Road Map to Effort Reporting

Effort Reporting Period
Jan 1 – Jun 30, 2013

Offices of Sponsored Programs & Research Compliance
• Training Agenda
  • Requirements of Time & Effort Reporting
  • University’s Process
  • Roles & Responsibilities
• Training is Mandatory for all Researchers

Collaborate – To work, one with another; To cooperate.

-Dictionary.com
• Office of Sponsored Programs
  – Joe Sanning, Director
    • jsanning@slu.edu; 977-2380
  – Kathy Leiva-Rosario, Manager
    • leivarosario@slu.edu; 977-4219
• Office of Research Compliance
  – Kerry Borawski, Sr. Compliance Auditor
    • kborawsk@slu.edu; 977-7720
• Effort Reporting
Is a process for employees to:
  • VERIFY the effort they spent on sponsored projects
    *by default this requirement will include the certification of an employee’s all other activities
  • CERTIFY that we charged the correct effort percentage to those activities

Applies to ANYONE who has charged time to an award.
  Ex = Principal Investigator, Graduate Assistant, Administrator, Lab Tech, Co-Investigator, etc.
• Regulations
  • OMB Circular A-21 – Cost Principles for Educational Institutions
  • OMB Circular A-133 – Compliance Supplement

University labor makes up 50% of direct research costs expended
• US Taxpayer expects his federal tax dollars are spent wisely
  • Effort Reporting is the federal government’s system to ensure that taxpayers are getting their money’s worth
• It is required for the appropriate calculation of the University’s F&A rates
  • Facilities & Administrative rates
• It is formally adopted within our federal form DS-2
  • SLU’s explanation of all of our grant accounting rules

In order for the University to accept any federal funds, including federal financial aid, then we must obey the Effort Reporting requirements
Effort Reporting Process

Each is a unique process interwoven within our “Plan Confirmation System”
• **EPAF – Electronic Personnel Action Form**

The form used to create the payroll record for a University employee.

Allocates the percent of time the employee intends to spend on each segment of their job. For ex – Teaching responsibilities are paid from a separate fund than Research responsibilities.
• LR – Labor Reallocation

When changes are identified, this prompts the new Allocation for the percent of time the employee intends to spend on each segment of their job.

A correcting journal entry to redistribute payroll to a different funding source.
When investigators leave the University, the formal HR Exit Process prompts them to complete their Effort Report.

### Effort Report (EVR)

1. **Effort Reportable Salary**
2. **Summer Salary**
3. **Other Salary**

1. Every 6 months
   1. January-June
   2. July-December
2. Investigator must sign it
   1. Or someone with “...suitable means of verification”
3. Finalized w/in 30 days of distribution
Total Professional Effort

1. Effort Reportable Salary (Institutional Base Pay)
2. Summer Salary
3. Other Salary “Total Professional Effort”

Scenario - New Employee:
- 100% Faculty Appointment

Scenario - Add Research:
- 80% Appointment
- 20% Grant

Scenario - Add Admin:
- 75% Appointment
- 20% Grant
- 5% Admin

Scenario - Add Overload Teaching:
- 75% Appointment
- 20% Grant
- 5% Admin
- Total Institutional Base Salary (IBS)
- $5,000 Overload Teaching
- Total Other Salary
- Total "Professional Effort"
• Incidental Pay
  • Payment made to University employee for activities done Outside the Scope of their Total Professional Effort & Institutional Base Pay

It is Minimal, Infrequent in Nature, and Outside the Scope of their Normal University Role.
EVR—Effort Verification Report

1. Effort Reportable Salary
2. Summer Salary
3. Other Salary

Form used to certify an individual’s effort for a reporting period.
1. Institutional Base Salary (IBS):
Total compensation paid to an employee for all professional activities they provide to the University within their appointment.

For faculty members, this aligns exactly with your Appointment Letter.
EVR-Effort Verification Report

Effort reporting reflects a “Reasonable Estimate” of how my time was spent. It is not an exact method, but a reasonable method.

I’m a 12-month Employee
Grant Started April 1, 2013

How do I estimate my time over the Six Months:
Jan – March = 0% Effort
April – May = 30% Effort
June = 70% Effort

\[
\begin{align*}
3/6 &= 50\% \times 0 = 0 \\
2/6 &= 33\% \times 30 = 10\% \\
1/6 &= 17\% \times 70 = 12\% \\
\text{Effort Rptbl IBS} &= 22\%
\end{align*}
\]

Effort Reportable Salary = Institutional Base Salary (IBS)
(1) Instruction, (2) Research, (3) Clinical, (4) Administration

Effort Reportable Salary = Institutional Base Salary (IBS)
Full Time Staff and Faculty with 12 month appointments would NOT be eligible b/c they work all 12 months.

2. Summer Salary: Salary paid during the summer months for work done outside of the normal contract period.
### EVR-Effort Verification Report

Summer Research is only allowable if there is explicit approval from the sponsor, most often a line item within the proposal that clearly identified Summer Research amounts.

<table>
<thead>
<tr>
<th>Month</th>
<th>Effort</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan – March</td>
<td>0%</td>
</tr>
<tr>
<td>April – May</td>
<td>30%</td>
</tr>
<tr>
<td>June</td>
<td>70%</td>
</tr>
</tbody>
</table>

#### I’m a 9-month Employee
Grant Started April 1, 2013
How do I estimate my time over the Six Months?

- Jan – March = 0% Effort
- April – May = 30% Effort
- June = 70% Effort

#### Effort Rptbl IBS = 10%

\[
\begin{align*}
3/6 &= 50\% \times 0 = 0 \\
2/6 &= 33\% \times 30 = 10\% \\
1/1 &= 100\% \times 70 = 70\% \\
\end{align*}
\]

Summer Salary = 70%

Full Time Staff and Faculty with 12 month appointments would **NOT** be eligible b/c they work all 12 months.
EVR-Effort Verification Report

I’m a **12-month** Employee
Grant Started April 1, 2013
I teach One Overload Course in Spring 2013
How do I estimate my time over the Six Months?
  Jan – March = 0% Effort
  April – May = 30% Effort
  June = 70% Effort

\[
\begin{align*}
3/6 &= 50\% \times 0 = 0 \\
2/6 &= 33\% \times 30 = 10\% \\
1/6 &= 17\% \times 70 = 12\% \\
\text{Effort Rptbl IBS} &= 22\%
\end{align*}
\]

Overload = $5,600

Institutional Base Pay (Research, Instruction, Clinical, Admin)
+ _______ Other Salary (Incentive, Bonus, Overload, Supplement)
Total W-2 Wages
Is it possible to contribute 100% of my effort to sponsored activities?

no, not really ...
YES or NO?

1.) Do you author or assist the writing of any research proposals?
2.) Do you attend any SLU Functions?
3.) Do you attend Departmental Meetings?
4.) Do you provide clerical duties (answer the phone, file, open or close the office?)
5.) Do you supervise student workers?
6.) Do you teach classes (whether or not for credit?)
7.) Are you on any committees?
8.) Do you have any Conference participation not funded by sponsor?
9.) Do you participate on any Search Committee?
10.) Do you attend training not related or funded by sponsor?

100% Effort

Answer these questions within the perspective of your appointment letter, i.e., your employment. Grad Students, for example, may author research proposals within their role as a STUDENT, despite their employment status.

- 98% grant and 2% admin
  100% Total
- 95% grant and 5% admin
  100% total
QUESTION:
Which activities, specifically, are categorized within each of the 3 sections on the Effort Report?
Effort Reporting Process

Collaborative System that expects Continuous Communication
• QUESTION:
  • What happens with my Zero Credit Hour Graduate Reading Course? I don’t get paid for that class.

Cost Sharing

Instruction means Teaching & Training Activities whether credit is granted or not
• QUESTION:
  • What happens with my NSF Grant that pays me only for two months?

• QUESTION:
  • Can I work through-out the year & receive pay only in two months?

**Cost Sharing**

- Mandatory
- Voluntary Committed
- Voluntary Uncommitted

SLU does not typically commit to cost share on a voluntary basis - Only when competitive forces & perceived benefits > the costs
Cost Sharing Example

I’m a **9-month** Employee
Grant Started January 1, 2013
How do I estimate my time over the Six Months?
- Jan – May = 2% Effort, $0 Compensation
- June = 100% Effort, $5,000 Compensation

<table>
<thead>
<tr>
<th>Section 1, Effort Reportable</th>
<th>Salary = 2% on the Grant Cost Sharing</th>
<th>98% on the Dept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 2, Summer Salary =</td>
<td>100% on the Grant</td>
<td></td>
</tr>
</tbody>
</table>

- Summer pay must be consistent with Actual Summer Effort, with the use of Cost Sharing, if necessary

I work on my NSF Award

NSF limits salary recovery to 2 months of my total salary per year:
- $100,000 Salary
- 2/9 = 22%
- NSF Salary < $22,000
• Take Away Message:
  • You should feel CONFIDENT about signing your Effort Report.

SLU Ethics Hotline is 1-877-525-KNOW (5669)
What’s Next?

• Effort Reports were Issued this week
  – January 1 through June 30, 2013
• Remember that you will still need to formally complete your effort report:
  – Acknowledge your responsibility
  – Adjust as you deem appropriate
  – Certify your effort