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)(https://www.rsp.wisc.edu/effort/COGR_EffortSummary.pdf).

- Effort reporting is required by the OMB Uniform Guidance (2CFR 200), and other federal regulations.

Legal Basis for Effort Reporting

- In all contracts with the Government, and agencies dealing with the government, a line stating "includes all other FAR clauses" is inserted. Federal Acquisition Regulations holds us responsible for proper documentation of effort as stated in the OMB Uniform Guidance 2CFR 200.

- Why do we do this?
  - It is the law. We have no choice, if we want to continue to receive awards from the government.

Effort Reporting Audits

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
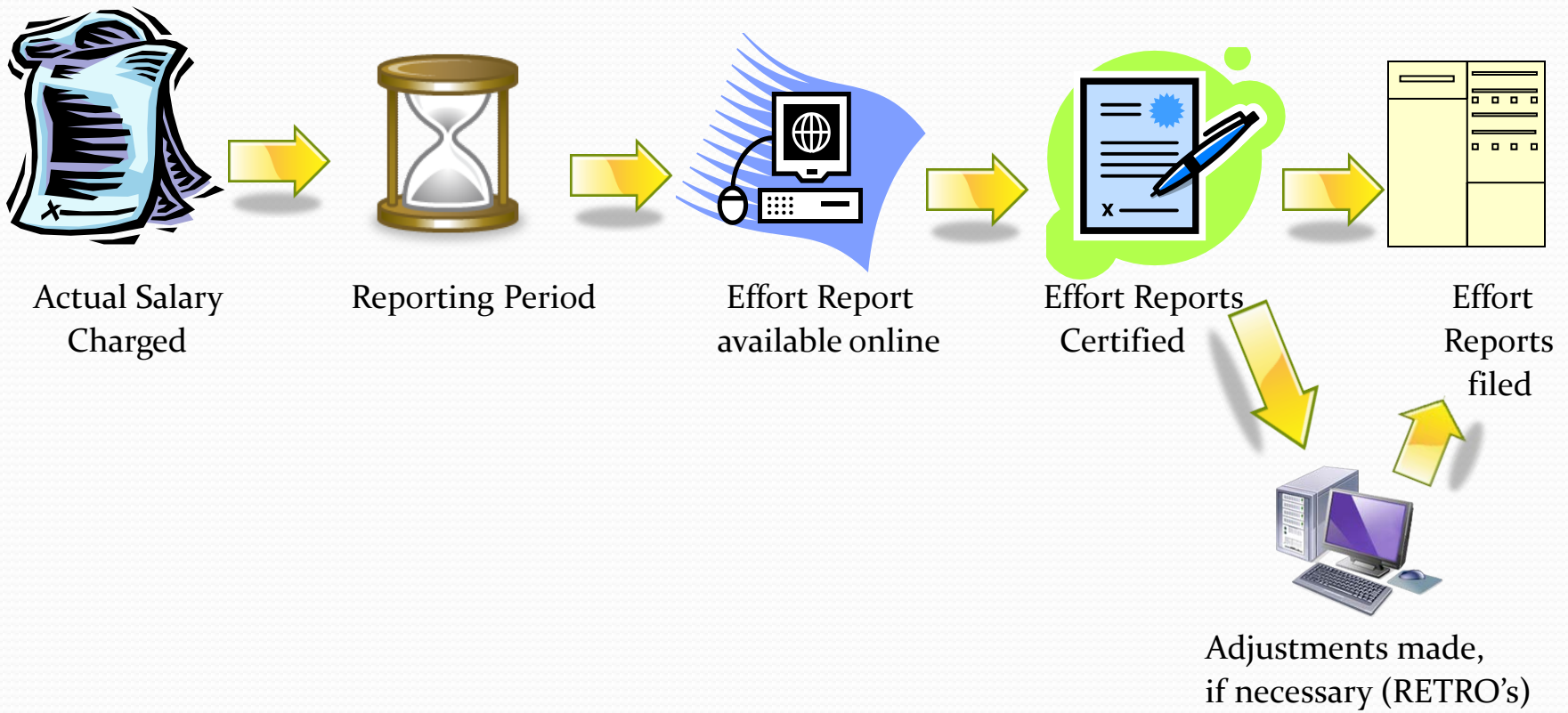- California Institute of Technology

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

Actual Salary Charged

Reporting Period

Effort Report available online

Effort Reports Certified

Effort Reports filed

Adjustments made, if necessary (RETRO's)

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 bi-weekly.

- At the end of each 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 actual commitment (charged payroll).

- 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 the certification period. 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, a **Retro** must be completed 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.

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.

- <u>**Individuals who report their time hourly have certified their time when they turn in their timesheet and will not be required to re-certify their effort.**</u>

What Happens if I Don't Certify?

- UAH penalties may include:
  - Return of funding to the awarding agency
  - Freezing of current awards
  - Debarment from research work
  - Personal disciplinary action
- Federal penalties may include:
  - Disallowed costs
  - Fines
  - Debarment from Federal work
  - And/or Imprisonment under the Federal False Claims Act

How to View Your Effort Report

- To View the Report

- Login into Banner Self-Service
  - Go to register.uah.edu
  - Click on "Enter Secure Area"
  - Enter your Charger ID. If you know your A-number , you may learn your Charger ID at https://apps.uah.edu/PasswordReset/
  - Enter your Password. Go to https://apps.uah.edu/PasswordReset/ to reset your Password. Select Login

  You have now logged into Self-Service

How to Certify Your Effort Report

- Click on the Employee Tab.
- Click on the Effort Certification 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 Certify.
  - If the actual effort is incorrect
    - Please contact the Effort Reporting Office with the error and 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 CERTIFY if correct.
    - **<u>You may only certify once.</u>**

Certify My Effort tab

- Important Information on your Effort Report

Certify My Effort

COA	Period Code	Report Period	Last Name	First Name	ID	Start Date	End Date	Status	Unlocked/Locked
H	20141926	2014 pay 19 to 26	Jones	John	A00112233	2/6/2015	5/7/2015	Awaiting Certification	Unlocked

Exhibit A: Effort Report Certification Form

Finance Access and Training

- For: Budget Queries, entering Requisitions, approving timesheets, managing faculty development, or are a PI (Principal Investigator.)

- Banner Self-Service Access Request Form is located at www.uah.edu/budget/forms. Or contact Mark Massey at 256-824-5217 or mdm0023@uah.edu.

- Training focuses on Budget Queries, reading budget statements, and accessing ePrint. Contact Mark Massey.

- All other training requests – contact Johnny Johnson at 256-824-2241 or johnsonj@uah.edu.

Effort Report Certification Form

Detailed Instructions for Effort Certification are available on the Effort Reporting Website.

http://www.uah.edu/budget/effort-certification

Questions

If you have any questions contact:

Tammy Thornton

Effort Compliance Officer

SKH 165

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