Faculty Effort Reporting

Washington University School of Medicine

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Version 4.0
FY 2011
Institutional Risk

• National attention focused on Effort Reporting
  – Large University financial settlements
  – DHHS Office of Inspector General Work plan

• Local attention
  – NSF and DHHS On-campus audits
  – Compliance Office Reviews
Why is effort reporting a big deal?

• Grantees agree to comply with Federal Guidelines and Uniformed Guidance 2 CFR 200 (UG).
• UG requires payroll costs to be documented to ensure that external sponsors reimburse the grantee only for the time and effort actually expended on their behalf.
• Salary costs are the majority of costs incurred on a grant.
February 2003

- $5.5 million settlement
- Qui Tam / Whistleblower
- Insufficient PI effort on NIH K Awards

February 2004

- $2.6 million settlement
- Qui Tam / Whistleblower
- Effort reporting issues
Vanderbilt University

- Effort Reporting Audit (9/08)

- Administrative & Clerical Costs (1/09)

Yale University

- $7.6 million settlement with DHHS, NSF, NASA, Army, DOE, DCAA & FBI (12/08)

- Effort Reporting Audit (6/09)

Duke University

Cornell University
Effort Reporting at WU

• Documentation
  – Electronic Personnel Activity Report (ePAR)
  – New ePARS system (certify & monitor)
  – Research Compliance reviews

• Education program
  – Faculty meetings
  – On-line course
What is effort reporting?

• An individual certifies that salaries charged to sponsored projects are reasonable in relation to the work performed during the report period.

• Actual salary dollars are presented as percentage figures (of total salary) on an ePAR.
Faculty/ Staff Effort

- Total activity for which a faculty/ staff member is compensated by WU.
  - Regardless of the number of hours actually worked (100% Institutional Effort).
  - No standard hours or work week
  - Effort varies from individual to individual
  - Includes all WU activity
    - Not just Monday through Friday
    - Not just X days a week
Institutional Base Salary (IBS)

• Annual compensation paid by WU for a faculty member’s appointment for activities such as:
  – Organized Research
  – Department Research
  – Instruction
  – Patient Care (Clinical Care/ Trials)
  – Graduate Medical Education
  – Department Administration
  – Management of Hospital Services
Excluded from IBS (and ePARS)

- VA Salary
- Incentive pay (Z)
- Consulting per WU policy (paid/ unpaid)
  - NIH peer review
  - Guest lecturer
- Patient Advocacy
- Community Service
- Paid Editor Positions
- Additional pay (on-call)
The following slides provide key definitions of effort reporting categories that should be used in allocating effort.
Organized Research

• Research and development activities that are sponsored by federal agencies, non-federal organizations and industry.

• Includes training of individuals in research techniques (e.g., NIH T-32 & F-32 projects).
Organized Research, cont

- Work on federal grants (NIH, NSF...)
- Work on non-federal grants (JDRF, AHA, Boeing...).
- Writing progress reports for existing projects.
- Holding a meeting with lab staff to discuss specific projects.
- Attending a scientific conference held by an outside professional society to present research results.
Department Research

• General research support, including start-up funding and bridge funding that is not project oriented.

• Typically, department research support is paid from a pool and is not identified by project.
Instruction

- All teaching and training activities
  - Offered for credit towards a degree / certificate or on a non-credit basis
  - Offered through regular academic departments or separate divisions

- Excludes - supervision of residents enrolled in an ACGME accredited program (see separate GME category).
Instruction, cont.

Teaching

- Lecturing / tutoring
- Supervising independent study, laboratory course work
- Preparing for scheduled teaching
- Grading papers

Course Development

- Preparing for future courses
- Devising new instructional techniques
- Revising manuals, tapes, slides, etc.
Patient Care

- **Clinical services** - rendered to individual patients that are normally eligible to be billed to patients or third parties (Part B).
  - Professional
  - Technical
  - Support staff services

- **Clinical trial activities** - testing of drugs and medical devices using human subjects (industry-sponsored).
Graduate Medical Education (GME)

- **Supervision of residents** - activities related to the supervision of persons enrolled in ACGME accredited intern and residency programs.
  - Teaching of clinical procedures. Normally, the *extra time required* for any procedure or other patient interaction due to the supervision of the resident(s).
  - Grand rounds
  - Teaching conferences
Department Administration

- Administrative and supporting services which benefit *two or more* departmental activities or objectives.

- Activity cannot be directly identified with an organized research project, instruction, patient care, hospital administration...
• Preparation of competitive grant proposals.
• Participation in school/dept committees
• Review of dept accounts and financial statements.
• Selection/training of general staff
• Selection/recruitment of faculty
• Planning for building projects or renovations
Management of Hospital Services

• Relates to the affiliation agreements and contracts with a specifically named hospital

• The University is providing faculty to:
  – Supervise hospital services
  – Serve on hospital committees
  – Provide other administrative and general patient services (Part A).
Prior Approval

PI must seek and receive prior approval from the Federal agency before making the following project changes (OMB A-110):

- PI time devoted to project is **reduced by 25% or more** from the level in the approved application (e.g., new grant or additional clinical responsibilities)

- He/ she relinquishes active direction of the project for more than **three months** (e.g., extended maternity/ paternity leave)
Implications of K Awards

• Minimum level of effort, typically \textbf{75\%}

• Great for basic sciences, but in clinical departments, clinical effort \textbf{MUST} be reduced.

• Reduction of clinical effort = Reduction of clinical revenue.

• Some other faculty member must pick up slack.
Effort Reporting Cycle

**Pre-award**

- **Appointing Faculty & Staff**
  - Employment terms are established, including # months (contract period), % full time, salary base

- **Preparing the Proposal Budget**
  - Effort is proposed, a commitment is made to the sponsor

**Post-award**

- **Charging Salary**
  - Effort is charged, contemporaneously with activity

- **Certifying Effort**
  - Effort is attested to, after activity has occurred
• Faculty appointment, as documented in the payroll (HRMS) system, denotes the individual’s FTE and salary.
• PI must have some level of proposed effort for each project.

• Proposed effort is a commitment to the sponsor that must be honored and tracked if awarded.

• Sum of effort for all WU activities, including awarded sponsored projects, must equal 100%.
Charging Effort

- Salary charges should be posted to appropriate accounts as actual activity occurs.
- Salary charges must be commensurate with actual effort expended.
- Salary charged cannot be > actual work.
• Certification of activity should reflect **actual effort**, which should be based on effort **commitments**
How do I certify effort?

- Effort certification is completed via the ePARS system.
  - Electronic web-based effort reporting system (implemented in January 2009)
  - Available 24/7 via the ePARS Portal
    [https://eparsprod.wustl.edu/ecrt/](https://eparsprod.wustl.edu/ecrt/)
  - Detailed system information and training materials available at ePARS website: [http://epars.wustl.edu](http://epars.wustl.edu)
ePAR Certification

• “I certify that the percentages noted on this page for the period shown indicate a reasonable approximation of the effort actually spent on the projects/activities listed.”

• Legal document.

• Certification is required by Federal regulations and is subject to independent audit and review.
Changes to ePAR’s

• If the actual effort performed on a sponsored project differs from the percentage noted on the ePAR by:
  – *0 to 5%,* no adjustment to the figure is necessary.
  – *>5%,* the ePAR should be adjusted to reflect the correct effort percentage.
ePAR Support

• Each department/division has a designated **Effort Coordinator**.

• **Sponsored Projects Accounting (SPA)** coordinates the timing, distribution and completion of effort reports. SPA provides institutional oversight for effort reports and maintains and monitors all aspects of the effort reporting system.

  – **Contacts:** Christal Zhu (5-8202)  
    Carla Reed (5-7939)
Roles and Responsibilities


• Faculty: Reviews, adjusts (as necessary) and legally certifies the accuracy of employee ePARs.

• Department Administrator: Assists faculty in reviewing, adjusting and certifying (if the employee is not available) ePARs for appropriate project personnel.
Who Can Certify An ePAR?

- Strongly recommend that each individual faculty or staff member certify their own ePAR.

- A supervisor or administrator (proxy) may certify the ePAR in the absence of the employee,
  - IF he/she has suitable means of verification.
  - Requires documented review by an individual, such as a PI, project manager, supervisor or an employee who has first hand knowledge that the work was performed.
Reporting Periods

• **Medical School Campus**
  – Academic (all faculty), report semi-annually
    • January through June
    • July through December
  – Non-Academic (staff that work on sponsored projects), report quarterly
    • January through March
    • April through June
    • July through September
    • October through December
ePAR Timeline

• Per the agreement with our federal cognizant agency (DHHS):
  – The ePAR must be **certified** by the faculty/staff member or their proxy **within 30 days** of the start of the certification period.
Helpful Hints

The situations below require special attention:

- 100% on sponsored research projects
- Large clinical (RVU) activity and large research effort percentages
- Should include effort associated with administrative duties
  - Preparation of competitive grant proposals
  - School/department committees
  - Selection of general staff, faculty and students
Effort Reporting Links

- **Effort Reporting Policy and Procedures**

- **ePARS Training**
  - [https://epars.wustl.edu/](https://epars.wustl.edu/)

- **ePARS Portal**
  - [https://eparsprod.wustl.edu/ecrt/](https://eparsprod.wustl.edu/ecrt/)
Real World Effort Example
- WUSM -
The Dilemma

- Full-time WUSM Faculty
- Active Clinician
- Consultant

Dr. Jane Doe
Dr. Jane Doe – WUSM Effort

- Teaches One Class = 6
- Serves on IRB = 5
- Grant Proposals = 5
- NIH RO1 Grant = 15
- NIH RO3 Grant = 10
- Patient Care/ Clinical = 30
  Total hrs/ wk = 71
Dr. Jane Doe - Consultant Effort

• Head of R&D for a University-Funded Start-Up Company
• 14 Hrs/ Wk
Consulting Considerations

- WUSM allows faculty to consult one day/ wk.
- WUSM does not include consulting in the faculty appointment letter and does not pay consulting salary.
- WUSM does not include consulting effort in the ePAR.
# Dr. Jane Doe – Total Effort

<table>
<thead>
<tr>
<th>Category</th>
<th>Hours</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WUSM</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>6 hrs</td>
<td>7%</td>
</tr>
<tr>
<td>Dept. Admin</td>
<td>10 hrs</td>
<td>12%</td>
</tr>
<tr>
<td>Research</td>
<td>25 hrs</td>
<td>29%</td>
</tr>
<tr>
<td>Patient Care</td>
<td>30 hrs</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Subtotal - WUSM</strong></td>
<td><strong>71 hrs</strong></td>
<td><strong>83%</strong></td>
</tr>
<tr>
<td><strong>Consulting</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>14 hrs</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Total Effort</strong></td>
<td></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td></td>
<td>85 hrs</td>
<td></td>
</tr>
</tbody>
</table>
## Dr. Jane Doe – Reportable Effort (excludes Consulting)

<table>
<thead>
<tr>
<th>Category</th>
<th>Hours</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WUSM</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>6 hrs</td>
<td>9% (7%)</td>
</tr>
<tr>
<td>Dept. Admin</td>
<td>10 hrs</td>
<td>14% (12%)</td>
</tr>
<tr>
<td>Research</td>
<td>25 hrs</td>
<td>35% (29%)</td>
</tr>
<tr>
<td>Patient Care</td>
<td>30 hrs</td>
<td>42% (35%)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>71 hrs</td>
<td>100% (17%)</td>
</tr>
<tr>
<td><strong>Consulting</strong></td>
<td>(14) hrs</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Reportable Effort</strong></td>
<td>71 Hours</td>
<td>100%</td>
</tr>
</tbody>
</table>
Report a Concern or Violation

• Institutional Officials for Research and Financial Compliance
  – Jennifer K. Lodge, Ph.D. - Vice Chancellor for Research, (314) 747-0515
  – Amy B. Kweskin – Vice Chancellor for Finance and CFO, (314) 935-9018

• University’s Compliance Hotline
  – (314) 362-4998
  – Reports can be made anonymously
  – No caller ID or number recognition
Contacts

• Joseph M. Gindhart - Associate Vice Chancellor for Finance and Sponsored Projects
  – jgindhart@wustl.edu
  – 314-935-7089

• Denise A. McCartney, Associate Vice Chancellor for Research Administration
  – mccartnd@wustl.edu
  – 314-747-6253