

# Effort Reporting Directives & Procedures

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Responsible Office: Office of Contracts and Grants

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# 1. Background

## 1.1. Definitions

1.1.1. Cost Sharing - The portion of the total costs of a project borne by the University of Florida and not borne by the Sponsor.

1.1.1.1. Mandatory Cost Sharing - Mandatory cost sharing is required by statute or as condition of a specific solicitation or program announcement. It will normally appear in the award document from the agency. Mandatory cost sharing expenditures are tracked and accounted for and will be reported back to the sponsoring agency in a Financial Report.

1.1.1.2. Voluntary Committed Cost Sharing - Voluntary committed cost sharing is created if a proposal includes cost sharing where none was required. If funded, the PI and the University are "committed" to providing the project with the indicated support. Voluntary committed cost sharing expenditures are not normally reported back to the sponsoring agency, however, it is still required that the University track and document these costs as they are subject to audit.

1.1.1.3. Voluntary Uncommitted Cost Sharing - Voluntary uncommitted cost sharing represents contributions to a sponsored project that are made after the award is received. For example an investigator decides to spend more time on the project than proposed and not charge the sponsor for the increased effort. Uncommitted cost sharing is not planned for and is not accounted for in the University cost sharing system.

1.1.2. Effort - Effort is the time devoted to a particular activity, expressed as a percentage of the total time spent on UF activities.

1.1.2.1. Committed Effort – The amount of effort proposed in a project application and accepted by the sponsor, regardless of whether salary support is requested. Committed effort may be adjusted with the approval of the sponsoring agency.

1.1.2.2. Total Professional Effort - All professional activities performed by a faculty or staff member that may be considered by the University to be in the scope of employment for purposes of promotion and tenure, regardless of how (or whether) the individual receives compensation.

Total Professional Effort may include the following:

- Leadership and other activities in professional societies
- Service as proposal or manuscript reviewer or editor of a journal
- Other public service related to or benefitting work for the University

1.1.2.3. Total University effort – That specific portion of Total Professional Effort for which an individual receives Institutional Base Salary (IBS) from the University of Florida and which should be considered for purposes of completing an effort certification. By definition, an individual's total University effort must equal 100% – never more or less – regardless of the number of hours worked or the appointment percent.

For the purposes of completing effort certification, Total University effort EXCLUDES:

- Activities supported by compensation from the US Department of Veterans Affairs
- Volunteer community or public service not related to University effort
- Unpaid absences
- Activities (such as consulting) for which the individual receives any direct compensation from a source other than the University (not paid through the University)
- Other special activities resulting in payment of a lump sum amount or other one-time extra compensation from the University of Florida

1.1.3. Institutional Base Salary (IBS) - The annual compensation paid by the University of Florida for an employee's appointment, whether that individual's time is spent on research, teaching, patient care, or other activities. By definition, an individual's total University effort must equal 100% – never more or less – regardless of the number of hours worked or the appointment percent. For the purposes of determining Institutional Base Salary for compliance with 2 CFR 200, not all activities undertaken in an individual's professional capacity are included in activities compensated by IBS.

## 1.2. Institutional Base Salary

Institutional base salary *excludes* bonuses, awards, clinical variable pay, trainee stipends, lump sum payments and any compensation paid directly by another organization including but not limited to Howard Hughes Medical Institute, Department of Veterans Affairs and income that an individual is permitted to earn outside their University responsibilities.

Any sponsored program administered by UF may only be charged for the portion of IBS attributed to actual effort expended on that sponsored project.

Summer salary may be paid to an individual on an academic year (9-month) appointment for their research obligations performed during the summer months. Summer salary is calculated based on the IBS of the preceding academic year and can only be charged to a sponsored project in proportion to the effort expended on the particular project during the summer months.

Institutional Base Salary:

- may not be increased solely as a result of replacing University salary funds with sponsored projects funds;
- is established in the Letter of Appointment (upon new hire or when an appointment changes) and may be adjusted if:
  - the employee's formal appointment, and required professional effort, is changed from full-time to part-time, from part-time to full-time, or from one required level of part-time effort to another required level of part-time effort;
  - the employee receives a temporary or permanent increase or decrease in salary;
  - the employee receives a salary adjustment as part of a University-wide adjustment of salaries that occurs during a fiscal year; or
  - includes any compensation for additional duties such as chair of a department even if such salary covers only temporary increases in assigned duties and responsibilities
- Faculty may spend time performing professional activities for which they do not receive university compensation. Effort reporting may include such effort as part of total institutional effort.

## 1.3. Establishing a distribution of effort

Faculty and staff conduct research, instruction, clinical activities, extension and service for the University of Florida (UF) and UF expects its faculty and staff to align their teaching, research, extension, and service with the compensation received from the University. A Faculty Assignment Report (FAR) should be completed by the dean, department chair, director, or designee before the start of each reporting period for each faculty member and serve as a guideline for the relative proportion of each activity performed throughout the semester. This will be different for each person and for each appointment at the University and should be updated throughout the reporting period if assignments change.

Faculty and staff members must be able to account for and explain the percentages of effort that they provide, which should always equal 100%. Faculty or staff who have a part-time appointment should calculate effort as a percentage of their total UF effort (e.g. a 50% appointee spending half time on instruction and half on research would report 50% of their total effort devoted to instruction and 50% to research for a total of 100%).

Effort distributions should be reasonable estimates of activities, recognizing that research, instruction, and clinical activity are often inextricably intertwined and estimates may be necessary. Payroll distributions are

initial estimates of how effort is anticipated to be expended. The effort reporting process is a method for confirming payroll charges made to sponsored awards.

#### 1.4. External consulting

The University of Florida faculty and staff may engage in consulting for entities outside the University with appropriate approvals. Effort expended on such consulting is in addition to their University responsibilities and therefore should NOT be considered in calculating total UF effort. The University requires that faculty or staff disclose to UF any outside consulting activities and other activities and financial interests under applicable University regulations, collective bargaining agreements, State of Florida law and federal contract and grant requirements.

## 2. Proposing effort

Levels of effort proposed on any sponsored project should be consistent with the actual effort that each individual is expected to expend on the project.

Proposed level of effort should be expressed in accordance with sponsor requirements. Some sponsors require that level of effort be proposed in terms of person months (e.g., 3 person months of a 12 month appointment). Other sponsors expect the proposed level of effort to be expressed in percentage terms (e.g., 25% of total UF effort). In either case, the requested salary support should normally be determined by multiplying the proposed percentage of effort by the individual's institutional base salary.

In drafting of proposals, it is expected that faculty will not include commitments of effort or costs in the narrative sections of proposals. Such commitments should be quantified only in the administrative sections of the proposal including the budget and/or justification.

In some cases, the amount of requested salary support may be less than this amount (see the [University of Florida Cost Sharing Policy](#) for further guidance). In no event should the requested salary support exceed the amount determined by multiplying the proposed level of effort by institutional base salary.

Except for career development awards that commonly require a 50-75% commitment from the principal investigator, proposal requests for greater than 50% effort on a single project need careful consideration.

#### 2.1. Required effort contributions from principal investigators

The Principal Investigator (PI) is required to commit some effort on all sponsored projects. This is a reasonable expectation as the PI has responsibility for the scientific, administrative and financial management of a sponsored project; fulfilling these responsibilities requires effort.

For all types of sponsored projects except clinical trials, it is expected that the PI has a minimum commitment of effort (1-2%) to the project during each reporting period. For a faculty member who serves as the PI on more than one clinical trial, the sum of the commitments for all of the trials should reflect a reasonable level of effort.

No committed effort from the PI is required for equipment and instrumentation grants, doctoral dissertation grants, or student augmentation grants. No committed effort is required from faculty mentors on institutional or individual training grants, since the faculty mentor's effort will be assigned to the specific research projects on which the trainees are involved. However, an effort commitment is expected for the named research training program director, since he/she will be expending effort in coordinating the training program.

Salary need not be charged to the project if cost sharing for effort is documented and approved by UF per the University of Florida [guidance on Cost Sharing](#).

#### 2.2. NIH modular proposals

NIH modular applications do not require that effort be identified as paid or as voluntary committed cost sharing (or a combination of both) in the proposal, but it is strongly recommended that investigators document their intentions at this stage. For instance, if an investigator lists 20% effort in the modular budget justification and intends to draw 10% salary from the award, he/she should be aware of the need to document the remaining 10% as voluntary committed cost sharing.

### 2.3. Sponsor salary limitations

Certain sponsors impose a limit or a “cap” on the annual rate of salary reimbursement (NIH awards and different caps on NIH Career – K awards). When investigators whose IBS is over the imposed limit request salary reimbursement from the sponsor, only the committed effort percent multiplied by the cap is allowed to be charged. The difference between the salary commensurate with the effort commitment paid to the investigator by the University and the amount that the Sponsor will reimburse the University is voluntary committed cost sharing. This amount cannot be used for meeting mandatory cost share commitments. Salary in excess of the sponsor cap must be provided by UF from some source other than a federal-sponsored project.

The PI and other key personnel should still devote the amount of effort agreed upon irrespective of a sponsor imposed salary cap.

### 2.4. Cross-college / departmental relationships

University of Florida faculty or staff named in the personnel section of a research proposal may be based in a school, college or department different than that of the PI. To ensure appropriate levels of commitment and commensurate salary are included, the submitting department is responsible for verifying the salary and effort availability and local requirements of any committed personnel not under their management prior to submission of the proposal.

## 3. Expending effort and charging salary to sponsored projects

Salary distribution consistent with the projected effort should begin on sponsored projects concurrently with actual project effort. The projected effort multiplied by the individual’s IBS should be allocated in the University’s payroll system. Charging less than the percentage projected is allowable, however the difference should be documented as cost sharing if it was committed in the budget or budget justification provided to the sponsor.

Should the investigator begin work on the project prior to the award being fully executed by the University or prior to the project being established in the accounting system, the investigator is strongly encouraged to utilize the temporary award process. This process ensures that charges for the projects are properly segregated in the accounting system and allocated to the appropriate cost center. Should the department prefer not to utilize this process, all charges for work begun prior to the project being established in the accounting system should be distributed to unrestricted sources and NOT to other sponsored projects.

Each faculty member is responsible to ensure the accuracy of his/her level of committed effort and to communicate any significant changes in level of committed effort to his/her respective business office.

Salary charges on sponsored projects must be at the same rate at which UF charges salary for the individual's other activities. Sponsors are not to be charged a higher rate per unit of effort than the institution pays an employee for effort directed towards similar University activity.

### 3.1. Activities that can and cannot be allocated to federal sponsored projects

According to 2 CFR 200.430 “Compensation-Personal Activities”, the following are allowable to be direct charged to a sponsored project: “reasonable amounts for activities contributing and directly related to work under an agreement, such as delivering special lectures about specific aspects of the ongoing activity, writing reports and articles, developing and maintaining protocols (human, animals, etc.), managing substances/chemicals, managing and securing project-specific data, coordinating research subjects,

participating in appropriate seminars, consulting with colleagues and graduate students, and attending meetings and conferences.”

Examples of activities that can be allocated to federal sponsored projects include:

- Providing research patient care
- Writing a progress report for the project, sometimes called a continuation proposal
- Holding a meeting with lab staff to discuss the specific research project
- Consulting with colleagues about specific aspects of the project
- Delivering special lectures about specific aspects of the ongoing activity
- Attending a scientific conference held by an outside professional society to disseminate research results from the project being direct charged
- Mentoring graduate students on the specific research project
- Making an invention disclosure and other activities related to pursuing intellectual property. Where more than one award or activity contributed to the development of the intellectual property, the effort distribution should be based on proportionate support provided under the awards or other equitable relationship. Activities related to the protection of intellectual property that may be allocable include reasonable levels during the award period for:
  - making an invention disclosure
  - meeting with the UF Office of Technology Licensing to discuss an invention disclosure
  - meeting with a patent attorney about a UF invention
  - reviewing internal action on a patent application and/or reviewing a draft patent application

Examples of activities that CANNOT be allocated to sponsored projects include the following:

- Except for non-competing continuations (progress reports), proposal-writing including:
- Developing necessary data to support the proposal
- Writing, editing and submitting the proposal
- Administration, including service as a department chair or dean
- Instruction, office hours, counseling for students, and mentoring graduate students on something other than a sponsored project designated for instruction (i.e., training grant)
- Clinical activity, except patient care for an IRB-approved sponsored research activity
- Service on an IRB, IACUC, selection committee, or other similar group
- Course or curriculum development not specific to the faculty member's research project
- Writing textbook chapters
- Fundraising
- Lobbying
- Service as the primary editor of a journal
- Peer review of manuscripts, regardless of whether compensation is received
- Advisory activities for sponsors, including service on an NIH study section or NSF review panel, regardless of whether or not compensation is received

### 3.2. Variations in effort within a sponsored project budget period

Fulfillment of an effort commitment for a sponsored project is measured over an entire project budget period, typically one year. During that period, an individual's level of devoted effort may vary. This variation is acceptable, as long as the individual fulfills the overall commitment for the entire budget period. However, a one-year project budget period spans multiple effort periods and the individual is obligated to charge salary to the project and to certify devoted effort consistent with actual effort within the effort period.

For example, an individual who has committed 30% effort to a federal-funded project during a calendar year budget period could fulfill that commitment by expending 40% effort during the first six months of the year and 20% during the second six months. Consequently, each effort report would show something other than 30% effort. It is not permissible to allocate salary at a constant 30% rate for the entire budget period, because actual effort is substantially greater during the first half of the budget period than the second half.

### 3.3. Changes in the level of committed effort

In accordance with 2 CFR 200, a 25% or greater reduction in the level of committed effort of the PI (and all key persons named on NIH awards) should be approved *prior to the change and in writing* by the sponsor's Grants Officer. It is not sufficient to simply communicate the change to the Program Officer.

For key personnel, a decrease in effort greater than 25% should be reviewed to assess whether the scope of work for that project has changed. Any change in the scope of work should be approved *prior to the change and in writing* by the sponsor's Grants Officer. The key personnel named in the Notice of Award may differ from key personnel identified by UF in the proposal. If the Notice of Award lists no key personnel other than the principal investigator, then the PI is the only person whose significant changes in work activity require prior approval.

The effort commitment at the time the award is issued is considered the threshold against which the magnitude of a potential change is measured, unless the sponsor is otherwise notified and approves the changes. If an award document does not contain specific language about effort commitments, the level of effort in the grant proposal constitutes the benchmark against which any change is measured.

If a reduction in committed effort which would require Sponsor prior approval is anticipated, the proposed change and justification as to the continuation of the work should be provided to the Division of Sponsored Programs (DSP) for review and coordination with the Sponsoring agency. If a greater than 25% change is identified by Contracts & Grants Accounting (C&G) through request to update the commitments module, C&G will instruct the requesting campus unit to propose the change with justification to DSP for review and coordination with the Sponsor. Again, when approved, DSP will notify C&G via email to update the commitments module.

#### 3.4. Rebudgeting versus changing the level of committed effort

Some sponsors allow the University of Florida flexibility in budget management. For example, a PI can generally reduce the salary charges for one project staff member and increase them for another. *This rebudgeting authority does not confer the right to make significant changes in the scope of work without prior approval from the sponsor nor to reduce the level of effort for the PI and key personnel more than 25% from their original commitment.*

#### 3.5. Reduction of effort commitments when awarded budget is less than proposed

Unless otherwise modified, sponsors expect PI's (and other key personnel) to provide the level of effort outlined in the proposal, even when the amount funded is less than requested. If the awarded budget is reduced from the proposed budget, the PI determines how the project will be conducted and how funding will be allocated among budget categories. This includes confirmation of effort commitments and associated salary support. In doing so, PI's should carefully and deliberately manage their own (and their key personnel's) total sponsored and non-sponsored effort commitments and minimize voluntary cost sharing.

When an award is made with a budget less than proposed, the PI is responsible for determining whether:

- Effort commitments will be reduced, and a corresponding request for approval will be sent to the sponsor. Generally, effort commitments should be reduced when the awarded budget reflects a reduction of 25% or more from the proposed budget. Failing to reduce effort commitments when funding is reduced could result in a perception by sponsors that the original budget was overstated; or
- Original effort commitments and salary support will be retained, and other budget categories can be reduced or eliminated; or
- Neither the effort commitments nor other budget categories can be reduced or eliminated. In these instances, the resulting voluntary cost sharing is governed in accordance with the [University of Florida guidance on Cost Sharing](#).

It is the practice of the National Science Foundation (NSF) to request a Budget Impact Statement when the awarded budget is reduced by 10% or more.



### 3.6. Initiation of new activities that change ongoing commitments

Due to constant awarding and ending of multiple sponsored projects, it may become necessary to make adjustments to an individual's projected salary allocations or level of effort. For example, if a PI who devotes 20% of his/her total UF effort to a sponsored project and 80% to other duties becomes involved in another grant at a 10% level of effort, adjustment is necessary to ensure that the PI's total UF effort does not exceed 100% and that all commitments are met. This might involve reducing effort on the existing project (subject to sponsor approval, if necessary) or spending less time on non-sponsored research activities, or both. It may be necessary to change the salary allocations as well.

When such changes are identified, the PI or department support staff should contact Contracts and Grants Accounting.

### 3.7. Nine-month appointments and summer salary

As many activities other than research occur throughout the summer, faculty should review their activities allocated to sponsored projects occurring throughout the academic year and ensure that salary is distributed appropriately to compensate for them. The University will work with faculty to balance the use of sponsored project funds for appropriate activities throughout the year, using state funds for state-sponsored activities (such as graduate student mentoring, teaching appointments, or committee service) during the summer for those with 9- or 10-month appointments.

**Note: Effort expended during the academic year does not satisfy a commitment related to the receipt of summer salary.**

In addition, the National Science Foundation (NSF) policy precludes senior project personnel from requesting more than 2 months' salary from all NSF awards in any one year.

Further, when paid by sponsored projects in the summer, faculty must take care to ensure that the work performed is at least proportionate and is allocable to the salary received.

<b>Summer Pay</b>	<b>Allowed Activities</b>
If paid for the full 3 months (6.6 pay periods) from sponsored projects	No activity except that which is clearly allocable with the sponsored project is allowed for the full 3 months. "Charges to Federal awards may include reasonable amounts for activities contributing and directly related to work under an agreement, such as delivering special lectures about specific aspects of the ongoing activity, writing reports and articles, developing and maintaining protocols (human, animals, etc.), managing substances/chemicals, managing and securing project-specific data, coordinating research subjects, participating in appropriate seminars, consulting with colleagues and graduate students, and attending meetings and conferences." See <a href="#">2 CFR 200.430 (h)1.i.</a>
If sponsored projects pays less than the full 3 months (6.6 pay periods) – the other time may be uncompensated or be paid from non-sponsored funds	For the amount of time paid on sponsored projects, the activity must be clearly allocable to the sponsored project. Please see details above.

### 3.8. Leave time

3.8.1. Paid leave, such as vacation time and sick leave, is charged to sponsored projects as part of the normal charge for salaries, wages, and fringe benefits. If an individual is expending effort on multiple sponsored projects at the time of the leave, the charges to the sponsored projects should be consistent with the usual salary charges in keeping with UF policies.

3.8.2. Unpaid leave is excluded from total UF effort.

3.8.3. Extended leave, including sabbatical, may have an impact on a key person's ability to meet his/her effort commitment to a sponsored project. If the extended leave lasts for 90 days or more, the sponsor should approve the extended leave in advance. If, as the result of extended leave, a key person reduces the time that he /she expends on the project by 25% or more of the original commitment, sponsor's prior approval is required. If you are aware of or anticipate extended leave on a sponsored project, contact the Division of Sponsored Programs to coordinate Sponsor approval and an update to the individual's commitments.

## 4. Monitoring and managing commitments

To ensure the proper management commitments, the Office of Contracts and Grants Accounting will enter all commitments (paid and cost shared) into the Commitment Tracking Module. This information is available in myUFL for departments to manage payroll allocations and for investigators to monitor their progress in meeting their commitments. In addition, this information loads into the Faculty Assignment Report each semester. These commitment levels should serve as a guide for Sponsor's expectations for the PI and Key Personnel throughout the project.

As a reminder, at no point can actual effort exceed 100% of an individual's University activities. If new activities are engaged that require adjustments to existing effort, see sections 3.3 and 3.6 of this Directives for guidance.

### 4.1. Aligning effort commitments and actual effort

When an individual's commitments to sponsored projects add up to 90% or more of his/her total UF effort in any given term, the commitments will be subject to review by Contracts & Grants and for faculty titles, approval by the appropriate Chair. The purpose of this review is to assure that, if other activities required of the individual reduce the available effort for sponsored activities, adjustments are consistent with the terms and conditions of the sponsor's award. In many situations, a commitment level of 90% or greater may be entirely appropriate. However, most individuals working on sponsored projects also have teaching, administration, service, clinical activity, new or competing proposal preparation and institutional governance duties. These activities cannot be paid from sponsored funds unless they are approved activities of a sponsored project. Any necessary adjustments to the commitment will be coordinated with the Division of Sponsored Research and the Sponsor.

### 4.2. No-cost extensions

Sponsors expect that the original award terms and conditions, including commitments of the PI and all key personnel, extend throughout the project period, including a no-cost extension (NCE) period. However, federal agencies recognize that effort likely will be reduced during the extension period. Any change of greater than 25% for the PI and other named key personnel require prior approval and should be included in the NCE request. Upon approval of the extension, the commitments will be updated according to the NCE justification.

## 5. Certifying effort

### 5.1. Whose effort must be certified?

At the University of Florida, an individual will be presented with and required to complete an effort certification if:

- The individual's salary is charged in whole or in part directly to a sponsored project, and/or
- The individual expends committed effort on a sponsored project, even if no part of the individual's salary is charged to the project.

In addition, all faculty, even those who do not have any paid or committed effort on a sponsored project, will receive an effort certification for which certification is encouraged.

## 5.2. How is effort certified?

For all personnel whose effort must be certified, the certifications will be done using the University electronic effort reporting system. In special cases where approved by Contracts and Grants, a paper form may be substituted for the use of the system.

## 5.3. When must effort be certified?

In general, effort should be certified within 30 days of the date on which the electronic statement becomes available. All individuals who are required to certify effort will be notified via email when the statements become available.

Effort for all employees will be certified each semester (fall, spring and summer). Effort for an individual who works on one or more sponsored projects must be certified *every term* during which the individual charges salary or devotes effort to the project.

## 5.4. Who certifies for whom?

Each effort statement must be completed by the individual whose effort is being reported, the Principal Investigator, or by a responsible person who has reasonable knowledge of the reportee's activities during the certification period. The University's practice is:

- All faculty and academic staff certify their own effort.
- All Principal Investigators certify their own effort, regardless of the type of position they hold at UF.
- The PI certifies the effort for all graduate students, postdoctoral trainees, and non-PI classified staff who work on their projects.

When a graduate student, postdoctoral trainee, or non-PI classified member staff works on multiple sponsored projects for two or more PI's, the PI's and the effort coordinators should work together to ensure that all of the individual's effort is certified in a timely manner- by one or more responsible people with suitable means of verifying that the work was performed.

- Any of the PI's may certify all of the individual's effort, as long as the certifying PI has suitable means of verifying that the work was performed as allocated.
- Each PI can certify the portion of the individual's effort about which the certifying PI has suitable means of verifying that the work was performed.

In some circumstances, the PI may not have suitable means of verifying the effort for sponsored project staff. For example, this may occur in the case of large center grants, where an individual is the PI by virtue of his/her position in the University. With its effort reporting system, the University can authorize an individual to certify the effort statements for project staff instead of the PI. When such an arrangement is needed:

- The PI and the effort coordinator should work together to identify the individual who has suitable means of verifying the effort for the affected staff.
- The effort coordinator should communicate to UF Finance and Accounting Office of Cost Analysis the need for the arrangement, and the name of the individual who will certify the effort.
- Office of Cost Analysis will establish the authorization for the alternate certifier.

## 5.5. Student hourly effort

For individuals who work on sponsored projects and also have a student hourly appointment, (e.g. as a lifeguard or fitness instructor) the effort for the student hourly appointment does not appear on the effort statement.

## 5.6. General certification guidelines

The purpose of certifying effort is not to confirm how an individual was paid, but to confirm that:

- Salary charges to the sponsor are reasonable in relation to the work performed, and
- The effort provided to each sponsor is at least as great as the effort promised to the sponsor.

Total sponsored effort is comprised of payroll (paid effort on a sponsored project) and cost shared effort (paid by the University).

Effort distributions should be reasonable estimates of activities, recognizing that research, instruction, service and clinical activity are often inextricably intertwined. Use of UF institutional base salary (IBS) is necessary in proposing effort, charging salary, and certifying effort. The total UF IBS is distributed across all of an employee's activities.

The total effort percentages on the statement must equal 100%. The effort statement is not reflective of any fixed number of hours in a week. Often, the idea of an "average" work week arises and some faculty and staff view their work week as a fixed number of hours, such as 40. However, if 40 hours were to represent 100% effort, the impression would be created that more than 100% effort is being expended whenever the individual works more than 40 hours – and this could result in inequitable cost allocations. Regardless of the number of hours worked, effort percentages are based on total UF effort, not hours.

#### 5.7. Precision in effort certification

Precision in effort reporting pertains to the acceptable variance between an individual's actual effort and the effort as certified by the individual on the effort statement. 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. UF's acceptable variance is less than five percent of total UF effort.

For each sponsored project, the effort statement shows the sum of the payroll allocation and the cost shared effort. The variance comes into play in determining when to certify a different level of actual effort than appears on the effort statement. If a reasonable estimate of the actual effort is within five percentage points of the effort percentage shown on the statement, it is permissible to certify the level of effort that appears on the statement. If a reasonable estimate of the devoted effort is not within five percentage points of the effort percentage shown on the statement, the certifier should enter the estimate of actual effort on the statement before certifying.

For example, if an individual's salary is initially allocated 50% to a sponsored project (and no cost shared effort), it is permissible to certify 50% effort for the project if the effort devoted to the project could reasonably be determined to fall between 45% and 55% of the individual's total UF effort.

#### 5.8. Multiple grant efforts with varying start and end dates

The effort statement shows an individual's effort distribution for each reporting period during which time an individual's grant activity may vary. In particular, grants do not always begin at the start of an effort period or terminate at the end of an effort period. For example, if a faculty member devotes 10% of his or her effort to a project that concludes halfway into an effort period, the statement will show 5% effort on that project for the entire reporting period. The situation is compounded for individuals who work on multiple sponsored projects with varying start and end dates.

During each effort period, an individual should certify effort for each sponsored project that accurately reflects the portion of the period during which effort was devoted to the project. The effort level for the entire period is calculated as:

***(actual effort level) x (fraction of the reporting period during which the effort was devoted)***

#### 5.9. Certification for personnel who leave the University

Any individual who is responsible to certify their own effort should certify prior to leaving the University. If this cannot be accomplished with the web-based system, the individual should submit a paper certification

to Contracts & Grants. If an individual does not certify prior to his or her departure, the individual's primary effort coordinator should make reasonable attempts to follow up with the individual, requesting that he or she certify his or her effort after the departure.

If, after reasonable requests from the primary effort coordinator, an individual fails to certify his or her effort, the PI or department chair should identify another person who can do so. As with all certifiers, the alternate should have suitable means of verifying that the work was performed. If the PI or department chair has suitable means of verification, he or she can serve as the alternate.

When graduate students, postdoctoral trainees, and classified staff leave the university, PI's can continue to certify their effort just as they would for their current students, trainees, and staff.

#### 5.10. Salary for individuals whose effort is not certified

Federal regulations require that all salary charged to sponsored programs be certified. Therefore, any salary for an individual whose effort report is not certified more than ninety (90) days after the certification period closes will typically be removed. In order to facilitate, Contracts & Grants may stop spending on projects where effort is uncertified in order to protect the integrity of all salary charges.

## 6. Adjustments to effort and salary distributions

### 6.1. Confirmations of effort distributions

Effort reports are designed to confirm that salary charges are in alignment with effort. Therefore, the effort report is a good tool for identifying allowable transfers of salary charges. When an effort report indicates that a salary distribution is not correct, a [cost transfer](#) may be required to update the original distribution. This confirmation is a mechanism to finalize provisional salary charges (estimates) to the sponsored project. Confirmations of effort distribution are an important and appropriate part of sponsored projects administration.

### 6.2. Cost transfers after effort certification

Once salary charges have been certified on an effort report and confirmations of the effort distribution are complete, subsequent changes to the salary charges will be carefully scrutinized.

Federal officials and institutional administrators, alike, will ask: "If the initial cost distribution was certified by a 'responsible person using suitable means of verification,' how can a change to that distribution be appropriate?"

Retroactive adjustments placing salary onto a sponsored agreement are allowed only in keeping with the University's policy on cost transfers. A request to transfer salary charges from a sponsored award to unrestricted funds (e.g. due to a cost overrun) will rarely require the same level of scrutiny, though repeated cost transfers off of sponsored awards could be a sign of poor internal controls.

A salary cost transfer after effort certification when a sponsored project is affected will typically require recertification of an effort statement (see section 6.3). When this is the case, the criteria for reviewing the salary cost transfer request are consistent with the criteria for reviewing the recertification event. If it is determined that a cost transfer is acceptable, the circumstances should be clearly documented.

To minimize the potential need for cost transfers after effort certification, investigators, supported by their department administrators and effort coordinators, should review sponsored project reports (myinvestiGator), payroll expense distribution reports, and effort commitments at least monthly.

### 6.3. Recertification of effort

Recertification of effort is a change to the effort distribution on an effort statement that occurs after (a) an effort coordinator has processed the certification, and (b) an individual has certified the statement.

For each reporting period, certification occurs during a *certification window*. Up through the last date of the certification window, a certifier can change the effort distribution on a certified statement by contacting the effort coordinator, who is authorized to reopen the effort statement without further review of the request.

Once the certification window has closed, any subsequent recertification can call into question the reliability of the original certification. Therefore, any recertification request requires justification that clearly sets forth why previous effort was erroneously certified, and why the requested change is more appropriate within the context of law, federal requirements, or University policies and procedures. These requests along with supporting documentation should be submitted to UF Office of Contracts and Grants Accounting Services as part of the cost transfer process.

## 7. Roles and Responsibilities

The various individuals with responsibilities in University effort management should thoroughly understand the proper method of proposing, distributing, managing, reviewing, completing and certifying the effort reports to ensure that documented effort percentages reasonably reflect effort expended toward individual sponsored activities and other University activities supported by their institutional based salary during the report period.

### 7.1. Principal Investigators and Faculty

- Providing reasonable estimate of the effort required in order to carry out the project statement of work in proposals
- Expending effort throughout the life of the project
- Participating actively in fiscal management including providing timely information to departmental personnel to facilitate payroll distribution and payroll distribution changes and reviewing charges throughout the life of the project to ensure accuracy
- Ensuring that his/her own effort and that of other individuals working on sponsored activities under their direction is certified accurately and in a timely manner.
- Complying with Sponsor requirements regarding any significant reductions (normally  $\geq 25\%$ ) in effort commitments on funded sponsored activities.

### 7.2. Departmental Support Staff including Effort Coordinators and Payroll Distributors

- Distributing salary in accordance with applicable federal law, regulations and guidelines, the award, and this policy.
- Providing guidance and assistance to faculty and other certifiers to support the accurate reporting of effort.
- Following up and processing any necessary adjustments and cost transfers to resolve discrepancies between payroll charges and actual effort.
- Communicating with instructor work load coordinators to ensure that information regarding instructor work load and faculty course information is recorded properly.
- Retaining documentation to support the effort reporting process as necessary.
- Managing and processing changes to effort commitments over the reporting terms.

### 7.3. Department Chairs and Deans

- Ensuring proposals from the department have been reviewed for effort commensurate with the activities of the project and that the resources to provide the commitment are available.
- Approving faculty commitments to sponsored projects greater than 90% in any one term.
- Ensuring departmental processes and procedures support the effort reporting process.
- Following up and helping resolve departmental issues and taking corrective action when necessary.

### 7.4. Division of Sponsored Programs

- Setting up awards and projects in a timely fashion to facilitate proper charging of salary.
- Coordinating requests for prior approval including pre-award spending and changes in personnel.

- Coordinating and developing principles, policies and procedures in support of accurate and timely certification of effort.

#### 7.5. Office of Contracts and Grants Accounting Services

- Coordinating and developing principles, policies and procedures to support accurate and timely certification of effort.
- Entering commitments into the commitment tracking module
- Reviewing and approving cost transfers in a timely manner to ensure payroll charges remain accurate
- Reviewing and entering cost sharing expenditures.

#### 7.6. Department of Cost Analysis

- Notifying the University community regarding the availability of effort reports.
- Assisting in the resolution of discrepancies/adjustments for all effort related activities, except instructional, that are related to effort.
- Approving and managing effort reporting proxies.

#### 7.7. Office of Institutional Planning and Research

- Assisting in the resolution of discrepancies/adjustments for instructional activities that are related to effort.
- Coordinating UF effort reporting to the Florida Board of Governors, including the annual Instruction and Research Data File and the Expenditure Analysis

#### 7.8. Office of Internal Audit

- Reviewing the Effort System on a regular basis in compliance with the overall audit plans and guidelines for the University.
- Providing recommendations for system internal control improvements and processes.