
University of Wisconsin-Madison

The Basics of Effort Reporting

A printer-friendly version of material from the on-line course that faculty, academic staff, and principal investigators can take to satisfy the Effort Reporting training requirement

- For use as a study guide or reference
- Reading this document is not a substitute for taking the on-line course or attending an in-person training session

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1. Introduction

This course is designed primarily for the University of Wisconsin – Madison research community. It is mandatory for faculty and academic staff who work on sponsored projects, and for others who serve as principal investigators on sponsored projects. Administrators and other members of the campus research community may also find it useful.

The course was created by the office of Research and Sponsored Programs (RSP) at the University of Wisconsin – Madison. RSP is responsible for ensuring that the university's externally-funded projects are administered in a manner that complies with all applicable policies and regulations.

1.1. Course goals

The goals of this course are:

1. To explain the key principles of effort on sponsored projects
2. To communicate the requirements that apply in proposing, managing, and certifying effort on sponsored projects
3. To provide training in how to certify effort with the Effort Certification and Reporting Technology (ECRT) system

1.2. How this course is organized

The material is divided into ten chapters. After some of the chapters, there's a quiz. You must achieve a passing grade on the quizzes to complete the course. You can take each quiz as many times as you like.

Typically, it takes about an hour to complete this course. You are not required to do it all at once. If you stop before finishing, you can resume where you left off.

After this introduction (Chapter #1), the nine remaining chapters cover the following topics:

Chapter	Purpose
2. The basics of effort and sponsored projects 3. UW Effort and activities that are allocable to sponsored projects 4. Commitments to sponsored projects	Outline the fundamental principles of effort and commitments, which are based on federal policy, so you understand what's required of you when you certify effort
5. UW-Madison effort certification policies 6. Effort certification guidelines	Outline university policies regarding effort certification, and explain how to apply the fundamental principles of effort to your specific situation
7. How to certify your effort with ECRT 8. How to certify effort for your project staff with ECRT	Explain the mechanics of using the ECRT system to certify effort
9. Managing effort while working on your projects	Explain the intersection of effort

Chapter	Purpose
	commitments, actual effort, and salary charges during the lifetime of your project
10. Course wrap-up	Provide information about your next steps and where to go for assistance

1.3. Why is it important to know this?

Each year, the university receives millions of dollars from organizations, including the federal government, that sponsor research and other UW-Madison activities. As the stewards of those funds, it is our obligation to comply with federal and university requirements to certify faculty and staff effort on sponsored projects.

To certify effort accurately, we must understand some key principles that are stipulated by the federal government. Many universities have paid multi-million dollar fines for not certifying in accord with these principles. Currently, effort certification is a hot topic among federal auditors. A failure to propose, manage, and certify effort correctly could jeopardize the university's federal funding and lead to penalties for the university.

1.4. Coming attractions

Here are some of the key points you'll encounter in this course:

1. *Effort* is your work on a project, whether the sponsor pays your salary or not.
2. When you write yourself into a grant proposal, you are *committing* your effort to the sponsor.
3. If you reduce your effort, paid or cost-shared, on a federal grant by 25% or more, you must have agency approval. If you reduce your paid effort, you may choose to document cost-sharing so that the total effort does not decrease.
4. Many activities cannot be charged to a federally sponsored project. For example, the time you spend on these activities cannot be charged:
 - a. Writing a proposal
 - b. Serving on an IRB, IACUC or other research committee
 - c. Serving on a departmental or university service committee
5. If you work on a sponsored project, you must certify your effort.
6. Certifying *effort* is not the same as certifying *payroll*.
7. Certification must *reasonably* reflect *all* the effort for *all* the activities that are covered by your UW compensation.
8. Effort is *not* based on a 40-hour work week.
9. Effort must be certified by someone with a *suitable means of verifying* that the work was performed.
10. Any indication that certification was based on factors other than actual, justifiable effort is a red flag for an auditor.

1.5. A word about terminology

Strictly speaking, graduate students and postdoctoral researchers receive stipends rather than salary. In this course, the term **salary** is used to refer to both salary for employees and stipends for graduate students and postdoctoral researchers.

2. The basics of effort and sponsored projects

2.1. What is "effort"?

Effort is the time you spend on an activity, expressed as a percentage of all the time you spend on your UW job duties. Your UW job duties may include:

- Instruction
- Administration
- Research
- Clinical activity
- Service as a member of a committee or governance body
- Outreach to the community

A **sponsored project** is activity that is funded by a grant, contract, or cooperative agreement under which there is a scope of work, a specific budget, and specified terms and conditions. It requires detailed financial accountability and compliance with the sponsor's terms and conditions.

In this course we'll focus on effort associated with sponsored projects and the relationship of that effort to your non-sponsored activities.

2.2. What is effort certification?

If you work on a sponsored project, you're required to assure the sponsor that:

- You did, in fact, devote effort to the project at a level that corresponds with how you were paid from the project, and
- You've met your commitments of effort to the project, regardless of whether the sponsor provided salary support.

Effort certification is the university's means of providing this assurance to sponsors. To certify your effort, you'll review a statement that shows:

- The sources from which you were paid, and
- Your cost-shared effort on sponsored projects.

Your task is to make sure that the statement shows a correct distribution of your effort. This requires a good understanding of many things, including:

- Cost-shared effort
- Commitments to sponsored projects
- How to classify the things that you do, so you can sort them into buckets for the purpose of determining your effort distribution

In this course, the terms *effort certification* and *effort reporting* are used interchangeably.

2.3. Effort certification is not an exact science

Don't worry – you don't need to come up with a precise accounting of your time. Sponsors recognize that research, teaching, service, and administration are often inextricably intermingled.

Reasonable estimates are all that's expected. But there are some rules you must observe.

2.4. Certifying 100% of your UW effort

If you work on a sponsored project, what's important is the effort on that project *in relation to* your other effort. This leads us to the first rule:

You must certify 100% of your UW effort.

The next chapter explains what we mean by UW effort, as opposed to non-UW effort.

2.5. Effort is not based on a 40-hour work week

This is one of the most common misconceptions about effort on sponsored projects. Regardless of your appointment percent or the number of hours you work, your 100% effort equals all the activities for which you are compensated by the university – your **total UW effort**.

EXAMPLES

- If you have a quarter-time job, your 100% effort corresponds to everything you do for that job. So, for you, 0.25 FTE = 100% UW Effort.
- If you work 80 hours a week, your 100% effort corresponds to all the activities for which the UW compensates you during that time. Here, 80 hours = 100% UW effort.

This may seem counterintuitive, but it stems from cost accounting anomalies that would arise if 100% effort corresponded to a 40-hour work week *and you worked more than 40 hours in a week*. For example, let's say you devote 30 hours a week to sponsored projects and 30 hours a week to teaching. Under the traditional "40 hours equals 100%" rule, you're working 150%. If you divide your activity as 75% teaching and 75% sponsored research, then you've carved your 100% effort and related salary into more pie pieces than you have available.

If, alternatively, you were to charge 75% of your salary to sponsored projects and 25% to university funds, your compensation per hour of sponsored research is three times your compensation per hour of teaching. That's a disproportionate charge to sponsored projects because the amount of time spent on each activity was the same. This violates federal regulations that govern how the university charges a sponsor for salary expenses.

So, no matter how you slice it, cost accounting standards make it impossible to base effort on a 40-hour week.

2.6. Sponsored and non-sponsored activities

If you teach a class and work on a research project, you're probably aware that you can't charge your teaching time to your sponsored project. The time you spend on your research project is **sponsored activity**. Classroom instruction is an example of a **non-sponsored activity**.

Sometimes it's hard to know whether to classify an activity as sponsored or non-sponsored. For example, mentoring a graduate student is sponsored activity only if the mentoring is specific to a research project. Otherwise, it's instruction – a non-sponsored activity.

The federal government is very specific regarding the activities that are **allocable to sponsored projects**. This leads us to a second rule:

When determining your effort distribution, you must distinguish between activities that are allocable to sponsored projects and those that are not.

The next chapter provides more details about this.

2.7. Putting it all together

The diagram at the right illustrates the net effect of these two rules. In this diagram:

- The pie chart represents your UW effort – the activities for which you are compensated by the university.
- This pie is divided into *only two pieces*: the activities that are allocable to sponsored projects, and those that aren't.

If you work on multiple sponsored projects, you'll subdivide the non-sponsored piece into two or more slices – one per project. In short, effort certification is largely about being able to answer two key questions:

1. How big is your pie?
2. What's the relative size of the slices?



3. UW Effort and activities that are allocable to sponsored projects

This section contains some long lists. You don't need to memorize them, as they're posted for your reference on the RSP Web site. But you should understand the general principles regarding how to classify your work activities as well as some specifics we highlight along the way.

3.1. What counts as UW Effort?

Because you must certify 100% of your UW effort, it's important to know what counts as UW effort and what doesn't. The basic rule is:

Your UW effort includes all the professional activities for which you are compensated by the university.

Specifically, it includes the following:

- Externally sponsored research, including all activities that the federal government recognizes as allocable to sponsored projects
- Departmental and university research that is not funded by an outside source
- Instruction and university supported academic effort, including classroom teaching and resident training
- Administration, including your role as department chair, program director, or dean
- Service on institutional committees such as IRBs, IACUCs, and governance bodies
- Effort expended on preparing proposals for new or continuing sponsored projects
- Activities related to pursuing intellectual property
- Public service activities directly related to UW professional duties
- Outreach activities that directly relate to UW professional duties
- Paid absences, including vacation time and sick leave

When you receive compensation from someone else, the activity is *not* part of your UW effort. In addition, some other uncompensated activities do not count as UW effort. Specifically, the activities you **SHOULD NOT** count as part of your total UW effort are:

- Consulting outside of the UW
- Clinical activities for which you are compensated by the UW Medical Foundation
- Veterans Administration Hospital compensated activities, which are documented in a Memorandum of Understanding (MOU)
- Advisory activities for sponsors, such as service on an NIH study section or NSF peer review panel, regardless of whether you are compensated in any way
- Peer review of manuscripts, regardless of whether you are compensated
- Leadership in professional societies
- Volunteer community or public service not directly related to UW effort
- Lectures or presentations for which you're compensated by a source other than the UW
- Other special activities resulting in a payment of a bonus or other one-time extra compensation
- Activities over and above or separate from your assigned responsibilities in your primary position, including service as the primary editor of a journal

- Unpaid absences

3.2. Activities that can be allocated to a sponsored project

Your sponsored effort is part of your UW effort. When you certify sponsored effort, it's important to know what activities can be allocated to a sponsored project. The basic rule is:

A sponsored project can only be charged for activities that directly relate to the work of the project.

Here are some specific activities that can be charged to sponsored research:

- Directing or participating in any aspect of the research related to the specific project
- Providing clinical patient care to human research subjects as designated in an IRB-approved research protocol
- Writing a progress report for the project, sometimes called a **continuation proposal**
- Holding a meeting with lab staff to discuss the specific research project
- Activities *contributing to and intimately related to work under the agreement*, including
 - Participating in appropriate seminars
 - Consulting with colleagues about specific aspects of the project
 - Delivering special lectures about specific aspects of the ongoing activity
 - Attending a scientific conference held by an outside professional society to present research results
 - Reading scientific journals to keep up to date with the latest developments in one's field
 - Mentoring graduate students on the specific research project
- Making an invention disclosure, and some other activities related to pursuing intellectual property – as long as it is directly related to the project and the effort occurs within the project award period

3.3. Activities that cannot be allocated to sponsored projects

Here are some specific activities that *cannot* be charged to a sponsored project because they do not directly relate to the work of the project:

- Proposal-writing, except for non-competing continuations (progress reports); this includes:
 - Developing necessary data to support the proposal
 - Writing, editing, and submitting the proposal
- Administration, including service as a department chair or dean
- Instruction, office hours, counseling for students, and mentoring graduate students on something other than a specific research project
- Clinical activity, except patient care for an IRB-approved sponsored research activity
- Service on an IRB, IACUC, selection committee, or other similar group
- Course or curriculum development not specific to your research project
- Writing textbook chapters
- Fundraising
- Lobbying

In addition, work that falls outside of the definition of UW effort would not be allocated to a sponsored project. This includes:

- Service as the primary editor of a journal

- Peer review of manuscripts, regardless of whether compensation is received
- Advisory activities for sponsors, including service on an NIH study section or NSF review panel, regardless of whether compensation is received

3.4. Examples of specific activities and how to classify them

From the above lists, a few items deserve special mention:

Type of activity	How to classify it
Writing a proposal for a new sponsored project or competing continuation	You cannot charge a sponsor for your time spent doing this. You must count this as a non-sponsored activity. It falls under the heading of <i>administration</i> .
Mentoring students	When the mentoring is specific to a sponsored project, this is a sponsored project activity. When the mentoring is of a general nature, or specific to something other than the sponsored project, you cannot count it as a sponsored project activity.
Research patient care	<i>Only</i> the care that is described in an IRB-approved protocol, and that would not have been provided but for a specific research purpose, counts as sponsored activity. Patient care that is part of the normal standard of care <i>cannot</i> be counted as sponsored activity, even if provided to a research subject.
UWMF clinical activity	This is <i>outside of total UW effort</i> , because your compensation comes directly from the UW Medical Foundation rather than the university.
UW clinical activity	This is part of your total UW effort, because you are compensated directly by the university. But you cannot count it as sponsored project activity.

3.5. Effort that's too small to count

Activities that you do on an infrequent, irregular basis are sometimes "so small" that they cannot (and should not) be accounted for. In any calculations of effort, you can ignore these activities when they add up to less than one percent of your total UW effort.

Activities that may qualify as *de minimis* effort – depending on their nature and extent, and on the amount of time you devote to them relative to your total UW effort – include service on an ad hoc committee (like a search committee) and participating in department or division meetings.

In addition, some activities are *intrinsic to your daily routine* and not separate from your teaching, research, administrative, or other duties. Requesting your parking assignment, picking up your complimentary Madison Metro bus pass, and submitting a travel expense report are examples of such activities. Do not count these in a separate category of effort.

Grant proposal writing and well-defined, regular administrative or service activities cannot be considered "so small," and therefore don't qualify as *de minimis* effort.

3.6. True UW activities cannot be characterized as unfunded, volunteer, or weekend work

Activities that are closely associated with your UW professional duties must be reported as UW effort. Some of those activities are: proposal writing, instruction, university-related administrative duties, and service on committees. You cannot characterize them as "unfunded" or "volunteer" activities, or "weekend work," for which no UW salary is paid, because federal regulations prohibit this.

4. Commitments to sponsored projects

4.1. Three key terms: Cost sharing, cost-shared effort, and paid effort

Often, the sponsor pays all of the costs associated with a sponsored project. But sometimes the UW bears a portion of the costs. **Cost sharing** is the portion of the total costs that is borne by the UW rather than by the sponsor.

Cost-shared effort is any work on a sponsored project for which the university, rather than the sponsor, provides salary support. **Paid effort** is work for which the sponsor provides salary support.

Both types of effort are important in the effort certification process.

4.2. What is a commitment?

A **commitment** is the amount of effort you propose in a grant proposal or other project application, and that the sponsor accepts – regardless of whether you request salary support for the effort. Commitments are specific and quantified, and they generally are expressed in terms of a percentage of your work time over a given project period.

EXAMPLE

If you indicate in a grant proposal that you will devote 30% of your effort to the grant for one year, and request salary support for 10% of your effort, then:

- The effort commitment is 30%
- Paid effort is 10%
- The cost-shared effort is 20%

A commitment is an obligation that the university must fulfill. Commitments may be adjusted with the approval of the sponsoring agency.

4.3. For whom are effort commitments recognized?

Commitments are recognized and must be tracked for:

- the principal investigator/project director, and
- all co-investigators, and
- all persons identified as senior/key personnel in the grant proposal.

When the proposal does not explicitly list key persons, the university defines **key personnel** for the purpose of effort reporting as the principal investigator/project director and all co-investigators.

4.4. What statements in the proposal form the basis for commitments?

Requests for salary support and statements about cost-shared effort *in the budget or budget justification* become binding commitments when the university and the sponsor finalize the award agreement.

When effort proposed *in the project description or research plan* is specific and quantified, it also becomes a binding commitment at the time the university and the sponsor finalize the award agreement.

EXAMPLE

"Professor Jones will devote 10% of his time during the academic year to this project."

Even if Professor Jones is not mentioned in the budget or the budget justification, this statement represents a specific, quantifiable commitment to the sponsoring agency.

If a statement in the project description or research plan is not specific and quantified, such as "Professor Jones will provide some assistance as needed to the project," it does not become a binding commitment.

4.5. Limits on your total effort commitments to sponsored projects

No one can ever have commitments to sponsored projects that total *more than* 100%.

Your commitments to sponsored projects can add up to a full 100% *only if ALL* of your UW job duties can be allocated to sponsored projects. Faculty members generally have academic or administrative responsibilities in addition to their work on sponsored projects. Consequently, a faculty member's commitments to sponsored projects generally cannot total 100% for any consecutive 12-month period.

It is not against the rules for academic staff, classified staff, or postdoctoral researchers to be paid 100% from sponsored projects. There are a number of instances where this is entirely appropriate, given the individual's job duties. However, *everyone's* allocation of effort to sponsored projects must be reasonable in light of their non-sponsored university activities.

4.6. The PI's minimum commitment of effort to a sponsored project

An effort commitment is required of the principal investigator/project director (PI/PD) for every federal and non-federal sponsored project. This includes clinical trials and fixed-price agreements, where the commitment may not be stated explicitly. In such cases, the commitment is implicit in the reimbursement negotiated with the sponsor.

A PI/PD is responsible for the scientific, administrative, and financial management of a sponsored project. Fulfilling these responsibilities requires time. Therefore, for all types of sponsored projects except clinical trials, the PI/PD's minimum required commitment to the project is 1% of his or her effort.

If you are the PI on more than one clinical trial, your commitment to any one trial may be less than 1% as long as the sum of your commitments for all the trials represents a reasonable level of effort.

This policy doesn't apply for equipment and instrumentation grants, doctoral dissertation grants, or student augmentation grants. It does apply for the PI/PD on a training grant, but not for the faculty mentors (also known as preceptors or program faculty) as their effort will be assigned to the trainees' specific research projects.

5. The basics of effort certification at UW-Madison

This chapter makes several references to an **effort coordinator** – an individual who performs a new role in sponsored projects administration. An effort coordinator reviews each certification and assists faculty and staff with the process of certifying effort. The UW's colleges and schools (and some of the other divisions, like the Wisconsin State Laboratory of Hygiene) have identified individuals to serve as effort coordinators. Each effort coordinator has been trained to answer questions and support the certification process.

5.1. Whose effort must be certified?

Effort must be certified for all UW faculty, staff, students, and postdoctoral researchers who either:

1. Charge part or all of their salary directly to a sponsored project, or
2. Expend *committed* effort on a sponsored project, even though no part of their salary is charged to the project.

5.2. Who certifies for whom?

Effort must be certified by a *responsible person with suitable means of verifying* that the work was performed. This is a federal requirement. It is **Never** acceptable to circumvent this rule.

You must certify your own effort if you are any of the following:

- A faculty member
- An academic staff member
- A principal investigator (PI) on a sponsored project

Each principal investigator certifies the effort for the graduate students, postdoctoral researchers, and classified staff who work on his or her research projects.

Sometimes the PI doesn't have a suitable means of verifying the effort for all the people who work on a project – and someone else, like a lab manager, does. In such cases, the PI and the effort coordinator can work together to establish a **designee's** authorization to certify for project staff members.

Sometimes a staff person works on multiple projects for two or more PIs. In such cases, any one PI with suitable means of verifying *all* the effort can certify. Or, to collaborate in certifying the staff person's effort, the PIs can enlist the help of an effort coordinator.

5.3. When must effort be certified?

For classified staff, effort must be certified four times a year. For faculty, graduate students, postdocs, and all other staff, effort must be certified twice yearly.

Each time you certify effort, you do so for a specific **period of performance**:

- For classified staff, the periods correspond to calendar quarters.
- For everyone else, the two periods are: (1) January through June, and (2) July through December.

The time during which you certify effort is called the **certification window**. Each certification window begins a month or more after its corresponding period of performance.

Each time a certification window begins, you have 90 days to certify the effort for the corresponding period of performance. The certification window may be expanded for those periods that occur during the transition to the new Effort Certification and Reporting Technology (ECRT) system. The detailed certification calendar is published on the RSP Web site.

5.4. Recertification

If you think you have certified effort incorrectly, contact your effort coordinator to ask about **recertifying**.

Within the certification window, your effort coordinator can approve a request to recertify.

Once the last date of the certification window has passed, a subsequent recertification can call into question the reliability of the certification process. Therefore, your request must explain why the effort was erroneously certified, and why the requested change is more appropriate within the context of law, federal requirements, or University policies and procedures. Your written request will be reviewed by the Associate Vice Chancellor for Research Administration. Only in the most compelling of circumstances will it be approved.

5.5. How to certify effort

Use the Web-based ECRT system to certify effort for faculty, staff, postdoctoral researchers, and graduate students.

For student hourly workers, the timesheet serves as the mechanism for certifying effort.

ECRT cannot be used to certify the effort for some individuals. This includes:

- Faculty and staff with zero-dollar, zero-percent appointments
- Some faculty and academic staff members who have left the university and can no longer log in with a UW-Madison NetID

Chapters in this course describe how to certify with ECRT. If you cannot certify your effort with ECRT, contact your effort coordinator with questions about how to certify.

5.6. Certifying effort versus certifying payroll

Your **effort statement** shows, for a specified time period, the sources from which you were paid and the percent of your salary that was charged to each source. This payroll information is an important building block of the effort statement. But it's not the only thing you should think about when certifying your effort.

It would be a mistake to think of the effort certification process as "confirming that this is how you were paid by the university." Remember that when you certify effort *correctly*, you are providing an assurance to the sponsor that:

- The university's salary charges are reasonable, given the work that was performed, and
- Faculty and staff have met their commitments to sponsors, regardless of whether the university requested salary support for the effort.

For some people, this will require a change of mindset. The next chapter describes some things to consider when determining your effort distribution and certifying effort.

6. Effort certification guidelines

6.1. The Effort Statement

The image below shows an ECRT effort statement.

Project		Payroll	Cost Share	Computed Effort	Certified	Certify
Sponsored						
144-PJ81	WEAK DECAYS OF OXYGEN-14, CARBON-14, AND BORON-8	24.38	1.56	25.94	<input type="text" value="0"/>	<input type="checkbox"/>
144-LS81	WEAK DECAYS OF OXYGEN-14 AND BORON-8	0.00	0.00	0.00	<input type="text" value="0"/>	<input type="checkbox"/>
Sponsored Totals:		24.38	1.56	25.94	0	
Non Sponsored						
UWMSN-OTHER	All Non-Sponsored Effort	75.62	-1.56	74.06	<input type="text" value="0"/>	<input type="checkbox"/>
Non Sponsored Totals:		75.62	-1.56	74.06	0	
Grand Totals:		100.00	0.00	100.00	0	All None

The top half of your effort statement shows information about sponsored projects. Each line represents a project from which you were paid, or a project to which you might have devoted some cost-shared effort.

On the bottom half of your statement, all of your non-sponsored activities are lumped together on a single line. For the purpose of effort certification, finer detail about your non-sponsored activities is not required.

Reading across the statement, you'll see six columns:

1. **Project:** The account numbers and names for your sponsored projects, in the top half of your statement. In the bottom half you'll see *UWMSN-Other* and *All Non-Sponsored Effort* if you were paid from any sources other than sponsored projects.
2. **Payroll:** Your **payroll distribution** for the period of performance.
3. **Cost Share:** Cost sharing information for the period of performance. A positive number indicates your cost-shared effort on a project. A negative number indicates a source from which your salary was drawn to cover this effort.
4. **Computed Effort:** The sum of the payroll percentage and the cost sharing percentage from each line.
5. **Certified:** Empty text boxes in which you'll enter the numbers that represent your effort distribution.
6. **Certify:** Check boxes that you must check to certify your effort for each line on the statement.

6.2. How paid effort is represented on the effort statement

Each statement is specific to a period of performance. If the sponsor provided salary support for your effort on a project during the period, you will see a positive number in the Payroll column for the corresponding project. For the purpose of effort certification, *sponsored projects* include:

- Federal sponsored projects (fund = 144)
- Non-federal sponsored projects (fund = 133, EXCLUDING gifts)
- Hatch/McIntire-Stennis projects (fund = 142)
- Smith-Lever Extension projects (fund = 143)

If you received salary support from any source *other than* a sponsored project during the period, you will see a positive number in the Payroll column in the non-sponsored, bottom half of your statement.

6.3. Cost-shared effort and your effort statement

When you certify your effort, you must include your cost-shared effort *up to and including the amount of your cost sharing commitments*.

Mandatory cost sharing is required as a condition for proposal submission and award acceptance. This is part of your cost sharing commitment. The university tracks this in its grants management systems, and mandatory cost sharing is reflected in the Cost Share column on your effort statement.

Voluntary committed cost sharing is cost sharing that is not required as a condition for proposal submission. But once it is offered by the university and accepted by the sponsor, it is part of your cost sharing commitment. Starting in the spring of 2008, the university will track this in its grants management systems. Until then, it is not reflected in the Cost Share column on your effort statement. *To certify your voluntary committed cost-shared effort, you must add it to the amounts that you see in the pre-printed Cost Share column.*

6.4. Committed effort versus extra effort

Perhaps you've spent more time on a project than you were paid to spend. Or you've put in extra effort, over and above your cost sharing commitment. This is called **voluntary uncommitted cost sharing**. Any extra effort, above what is stated in the award agreement, is not required to be documented, tracked, or audited. You should not include it in the effort you certify for a sponsored project.

6.5. How to determine your effort distribution

Before certifying effort, you should determine your effort distribution. The steps in doing this are:

1. Consider all of your activities for the period of performance.
2. Determine which activities are allocable to your sponsored projects, and which are not.
3. Group your sponsored activities by project.
4. For each sponsored project, determine what percent of your effort *for the period* you devoted to the project. If you certify twice yearly, you can calculate this as follows:

(actual effort level) x (fraction of the six-month period during which the effort was devoted)

5. For your non-sponsored activities, determine what percent of your effort *for the period* you devoted to them in the aggregate. There's no need to break down non-sponsored activities by each source of funding.

Remember that effort certification is not an exact science, and you are not required to come up with precise numbers. Reasonable estimates are acceptable. The goal is to be able to explain your activities and so confirm, if asked, that your work justifies the salary charges and meets your commitments to sponsors.

6.6. Nine-month appointments and summer salary

Your 100% effort is based on the time *during which you are compensated by the UW*. So if you have a nine-month appointment and do not receive summer salary, your periods of performance are really January through May and September through December (practically speaking, if we ignore for a moment those days that spill over into August).

If you *do* receive summer salary, each month of summer salary just adds a month back to the corresponding period of performance.

EXAMPLE

If you have a nine-month appointment and receive summer salary for June only:

- Calculate your spring effort levels as percentages of six months (January through June) and your fall effort levels as percentages of four months (September through December).

6.7. Reasonable estimates and the degree of tolerance

Federal regulations allow for an acceptable variance between the *actual effort* for a sponsored project and the effort *as certified on the statement*. At the UW, this variance is defined as *five percentage points out of your 100% total UW effort*.

EXAMPLE

Your commitment to a project is 50% of your UW effort. And for a given effort period, 50% of your salary was charged to the project. Your effort statement reflects this. Therefore, it is permissible to certify 50% effort for this project *if your reasonable estimate of your actual effort is between 45 and 55 percent of your total UW effort*.

Why? Because faculty and staff don't complete time sheets, and are not required to keep track of their time to the minute or hour. So it's impossible for a certifier to say with absolute certainty that the 50% commitment was met, exactly, on the nose. The federal government expects only reasonable estimates of effort, and allows for a degree of tolerance in certifying effort. And, in fact, certifying this way is not only permissible but the recommended practice.

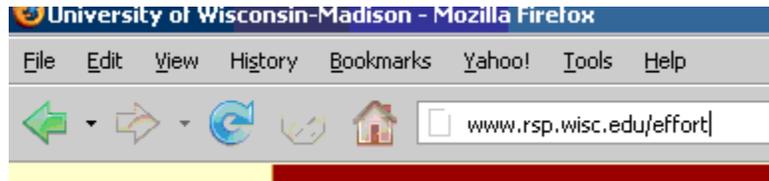
Assume for a moment that you are paid 100% from sponsored project funds and you have more than a de minimis amount of non-sponsored activity. Does the five percent rule justify certifying 100% of your effort as sponsored effort? The answer is no – it does not create headroom for non-sponsored activities up to five percent of your total UW effort. A certified effort report is your best reasonable estimate of how

you expended effort. Everyone acknowledges that an estimate may be slightly off. This is different from knowingly misrepresenting non-sponsored activities as sponsored effort.

7. How to Certify Your Effort with ECRT

Note: *You don't have to remember all of this.* When you're ready to certify, you can refresh your memory with on-line guides and demonstration videos – easily found from within ECRT itself.

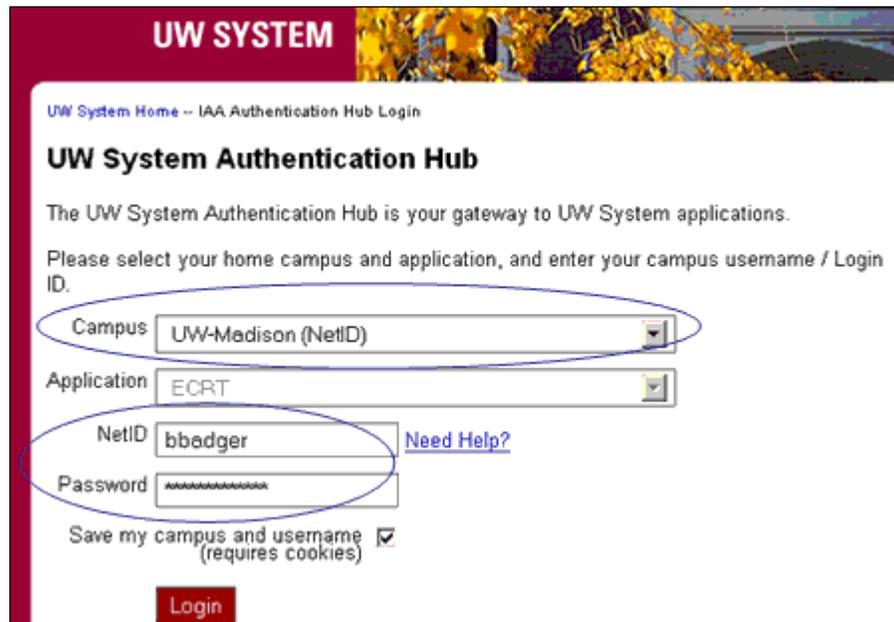
1. Open your Web browser and go to: **www.rsp.wisc.edu/effort**



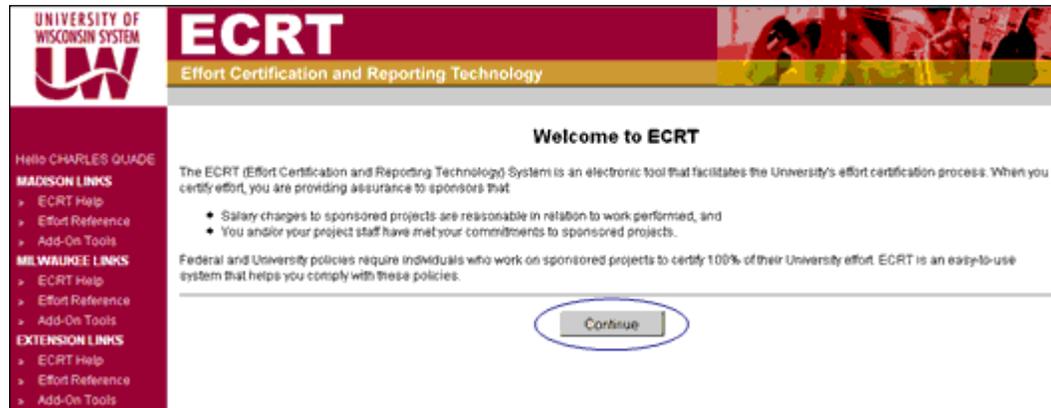
2. Click the button that says **Log Into ECRT**



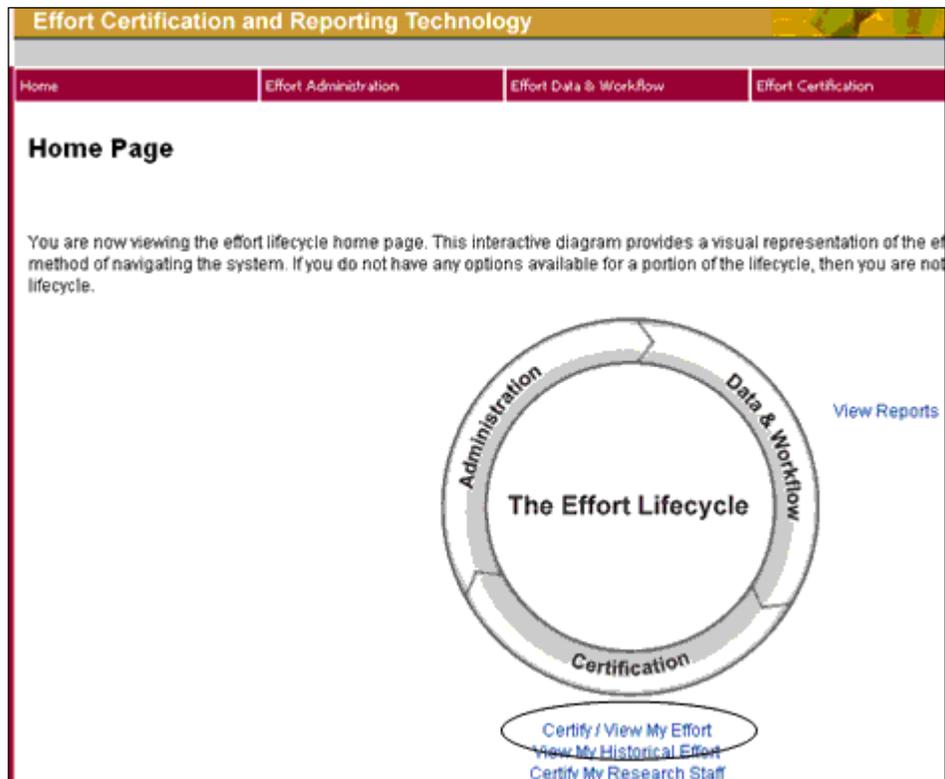
3. Choose "UW-Madison" from the **Campus** drop-down menu. Then, enter your **NetID** and **Password** and click **Login**.



- At the screen that says "Welcome to ECRT," click **Continue**



- On the ECRT Home Page, find and click the link that says **Certify My Effort**. It's at the bottom of the screen, near the center.



6. View your effort statement.

Project		Payroll	Cost Share	Computed Effort	Certified	Certify
Sponsored						
144-PJ81	WEAK DECAYS OF OXYGEN-14, CARBON-14, AND BORON-8	24.38	1.56	25.94	<input type="text" value="0"/>	<input type="checkbox"/>
144-LS81	WEAK DECAYS OF OXYGEN-14 AND BORON-8	0.00	0.00	0.00	<input type="text" value="0"/>	<input type="checkbox"/>
Sponsored Totals:		24.38	1.56	25.94	0	
Non Sponsored						
UWMSN-OTHER All Non-Sponsored Effort		75.62	-1.56	74.06	<input type="text" value="0"/>	<input type="checkbox"/>
Non Sponsored Totals:		75.62	-1.56	74.06	0	
Grand Totals:		100.00	0.00	100.00	0	All None

7. Determine your effort distribution for the period. Refer to Chapter 6 for guidelines on how to do this, taking into account your activities for the period and your knowledge of what can and cannot be allocated to sponsored projects.

8. Compare your effort distribution with the numbers in the **Computed Effort** column of the statement. For each sponsored project:

	Payroll	Cost Share	Computed Effort	Certified
WEAK DECAYS OF OXYGEN-14, CARBON-14, AND BORON-8	24.38	1.56	25.94	<input type="text" value="26"/>
WEAK DECAYS OF OXYGEN-14 AND BORON-8	0.00	0.00	0.00	<input type="text" value="10"/>
	24.38	1.56	25.94	36
All Non-Sponsored Effort	75.62	-1.56	74.06	<input type="text" value="0"/>

- a. If your effort percentage for any sponsored project differs from the number in the **Computed Effort** column by five percentage points or more, enter *your estimate of your actual effort percentage for that project* in the **Certified** column.
- b. Otherwise, enter *the number from the Computed Effort column* in the **Certified** column.

9. Enter a number in the **Certified** column for your non-sponsored effort, if you have any. The numbers in this column must total 100%.

Computed Effort	Certified
25.94	<input type="text" value="26"/>
0.00	<input type="text" value="10"/>
25.94	36
74.06	<input type="text" value="64"/>
74.06	64
100.00	100

10. Click the checkbox on each line of your statement.

Certified	Certify
26	<input checked="" type="checkbox"/>
10	<input checked="" type="checkbox"/>
36	
64	<input checked="" type="checkbox"/>
64	

11. Click the "Certify" button.

75.62	-1.56	74.06	64	<input checked="" type="checkbox"/>
75.62	-1.56	74.06	64	
100.00	0.00	100.00	100	All None

Save **Certify** Cancel

12. Read the text that begins with the words **I certify...** and determine whether you agree with the statement. If you do, click the **I Agree** button. If you don't, contact your effort coordinator for assistance.

ECRT

Effort Certification and Reporting Technology

Home | Effort Administration | Effort Data & Workflow | Effort Certification | Logout

Certify Effort

[Effort Card PDF Version](#)

I certify that the salary charged, including any salary transfers, and the effort certified this period reasonably reflect the work performed. I further certify that I am in a position that provides me with a suitable means of verification that the work was performed.

8. How to Certify the Effort for your Project Staff with ECRT

Note: *You don't have to remember all of this.* When you're ready to certify, you can refresh your memory with on-line guides and demonstration videos – easily found from within ECRT itself.

Start by navigating to the ECRT Home Page, as you did in Steps 1 through 4 in the previous chapter. Once you have done that, continue with the steps listed below.

- Find and click the link that says **Certify My Research Staff**. It's at the very bottom of the screen, toward the center.



- The next screen is a list of all the persons who (a) work on a sponsored project for which you are the PI, and (b) do not certify their own effort because they are graduate students, postdocs, or classified staff. Review this list to be sure it is correct, and contact your effort coordinator if it is not.

Certify My Researchers

The Certify My Researchers page allows a user to quickly view other users who are related to your work. For example, if you are a Principal Investigator, you will most likely see those people who are associated to your grants. If you are an effort coordinator or administrator, you will see those users associated to the department that you are coordinating.

For each person flagged with the Designee Icon, someone other than you is authorized to certify the effort for all of the person's projects.

When viewing a user's history, the historical effort card will appear in a smaller window. To return to this page, you may press the Esc button, click on the Close link in the upper right-hand corner of the window, or click anywhere in the gray area surrounding the historical effort card.

Please note that you can **sort the results** by clicking on any column header.

Designee	Certifier Name	Department	Certification Status
	BRODERICK MATTHEW - 11004488	A486700 MSNL&S/PHYSICS/PHYSICS	
	CLOONEY GEORGE - 99886655	A486700 MSNL&S/PHYSICS/PHYSICS	
	STREEP MERYL - 66445533	A486700 MSNL&S/PHYSICS/PHYSICS	

- Choose a person on the list, and click on the person's name.

Please note that you can **sort the results** by clicking on any column header.

Designee	Certifier Name	Department
	BRODERICK MATTHEW - 11004488	A486700 MSNL&S/PHYSICS/PHYSICS
	CLOONEY GEORGE - 99886655	A486700 MSNL&S/PHYSICS/PHYSICS
	STREEP MERYL - 66445533	A486700 MSNL&S/PHYSICS/PHYSICS

- A pair of links appears. One says **View Current** and the other says **View Historical**. Click the link that says **View Current**.

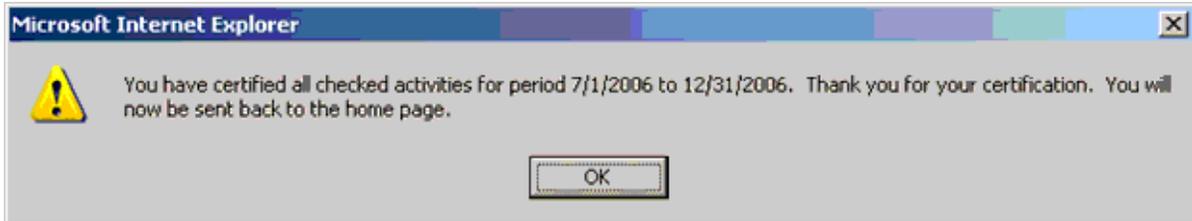
Please note that you can **sort the results** by clicking on any column header.

Designee	Certifier Name	Department
	BRODERICK MATTHEW - 11004488	A486700 MSNL&S/PHYSICS/PHYSICS
	View Current View Historical	A486700 MSNL&S/PHYSICS/PHYSICS
	CLOONEY GEORGE - 99886655	A486700 MSNL&S/PHYSICS/PHYSICS
	STREEP MERYL - 66445533	A486700 MSNL&S/PHYSICS/PHYSICS

The next seven steps are just like the ones for certifying your own effort. They are:

- View the effort statement.
- Determine the person's effort distribution for the period.
- Compare the effort distribution with the numbers in the **Computed Effort** column of the statement. For each sponsored project:
 - If the effort percentage for any sponsored project differs from the number in the **Computed Effort** column by five percentage points or more, enter *your estimate of the actual effort percentage for that project* in the **Certified** column.
 - Otherwise, enter *the number from the Computed Effort column* in the **Certified** column.
- If the person has any non-sponsored effort, enter a number in the **Certified** column on the corresponding line. The numbers in this column must total 100%.
- Click the checkbox on each line of the statement.
- Click the **Certify** button.

15. Read the text that begins with the words **I certify...** and determine whether you agree with the statement. If you do, click the **I Agree** button. If you don't, contact your effort coordinator for assistance.
16. When you click the **I Agree** button, a message box pops up. Click **OK** to dismiss the message.



ECRT takes you back to your home page. To certify the effort for additional project staff, start again with Step 5, above.

9. Managing effort while working on your projects

The emphasis thus far has been on preparing you to certify effort. Now we want to highlight some additional important issues. In this chapter we explore the interplay between your effort commitment, your actual effort, and your salary charges during your work on a project. Six key principles are:

1. You are required to fulfill your effort commitment for each sponsored project budget period.
2. During a sponsored project budget period, your actual level of effort may vary.
3. Except for short term fluctuations, your salary charges must be consistent with your actual effort.
4. If you wish to change your commitment, you must *always* document the change and in some circumstances you must obtain prior written approval from the sponsor.
5. If you maintain your commitment level and your actual effort but reduce your salary charges to the grant, you must document this increase in your cost-shared effort.
6. If you receive an award from the sponsor and the budget is significantly less than you proposed, you must decide how you will conduct the project and then confirm this with the sponsor – because the sponsor *does not assume* a proportional reduction of effort commitments.

This information is intended primarily for PIs, but the principles are important for all certifiers.

9.1. Effort variations within a sponsored project budget period

During the course of a sponsored project budget period, your level of effort may vary. This is acceptable, as long as you fulfill the overall commitment for the entire budget period.

EXAMPLE

If you have committed 30% of your effort to a project during a calendar year budget period, one way you could fulfill that commitment is by expending:

- 40% effort during the first six months of the year, and
- 20% during the last six months.

9.2. When does a variation in effort require an adjustment to the salary charges?

You must charge salary and certify your effort in a manner that is consistent with how you actually devote effort to the project. In the example above, where you work 40% in the first six months and 20% in the last six months – a perfectly acceptable way to fulfill the commitment – it would *not* be acceptable to:

- Charge salary at a constant 30% rate for the entire budget period, or
- Certify effort at a constant 30% rate for both of your six-month periods of performance.

However, **short-term fluctuations** of two months or less are acceptable. This would be an effort deficit of not more than two months, provided that the catch-up occurs within a comparable period and it all evens out.

9.3. When does a change in effort require prior approval from the sponsor?

The rules depend on the type of change and your role on the project. First, the federal government defines a **significant change in work activity** as:

- A 25 percent (or greater) reduction in the level of committed effort
- An absence from the project of three months or more
- A withdrawal from the project

For a principal investigator/project director or *key person as listed in the Notice of Grant Award (NOGA)*:

- A significant change in work activity requires prior approval *in writing* from the sponsor's Grants Officer. It is not okay to just communicate the change to your Program Officer.
- Any other change in your level of committed effort must be documented and communicated to the sponsor.

EXAMPLE

Your committed effort is 40%, and you want to reduce it to 30%. The drop is 25 percent of your original effort commitment, so it requires prior written approval from the sponsor.

For a *key person as identified in the proposal* who is **not** listed in the NOGA:

- Any change in your level of committed effort must be documented.

For individuals who are not key personnel, commitments are not recognized and changes to effort levels need not be documented or communicated to the sponsor.

9.4. Changing the salary charged to a sponsored project

PIs generally have some flexibility in managing their sponsored project budgets, including their salary charges for project staff. However, this rebudgeting authority *does not* confer the right to:

- Make significant changes in work activity without prior approval from the sponsor, or
- Change effort commitments for key personnel without documenting the changes.

Furthermore, if you reduce a person's salary charges without changing the effort commitment, that's an increase in cost sharing and should be documented as such.

Taken together, the rules regarding changes to salary charges and commitment levels are somewhat complex. They're summarized below, although you don't need to memorize them; the specifics are always available on the RSP Web site. For a significant change in work activity, **documenting the change** means communicating it to RSP after getting the sponsor's approval. For all other changes, **documenting** means maintaining a written or emailed record at the department level.

For an investigator or key person:

If you want to:	Then you must:
Reduce the salary charges without changing the effort commitment	Document as cost sharing the effort for which the sponsor will not provide salary support
Reduce both the salary charges and the effort commitment by less than 25% of the original commitment level	Document the change to the commitment level
Reduce both the salary charges and the effort commitment <i>for a key person as listed in the NOGA</i>	Obtain approval from the sponsor <i>prior to the change and in writing</i> , and document the change to

If you want to:	Then you must:
by 25% or more of the original commitment level	the commitment level when approved
Reduce both the salary charges and the effort commitment <i>for a key person listed in the proposal but not in the NOGA</i> by 25% or more of the original commitment level	Document the change to the commitment level

For a project staff member who is not an investigator or key person:

If you want to:	Then you must:
Reduce the salary charges without changing the effort	Document as cost sharing the effort for which the sponsor will not provide salary support
Reduce the salary charges and the effort by commensurate amounts	<i>No documentation, notification, or approval is required</i>

9.5. When the awarded budget is less than proposed

If you receive an award from a sponsor and the budget is less than you proposed, you cannot assume that your effort commitments are automatically reduced by a proportionate amount. You may need to confirm the effort commitments and the arrangements for salary support with the sponsor.

You have three options:

1. Reduce the effort commitments in proportion to the budget reduction. With a budget reduction of 25% or more, you must request approval from the sponsor for this option. A reduction of that magnitude (10% or greater on an NSF award) generally indicates a project scope reduction, so a proportionate reduction of effort commitments would be appropriate.
2. Keep the proposed effort commitment and salary arrangements, and reduce expenditures in non-salary budget categories.
3. Keep the proposed effort commitments but reduce the salary charges. This increases the university's voluntary cost sharing for the project, and must be explicitly approved in accordance with your college or school's policies on cost sharing.

9.6. No-cost extensions

The terms and conditions of your award apply throughout the project period, including a no-cost extension period. This includes the PI's effort commitment. At the same time, federal agencies realize that PI effort may be reduced during no-cost extensions as the project is winding down, or when data analysis requires additional time.

While this is not considered a change in scope, it is in the best interests of the institution and the PI to notify the sponsor of this decrease in effort to avoid discrepancies with current and pending support statements, effort certification, or issues of research overlap.

10. Course Wrap-Up

10.1. Congratulations!

You've reached the end of this training course. If you passed all the quizzes, you're done; there's nothing more you need to do, except certify effort. You will receive credit for completing the training. You need not notify your effort coordinator or RSP, as they will be able to look you up in a training database.

The quizzes are designed to reinforce the learning objectives of the chapters. If you didn't pass one of the quizzes, please retake the quiz after reviewing the corresponding chapter. To determine whether you have passed all the quizzes, you can return to the CITI "gradebook" or table of contents for this training course.

If you'd like to keep a copy of this training material for your reference, a printer-friendly version is available from:

<http://www.rsp.wisc.edu/effort/training>

10.2. Your next steps

Once you complete this course, you're ready to certify your effort – and the effort for your project staff, if you are a PI.

Before doing so, you may wish to refresh your memory about your activities. You can log into ECRT and view an effort statement at any time, without having to certify. From the effort statement, you can view a summary of each sponsored project. The summary page shows the project's start and end dates and a list of the people with paid or cost-shared effort on the project.

10.3. Where to go for additional information

The Effort Reporting page on the RSP Web site contains links to many helpful resources. The information you'll find there includes:

- the university's policy on effort certification
- answers to frequently asked questions
- presentations on selected topics
- a document that describes the federal regulatory framework and its implications for research universities

The address of this page is:

<http://www.rsp.wisc.edu/effort>

If you have questions, you might wish to contact one or more of the following:

- Your effort coordinator
- A department research administrator
- A research administrator in your dean's office
- Research and Sponsored Programs – send email to effort@rsp.wisc.edu

10.4. Where to go for help

Your effort coordinator is always the first place to go for assistance. In ECRT, your effort statement contains a link to your effort coordinator's email address. Click this link to compose and send an email message to your effort coordinator. Or contact a grants administrator in your department or dean's office if you aren't sure who your effort coordinator is.

You can also contact RSP by sending email to effort@rsp.wisc.edu or calling the main phone line at 608-262-3822.

Appendix: Issues for National Institutes of Health projects

Salary limitations

The National Institutes of Health (NIH) and some other sponsors place limits, which change annually, on the amount of salary that an individual can charge to sponsored projects. If your **institutional base salary** (IBS) is at or below the NIH limit, currently set at \$186,600, the limit doesn't affect you.

However, if your IBS is above the limit and you are requesting salary support in an NIH grant proposal, a portion of your effort must be cost-shared regardless of how much effort you are proposing. The portion depends on your IBS:

EXAMPLE

Suppose you are proposing 20% of your effort for one year in an NIH grant application, and your IBS is \$200,000. If there were no cost sharing, you would request \$40,000 in salary support. Because your IBS is above the NIH **salary cap**, you cannot request \$40,000 for this effort. Twenty percent of \$186,600 is the most you can request. That's \$37,320. You should document as cost sharing the difference between \$40,000 and \$37,320, or \$2,680.

Indicate your actual salary in the budget justification. This is consistent with federal requirements, and it allows for increased funding in the event that the salary cap is raised.

Modular proposals

If you are asking for less salary support than effort committed in an NIH proposal with a modular budget, you should document your intentions when writing the proposal. For instance, if you indicate 20% effort (2.4 person months, or 1.8 person months if you have a nine-month appointment) for yourself in the budget justification and intend to draw 10% of your salary from the award, you should be aware of the need to document the remaining 10% as voluntary committed cost sharing.

Career (K-Series) awards

The NIH salary limitation applies to all types of NIH awards, unless the award's terms and conditions specify otherwise. In addition to this, some *specific types of awards* have their own limitations. This is the case for many NIH Career Development Awards, also known as K Awards.

With a K award, the salary limitation is a ceiling. If the salary for your effort on the award is equal to or less than the ceiling, you can charge the NIH for all of your effort. If the salary for your effort on the award is more than the ceiling, the institution must contribute the difference between the amount that can be charged to the project and the actual salary that the investigator receives for the commensurate effort on the award.

EXAMPLE

If your IBS is:	\$125,000
And your required effort on the award is:	75%

Then your commensurate salary is:	75% x \$125,000 = 93,750
And if the K award limitation is:	\$75,000
Then the cost sharing must be:	\$18,750

In addition, some K awards have conditions that apply to an individual's minimum commitment of effort, or allowable sources of funding for the rest of an individual's effort, or activities that can be allocated to the project. As with all awards, it's important to be aware of these conditions and to ensure that you satisfy them.