

Academic Year Effort Reporting –the Basics

What is effort reporting?

Effort certification is a form of reporting required by federal regulation for all individuals working on sponsored projects. Effort reporting certifies that salary sources (institutional vs sponsored) align with actual effort distribution over a given period of time.

The principal investigator (PI) is responsible and accountable for compliance with all federal regulations associated with sponsored projects awarded under his or her supervision. Auditors check that salary payments do “reasonably reflect” actual effort, or conversely, whether there is evidence of errors that go uncorrected, or systematic non-compliance.

At The College of Idaho, effort reporting for faculty is done three times per year using after-the-fact activity records to account for actual effort during fall, winter/spring, and summer. Faculty supported by federal funding during any period must report in all reporting periods. Faculty members without federal support are not subject to effort reporting requirements.

Effort Reporting During the Academic Year

Effort reporting is a bit counterintuitive. It is not based on a 40- hour work week, or on measures of FTE. Typically, faculty engage in teaching, research (or scholarship), and service (or administrative duties, like committee work). Those are lumped together in effort reporting as “institutional effort”. The sum of institutional effort + sponsored project effort must total 100%. Sponsored project effort is the portion of a faculty member’s research activities that are supported by grants or contracts.

Most faculty have a 9-month contract for the academic year (AY), and some of them do grant-funded research during the summer, when the AY contract is not in force. The situation for effort reporting during the AY is easier to understand than summer reporting, so we will start there.

Think of effort as pizza dough. For each AY, you are given a lump of pizza dough that represents your job description and is worth your institutional base salary (IBS). You accept the responsibilities of that lump of pizza dough and roll it out into a pizza pie –large, medium, or small–that represents how many hours you spend performing your job description. Your only requirement is to get your job done: Whatever work you do to earn your IBS equals 100% of your effort.

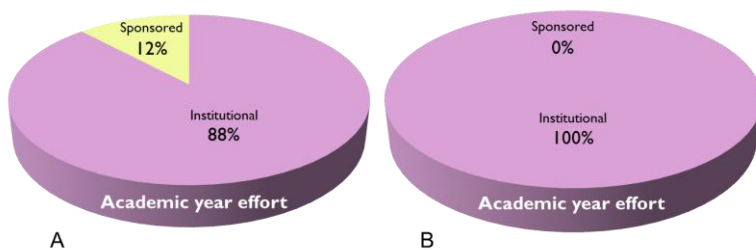


Figure 1. Effort reporting, academic year. In (A) sponsored projects are 12% of total effort. For (B) no effort on sponsored projects; 100% of effort related to institutional duties. For person (B), no effort reporting is necessary, unless summer research has federal grant support.

If none of your AY effort is spent working on grant-funded projects, then you have a pizza pie that is 100% College- funded (Figure 1b). Unless you have summer grant funding, you do not need to report your effort.

If part of your academic-year effort has been promised to an external sponsor, then you have to complete an effort certification form that shows

how your pizza was divided between effort funded by your institutional pay and effort funded by external sponsors (Figure 1A). Again, the pizza dough can be rolled out thin (many hours of work) or thick (few hours). No particular number of hours is the correct amount: however many hours you work during the academic year equals 100% of your effort. Once you roll out your pizza crust, you must divide it into “slices” (i.e., percentages). Each slice represents some percentage of your total effort. One slice

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of the crust represents everything in aggregate that you do for your IBS. Everything you do in relation to the sponsored project during the academic year is represented by another slice. All the slices together must add up to 100%, one whole pie.

At the end of the year auditors evaluate the total you were paid for the 9-month AY, in relation to how you have divided your pizza crust. They compare the payroll records to the effort certification forms you complete at the end of each semester. If the effort pizza is sliced the same way the dollars were sliced, everybody is happy. Working on a sponsored project does not alter your academic-year IBS, but part of it is being paid by external funds. The auditors want to make sure that you are doing the work as promised, and that federal funds are not being spent on work unrelated to the grant.

Furthermore, some of your effort devoted toward the research project may be paid by the institution, i.e., cost-shared effort toward the grant activities. That is not unusual or a problem in itself. After all, part of your institutional duties concern research and scholarship, and some of that may be devoted to the sponsored project. However, you may be involved in more than one research project, only one of which is supported by federal dollars. Research on the unfunded project obviously cannot be charged to the federal grant, and in most cases, writing new grant applications cannot be charged as a direct cost to the federal grant, even if the proposal describes work based on the federally funded project.

Although subdividing your institutional pizza slice is not necessary, it might make the above situations clearer (Fig. 2). In this case, some slices will be for teaching, some for advising or other service, some for research, etc. This kind of analysis is rather imprecise, because not everyone will agree whether a particular activity gets assigned to one category or another. The auditing standard simply requires that the effort reporting system “reasonably reflects” the distribution of effort between institutional duties and sponsored activities, based on “estimates in which a degree of tolerance is appropriate.”

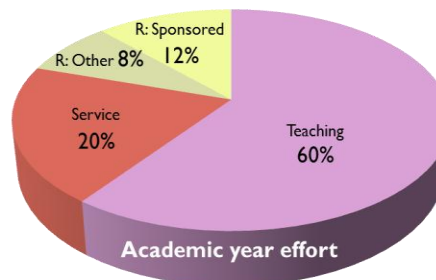


Figure 2. Institutional effort as in Fig. 1, subdivided among teaching (60%), service (20%) and research (20%).

In Figure 2, 20% of overall effort was devoted to research, but only some of that pertains to the sponsored project. Working on a grant proposal, doing library research in a subject area unrelated to the aims of the grant, or supervising student research that is not part of the grant are all legitimate institutional responsibilities, but they are not allowed as direct costs on the research grant. In this case, your support records must document how much effort was devoted to the specific and allowable purposes of the grant-funded project.

For instance, if effort reports establish that only 5% of the professor’s effort (cf. Figure 1A) was in fact devoted to the sponsored research, but 12% of IBS was charged to the grant, some salary charges must be redistributed to correct the imbalance. Small deviations are tolerated, but in this case, the documented effort is less than half what was billed, so a correction is called for.