



Effort Certification

Discussion topics for this module

- Why is it important to certify effort?
- Different types of Effort Certification required
- UG
- UT Fiscal Policy (FI0215)
- UT Fiscal Policy (FI0207)
- Who's required to certify?
- Should effort be verified based on budget?
- Different methods of certification and how we certify with each

Salary and Wages

- For most sponsored projects, **salaries and wages** typically comprise approximately 2/3 of the direct costs charged to sponsored projects.
- Therefore, it is important to verify that salary and wage charges are appropriate.

2 Types of Effort Certification Required

- **Effort Certification** – For all 9 or 12 month appointments

As of May 1, 2018

- **Additional Pay Certification**

What are the policies and requirements for Effort Certification

- Uniform Guidance (UG)
- UT Fiscal Policies for:
 - Sponsored Projects - Effort Certification
 - Sponsored Projects – Salary Policy

Uniform Guidance

Section 200.430 Compensation – Personal Services

- (h) Institutions of higher education (IHEs).

(1) (i) IHE's must also have a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

- (C) The IHE system of internal controls includes processes to review after-the-fact interim charges to a Federal award based on budget estimates.

Uniform Guidance

Section 200.430 Compensation – Personal Services

- (h) Institutions of higher education (IHEs).

Requires IHE's to have written policies in place for allowing Extra Service Pay on Sponsored Projects.

UG Condition

- As a condition to receive federal funding, institutions must maintain an **accurate system** for reporting the percentage of time (i.e., effort) that employees devote to federally sponsored projects.

FI0215 – Effort Certification

- **Objective:** To ensure compliance with federal requirements as specified in OMB Uniform Guidance §200.430 (i) Standards for Documentation of Personnel Expenses. This policy provides guidance for documenting personnel expenses through the university's process of effort certification on sponsored grants and contracts.
- **Definitions 1.** Effort certification is the process of verifying that appropriate salary and wage expenses were charged to sponsored grants and contracts. Effort certification documents the proportion of work time devoted to sponsored projects, teaching, and other activities expressed as a percentage of total work time. Effort certification also provides evidence of committed effort expended on sponsored projects that may or may not have been charged to the sponsor.

FI0207 – Salary Policy

Faculty Salaries Chargeable to Federal and Federal Flow-through Sponsored Projects:

Additional Pay

- Must be requested by the person with whom can attest to the work being performed.
- Prior to processing the additional pay request, a department head must approve the request.

After-the-fact certification

- Only after work has been performed can it be certified.

First-Hand Accountability

- The best option for ensuring we have an **accurate system** in place to support cost for salary and wages is through first-hand, after-the-fact, effort verification.
- UG and UT Policy allows for first-hand accountability to be accomplished with either effort verification by the person themselves or by a direct supervisor.

Who's required to certify?

- FI0215 – In accordance with policy:
- Every monthly paid employee who has committed work on a sponsored grant or contract, whether paid or unpaid, must certify his/her effort. Biweekly paid employees document their work performance through reporting on their time sheets.
- All committed sponsored effort must be certified regardless of whether the costs were charged to a sponsored project.
- For persons who are required to certify, all effort should be certified, whether spent on research, teaching, public service, or other activities. The total effort certified on the IRIS effort certification screen must total 100 percent.
- Federal guidelines recognize that the activities that constitute effort are often difficult to separate. Effort certification must often rely on a reasonable estimate of effort, and when estimating, a degree of tolerance is appropriate

Consequences

- All employees involved in certifying effort must understand that *severe penalties and funding disallowances* could result from inaccurate, incomplete, or untimely effort reporting.

Set-up for certification

- At the time a project is awarded and an account is released to the department, a payroll distribution change in PA20 should be established for each person working on a project.
- This should happen whether they are paid or unpaid on the project, if they devote effort.
- This distribution allows for the system to know effort needs to be certified.

Budget vs Effort

- Effort should not be certified based on budget allowability.
- Effort should stand alone as the true amount of work expended on a project.
- There is no equation for calculating effort percentages, as it is a best estimate based on first-hand accountability.

Methods for Certifying Effort and Additional Pay

IRIS Web Platforms

- <https://irisweb.tennessee.edu/irj/portal/ECR>

IRIS Web Portal

When accessing the portal for certification, you should see the screen below.

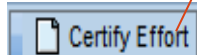
Efforts List

Name: Skinner, John A Pernr: 0...
Begin Date: 01/01/2017 End Date: 06/30/2018

 Select: List Efforts Requiring Certification

| Name | ECR Type | Start Date | End Date | Status | Changed on |
|-----------------|-----------|------------|------------|----------------------------|------------|
| Skinner, John A | Addl Pay | | | Pay Needs To Be Certified | |
| Skinner, John A | Cost Dist | 05/01/2018 | 05/31/2018 | Effort Needs to be Entered | |
| Skinner, John A | Cost Dist | 04/01/2018 | 04/30/2018 | Effort Needs to be Entered | |
| Skinner, John A | Cost Dist | 03/01/2018 | 03/31/2018 | Effort Needs to be Entered | |
| Skinner, John A | Cost Dist | 02/01/2018 | 02/28/2018 | Effort Needs to be Entered | |
| Skinner, John A | Cost Dist | 01/01/2018 | 01/31/2018 | Effort Needs to be Entered | |
| Skinner, John A | Cost Dist | 12/01/2017 | 12/31/2017 | Effort Needs to be Entered | |
| Skinner, John A | Cost Dist | 11/01/2017 | 11/30/2017 | Effort Needs to be Entered | |
| Skinner, John A | Cost Dist | 10/01/2017 | 10/31/2017 | Effort Needs to be Entered | |

Highlight the line Effort (cost dist.) or Additional pay that needs certified and click



NOTE: Ensure "List Efforts Requiring Certification" is chosen.

Methods for Certifying Effort and Additional Pay

IRIS ZECR

- Departmental personnel can certify directly through IRIS.
- Support documentation verifying first-hand certification must be obtained prior to certifying and retained based on UT's Records Retention Policy [FI0120](#) and the award agreement audit clause.

What serves as acceptable support documentation?

- An e-mail
- Written correspondence signed by PI/employee
- A hardcopy of current cost distribution w/approval signature
- A form developed by the department that allows for an approval signature
- Note: Any documentation kept or used to verify effort should match what is entered. (All support, including calendars, class/advising schedules, etc. are subject to audit.)

Effort Reporting Dates

Jan. 30, Fall Semester

May 30, Spring Semester

Aug. 30, Summer Months (May, June, and July)

Regardless of dates, **if a project is ending**, all effort must be certified **within 30 days** of the grant or contract end date.

Self-Reporting

On the 20th of each month, UT submits a report to State Audit listing the number of non-compliance instances with effort certifications.

This report will now include any non-compliance instances with additional pay.

Questions/concerns that have come up!

During Audits:

- Trip costs posted to projects without any effort to support them have been concerns in the past.
- When certifying, you are certifying 100%. If you travel for a project, you are working on the project whether you are getting paid or not, so you should ensure effort is certified to the project to account for the time you traveled.
- Also, if you are 100% on projects, ensure proposal writing time is accounted for appropriately, as it can't be charged to sponsored projects.
- Large amounts of salary costs being moved to or off sponsored projects near the end. (Result of effort resets or late certifications)
- Technical/progress reports not supporting effort/salary costs charged.
- Effort/Salary costs appearing to be allocated based on budget instead of work expended.
- Effort/Salary costs appear to be allocated equally amongst all PI projects.

Any Questions?



Questions are the path to learning