

## **Topic**

[Financial Administration](#) [1]

## **Policy Number**

300-20

## **Reviewed Date**

April 4, 2014

## **Responsible Office**

- [Office of the Senior Vice Chancellor, Finance and Administration](#) [2]

## **Purpose**

The purpose of the policy is to ensure that effort certifications completed in connection with university sponsored projects are accurate, reasonably reflect the actual level of effort expended on a sponsored project, and comply with sponsor requirements. Recent updates include changes to reflect new Chart of Accounts; cleanup of wording; expanded roles and responsibilities to provide greater definition and detail.

## **Definitions**

### Cost Sharing

Cost sharing is a commitment of University resources or funding that supplements externally sponsored projects. Mandatory cost sharing is that which is required by the sponsor and also quantified and committed in the proposal. Voluntary committed cost sharing is not formally required by the sponsor but is committed in the proposal and becomes mandatory once the award is made, requiring administrative tracking and reporting. These costs are not reimbursed by the sponsor or charged to the sponsored project and therefore must be supported by University funds.

### Effort

Effort is the portion of time spent on a Federal research activity and expressed as a percentage of the total professional activity for which an individual is employed by the University of California. Total professional activity includes research, teaching, patient care, administrative and other University appointed activities (see FAQs).

### Effort Certification

Effort certification is to verify that effort supported (paid) by a federal project has been performed as agreed, and that effort expended in support of a federal project but not paid by

the project has been performed as agreed (committed cost sharing)

## Effort Reporting of Federally Sponsored Projects

Effort Reporting is a process required by Title 2 Code of Federal Regulations (2 CFR), part 220 to verify that salary and wages charged to federally sponsored projects are reasonable estimates in relation to the actual work performed. An effort report is an "after the fact" certification of all professional activities for which the employee was compensated by the institution.

### Policy

**A.** All personnel paid from, or with effort committed to, a federal-sponsored project sponsored (including federal flow-through subcontracts that the campus receives as a second-tier contractor of the federal agency) are required to review, correct, complete and certify effort reports on a regular basis. Exceptions are pre and postdoctoral individuals supported 100% by a fellowship (stipends) with no additional employment compensation and College Work Study employees.

**B.** An effort certification is required semiannually (six-month period ending June 30 and December 31) for academic and non-academic employees.

**C.** Academic employees must certify their effort report either by themselves or by another responsible academic official who has first-hand knowledge of the work performed.

Non-academic staff, postdoctoral scholars and students, however, cannot certify effort reports. Their effort must be certified by a responsible official who has firsthand knowledge of the effort using a suitable means of verification that the work was performed.

**D.** Any committed cost shared effort must be considered in the effort report. Committed cost sharing also must be documented based on the commitment made in the proposal and/or the award in accordance with the sponsor's terms and conditions.

**E.** Timely certification of effort reports is a condition of acceptance of federal funding when direct salary charges are contemplated and incurred or cost shared salary is proposed on an award. The effort report should be certified within 120 days of the end of the reporting period.

### Responsibilities

#### A. Principal Investigators (PIs)

- Understand the principles of accurate and timely effort reporting.
- Know the level of effort committed to sponsor in relation to all other professional activities included in total effort.
- Review effort reports, make necessary edits, and add comments.
- Identify any necessary corrections or modifications, and communicate timely with administrators to implement corrections.
- Certify own effort and may certify effort reports of others working on their awards (if PI)

has first-hand knowledge of the work performed).

- Manage work effort and assign oversight, when necessary, to a responsible official who has direct knowledge of the work performed and suitable means of verification that the salary reasonable reflects the work performed.

## **B. Employees/Self-Certifiers**

- Understand the principles of accurate and timely effort reporting.
- Know the level of effort committed to a sponsor in relation to all other professional activities included in their total effort.
- Review their own effort reports, make necessary edits, and add comments.
- Identify any necessary corrections or modifications and communicate timely with administrators to implement corrections.
- Certify own effort when they have first-hand knowledge of the work performed and the benefitting sponsored project.

## **C. Responsible Officials/Other Designated Certifiers**

- Understand the principles of accurate and timely effort reporting.
- Know the level of effort committed to a sponsor in relation to all other professional activities included in total effort.
- Review effort reports, make necessary edits, and add comments.
- Identify any necessary corrections or modification and communicate timely with administrators to implement corrections.
- Certify effort reports based on first-hand knowledge of the work performed or using other suitable means of verification.

## **D. Department Administrators**

- Establish and document the department's business process of certifying effort on sponsored projects.
- Ensure that all administrative users have completed training on effort reporting, and have been assigned appropriate user access.
- Monitor progress toward certification completion throughout the effort reporting cycle, ensuring that department's reports comply with agency requirements and are completed before the end of the certification period.

## **E. Department Effort Report Coordinators**

- Coordinate the department's effort report process.
- Receive notifications from CGA.
- Notify department reviewers when effort reports are available.
- Track completion of department's certification.
- Follow-up on incomplete or late reports.
- Serve as departments subject matter expert and CGA point-of-contact.

## **F. Grant Administrators/Reviewers**

- Review effort reports for accuracy before and after certification.
- Edit reports as necessary; add cost share and activate multiple certifications if required.
- Coordinate any necessary and appropriate payroll expense transfers.
- Notify and/or meet with PIs and other Self-Certifiers when reports are ready for review

and certification.

- Retain supporting documentation related to the salary and effort distributions.

## **G. Controller's Office-Contracts and Grants Accounting**

- Administers the Effort Reporting System.
- Establishes campus-wide effort reporting roles, responsibilities, and certification process.
- Provides training and support regarding effort reporting principles and process.
- Notifies department ERCs regarding the availability of effort reports for certification.
- Periodically monitors and reviews the effort reporting process for compliance with federal regulations, sponsor requirements, and UCSF policies and procedures.
- Follows up with department administrators, chairs, dean's offices, and/or vice chancellors to resolve delinquent effort reports.

## **H. Deans/Chairs/Directors**

- Ensures departments' compliance with effort reporting regulations; follows up on non-compliance issues; and imposes corrective measures, if necessary.

## **I. Executive Vice Chancellor and Provost and Vice Chancellor's**

- Ensures campus-wide compliance with effort reporting regulations; follows up on non-compliance issues; and imposes corrective measures, if necessary.

## **Related Policies**

- [400-17 - Cost Sharing](#) <sup>[3]</sup>

## **References**

- [Title 2 Code of Federal Regulations \(2 CFR\), part 220](#) <sup>[4]</sup>
- [NIH Grants Policy Statement](#) <sup>[5]</sup>
- [Controller's Office Effort Reporting](#) <sup>[6]</sup>

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[2] <mailto:SVCPOLICIES@ucsf.edu>

[3] <http://policies.ucsf.edu/policy/400-17>

[4] <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Tit...>

[5] [http://grants.nih.gov/grants/policy/nihgps\\_2010/index.htm](http://grants.nih.gov/grants/policy/nihgps_2010/index.htm)

[6] [http://controller.ucsf.edu/fin\\_compliance/](http://controller.ucsf.edu/fin_compliance/)