



Downstate Health Sciences University
Office of Research Administration

The Research Foundation for SUNY
Policy and Procedure

Subject: Effort Reporting / Documenting Effort on Sponsored Projects

Effective Date: February 26, 2015

Issued By: The Office of Research Administration (ORA)

Responsible parties:

- Principal Investigators
- Researchers
- Department Administrators / Departmental Proxy Certifier
- Deans / Department Chairs
- Office of Research Administration staff
- RFCO – Research Foundation Central Office

Background:

Federal regulations require charges to Federal awards for salaries and wages be reasonable in relation to the work performed. These charges must be documented in records that meet the standards of documentation set forth in the regulations and must reflect a system of internal controls that ensure the charges are accurate, allowable, and properly allocated.

Compensation must be reasonable and conform to the University's written policies and be consistently applied. Compensation charges to sponsored projects may be made initially based upon the planned or estimated workload, provided that such estimates reasonably approximate the activity expected to be performed. This is typically identified in the grant application. The actual effort of each individual working on sponsored projects must be monitored, with charges modified as necessary based on variances between the estimated and actual effort.

Significant changes in effort during the year, defined as material changes with a duration of greater than two months, should be reflected in the individual's payroll distribution at the time the change occurs. Changes can be made by submitting a revised IFR (State personnel) or an Employee Change form (RF personnel). Short term (such as one or two months) fluctuation between workload categories need not be considered provided the overall distribution of salaries and wages is reasonable over the longer term.

Institutional Base Salary is the amount of one's base pay plus additional academic administrative appointments (if applicable) and '*guaranteed*' also receives. Guaranteed applies to a period of one-year

or longer. This includes, where applicable, teaching, service, research and clinical trial activity. This does not include other types of clinical activity, i.e., patient care and treatment services provided to patients. IBS *does not include* bonuses, one-time payments or 'non-guaranteed' also-receives. Also excluded from IBS is salary paid directly by another organization and income that an individual is permitted to earn outside of Downstate's responsibilities.

Effort is the proportion of time spent on any activity, expressed as a percentage of the total professional activity for which an individual is employed by Downstate and receives an IBS ("Total University Effort"). (Some sponsors, such as NSF and NIH, require that effort be expressed in person-months in grant proposals, but the concept is the same – i.e., three person-months for an individual with a 12-month appointment represents 25% effort.) Total University Effort is defined in terms of actual effort. It is not defined based on a standard number of hours in a week, month, or year. For example, if an investigator works 80 hours in a week in fulfilling his or her Institutional Base Salary obligations, then 40 hours represents 50% effort. The Total University Effort cannot exceed 100%.

Reason for the Policy:

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"), 2 CFR § 200.430, provides the framework for documentation that is required to support charges of compensation for personal services to sponsored projects.

The process of completing the effort report also affords an opportunity to consider whether the effort expended in support of a project is consistent with the effort required by the sponsor or committed by the Principal Investigator.

General Responsibilities:

Principal Investigators / Department Administrators or Department Proxy's:

- Understand and apply the federal and state government regulations, along with University and RF requirements for effort reporting
- Monitor the charging of salary on sponsored agreements to ensure appropriate costing criteria is applied
- Communicate with ORA HR to ensure accurate and timely processing of labor distribution adjustments and the appropriate allocation of salary costs.
- Notify HR of any significant changes in effort throughout the year by providing a 'revised' IFR or Employee Change form.
- Review and approve appropriate documentation to ensure that charges to Sponsored Projects are consistent with the effort devoted to those projects.
- Report effort for themselves and all other personnel s/he is responsible for timely and accurately.

Downstate Health Sciences University
Office of Research Administration

- Ensure that all information reflected on the effort statement (i.e., either through direct charge or cost sharing) is accurate and reasonable in relation to the work performed and make any changes, as applicable.
- Ensure that the University's accounting records are consistent with certified effort by completing cost transfers and documenting cost sharing

Deans / Department Chairs

- Understand and apply the federal and state government regulations, along with University and RF requirements for effort reporting
- Review the establishment of salary charges, cost share and committed effort on sponsored program applications/agreements to ensure reasonableness in relation to the project scope of work
- Review faculty appointments and annual salary
- Assist in ensuring necessary adjustments to salary allocations are properly documented and completed in a timely manner.
- Assist in ensuring that effort reports are completed in a timely manner.
- Maintain effective internal processes and take corrective action with uncertified effort/delinquent effort statements and the falsification of information on the effort statement

Office of Research Administration

- Understand and apply the federal and state government regulations, along with University and RF requirements for monitoring effort reporting and salary compensation
- Provide campus oversight for the effort statements by assuring their accurate and timely coordination, distribution, and collection
- Assist PIs with the negotiation of effort levels with sponsors, when applicable
- Develop and monitor all policies, procedures and training regarding compensation as it pertains to sponsored projects
- Maintain effective internal processes to ensure the accurate and timely processing of labor distribution adjustments and the appropriate allocation of salary costs across various sponsored accounts
- Maintain effective internal processes to ensure compliance with effort reporting certifications and escalate to Deans/Chairs and SVPR as appropriate
- Support audit and other inquiries regarding the University's effort reporting process.

Research Foundation Central Office

- Maintain and support ECRT system
- Supports audit and other inquiries regarding the University's effort reporting process

Policy:

All personnel working on a Federal, Federal flow-through (i.e. subaward from a prime entity that received a federal award) or State award must certify their effort semi-annually for salary charges applied as a direct charge to a sponsored award or an associated cost-share award. The effort report summarizes the proportion of work time devoted to sponsored projects and 'other institutional activities.' This total effort, and any necessary adjustments, must reasonably reflect the effort expended and is accurate, allowable and properly allocated.

This is an after-the-fact review to ensure that the salary amounts charged to the award reasonably reflect the effort expended. It is the PIs or the department proxy's responsibility to certify effort reporting statements and timely in the e-Cert system. Timely corresponds to shortly after receiving notification from the e-Cert system that an effort report is due.

Any PI can assign a department proxy by communicating this to HR. A department proxy has the same responsibilities of the PI in this regard. They are responsible for certifying the effort of everyone on the award(s) and they must have a reasonable basis and suitable means of verification for review of the individuals.

PLEASE NOTE: It is important to understand the distinction between *payroll* distribution and *effort* distribution. Payroll distributions reflect the allocation of an individual's salary, while effort distributions reflect the allocation of an individual's effort to individual projects independent of salary.

The RF's effort reporting process relies on payroll distributions to provide information regarding the projects to which an individual's salary was provisionally charged during the reporting period. University policy requires that such provisional charges must be monitored on a regular basis, with adjustments processed on a timely basis to reflect significant variations in effort. It is important, therefore, that material changes in effort are routinely communicated and recorded with the Office of Research Administration HR, by submitting revised IFRs and/or Employee Change forms.

The provisional salary allocation information as reflected on the effort report may not in all cases be consistent with the percentage of effort expended on various activities. For example, a recent change in effort may not as yet have been communicated to HR and/or reflected in the accounting system at the time that report is generated. It is the responsibility of individuals completing the annual effort report to report actual effort percentages, whether or not those percentages agree with the salary allocation percentages pre-printed on the report and to ensure that any necessary corrections are recorded in the University's accounting system by submitting either IFRs or Employee Change forms timely. When such corrections result in the need to reduce the charge to a sponsored project, they are mandatory, and therefore always permissible. Corrections which have the effect of increasing the charge to a sponsored project are subject to review by the Deans office and the Grant Manager in Sponsored Programs Administration.



[Downstate Health Sciences University](#)
[Office of Research Administration](#)

Under certain circumstances, the percentage of total effort devoted to a sponsored project may exceed the percentage of salary provisionally charged to the project. This may occur, for example, where there is a commitment of cost sharing, whether mandated by the sponsor or voluntarily committed by the Principal Investigator. It may also occur where there are limitations on the rate of salary that may be charged to a project, as in the case of the National Institutes of Health (NIH) salary cap.

Those who complete effort reports should be aware of these conditions and ensure that the certification reflects actual effort expended on commitments, whether or not the percentage of effort corresponds with the provisional allocation of salary.

The completed effort report should reflect all activities, including any administrative or other responsibilities of the individual, conducted under the terms of an individual's employment at Downstate for which s/he receives an IBS.

Related Policies:

[OMB 2 CFR Part 200 et al.](#)

[RFSUNY Effort Reporting Policy](#)

Tools:

[Report Center](#) (monitor salary charges against an award)

[Training Materials](#)

[Quick Reference Guide](#)

Related Forms :

IFR

Employee Change form

Employee Assignment form