Effort Reporting for Non-Faculty (Staff & Students)

Washington University in St. Louis

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Version 2.1
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
• Effort Reporting Audit (9/08)

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

• Administrative & Clerical Costs (1/09)

• Effort Reporting Audit (6/09)
Effort Reporting at WU

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

• Education program
  – On-line courses via Learn@Work
  – https://wustl.sabacloud.com/Saba/Web_spf/SPCTNT456Site/common/ledetail/cours0000000000002036
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.
Non-Faculty Effort: Non-Exempt Type

- Total activity for which a non-faculty member compensated by WU via a wage(s)
  - Based upon actual hours worked/paid
  - Includes regular hours and overtime hours
Non-Faculty Effort: Exempt Type

- Total activity for which a non-faculty member is compensated by WU via a salary
  - Regardless of the number of hours actually worked (100% Institutional Effort).
  - Effort varies from individual to individual
  - Includes all WU activity
    - Not just Monday through Friday
    - Not just X days a week
Institutional Salary / Wages

- Annual compensation paid to the individual by WU for activities such as:
  - Organized Research
  - Department Research
  - Instruction
  - Patient Care (Clinical Care/Trials)
  - Department Administration
Which Non-Faculty must Certify?

• Only non-faculty that have committed effort/salary on sponsored projects
  – Fund numbers 38XXX - 65999, 66XXX and 80XXX
  – Includes cost sharing (U, W, X, V allocations).
Key Definitions

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
Instruction, cont.

Teaching
- Lecturing / tutoring
- Supervising independent study, lab 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).
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...
Dept. Administration, cont.

- 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
Prior Approval

PI must seek and receive prior approval from the Federal agency before making the following project changes (UG):

– 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)
**Effort Reporting Cycle**

**Pre-award**

- **Appointing Non-Faculty**
  - 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
Appointments

**Pre-award**

- Preparing the Proposal Budget

**Post-award**

- Charging Salary
- Certifying Effort

- A Non-Faculty member’s appointment, as documented in the payroll (HRMS) system, denotes the individual’s FTE and salary.
Proposing Effort

- 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%.
• 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*
Certifying Effort

- 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/
  - Detailed system information and training materials available at ePARS Training website: https://epar.s.wustl.edu/
**ePAR Example**

### Effort Statement Instructions

**Work List**

- **Statements Requiring Certification**
  - Bonds, Mr Barry J - 00100N - TRAINING DEPT 100N
  - Jackson, Mr Bo - 00100N - TRAINING DEPT 100N
  - Smith, Dr Steve - 00100N - TRAINING DEPT 100N

**Bonds, Mr Barry J - 00101N**

- **Statement Owner**
- **Effort Statements**
  - **Needing certification**
    - Base: 8/6/2014
    - Status: Re-Opened
  - In progress
  - Historical

**Bonds, Barry - 00101N (Semi-Annual)**

- Base Effort Period: 01/01/2014 to 06/30/2014
- Due Date: 8/6/2014
- Status: Re-Opened

**INFO** - This Effort Statement has been previously saved.

<table>
<thead>
<tr>
<th>Accounts</th>
<th>Computed Effort</th>
<th>Project Breakdown</th>
<th>Certified Effort</th>
<th>Effort by Category</th>
<th>Account Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>ORGANIZED RESEARCH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr Steve Smith <strong>5R01XX01002000</strong> - Training Acct for Dept 100N</td>
<td>19.17%</td>
<td></td>
<td>$19</td>
<td></td>
<td>22 00101N 12 20 53103C</td>
</tr>
<tr>
<td>Jody Foster <strong>5R01XX01002000</strong> - Training Acct for Dept 100N</td>
<td>48.67%</td>
<td></td>
<td>$49</td>
<td></td>
<td>22 00101N 12 20 54105</td>
</tr>
<tr>
<td>Dr Larry K Johnson <strong>5R01XX01002000</strong> - Training Acct for Dept 100N</td>
<td>21.67%</td>
<td></td>
<td>$22</td>
<td></td>
<td>22 00101N 12 20 56684B</td>
</tr>
<tr>
<td>Dr Bill Jones <strong>5R01XX01002000</strong> - Training Acct for Dept 100N</td>
<td>10.50%</td>
<td></td>
<td>$10</td>
<td></td>
<td>22 00101N 12 20 56650</td>
</tr>
<tr>
<td>ORGANIZED RESEARCH Total:</td>
<td>100.01%</td>
<td></td>
<td>100%</td>
<td>100.00%</td>
<td></td>
</tr>
<tr>
<td>Grand Total:</td>
<td>100.01%</td>
<td></td>
<td>100%</td>
<td>100.00%</td>
<td></td>
</tr>
</tbody>
</table>
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.
Payroll Distributions

- Payroll distribution may fluctuate, but figures are averaged over the PAR period.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOD Grant A</td>
<td>63%</td>
<td>62%</td>
<td>65%</td>
<td>63%</td>
</tr>
<tr>
<td>NIH Grant B</td>
<td>30%</td>
<td>33%</td>
<td>29%</td>
<td>31%</td>
</tr>
<tr>
<td>Instruction</td>
<td>5%</td>
<td>3%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Dept. Admin.</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
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?

• Strongly recommend that each individual 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

- Non-Academic (non-faculty/staff that work on sponsored projects), certify on a quarterly basis:
  - 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/ non-faculty member or their proxy within 30 days of the start of the certification period.
Effort Reporting Links

• Effort Reporting Policy and Procedures

• ePARS Training
  – https://epars.wustl.edu/

• ePARS Portal
  – https://eparsprod.wustl.edu/ ecrt/
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
  – 314-747-6274