Research & Sponsored Programs

Effort Coordinator Training
EC 101

Agenda

- Effort Resources / Materials
- Background
- UW-Madison Effort Policy
- Roles and Responsibilities
- Key Concepts
- How to Certify
- Effort Card Review and Processing

Resources

Resources:
Effort homepage: https://www.rsp.wisc.edu/effort/index.cfm

- UW-Madison Guidelines for Effort Reporting
  https://www.rsp.wisc.edu/ectraining/GuidelinesForEffortReporting.pdf

  https://www.rsp.wisc.edu/ectraining/ECGuide.pdf

- https://www.rsp.wisc.edu/effort/effortFAQ.cfm

- https://www.rsp.wisc.edu/costsharing/FAQ.html
Background

What is Effort Reporting / Effort Certification?
- The terms Effort Reporting and Effort Certification are used interchangeably.

Effort Certification is our means of providing sponsors with assurance:
- Assuring that salary charges are justified
  - Salaries charged to sponsored projects are reasonable in relation to the work performed.
- Assuring an individual met his or her commitments
  - Researchers devoted the effort that was promised in the proposal and agreed upon at the time of the award.

Researchers must simply provide assurance (by reporting or certifying) that salary charges are justified and commitments have been met.

Background

UW Effort policies & procedures cover the entire lifecycle of an award:

Lifecycle of a Grant

- PROPOSAL: Effort commitments are offered
- AWARD: Commitments become obligations
- Commitment setup
- Commitments are fulfilled
- Tracking and management
- Documentation & reporting of fulfillment

Background

Precision is not required
- Sponsors recognize that research, teaching, service, and administration are often inextricably intermingled.
- Reasonable estimates are expected.
- But there are some rules to follow...
**Background**

**Rules about how federal money should be spent and managed**

- **OMB Circulars:** A-21, A-110, A-133, etc.
  - 1970s – 2014
- **2 CFR 200: Uniform Guidance**
  - 2014 – present
  - Subpart E – Cost Principles (formerly OMB Circular A-21)
    - 200.430 Compensation—personal services: “Standards for Documentation of Personnel Expenses”
      - Outlines acceptable methods for supporting charges related to “compensation for personal services” on federal grants and contracts

**Slide 8**

**200.430 (i) “Standards for Documentation of Personnel Expenses”**

Compensation for employees on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity.

Compensation has to be for an allowable purpose:
- Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.
- Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.
- Be incorporated into the official records of the University.
- Encompass both federally assisted and all other activities compensated on an integrated basis.
- Reasonably reflect the total activity for which the employee is compensated.
- Support the distribution of the employee’s salary or wages among specific activities or cost objectives.

**Background**

**What the regulations require us to do…**

Regulations allow institutions to develop processes and procedures to meet standards.

UW has enacted policies, procedures and internal controls which will be the bulk of today’s discussion.

*In general, these requirements are also applied to non-Federal awards. However, additional terms and agreements may be placed on specific awards.*
Background

...And why we do it right

- The consequences of not getting this right can be dire for the university
  - Research enterprise with over $1B spent annually
- Increased oversight
  - Congressional oversight
  - Increased scrutiny from congress and public
- Executive oversight
  - The Department of Justice is involved, filing charges under the False Claims Act
- Sponsor oversight
  - NSF’s Office of the Inspector General (OIG) is making the rounds of research universities
  - Many universities have had to pay millions of dollars in fines
  - Northwestern University – $5.5 million
  - Harvard University – $3.25 million
  - University of Connecticut - $2.5 million
  - University of Florida – $19.875 million
- UW Madison is continuously undergoing Audits
  - A133 Annual Audit, Sponsor audits, internal audits

Effort Reporting @ UW-Madison – Policy

Policy Statement

UW-Madison Policy on Effort, Commitments, and Effort Certification

It is the policy of the University of Wisconsin-Madison that all researchers who engage in sponsored projects will comply with University policies and sponsoring agency regulations regarding the proposing, charging, and reporting of effort on those projects.

Purpose

- Comply with 2 CFR 200 (UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS)
- Provide direction to faculty and staff for determining effort when preparing proposals and subsequently verifying effort
- Promote the best possible alignment between faculty and staff activity and funding sources
- Establish expectations for tracking and confirming the certification of effort by University personnel.
Effort Reporting @ UW-Madison – Policy

Policy Specifics
• Effort must be certified for all UW faculty, staff, students, and postdoctoral researchers who either:
  – Charge part or all of their salary directly to a sponsored project, or
  – Expended committed effort on a sponsored project, even though no part of their salary is charged to the project
• Effort must be certified by a person with suitable means of verifying that the work was performed
• Effort must be certified in a timely manner (90 day certification periods)
• Effort devoted to a sponsored project should be consistent with the proposal and agreement at the time of the award
• Allocations of effort to sponsored projects must be reasonable given the individual’s non-sponsored University activities
  – Faculty cannot commit 100% of their effort on sponsored projects, as time must be reserved for other UW duties
• Mandatory Effort Certification Training
• Consequences

Effort Reporting @ UW-Madison – Policy

Certification Requirements
• Effort must be certified by a responsible person with suitable means of verifying that the work was performed
• At the UW:
  – All PIs, faculty, and academic staff members certify for themselves
  – PIs certify for the graduate students, postdocs, and university staff who work on their projects
• When the PI doesn’t have suitable means of verifying that the work was performed:
  – A designee can certify the effort for project staff
  – PI can communicate with appropriate individual who has means
• When a staff person works on projects for multiple PIs:
  – Any one PI with suitable means of verifying all the effort can certify or…
  – Individual PIs can each certify part of the effort

Effort Reporting @ UW-Madison – Policy

Effort must be certified in a timely manner
• Effort Performance Periods are Bi-Annual:
  – January - June and July – December
• Reporting and Certification Periods are 90 days
  – Begin a month after the Performance Period ends
    • August – October and February - April
• There are consequences for Failing to Certify in a timely manner
Recertification
• Up to the certification deadline (before Day 90), Effort Coordinators can reopen the statement in ECRT for recertification
• After the certification deadline (after Day 90):
  – The PI and/or Effort Coordinator must submit a written request to RSP
  – The written request will be reviewed by the Associate Vice Chancellor for Research Administration
  – Only in the most compelling of circumstances will it be granted

Training
• Effort Reporting Training for certifiers is mandatory
• Consequences for Failing to Complete Training

Web-based/On-line Training
• Two courses are offered. You can take either one:
  • The Basics of Effort Reporting
  • The Basics of Effort Reporting for the School of Medicine and Public Health
    – Each course takes about an hour. You can stop at any time and then resume where you left off.
  • Training is required just once—it does not need to be repeated
    – Training must be done within 90 days of the date on which the person’s first effort statement is available for certification in ECRT
    – Training takes 30-40 minutes to complete

The courses are implemented through CITI. CITI is an off-site service that offers compliance and ethics education to research institutions

Consequences for Failing to Complete Training and Certify Effort
Effort certification is required by extramural sponsors including the federal government. A failure to certify effort correctly and in a timely manner could jeopardize the UW’s federal research funding. To protect the interests of the UW and ensure compliance with federal policies, the university has instituted consequences for failing to certify effort and complete effort training.

Administrative Consequences
The university will provide no support for extramural activities on behalf of principal investigators and research staff who do not fulfill their responsibilities. Specifically, the university will not:
  • Submit a grant proposal or other project application to sponsors for extramural projects
  • Execute award agreements
  • Establish accounts for spending extramural funds for new or continuing projects
  • Process other documents such as material transfer agreements

Fiscal Consequences
If effort statements are not completed by 30 days after the end of the 90-day certification period, the university will transfer sponsored salary charges corresponding to incomplete effort statements to the Dean’s/Director’s suspense project.

Effort Reporting @ UW-Madison

**ECRT (Effort Certification and Reporting Technology) system**

- This electronic system allows individuals to certify their effort and allows ECs to process effort cards.
- ECRT is a web-based system and can be accessed at the following Web address: http://ecrt.wisc.edu
- ECRT is used to certify effort for faculty, staff, graduate students, and postdoctoral researchers.
  - ECRT cannot be used to certify the effort for some individuals:
    - Faculty and staff with zero-dollar, zero-percent appointments
    - Some faculty and academic staff members who have left the university and can't log in with NetID
    - For student hourly workers, the timesheet serves as the mechanism for certifying effort.

Roles and Responsibilities

Compliance in certifying effort requires involvement at many levels of the university:
- PI/Certifier
- College/School Research Administrator
- Departments
- Effort Coordinators
- RSP
Effort Reporting @ UW-Madison

PI/Certifier

• Propose effort and cost sharing for sponsored projects in a manner that complies with UW policies and procedures
• Manage Commitments if proposal is awarded
  – Ensure that effort devoted to sponsored projects is commensurate with commitments to sponsors
  – Obtain sponsor approval for significant changes in work activity for sponsored projects
  – Monitor salary charges and effort on a monthly basis
• Fulfill commitments
  – Expand effort on sponsored projects
• Certify effort in a timely and accurate manner
  – Both for self and for the graduate students, postdoctoral researchers, and non-PI university staff who work on his or her projects in a timely manner

College/School Research Administrator

• Review proposals for appropriateness of effort and cost sharing commitments
• Review award documents for potential changes to effort and cost sharing commitments
• Ensure that appropriate cost sharing sources and effort commitments are documented as needed
• Ensure that cost transfers are completed and documented appropriately, and routed in a timely manner
• Ensure that effort is certified in a timely manner

Departments

• Grants Administrator
  – Monitor the accuracy of commitment and cost-sharing information
  – Notify RSP of any changes in commitments
  – Notify RSP of missing or incorrect committed cost-sharing information
  – Work with the PI and department Payroll Coordinator to initiate the payroll and appointment processes and to coordinate payroll-related changes
  – Work with the PI and Effort Coordinator as necessary to ensure that appropriate changes are occurring in a timely fashion
• Payroll Administrator
  – Promptly assign salaries to the proper grant funding
  – Promptly process changes to funding streams as needed
  – Promptly process salary cost transfers as necessary as requested by Principal Investigator, Department Grants Administrator, and/or Effort Coordinator.
Effort Reporting @ UW-Madison

**Effort Coordinators**

Effort Coordinators are vital to the effort certification process
- Review effort statements for accuracy on an ongoing basis
  - Initiate any follow-up actions, if necessary (including salary cost transfers, to make payroll congruent with effort)
- Provide assistance to principal investigators, faculty, and staff as they certify effort
- Review and process each certified effort statement, follow up with the certifier if changes are required
  - Initiate any follow-up actions, if necessary (including salary cost transfers, commitment or Cost-Share changes, etc)
- Document the reasons for any differences between pre-printed effort numbers and certified effort percentages
- Re-open an effort statement for recertification, if requested to do so before the end of the certification window
- Forward to Research and Sponsored Programs a request for recertification, if the request occurs after the end of the certification window
  - Ensure all effort cards are certified
  - Follow up when effort certification is overdue

---

Effort Reporting @ UW-Madison

**Research and Sponsored Programs**

- **Pre-Award Proposals**
  - Review proposal and award documents for appropriateness and correctness of effort and cost sharing commitments

- **Pre-Award Set-up**
  - Set up obligated commitments and cost sharing for PI, Co-PI and Key Personnel

- **Post-Award**
  - Promptly process salary cost transfers, commitment and cost sharing updates, close outs

- **Effort Team**
  - Ensure that the effort certification system produces statements that accurately reflect payroll and cost sharing data from source systems
  - Authorize or alternate to certify the effort for project staff instead of the PI, as requested
  - Provide training on Effort and Commitment principles, policies, and procedures
  - Review requests for recertification and, if appropriate, re-open effort statements for recertification
  - Review requests for certification Designees
  - Work with campus Effort Coordinators and Certifiers to address issues with systems, processes or procedures
  - Monitor the effort process for timely submission and provide effort submission reports to College/School Research Administrators
  - Manage Audit and external reporting requirements

---

Slide 25

Slide 26

Slide 27
We just discussed some of the basics of effort reporting and some of the specifics of effort reporting at UW Madison, but before we go into how to certify in ECRT, we’ll talk briefly about a few key concepts:

- **Effort**
- **Commitments**
- **Cost share**
- **Salary Cost Transfers**
- **Salary Cap**

**Key Concepts:** Effort

**What is Effort?**

- The time an individual spends on a particular activity, expressed as a percentage of the total time spent on UW activities.
  - Effort is not based on a 40-hour work week
  - Effort is based on 100% of all the activities for which you are compensated by the UW, regardless of the appointment percent or number of hours worked

- **Examples:**
  - If you work a half-time job, your 100% = what you do for that 0.5 FTE appointment
  - If you work 80 hours a week, your 100% = what you do during those 80 hours
  - If you have a 9 month appointment, your 100% Effort = what UW activities you do during those 9 months

**What counts as Effort?**

The activities for which you are compensated by the UW

- This includes:
  - Externally sponsored research
  - Internally-funded or unfunded research
  - Instruction, administration, and service on committees
  - Public service and outreach activities directly related to your UW professional duties
Key Concepts: Effort

What does not count as Effort?
Activities for which you are NOT COMPENSATED by UW (i.e. someone else compensates you, and some activities for which you are not paid)

- Consulting
- Leadership in professional societies
- Peer review of manuscripts
- Advisory activities for a sponsor (NIH study section, or NSF peer review panel)
- Clinical activity funded by the UWMF
- Activity for a VA appointment

Key Concepts: Effort

What counts as sponsored activity at UW?

- Activities contributing to and intimately related to work under the sponsored agreement
  - As long as it’s about the specific project, it COUNTS as sponsored activity:
    - Research activities - Recruiting participants, collecting data, analyzing data, writing up results/progress reports
    - Auxiliary activities - Lab meetings, meeting with students on project, conferences, seminars, reading journals to keep up-to-date on subject area
  - If it’s NOT about the specific project, it DOES NOT COUNT:
    - Writing a proposal for a new project or competing continuation, serving on campus committees, instruction, lab meetings not specific to a project, time-sheets and leave reports

Key Concepts: Effort

Effort that is too small to count (i.e. De minimis effort)

- Activities that you do on an infrequent, irregular basis can be ignored in your effort calculations if the total amount of time would not affect your effort distribution
  - Possible examples: ad hoc department meetings, serving on a search committee
- Some activities should not be counted as separate from your UW job duties (should not be treated as de minimus), such as:
  - Requesting your parking assignment
  - Completing a travel expense report
  - Proposal writing
Key Concepts: Effort

Effort can vary over time

- To meet a commitment, the actual effort need not be a constant
  - It must, however, add up to fulfill the commitment
- Example: If 30% effort is committed for a calendar year, one way to fulfill this commitment is by spending:
  - 40% effort on the project during Jan-June, and
  - 20% effort on the project during July-Dec

*In these cases, effort must be certified as it was expended/paid:
  - Jan/June Effort Statement = 40%
  - July-Dec Effort Statement = 20%
  - Calendar year commitment = 30%
*Make a note in ECRT to explain variations

Key Concepts: Commitments

Commitments

- Amount of effort proposed that is accepted and awarded by sponsor
- An obligation the university must then fulfill

- At proposal stage:
  - The amount of effort proposed in the grant proposal or project application
    - Effort proposed in the research plan or project description
    - Effort proposed in the research plan or project description (when specific and quantified)

- At award stage:
  - Amount of effort proposed that the sponsor accepts & awards
  - Becomes a specific and quantified obligation that the University must fulfill

*Commitments must be met regardless of whether salary is charged

Key Concepts: Commitments

- Effort
  - Sponsor Paid Effort
  - Cost-Shared Effort
  - Non-Payroll Cost Sharing

- Non-Effort

Not Paid By Sponsor
Key Concepts: Commitments

Effort commitments tracked by RSP for

*Policy Change 1/1/2016 - RSP only tracks effort commitments for
• The principal investigator/project director
• Individuals identified as senior/key personnel in the Notice of Award
• When proposal does not explicitly list key persons, UW defines key personnel for the purpose of effort reporting as the PI & Co-I’s and all individuals who are named as key personnel in the Notice of Grant Award (NOGA)

• Rebudgeting authority

*Commitment Look Up Tool
Slide 37  
https://www.rsp.wisc.edu/effort/lookup/comlookup/index.cfm

Key Concepts: Commitments

RSP Central Commitment Management

• Commitments are entered by campus in WISPER at the award set up stage
  – Entered as a percentage of the person's total effort
• WISPER has start and end dates on commitments and allows for variable (non-constant) commitments to be entered using multiple lines
• ECRT will pull this data and translate it to what the commitment is for the 6 month certification period
  – This information is intended to be used as a guide
• Commitments do not have to be entered into WISPER for the following types of awards in most cases:
  – Non-Federal Clinical Trials
  – Equipment & Instrumentation Grants
  – Doctoral Dissertation Grants
  – Training Grants

Limits on total commitments

• Commitments can never total more than 100%
• Faculty may not be paid 100% from sponsored projects
  – Faculty members must be leave time for UW job duties, such as:
    • teaching, advising, campus service, administration, proposal writing
• Academic staff, postdocs, classified staff may be paid 100% from sponsored projects
  – Only if ALL of your UW job duties can be allocated to sponsored projects
Key Concepts: Commitments

Minimum commitment required

The PIs minimum required commitment to each project is 1% effort

- Even if there is no effort committed for the PI in the proposal or award notice, 1% minimum effort must be loaded into WISPER and, consequently, this minimum commitment of effort will appear in ECRT

- Exceptions to minimum commitment rule:
  - Some clinical trials
  - Equipment and instrumentation grants, doctoral dissertation grants, and student augmentation grants

Key Concepts: Commitments

Rebudgeting vs. Significant Change Rule

- PIs can reduce the salary charges for one project staff member and increase salary charges for another (including themselves), therefore changing level of effort and commitment...

- ...BUT any significant changes in work activity require prior approval from the sponsor and commitment changes must be documented
  - Significant Changes
    - PI disengagement from the project for more than 3 months;
    - A 25% (or greater) reduction in the level of committed effort over budget period for PI and Key Persons listed on NOA (Note: Changes in committed effort are measured against the commitment at the time the award is issued)

- Change in PI
- Change in key personnel listed on NOA

Key Concepts: Commitments

Changing Commitments

- Commitments (and any changes) are then tracked in the Peoplesoft system by RSP.
- To request a change in commitment, use the Cost Sharing & Commitments Update form.

Cost Sharing & Commitments Update form
Key Concepts: Commitments

When the awarded budget is less than proposed

- You cannot assume that the effort commitments are automatically reduced in proportion to the budget reduction.
- You have several options:
  - Keep salaries and effort the same, and reduce other budget categories.
  - Keep effort the same, reduce salaries, and document the increase in cost sharing.
  - Reduce effort commitments – requesting prior approval for a key person’s reduction of 25% or more.

Key Concepts: Commitments

No-cost extensions

- Award terms and conditions apply throughout the project period, including a no-cost extension period.
- At the same time, sponsors recognize that PI effort may be reduced as the project is winding down.
- No Cost Extension requests are routed and managed using WISPER.
  - If there are changes in commitment, this must be indicated in your WISPER record.
  - RSP will then update the PeopleSoft fields on the project, award, and GFS extensions so that the updated commitment percentage is loaded into ECRT.

Key Concepts: Cost Share

What is Cost Share?

- Cost sharing is the portion of the total costs of a sponsored project that is borne by the UW.
- 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.
- Example – With a 30% effort commitment and salary support for 10% of the effort:
  - 10% is paid effort
  - 20% is cost-shared effort.
Key Concepts: Cost Share

**Mandatory Cost Share vs. Voluntary Committed Cost Share**

- **Mandatory cost sharing** is cost sharing that’s required by the sponsor as a condition for proposal submission and award acceptance.
- **Voluntary committed cost sharing** is cost sharing that is not required as a condition for proposal submission:
  - But, once offered and accepted, it becomes a commitment.
  - UW tries to minimize cost share as much as possible.

---

**IMPORTANT**

Cost sharing should be limited only to those situations where:

- It is mandated by a sponsor, or
- The University has determined that such a contribution is critical to ensure the success of a competitive award or proposal, or
- It is necessary to fulfill the University’s requirement of a minimum commitment to the project by the principal investigator or project director (i.e., 1% rule).

- Where cost sharing is not required by the sponsor, necessary to ensure the competitiveness of a proposal, or required as a minimum commitment to the project; PIs and departments or centers/schools should refrain from making such commitments voluntarily.

- In all situations, the use of cost sharing should be kept to a reasonable level because of the burden it places on University and departmental resources.

---

Key Concepts: Salary Cost Transfers (SCTs)

**Salary Cost Transfers (SCTs) and Effort Reporting**

- Effort reports are designed to confirm that salary charges are in alignment with effort:
  - When an effort statement indicates a salary distribution was not correct, a salary cost transfer can be initiated to bring payroll into line with certified effort.
  - Example:
    - 15% of IBS was charged to Project A, but PI certified she expended 20% effort. An SCT can be initiated to increase charge to Project A to meet 20%.

- SCTs prior to Certification and Processing:
  - Effort Coordinator can manage these.
    - GC can send back card to certifier or can hold it by not processing until SCT has posted.

- SCTs after Certification and Processing:
  - Require recertification of Effort Statement.
    - The PI must submit a written request to RD to reopen Effort Statement.
    - The written request will be reviewed by the Associate Vice Chancellor for Research Administration.
    - Only in the most compelling of circumstances will it be granted.
Key Concepts: DHHS Salary Cap

Salary Cap and Effort Reporting

Salary Cap: Projects funded by Health and Human Services agencies do not allow payments to individuals above the set salary cap.

Salary Cap Cost Share: Individual salary greater than cap must be covered by institution, i.e. cost shared.

- Cost sharing must be available in the same pay period that the salary payment is directly charged and must be paid from institutional funds.

Effort = Award Payment + Required Salary Cap Cost Share

- Salary Cap Cost Share = implied cost share: The amount certified over the payroll figure is treated as implied cap cost share. This is not included in WISPER, but is implied in Effort Certification. The certification ties the non-sponsored salary to the award. The certification is tied to the effort report in the certification that the required cap cost share was counted as effort on the award.

The key to managing the cap is to know the splits for the allowable award and salary cap cost share portions. Regardless of the figure that gets plugged in for effort, the ratios remain the same.

Example:

- To determine allowable award payment: Demand / Applicable Cap / FTE Rate
  - e.g. 30% effort $179,700 cap; $269,550 FTE rate
  - .30 x (179,700/269,550) = .2 or 20%

- To determine cap cost share: Effort x (1 - (Applicable Cap / FTE Rate))
  - e.g. 30% effort $179,700 cap; $269,550 FTE rate
  - .30 x (1 - (179,700/269,550)) = .1 or 10%

Sponsor paid effort = 20%

UW cost share effort = 10%

DHHS Salary Cap Resource

https://www.rsp.wisc.edu/awardmgt/DHHSSalCap.html

17
How to Certify

ECRT
- Data is loaded to ECRT on a regular basis
  - ECRT does not create information. It receives info from source systems and displays it.
  - Entry of data is not done in ECRT, but instead is done in those source systems
- Below image is an Effort Statement / Effort Certification Card / Effort Card
  - Once certified and processed, this becomes an official university document, subject to audit

How to Certify

Current vs. historical effort
- An effort card is completed when
  - The statement has been certified, AND...
  - You have processed the certification
- Once completed, it becomes a historical effort card
- Anything else is a current effort card

Certification and Performance Periods
- Period of performance
  - The semiannual period for which effort must be certified
- Certification period (or certification window)
  - 90 days
  - The time during which:
    - Faculty and staff certify effort
    - ECs review and process the certifications
- Email notifications will be sent
  - At Certification Period opening – Day 1
  - Day 30, 60 of Certification Period
  - Day 75 (Administrative penalty notice)
  - Approximately 5 days after certification period ends (Fiscal penalty warning - Day 95)
  - Approximately 30 days after certification period ends (Fiscal penalty applied - Day 121)
How to Certify

Sponsored and non-sponsored pay sources
On Effort Card you will see Sponsored pay sources and non-sponsored pay sources

• For the purpose of effort certification, sponsored effort includes:
  – Fund 133 – Non-Federal Projects (except gifts)
  – Fund 142 – Hatch Adams - Land Grant Research
  – Fund 143 – Smith Lever - Land Grant Extension
  – Fund 144 – Federal Projects

• Non-sponsored pay sources are: everything else

Degree of tolerance (aka “5% rule”)

• There is an acceptable variance between your actual effort and the effort as certified on the statement
• The UW defines this as 5% of your 100% UW effort (aka “5% rule”)

• Example:
  – Effort statement shows 50% of salary was paid by the sponsored project
  – No cost sharing
  – It is permissible to certify 50% effort on the project if actual effort on the project could reasonably be determined by the researcher to fall between 45% and 55% of total UW effort

Certifying effort over a 6-month period
ECRT Effort % over a 6 month Performance Period may not be the same as the annual effort committed to the budget period

Examples –
1) Grant ends in the middle of the Performance Period
2) 9-month employee has no summer effort commitment
3) 9-month employee expends 100% effort commitment on NSF project in summer

<table>
<thead>
<tr>
<th>Activity</th>
<th>Average</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOD Award A</td>
<td>25%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>NIH Award B</td>
<td>20%</td>
<td>30%</td>
<td>30%</td>
<td>30%</td>
<td>20%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>NSF Award C</td>
<td>21%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>100%</td>
</tr>
</tbody>
</table>

• Use the Effort Calculator that’s available from within ECRT
  – https://www.rsp.wisc.edu/effort/calculator.html
How to Certify

9-month appointments

• If you have a 9-month appointment and don’t receive summer salary, your effort periods are:
  – January through May (a 5-month period)
  – September through December (a 4-month period)

• If you receive summer salary, each month of summer salary adds a month back to the corresponding period of performance
  – Example – If you receive summer salary for June only, calculate:
    • Spring effort levels as percentages of 6 months
    • Fall effort levels as percentages of 4 months

How to Certify

The certifier’s primary department

• Based on information in the UW HR/Appointment system
• Determines which effort coordinator will process the statement

• For people with multiple appointments:
  – A true “primary department” can’t always be determined from HR data
  – The ECRT primary department may not be correct and can be changed within ECRT, contact RSP
  – ECs may have people on effort task list who are paid by grants OUTSIDE your Dept—this is OK—just pick up the phone and coordinate with someone in that department if needed.

How to Certify

Primary vs. Secondary ECs

If a department has more than one effort coordinator
  – Only the primary EC can process the effort statements
  – The secondary can view statements and reports, enter notes, and assist certifiers but cannot process a statement
  – Primary = on the front line
  – Secondary = provide support! Some depts really use this structure well—secondary follows up with individuals who aren’t done, help out by reviewing cards, etc
How to Certify – Parts of effort statement

Effort Card Review and Processing
Example: Certifies to Computed Effort - Payroll

Effort Card Review and Processing
Example: Certifies to Computed Effort, with commitment
### Effort Card Review and Processing

#### Example: Certifies to Computed Effort – Cost Share

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Position</th>
<th>Project</th>
<th>Start Date</th>
<th>End Date</th>
<th>Hours</th>
<th>Rate</th>
<th>Computed Effort</th>
<th>Cost Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Doe</td>
<td>Engineering</td>
<td>Manager</td>
<td>Project 1</td>
<td>01/01/2020</td>
<td>12/31/2020</td>
<td>1000</td>
<td>50</td>
<td>5000</td>
<td>2500</td>
</tr>
</tbody>
</table>

#### Example: Effort is promised, but no salary is charged to sponsor

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Position</th>
<th>Project</th>
<th>Start Date</th>
<th>End Date</th>
<th>Hours</th>
<th>Rate</th>
<th>Computed Effort</th>
<th>Cost Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jane Smith</td>
<td>Administration</td>
<td>Secretary</td>
<td>Project 2</td>
<td>01/01/2020</td>
<td>12/31/2020</td>
<td>1000</td>
<td>50</td>
<td>5000</td>
<td>2500</td>
</tr>
</tbody>
</table>

#### Example: Under Certified

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Position</th>
<th>Project</th>
<th>Start Date</th>
<th>End Date</th>
<th>Hours</th>
<th>Rate</th>
<th>Computed Effort</th>
<th>Cost Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mike Brown</td>
<td>Finance</td>
<td>Analyst</td>
<td>Project 3</td>
<td>01/01/2020</td>
<td>12/31/2020</td>
<td>1000</td>
<td>50</td>
<td>5000</td>
<td>2500</td>
</tr>
</tbody>
</table>
Effort Card Review and Processing

Adding Notes on Effort Statement

Historic Statement

Example: Commitment Auto-check
Effort Card Review and Processing

Example: Cost Transfer Auto-check

Thank you

For questions, please contact me anytime:

Jeff Nytes
Effort Administrator / ECRT Manager
(608) 890-0289
nytes@rsp.wisc.edu

Effort Certification Red Flags

The following areas are receiving significant attention nationally:

• 100% research faculty - are they involved in activities that should be funded by sources other than their grants?
• Faculty with 5 or more federal awards - are they overcommitted? Are the percentages of salary distributed to each of their projects reasonable?
• Change in Level of Effort - are PIs seeking permission to change the level of effort proposed in their grant when required (typically when the change is 25% or more)?
• Faculty with 1 or 2% of their effort on many awards - are they contributing the effort promised?
• Faculty Effort Certification - is it timely? Is it accurate?
• Retroactive Salary Cost Transfers - are they infrequent, but timely when necessary? Of particular concern are those affecting time periods for which faculty have already certified their effort.
• Total effort commitments (paid and cost shared) to the sponsor - are they met?
• University effort reporting policy - is it being followed?