

## EFFORT CERTIFICATION ON FEDERAL GRANTS

### **Purpose:**

The purpose of this policy is to ensure that Lewis University complies with the Federal Office of Management and Budget (OMB) standards regarding the certification of effort on federally sponsored grants.

### **Summary:**

University employees who work on federally sponsored grants, either paid by the grant or provided as cost sharing to the project, must certify their effort.

OMB provides the standards to which federal grants must conform in 2 CFR 220 “Cost Principles for Educational Organizations” and in 2 CFR 215 “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations.”

It is the responsibility of the individual employee to provide certification once per semester. It is the responsibility of the Principal Investigator to ensure that effort certification for his/her project remains current.

### ***Definition:***

*Effort* is defined as the total professional activity for which the employee receives compensation from the university. These activities include teaching and advising students, university service such as committee meetings, and participating in research and scholarly activity.

1. Effort reports and payroll distributions are not the same. Payroll distributions are the distributions of an individual’s salary, while effort reports describe the actual time and effort expended on specific projects, whether or not reimbursed by the sponsor.
2. Effort is defined as all professional activities encompassed by University appointments, without regard to the number of hours expended on those activities. 100% effort is not defined as a set number of hours per week (e.g., 40 or 50 hours per week).
3. The Effort report must represent, in percentages totaling 100%, a reasonable estimate of an employee’s effort for the period being reported.
4. Effort reporting shall reasonably reflect the percentage distribution of effort expended by individuals involved in federally funded grants. These reports shall reasonably reflect the activity for which the employee is compensated.

### **Responsibilities:**

1. Each exempt employee whose time is committed to a federally sponsored project shall complete an effort report. Non-exempt employees whose time is committed to a federally sponsored project shall fill out a timesheet, which certifies their time worked on the

federally sponsored project. Committed cost sharing, either voluntary or mandatory, must be included in effort reports.

2. The Business Office is responsible for the distribution, collection, and retention of all employee effort reports. Individually reported data will be made available only to authorized auditors.

### **Procedure:**

1. When a PI receives an award from an external sponsor, he/she will prepare a projected distribution of effort for the expected duration of the grant in consultation with the Office of Sponsored Programs. This will be based on the budget proposed to the sponsor. The Office of Sponsored Programs will provide this projection with the grant paperwork and budget to the Business Office.
2. Each exempt employee working on federally funded projects during the academic year will be required to report at the end of Fall Semester, no later than February 28; and at the end of Spring Semester, no later than June 30. Exempt employees working on such projects during the summer will report by September 30.
3. The Business Office shall provide a blank effort report to each exempt employee working on a sponsored project(s) 15 days before a report is required.
4. Each employee receiving this form shall complete the actual percentage of effort for the given time period and submit the report to the Principal Investigator.
5. Verification: All employees must sign their own individual effort reports. In addition, the PI must review and verify all effort reports associated with a sponsored project using suitable means of verification that the reported work was performed. If the PI is the employee completing the effort report, a Department Chair or Associate Dean must verify the report.
6. PIs are required to return appropriately completed and signed effort reports to the Business Office by the due date.
7. Any salary reallocations or adjustments resulting from time and effort reports will be made as determined between the Office of Sponsored Programs and the Business Office.

### **Calculating Percent Effort:**

The percent effort is calculated by dividing the individual's average amount of time spent on a sponsored project by the average amount of time the individual works in a week over the course of the semester.

*Example: 10 hours of grant activity per week ÷ 40 hours per week = 25% effort*

*Example: 10 hours of grant activity per week ÷ 50 hours per week = 20% effort*

### **Tips:**

1. Do not assume a 40-hour work week. If your average week (including work done at home) is more than 40 hours, use the number that most accurately depicts your average effort.

2. Do not include temporary phenomenon such as sick days or snow days. Do include things such as long-term disability or time away under the Family Medical Leave Act.
3. The percent effort should reflect your effort over the entire semester, so brief periods of intense activity may typically be cancelled out by periods of lesser activity.