

# Effort Reporting Training

Presented by the Budget Office &  
The Office of Sponsored Programs



# Legal Basis for Effort Reporting

- Effort reporting is the mechanism used to confirm that salaries and wages charged to each sponsored agreement are reasonable in relation to the actual work performed.
  - *Policies and Practices: Compensation, Effort Commitments, and Certification*, Council on Government Relations (March 1, 2007) ([http://www.rsp.wisc.edu/effort/COGR\\_EffortSummary.pdf](http://www.rsp.wisc.edu/effort/COGR_EffortSummary.pdf)).
- Effort reporting is required by OMB Circular A-21(J)(8), and other federal regulations.



# Legal Basis for Effort Reporting

- In all contracts with the Government, and agencies dealing with the government, a line mentioning to “include all other FAR clauses” is included. Federal Acquisition Regulations hold us responsible for proper documentation of effort as stated in OMB Circular A-21.
- Why do we do this?
  - It is the law. And we have no choice, if we want to continue to receive awards from the government.



# Effort Reporting Recently

As a result of the Government paying closer attention to Effort Reporting the following University's have incurred fines for not being in compliance.

- University of Alabama-Birmingham - \$3.4m
- Florida International University - \$11.5m
- Yale University - \$7.6m
- Northwestern University - \$5.5m
- Johns Hopkins University - \$2.6m
- Harvard University
- California Institute of Technology
- Dartmouth College

# How the University & Individual are held responsible

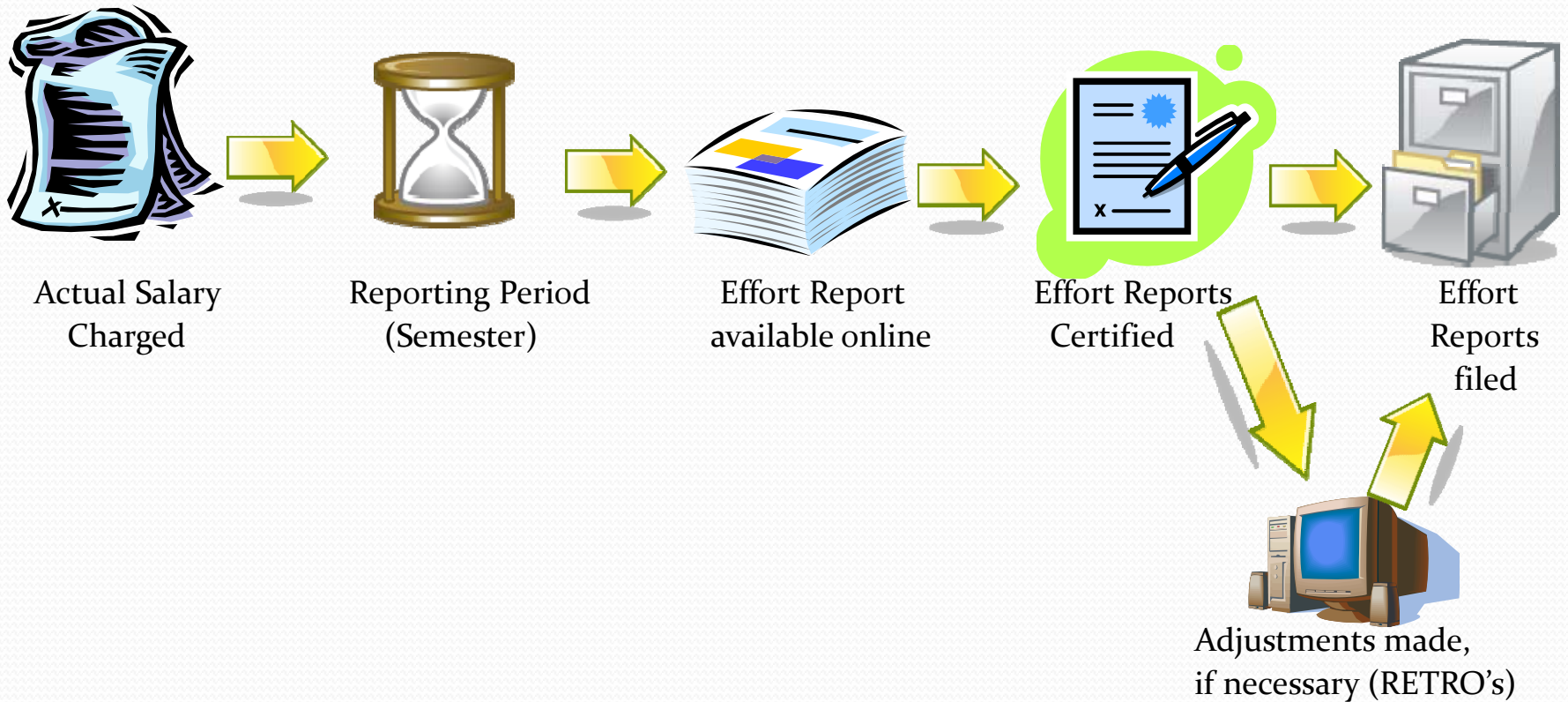
- The Federal False Claims Act, 31 U.S.C §§ 3729-3733
  - A criminal statute making it punishable by fines or imprisonment for those who submit a false claim.
  - An Effort Report is considered a claim under the False Claims Act.
  - We are required by law to submit an after the fact claim, which is your Effort Report.



# How the Government Finds Out

- *Qui Tam Action*
  - *Latin saying meaning to sue on behalf of the king.*
  - *Commonly known as the Whistleblower Act.*
  - *Someone within the institution notifies the inspector general of a non compliance issue. If it is valid, the whistleblower will receive 10% of what the government collects in penalties and fines.*
  - *UAB is a perfect example, as their investigation began because of a Qui Tam action by someone in their Office of Sponsored Programs department.*

# The Effort Reporting Process





# The Proposal

- A proposal is submitted to the funding agency. Committed effort for key personnel during the funding period is listed.
- As not all proposals are awarded, you are allowed to over commit your time in the proposal process for an amount over 100%.
  - Example: you currently have 70% of your time committed to other awards and you send out three proposals of 25% for a possible total effort of 145%.
- Once the proposals are awarded, total effort for all awards currently being worked on should equal 100%. Awards may need to be modified so that all of the agreements' effort totals 100%. Please contact your contract administrator for assistance.



# Actual Effort

- Actual effort is recorded to the contracts through payroll charges submitted by your bi-weekly BLLR's.
- At the end of each quarter/semester, the effort report will be created for individuals who are funded by, or have charged to, a research or cost share account for that timeframe. The Effort Report presents the committed effort (awarded commitment) with the actual commitment (charged payroll).



# Actual Effort

- When you certify your Effort, you are certifying the actual effort worked. You are making a claim for funds for your work.



# The Effort Report

- The effort report will be available for review and certification through Banner Self-Service for that semester. You will review the information and certify it with an electronic signature.
- You will have the ability to compare against past Effort Reports in a read-only format to assist you in ensuring the effort is correct after the first reporting cycle is complete.
- If adjustments are needed to correct your actual effort, you must complete a Retro in accordance with established policy.
  - A revised Effort Report will be generated after the Retro is processed, and you will be notified to review and certify the revised effort report.



# How to View Your Effort Report

- To View the Report
- Login into Banner Self-Service
  - Go to [register.uah.edu](http://register.uah.edu)
  - Click on “Enter Secure Area”
  - Enter your User ID. This is your full UAH A-number (including the A) that can be located on your pay stub or from the person in your office that handles your PAF.
  - Enter your Pin. This is a unique 6 digit number you established. If you have never used Banner before, the PIN is your birth date in the form mmddyr. Example 061276 for June 12, 1976. If you have changed your pin and no longer remember it, please contact Heather Holden at [Heather.Holden@uah.edu](mailto:Heather.Holden@uah.edu) or at 2037 for assistance.
  - Select Login

You have now logged into Banner Self-Service

# How to Certify Your Effort Report

- Click on the Employee Tab.
- Click on the Effort Report Link.
- Review the information for accuracy.
  - Discrepancies of greater than 5% variance between how you charged and how you actually worked should be corrected. (See Exhibit C “UAH Retro Policy/Process” of the UAH Effort Reporting Policy.)
  - If the actual effort is correct
    - Click submit.
  - If the actual effort is incorrect
    - Click Corrections Required Before Certification
    - Please contact the Effort Office with the error and/or submit a retro in accordance with the established policy.
    - A revised Effort Report will be generated and you will be notified when it is ready.
    - Review the revised Effort Report for accuracy, click submit.
    - **You may only certify once.**



# Researcher Certification

- There will be a 10 day window for the report to be reviewed and approved.
  - If the report is not certified within the 10 day window, follow-ups will be done by the Effort Reporting Office.
  - If the follow-ups are ignored, your immediate supervisor and the division Vice President may be notified.
  - If necessary, the University will take further actions to ensure you certify your Effort Report and are in compliance with Federal Law.
- You should NOT delegate this responsibility to anyone else.
  - You are responsible for what is certified, as this is a claim to the government. If you delegate this responsibility and the report is certified when it is wrong, you are responsible. You may be subject to fines and imprisonment, not the person you delegated it to.
- **Individuals who report their time hourly have certified their time when they turn in their BLLR and will not be required to re-certify their effort.**

## Exhibit A - Effort Report Certification Form

| The University of Alabama in Huntsville<br>Effort Report/Certification<br>For Period: 1/3/2007 - 4/10/2007   |                        |   |   |              |       |
|--|------------------------|---|---|--------------|-------|
| Individual Covered: Howell, Thruston W.  |                        | Home Labor: Civil & Environmental Engineering |   |              |       |
| Employee ID#: A000012345   |                        | Title: Professor                              |   |              |       |
| Payroll Distribution Percentage  |                        |   |   |              |       |
| Project Sponsored Activities   |                        |   |   |              |       |
|  |                        | Actual  |   |              |       |
| Org#   | Title                  | Percentage of IBS                             | Cost Share  | Total Effort | DPLH  |
| 23350A-6125  | Program A of Spon. Res | 0%  | 0%  | 0%           | 0.0   |
| 23350B-6125  | Program B of Spon. Res | 0%  | 0%  | 0%           | 0.0   |
| 23320A-6125  | Program B              | 0%  | 0%  | 0%           | 0.0   |
|  | WWW-09-12237           | 10%   | 0%  | 10%          | 68.0  |
|  | SRS07-1234             | 10%   | 0%  | 10%          | 68.0  |
|  | Cost Share for 23350B  | 0%  | 5%  | 5%           | 34.0  |
| (A)  | (B)                    |   |   |              |       |
| <b>Subtotal Sponsored Activities:</b>  |                        | 20%   | 5%  | 25%          | 170   |
|  |                        | (C)   | (D)   | (E)          | (F)   |
| Non-Sponsored Activities   |                        |   |   |              |       |
| Project  |                        |   |   |              |       |
|  |                        | Actual  |   |              |       |
| Org#   | Title                  | Percent of IBS                                | Cost Share  | Total Effort | DPLH  |
| 233101-6121  | Teaching               | 70%   | 0%  | 70%          | 476.0 |
| 233101-6128  | Administrative         | 5%  | 0%  | 5%           | 34.0  |
| (A)  | (B)                    |   |   |              |       |
| <b>Subtotal Non-Sponsored Activities</b>   |                        | 75%   | 0%  | 75%          | 510.0 |
|  |                        | (C)   | (D)   | (E)          | (F)   |
| <b>Total Effort:</b>   |                        | 95%   | 5%  | 100%         | 680.0 |
| Direct Person Labor Hours (DPLH) Information are sole  |                        |   |   |              |       |
| For the purpose of the following certification, the "Total Effort" to which you are certifying is the effort reflected by the pre-printed percentage in the Institutional Base Salary (IBS) and Cost Share columns.  |                        |   |   |              |       |
| <b>Certification:</b>  |                        |   |   |              |       |
| "I certify the salary charged, salary transfers processed and effort certified this period reasonably reflect the work performed in the designated period, and that I have significant technical knowledge and/or I am in a position that provides me with suitable means of verification that the work was performed. I have accounted for all effort put forth in both man-hours and percent of effort." |                        |   |   |              |       |
| <b><i>Certify Effort</i></b>   |                        |   | <b><i>Corrections Required Before Certification</i></b> |              |       |



# Effort Report Certification Form

## EFFORT REPORT CERTIFICATION Explanation Key

- (A) Organization (Account) Number for both committed and non committed effort**
- (B) Project/Activity Title**
- (C) Percent of employee's Institutional Base Salary (IBS) charged to the Organization (Account) Number**
- (D) Percent of employee's Institutional Base Salary (IBS) charged to the Cost Share Account**
- (F) Effort reported to payroll via Bi-Weekly Leave and Labor Report (BLLR)**
- (G) Total man-hours worked in the reporting period.**



# Frequently Asked Questions

- **Who do I call if I have questions?**

Call Heather Holden with all questions concerning Effort Reporting Certification.

- **Who was involved in creating this policy?**

This policy was drafted by the Offices of Budgets & OSP. The draft was presented to the Vice Presidents, Research Council and Faculty Senate where feedbacks were received and revisions were made and resubmitted for review.



# Frequently Asked Questions

- **Are there different guidelines for different types of awards?**

No, all awards must follow this policy.

- **Are we not certifying when we sign our BLLR?**

No, BLLR's do not always represent true after the fact information.

- **Is there a problem with working more on an award than you are charging?**

Yes, if you are working on a contract and not charging to it, who are you charging that time to? This could be a cost share that needs to be set up. (Contact the Office of Sponsored Programs)



# Frequently Asked Questions

- **What is the lag time between payroll and the certification report?** There will be about 1-2 weeks in between. Each Effort Report will consist of full pay periods. For example the first report is pay periods 2-7.



# Questions

If you have any questions contact:

Heather Holden

Effort Reporting Officer

MDH 221

824-2037

[Heather.Holden@uah.edu](mailto:Heather.Holden@uah.edu)