EFFORT REPORTING
BASICS
Effort Reporting Regulations

- As an educational institution with FEDERAL funding, UCLA must adhere to the regulations outlined in OMB Circular A-21

- A-21 requires an effort reporting system be incorporated into the University official records and provide:
  - After-the-fact confirmation of personnel costs charged to sponsored agreements (must include all UPAYs)
  - Certification which encompasses all employee activities on an integrated basis (i.e. 100% effort)

- ERS certification forms are the primary auditable document to support salary on sponsored research awards
A-21 also states that:

- Compensation must conform to institution’s policies and be consistently applied
- Certification should be completed by an individual with suitable means of verification that the work was performed
- Effort should be certified within a reasonable tolerance of 5%
  - Defines the difference between % of salary charged and % of effort
  - “A change applicable to a given project or activity of 5% or more of an employee’s total effort would warrant an adjustment by the employee”
  - This is not something that the ERS system accounts for automatically but should be considered by the certifier when reviewing the effort report (see next page for screen shot of pop-up box in ERS)
Effort Reporting Regulations

- Certifying reports within a +/- 5% tolerance
Effort Reporting encompasses more than just the certification statement.
Effort Reporting Lifecycle

◆ The Pre-Award Process
  ▪ Include the correct Institutional Base Salary on the proposal
  ▪ Monitor the Committed level of effort for the PI and ALL approved Key Personnel
    ✦ Commitments should not exceed 100% (for most faculty, research commitments over 85% may not be reasonable given other professional responsibilities and commitments)
    ✦ Reductions in effort of 25% or more should be reported
  ▪ Accurately calculate and report cost sharing

◆ The Post Award Process
  ▪ Charge payroll in a manner consistent with activities performed
  ▪ Submit timely UPAYs
  ▪ Certify effort within certification window to stay compliant
  ▪ Keeping current with progress / technical reports
What is Effort Reporting?

- Effort is the proportion of time spent on any single professional activity and is reflected as a percentage of the total professional activity for which an individual is employed by an institution.
  - Effort is NOT necessarily based on a standard 40 hour work week.
  - Total effort must equal 100%.
  - Effort is a reasonable estimate (within a 5% tolerance).
  - Total professional activity includes teaching, clinical practice, research, and administrative responsibilities.
What is Effort Reporting?

◆ The effort reported should be consistent with the allocation of time proposed or required by the award, in addition to what was actually paid under each project
  
  ▪ ERS presents total percentages of payroll distributions as a starting point, based on the assumption that payroll is monitored and adjusted based on the effort expended
  
  ▪ Certified effort reports should factor in cost sharing activities, as well as salary cost transfers (UPAYs) to correct any discrepancies between actual effort expended and payroll
How do we calculate effort?

- **Budgeted Effort equals Effort Worked greater than or equal to Salary Paid** (Budgeted Effort = Workload ≥ Salary Paid)
  - Budgeted Effort – Effort reported on proposals, progress reports, and prior approval requests to change effort
  - Effort Worked – How the employee spent their time
    - Effort actually worked on the grant or project throughout the quarter
    - Percent of total time worked, not number of hours
  - Salary Paid – How the employee was paid
    - Actual payroll charged to the grant or project
    - Must factor in salary cost transfers (UPAYs)
Who must certify effort and when?

- Any individual who has committed effort on a Federally sponsored project must complete an effort report
  - A person working on a Federally sponsored project with cost shared activities must still certify their effort

- Issuing Effort Reports
  - Issued on a quarterly basis for any individual that has a portion of salary charged to a Federal grant during that quarter
  - Generated 45-50 days after the quarter ends in order to include UPAYs processed after the quarter end
  - For individuals with 100% cost share on a Federal grant, their report will not be automatically generated but instead will need to be manually added to the ERS system
Who should certify the effort report?

- **Review of Effort Reports**
  - Department ERS Coordinators are responsible for verifying the data in ERS and working with the fund managers to process necessary UPAYs.
  - May include collecting backup documentation and working with the certifiers to complete the effort reports.

- **Certification of Effort Reports**
  - Must be certified by a person with suitable means of verifying the work performed, and has first-hand knowledge of all of the employee’s effort.
  - PIs must self-certify in the system and also may certify for staff for which they have primary oversight and first-hand knowledge.
  - Having each individual certify his or her own effort report is the safest way to meet this requirement.
UCOP has recently developed and approved a new policy for Effort Reporting (Consequences Statement) that includes potential escalation procedures for non-compliance.

A message will be forthcoming from the Vice Chancellor for Research with more information on the Consequences Statement as well as reiterating the importance of effort reporting compliance at UCLA.
**Effort Reporting Issue Dates and Deadlines for Certification**

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<tr>
<th>Quarter</th>
<th>Release Date</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>Summer 2009</td>
<td>April 15, 2010</td>
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<td>Mid August 2010</td>
<td>Early October 2010</td>
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<tr>
<td>Spring 2010</td>
<td>Mid August 2010</td>
<td>Early October 2010</td>
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EFM will be visiting individuals departments to help work through the open effort reports

- Plan to visit 5-6 departments per quarter that have the largest number of open reports and/or the lowest certification rates
- Sharing best practices between departments

After documenting the common issues and fixes for certifying reports, EFM has an ERS FAQ that they continue to update: http://www.efm.ucla.edu/ERS%20FAQs.htm

If you are interested in setting up a meeting with EFM, please email ershelp@research.ucla.edu