

Policy 1315

Effort Reporting: Certifying Effort on Sponsored Projects

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Scope

This document sets forth the University's policy on certification of effort expended on sponsored project awards administered by the University. It applies to all individuals whose salaries are charged to sponsored projects, in whole or in part, and to all individuals involved in certifying the effort of other individuals.

Purpose of the Policy

The purpose of this policy is to ensure that effort certifications completed in connection with University sponsored projects are accurate, reasonably reflect the actual level of effort expended on a sponsored project, and comply with sponsor requirements. As a condition of receiving sponsored awards, the University must assure sponsors that the effort expended on their sponsored projects justifies the salary charged to those projects. In addition, the University must assure sponsors that the commitment indicated (including mandatory and voluntary committed cost sharing) in the proposal and subsequent award is met in accordance with the sponsor's terms and conditions. The University provides this assurance by requiring periodic effort reports for each individual whose salary is charged to one or more sponsored projects and/or cost sharing account during the effort reporting period. These effort reports indicate the percentages of the individual's total effort that are dedicated to the sponsored project(s) and other University activities, and require a certification that the reported effort percentages are accurate.

Each faculty member must be aware of his/her level of committed effort to sponsored projects, their ability to meet those commitments in light of any other University obligations they may have and to communicate any significant changes in level of sponsored projects effort to his/her respective business office. Please refer to [Policy 1316: Effort Commitment: Managing Effort Associated with Sponsored Projects](#).

Financial penalties, expenditure disallowances, and harm to the University's reputation could result from failure to provide accurate effort certifications or failure to comply with the University's effort reporting requirements. All individuals involved in the effort certification process are expected to abide strictly by the provisions of this policy.

Policy Statement

- The University is committed to ensuring that effort reports made in connection with sponsored projects are accurate.

- All faculty and staff who are involved in allocating salaries and wages to sponsored projects, managing sponsored projects, or completing effort reports are responsible for understanding the principles of accurate and timely effort reporting.
- 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.
- If the percentage of total effort expended in a given effort reporting period is less than the percentage of salary charged to the sponsored project during the period, the salary charges must be reduced to reflect actual effort.

Definition

Effort

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

Total University Effort

Total University effort (sometimes referred to as “total effort”) is the professional activity for which an individual is compensated by the University. Although the scope of total University effort may differ somewhat among faculty, the following table illustrates the kinds of activities that would typically be considered to be part of the total University effort of a faculty member:

Activities included in total University effort	Activities outside of total University effort
<ul style="list-style-type: none"> • Externally sponsored research (includes activities such as delivering special lectures about specific aspects of the ongoing sponsored project, writing reports and articles, participating in appropriate seminars, consulting with colleagues and graduate students, and attending meetings and conferences) • Departmental/University research (includes uncompensated participation in study sections, peer review of manuscripts, or unfunded effort on externally sponsored research) • Instruction / University Supported Academic Effort - Including presentations to students/trainee groups, mentoring trainees (unless specifically part of a sponsored project), and participation in resident training • Clinical Service Effort including activities for University’s Faculty Practice Plan & other affiliated hospitals • Administrative Effort includes administrative activities (e.g., Department Chair, Program Director, service on institutional committees, department activities, faculty advisory boards, etc.) • Effort expended on preparing proposals for new competitive segments of sponsored projects • Special Service Effort on behalf of the University including institutional community service • Uncompensated service in external Professional Organizations and Societies related to one’s work 	<ul style="list-style-type: none"> • Consulting and other outside compensated professional work including service on Scientific Advisory boards or similar boards • Special activities resulting in payment of a bonus or other one-time extra compensation • Volunteer individual community or public service • Other activities over and above or separate from assigned responsibilities in the primary position, including serving as a primary editor of a journal • Veterans Administration Hospital compensated activities documented in an Memorandum Of Understanding (MOU) even if paid through University’s payroll system

Effort Reporting

Effort reporting is the process by which the University determines and documents the effort expended on sponsored projects during each effort reporting period. The effort report form documents the proportion of time devoted to sponsored projects, teaching, clinical practice, and other activities, expressed as a percentage of total University effort. The denominator of the effort percentage must always be total University effort, irrespective 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%.

Payroll or Salary Allocation

Payroll or salary allocation is the process of assigning salary charges to sponsored projects and other University activities. Payroll allocations and effort allocations are not the same thing. If a payroll allocation to a sponsored project during an effort reporting period exceeds the percentage of effort expended on the project during the period, the payroll allocation must be reduced to the level of the effort actually expended, based on the effort report.

Effort Certification

Effort certification is the affirmation by the individual completing each effort report form that the percentages of effort reported on the form are accurate. Knowingly signing an inaccurate effort certification is a serious violation of University policy, as well as potentially a violation of civil and criminal fraud statutes.

Policy Sections

1315.01 Proposing Effort and Requesting Salary Support

Levels of effort proposed in any sponsored project application should be consistent with the actual effort that each individual is expected to expend on the project during the relevant project period(s). The amount of salary support requested should normally be determined by multiplying the proposed level of effort by the individual's Institutional Base Salary.

For proposal purposes, proposed level of effort must be expressed in accordance with sponsor requirements. Some sponsors require that level of effort be proposed in terms of person months (e.g., example, three person months of a 12-month appointment). Other sponsors expect the proposed level of effort to be expressed in percentage terms (e.g., 25% of total effort). In either case, the requested salary support should normally be determined by multiplying the proposed level of effort by the individual's Institutional Base Salary. For example, if the proposed level of effort is 25% (or three months in a 12-month appointment), and the individual's Institutional Base Salary is \$100,000, normally the requested salary support would be \$25,000 per year.

In some cases, the amount of requested salary support may be less than this amount (see below). In no event should the requested salary support exceed the amount determined by multiplying the proposed level of effort by Institutional Base Salary.

In general, an individual's Institutional Base Salary (IBS) includes all amounts paid to the individual by the University as compensation for services rendered. There are certain elements of compensation, however, that are excluded from IBS. Refer to [Policy 1311: Institutional Base Salary for Sponsored Projects](#).

Some sponsors, most notably NIH, impose limitations on the amount of IBS that may be used as a basis for charging salary to their projects. Where such limitations apply, the requested salary support is determined by multiplying the proposed level of effort by the maximum IBS allowed (e.g., the NIH salary cap). Refer to [Policy 1311: Institutional Base Salary for Sponsored Projects](#).

In certain circumstances the University may elect to request salary support that is less than the salary support that could be requested based on proposed level of effort. Refer to [Policy 1306: Cost Sharing on Sponsored Projects](#). Nevertheless, the total amount of effort committed to the project must be provided and ultimately certified.

Sponsors generally consider estimates of effort (and corresponding salary requests) in project proposals to be commitments if such proposals are subsequently awarded. Refer to [Policy 1316: Effort Commitment: Managing Effort Associated with Sponsored Projects](#). Principal Investigators and other key personnel for whom such commitments have been made are responsible for ensuring that the commitments are met. The effort levels reported in effort reports can be a source of information on that subject, but ultimately the responsibility for meeting the commitments lies with the individual.

1315.02 Establishment of Salaries on Sponsored Project Accounts

Salary distribution consistent with the projected effort should begin on sponsored projects accounts concurrently with actual project effort. It is each faculty member's responsibility to be aware of his/her level of effort and to communicate any significant changes in level of effort to his/her respective business office to ensure that salary distributions are reviewed and updated, if appropriate, on a timely basis. Refer to [Policy 1316: Effort Commitment: Managing Effort Associated with Sponsored Projects](#).

1315.03 Completion and Certification of Effort Reports How to Complete the Effort Report Form

On a regular basis (every six months and separately for 9-month faculty with summer compensation) an effort report form will be generated from the University's effort reporting system for faculty, managerial and professional, clerical and technical staff, and post-doctoral associates whose compensation was charged in whole or in part to a sponsored project during the respective effort period. These effort report forms must be completed, certified, and submitted in accordance with this policy.

Similarly, for graduate students, effort reports will be generated based on spring and fall academic term with an additional summer reporting period from the University's effort reporting system. These effort report forms must also be completed, certified, and submitted in accordance with this policy.

The effort report forms will contain data indicating the percentages of the individual's University salary that were allocated to sponsored project accounts and other University activities. These salary allocation percentages are not effort percentages; they are provided solely for informational purposes.

Certifiers are expected to review the payroll distribution percentages on the effort report form, and determine whether those percentages reasonably correspond to the percentages of the *individual's actual effort on each project or activity* recognizing that within an academic setting, teaching, research, service, and administration are often inextricably intermingled. If salary percentages reflect the actual effort, the person completing the form (certifier) should certify the effort report form in accordance with University procedures.

If the salary allocation percentages on the form do not correspond to the percentages of the individual's actual effort on the listed projects or activities (or other projects or activities that may not be listed), the person completing the form should indicate in the "Actual Effort %" column the actual percentages or effort on each listed or unlisted project or activity. The person should then certify the effort report. (See [Procedure 1315 PR.04: Effort Reporting Using the Effort Reporting System \(ERS\)](#) for additional instructions in completing an effort report.)

When certifying the effort report form, the criterion to be used is how the individual's effort was expended for the reporting period. Factors such as the availability of funds should not influence the certification of an effort report form.

The completed effort report must reflect all activities for which compensation is paid by Yale University. The total work effort expended cannot be more or less than 100%.

Most faculty members are engaged in teaching, administrative and other duties in addition to their work on sponsored projects. Accordingly, unless the circumstances of a particular faculty member demonstrably warrant otherwise, the total effort and salary of a faculty member should normally not be assigned to sponsored projects in a given effort period.

If for any reason the person completing the form has questions or concerns about how the form should be completed or certified, s/he should consult the appropriate business administrator of their department, the Effort Reporting System Central Administrator, and the University Research Compliance Officer, if necessary.

Who can certify Effort Reports?

Faculty members are required to certify their own effort reports.

A PI should certify the effort reports of the research staff working on his or her sponsored projects.

However, upon the PI's written designation, a Laboratory or Project Manager/Director, using a suitable means of verification that the work was performed, may certify effort reports for research staff.

Note: Any covered individual may sign his/her own effort report. The individual is expected to fully understand his/her funding and level of effort committed to each sponsored project.

Generally, a department research administrator or business manager will not have after-the-fact knowledge of an employee's Total Work Effort and should not certify the effort of research staff unless they have such written after-the-fact confirmation from an individual having direct knowledge.

In accordance with the Procedures on Effort Reporting, faculty and other employees are responsible for completing effort certifications within 60 calendar days from the time that effort report statements are available for certification.

In the event of extraordinary circumstances where a faculty member is unavailable to certify his/her effort report, the Associate Vice President for Research Administration or his/her designee should be notified and the Associate Vice President for Research Administration will determine the appropriate steps to take to achieve meaningful certification.

1315.04 Summer Effort/Salary for Faculty with 9-Month Academic Appointments

Faculty compensated for 9-month academic appointments are permitted to expend up to an additional three months of summer effort on one or more sponsored projects in the period beyond the academic year (i.e., during the summer research period) and earn up to three months of additional salary for that effort, subject to sponsor policies and the approval of the department chair and dean/provost.

If a faculty member has administrative or other non-research responsibilities (including vacations) during the summer period, they may be precluded from devoting 100% effort to sponsored projects and thus from requesting 3 months of salary from those sponsored projects. Refer to [Policy 1316: Effort Commitment: Managing Effort Associated with Sponsored Projects](#).

The provisions of this policy relating to the reporting and certification of effort apply fully to the reporting and certification of summer effort. Specifically, charging summer salary to one or more

sponsored projects implies that at least a commensurate amount of effort has been expended on those projects during the summer effort period. Faculty who receive summer salary from sponsored projects must certify to the effort expended on those projects **during the summer effort period**. Effort expended during the academic year cannot be counted for this purpose.

1315.05 Salary Reallocations & Recertification

Salary reallocations made as a result of the effort certification process must be made in accordance with University policies and procedures on salary reallocations and cost transfers.

Once certification of salary has been completed, only in rare circumstances will subsequent salary adjustments be permitted. If it is necessary to adjust the salary charges for a previously certified effort period, documentation must provide a detailed explanation of the need for the salary adjustment and subsequent recertification. This documentation must be approved by the Principal Investigator and the Department Chair, and be submitted to the Associate Vice President for Research Administration for approval. If approved, a certification of the effort period and an appropriate salary reallocation is then required. A salary reallocation that benefits the sponsor will always be approved.

1315.06 Sanctions for Non-compliance

Failure to follow the provisions of this effort reporting policy may subject the individuals and departments responsible for the violation(s) to administrative and/or disciplinary actions in accordance with University disciplinary procedures and the judgment of management. Specifically, and without limitation,

- i If effort reports are not completed and returned in a timely manner, salary costs associated with uncertified grant activity may be removed and charged to a departmental account.
- ii GCA 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.
- iii Certification of effort reports that are known to be materially inaccurate may expose the individual who completed the reports to personal disciplinary action.

Related Information

[Policy 1316: Effort Commitment: Managing Effort Associated with Sponsored Projects](#)

[Policy 1311: Institutional Base Salary for Sponsored Projects](#)

[Procedure 1315 PR.04: Effort Reporting Using the Effort Reporting System \(ERS\)](#)

[Policy 1306: Cost Sharing on Sponsored Projects.](#)

[OMB Circular A-21](#)

Contacts

Subject	Contact	Phone
Effort Certification	Grant and Contract Financial Administration	436-2864

Roles and Responsibilities

Principal Investigator/Faculty

- 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
- When appropriate, request sponsor approval for reductions in effort greater than 25%.
- Identify situations where the salary representing the effort devoted to an award is more than the actual percent of effort devoted to the award.
- Change the effort report when inaccuracies exist.
- Must certify his/her own form and should certify effort reports of others working on his/her awards.
- In accordance with [Procedure 1315 PR.04: Effort Reporting Using the Effort Reporting System](#), complete the effort report within 60 days from the date of availability.
- 9-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.

Business Office Personnel

- Encouraged to complete Pre Review of effort reports within the first fifteen days of availability.
- Review effort reports for accuracy prior to releasing to the certifier.
- Ensure that sponsor imposed salary caps are calculated and appropriate salaries are recorded properly.
- Assist covered individuals with understanding effort reports.
- Make any necessary adjustments in labor distribution in accordance with the University's [Policy 1305: Cost Transfers Involving Sponsored Projects](#).
- Ensure that effort reports are completed and certified and in accordance with [Procedure 1315 PR.04: Effort Reporting Using the Effort Reporting System](#) .
- Retain supporting documentation related to salary and effort distributions.

Grant and Contract Administration

- Review and approve University requests for reductions of effort as required by sponsor terms and conditions.

Grant and Contract Financial Administration

- Notify the community regarding the availability of effort reports for certification.
- Monitor the effort reporting process.
- Assist with questions regarding effort reporting principles and/or process.
- Review effort reports for compliance with University policy.

Revision History

New policy. Was issued in the Draft form on 10/20/06.

Effort report frequency change; clarification of an appropriate certifier; updates corresponding to new effort reporting system. 9/10/08

The official version of this information will only be maintained in an on-line web format. Any and all printed copies of this material are dated as of the print date. Please make certain to review the material on-line prior to placing reliance on a dated printed version.
