obtained from the Payroll system at the beginning of the second month after the certification period ends. Email notifications will go out and ERS will be open for certification of the period on or around the 15th of the second month after the certification period ends (e.g. for the period ended 12/31, ERS should be available on 2/15). Summer payroll data will be obtained once the period for prior fiscal year adjustments to payroll data is over and ERS will open and notifications will go out on or shortly after October 15th.

3. Effort should be certified within 21 days of notification that ERS is open for the period. For certification forms not completed within that time frame, a reminder will go out to the individual and the departmental effort coordinator (budget personnel).

4. No more than 7 days after the reminder, late certifications should be completed. Subsequent reminders may also include the Department Chair or Unit Director the Dean or another appropriate supervisor.

5. Extenuating circumstances that may result in delays in certification should be discussed with C&G Accounting as soon as they are discovered. Absent extenuating circumstances, the Director of the Office for

Sponsored Programs may elect to suspend expenditure activity on any grant for which appropriate certification has not been completed within 45 days of the initial notification (described in 2, above).

Other Resources and Information

- Effort Reporting at UA, http://osp.ua.edu/effortreporting.html
- Office for Sponsored Programs and Contract and Grant Accounting Policies and Procedures, http://osp.ua.edu/policy_procedures.html
- Office of Management and Budget (OMB) Circular A-21 http://www.whitehouse.gov/omb/circulars/index-education.html