EFFORT REPORTING AND CERTIFICATION

February 11, 2004

2330.020

POLICY STATEMENT (R*)

An after-the-fact certification of effort is required of all individuals performing services on a sponsored project when all or a portion of their salary is charged to a sponsored project. Effort reports must be a reasonable estimate of the individual’s time and effort during the time certified. Effort reports must be certified by either the individual whose time and effort is being certified or someone having firsthand knowledge of the activities performed by the employee.

REASON FOR POLICY (O*)

Effort Reporting Federal Requirements

Effort reporting is a federal requirement; Principal Investigators are obligated to follow the federal requirements concerning effort reporting upon acceptance of a federal award. Federal effort reporting guidelines require that either the individual or someone having firsthand knowledge of the activities performed by the employee, e.g., the Principal Investigator, must sign the effort reports. (Department secretary signing is generally not sufficient.) Specifically, OMB Circular A-21 J.10.b(2)(b) provides that the person signing the effort report must have "suitable means of verification that the work was performed." Regardless of who signs, the Principal Investigator must be able to verify that persons paid on their sponsored projects actually performed the work and must be in a position to provide verification to the effort certified.

Effort reporting captures the proportion of personnel time spent on each institutional activity expressed as a percentage of the total institutional activities of the employee. OMB Circular A-21 J.10.b(1)(c) recognizes:

In the use of any methods for apportioning salaries, it is recognized that, in an academic setting, teaching, research, service, and administration are often inextricably intermingled. A precise assessment of factors that contribute to costs is not always feasible, nor is it expected. Reliance, therefore, is placed on estimates in which a degree of tolerance is appropriate.

Federal regulations require an after-the-fact certification of effort of all individuals when all or a portion of their salaries is charged to a sponsored project. However, effort expended on an activity must be reported, whether or not that activity is funded by an outside source. For example, if a faculty member expends effort on a sponsored project but does not charge the project for all (or any) of his/her salary for that effort and that effort is mandatory or committed cost sharing; the entire effort must be allocated to the project. The administrative effort of employees in academic departments engaged in sponsored projects must be reported to support the University's research F&A calculation.

The Effort Report must account for all effort for which the University compensates the individual. This includes all effort expended on sponsored projects, administration, business development, instruction and unsponsored scholarly activity, clinical activity, and other activity. It does not include effort for which the employee receives compensation directly from another entity (e.g., outside consulting work).

The entries on an employee’s effort report are expressed as a percentage of the employee's total University activities for the period reported without regard for the actual total hours worked by the employee during that period. These percentages must total 100%--neither more nor less, and must take into consideration work performed outside of the “9 to 5” work schedule, work performed during the employee’s "off-hours," and work performed off-campus. Thus, even when the number of hours of effort the individual expends during the period reported substantially exceeds the “normal” workweek of 35 or 40 hours, the total effort expended by the employee must account for all the work performed by the employee and cannot exceed 100%. For example, if the employee worked 40 hours in one week on a sponsored project and 20 hours in the same week on an unrelated University project, then the employee’s effort report should show 67% effort devoted to the sponsored project (40 hours divided by 60 total--effort hours) and 33% on the unrelated University project -- regardless of the fact that the employee’s normal work week might be 40 hours.
Positions paid hourly and subject to paid overtime: 100% effort consists of total hours worked, including overtime. For example, if a lab technician works 40 hours a week on a sponsored project and 10 hours a week on other University work, the sponsored project receives 80% effort and the other items receive 20% -- regardless of the actual total hours worked by the employee.

RELATED INFORMATION (O*)


DEFINITIONS (R)

“Exempt Employee” is defined by the FIU Division of Human Resources as an employee who because of the duties assigned and salary qualifies as being exempt from the overtime provisions of the Fair Labor Standards Act. Exempt employees do not receive overtime pay for work performed in excess of the 40 hour work week.

“Non-exempt Employee” is defined by the FIU Division of Human Resources as an employee who, because of his/her job duties and salary is subject to the overtime provisions of the Fair Labor Standards Act. Non-exempt employees will be paid at one and one-half times the hourly rate or will be granted compensatory time for work performed in excess of 40 hours during the work week.

“PI” is the Principal Investigator.

“ORED” is the Office of Research and Economic Development.

PROCEDURES (O*)

EFFORT REPORTING FOR NON-EXEMPT EMPLOYEES

Non-Exempt employees must accurately enter the time they work on each sponsored project in the MyFIU Panthersoft system at https://my.fiu.edu/. That time must be approved by the employee’s supervisor as verification that the employee worked the number of hours stated on each sponsored project. The supervisor who approves the employee’s time must be a person who has firsthand knowledge of the work performed by the employee on the sponsored project. The hourly entries, with the supervisor approval, serve as the effort certification for the non-exempt employee.

EFFORT REPORTING FOR EXEMPT EMPLOYEES

Each semester, an effort report will be sent via email to each FIU exempt employee listing the compensation that the individual received from FIU for the reported period, listed by Project/Department ID and amount, and expressed as a percentage of effort for all of that individual’s FIU-related work activities. The total of the percentages on the report must equal 100%.

Prior to sending the effort report to the FIU employees, ORED will email the department effort coordinators with a list of the employees in his/her department for a pre-review of the effort according to the information in the FIU payroll system. During the pre-review period which shall be set forth in the email from ORED and shall be a minimum of one week for the department pre-review, the department effort coordinators may submit payroll transfer requests, as necessary.

After the pre-review period for the department effort coordinators, ORED will email the effort reports via email to the FIU employees. Each FIU employee receiving the report must review it to ascertain if the percentages listed on the report accurately reflect the work that the individual performed (and for which he/she received compensation) during the reported period. Any work that the individual performed on a sponsored project on a cost sharing basis must be included in the report, under the appropriate Project ID number. All work performed by an individual on sponsored projects must be reflected on the report, by Project ID number, for each sponsored project. In other words, each sponsored project activity must be reported separately, as must each other category of work performed by the individual during the reported period: administration, business development, instruction and unsponsored scholarly activity, clinical activity and other activity.

Any person who certifies 100% of his/her effort on a sponsored project will be contacted by ORED to ensure that the effort was properly allocated. For example, University administrative effort and time spent on proposal preparation may not be charged to a sponsored project. If ORED determines that a portion of the effort charged to a sponsored project should properly be allocated to University administrative effort, ORED will work with the individual certifying the effort to ensure that the effort is appropriately reallocated. If the individual certifying effort is a faculty member, ORED will work with the appropriate academic unit(s) (i.e., department, college or center) so that the FIU employee may be allocated a sufficient administrative assignment (generally 3-5% of total effort) to cover the effort that may not be charged to the sponsored project.
If the report accurately reflects the work that the FIU employee performed (and for which he/she received compensation) during the reported period, then the person receiving the report must certify via the link in the email to the Effort Certification and Reporting Technology system (ecrt) that the report is accurate. The employee does not need to print or sign a hard copy of the report because the certification within ecrt meets the effort certification requirement. Historical information is maintained with ecrt for future reference.

If the report does NOT accurately reflect the work that the FIU employee performed (and for which he/she received compensation), the employee can edit the report to redistribute his/her effort and/or add new projects/effort commitments. Once the report is updated to accurately reflect the effort commitments for the reporting period, the employee can then certify his/her effort by selecting the “certify” button on the webpage indicating that the revised report is a “reasonable estimate” of his/her effort. This electronic signature meets the effort certification requirement and no hard copy printout is necessary.

**EFFORT CERTIFICATION TIMELINE & CLOSE-OUT PROCEDURES FOR EXEMPT EMPLOYEES**

To ensure that each certification process is completed in a timely manner, all employee certifications must be submitted within 30-days of the initial notification for each reporting period. With this goal in mind the ORED has instituted the following timeline in order to ensure that the University accomplishes the goal of timely completion of federally required effort reports.

<table>
<thead>
<tr>
<th>All dates expressed as calendar dates, unless otherwise stated.</th>
<th>TIMELINE</th>
<th>RESPONSIBILITY</th>
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<tbody>
<tr>
<td><strong>TASK</strong></td>
<td><strong>Begins 3 weeks after semester end date and lasts for the period set forth in the email sent by ORED to the department, which shall be a minimum of one week for the department pre-review</strong></td>
<td><strong>Departmental Effort Coordinators</strong></td>
</tr>
<tr>
<td>1. Pre-review period for department effort coordinators</td>
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<td>2. After pre-review period ends, ORED issues the effort reports to FIU employees</td>
<td>Day after pre-review period ends</td>
<td>ORED Budget &amp; Cost Analysis Office</td>
</tr>
<tr>
<td>3. Deadline for employee to respond to the effort report</td>
<td>30-days after reports are issued to employee</td>
<td>Employee</td>
</tr>
<tr>
<td>4. Reminders via email to non-responding employee and departmental effort coordinators</td>
<td>One reminder each week for four weeks</td>
<td>Budget &amp; Cost Analysis Office</td>
</tr>
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<td>5. Non-responding employee’s name forwarded to employee’s Dean and/or Center Director, if applicable, for assistance in obtaining effort report certification from the employee</td>
<td>Day after employee’s deadline to respond to the effort report</td>
<td>Budget &amp; Cost Analysis Office</td>
</tr>
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<td>6. Non-responding employee’s Dean and Center Director, if applicable, notified that ORED will impose sanctions against employee if effort report certification is not received within 5 business days of the notice</td>
<td>One week after sending non-responding employee’s name to the Dean and Center Director per item #5 above</td>
<td>Budget &amp; Cost Analysis Office</td>
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The PI is responsible for ensuring that all persons working on his/her sponsored project timely certify their effort. ORED will keep the PI apprised of any delinquent effort reports for any person on the PI’s sponsored project so that the PI may follow up with that person to ensure that he/she promptly certifies his/her effort. Should it become necessary for the Budget & Cost Analysis Office to contact a non-responding employee’s Dean or Center Director, the PI will be copied on such communication. If the person not responding on the effort reporting fails to provide the certification within one week after the Budget & Cost Analysis Office’s communication to the Dean and Center Director, ORED may prohibit the person who is delinquent in the effort certification and the PI on the sponsored project from submitting any additional proposals for any sponsored project until all effort certifications are current for those persons. Additionally, the Project ID for the existing sponsored project on which the delinquent employee is working may be frozen and no further expenditures may be permitted on that Project ID until all effort certifications are current. Also, the facility and administration (F&A) charges applicable to the Project ID(s) at issue may be withheld by ORED or swept back by ORED from faculty and colleges/centers/departments. Additional sanctions may be imposed as deemed appropriate by the Vice President of Research.

Departmental personnel responsible for effort reporting certification shall be required to attend training sessions as deemed appropriate by ORED.

For additional information on effort certification procedures, see ORED web site at research.fiu.edu/effort.

### HISTORY (R*)


### RESPONSIBLE UNIVERSITY DIVISION/DEPARTMENT (R*)

Office of Research and Economic Development
Florida International University

### RESPONSIBLE ADMINISTRATIVE OVERSIGHT (R*)

Budget & Cost Analysis
Florida International University
11200 S.W. Eighth Street – MARC 430
Miami, Florida 33199
Telephone: (305) 348-2494

*R = Required  *O = Optional

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