

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.



**NORTHWESTERN
UNIVERSITY**

**JOHNS HOPKINS
UNIVERSITY**

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

- Effort Reporting Audit (9/08)

Yale University

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

Duke
UNIVERSITY

- Administrative & Clerical Costs (1/09)



Cornell University

- 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

- <https://financialservices.wustl.edu/wfin-topic/sponsored-projects-accounting/personnel-cost/effort-reporting/>
- On-line courses via Learn@Work
- https://wustl.sabacloud.com/Saba/Web_spf/SPCTNT456Site/common/ledetail/cours0000000000002036



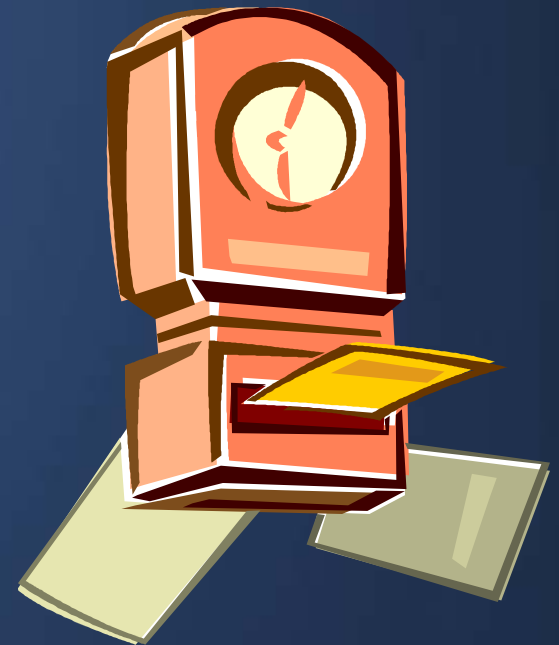
What is effort reporting?

- 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 (JDRCF, 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

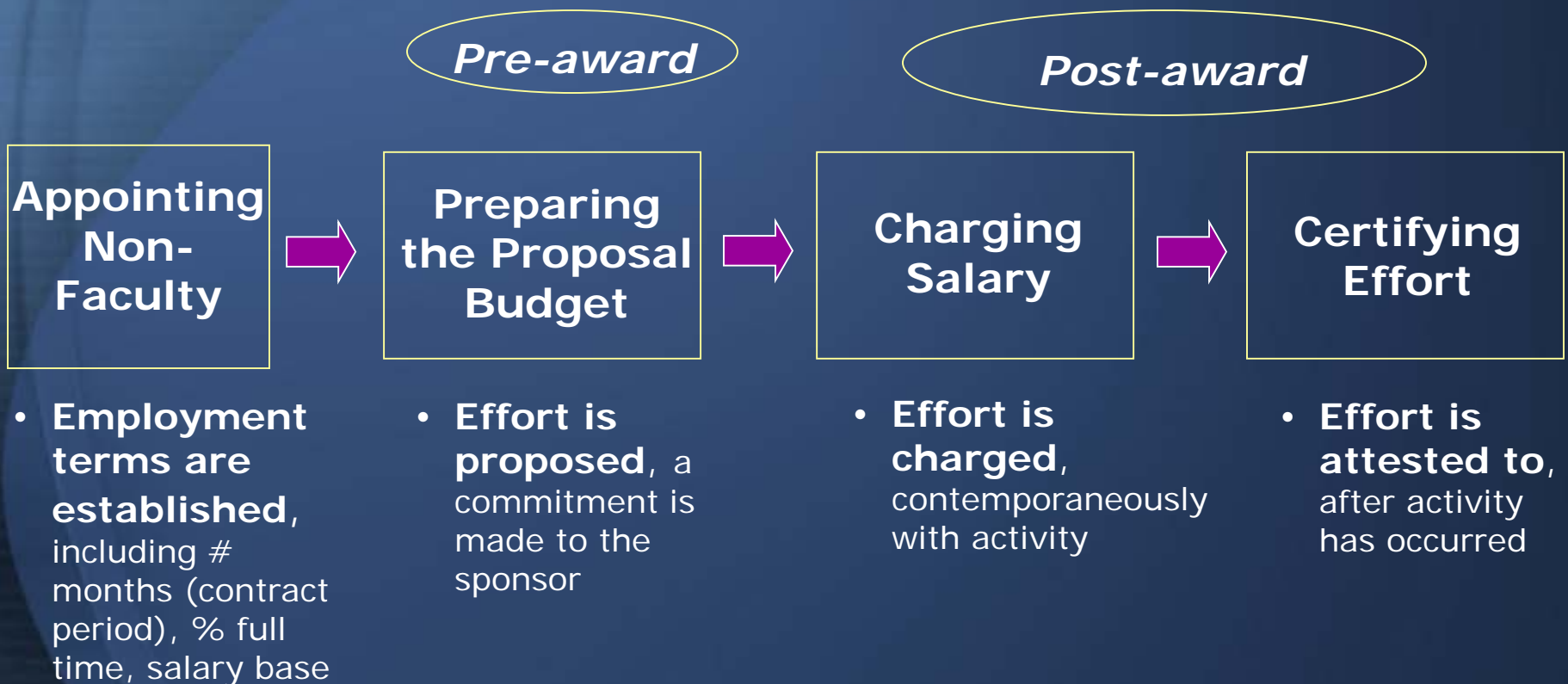


Prior Approval

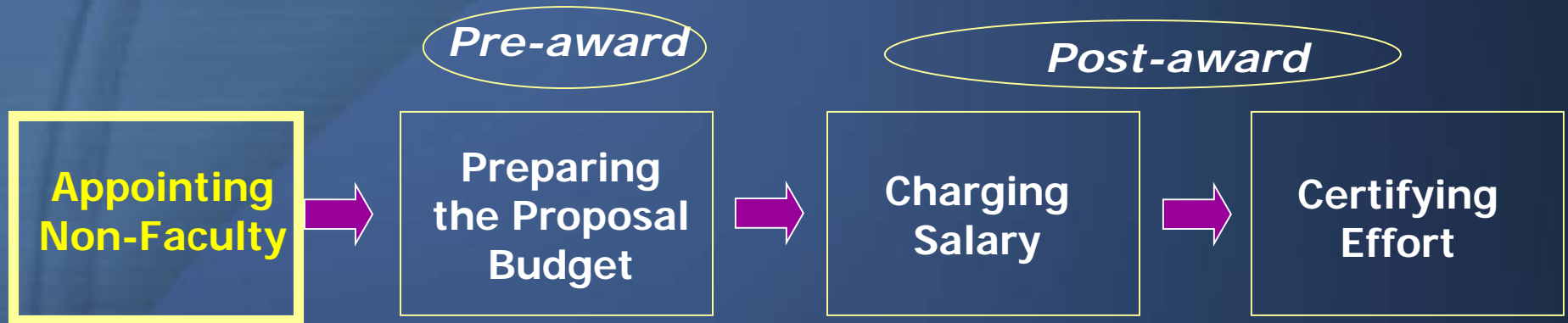
PI must seek and receive prior approval from the Federal agency before making the following project changes (UG):

- 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

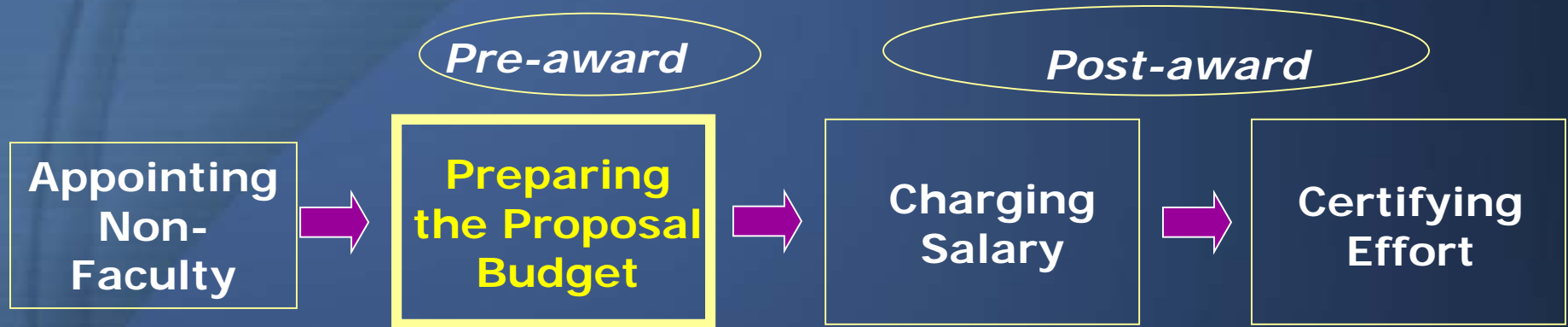


Appointments



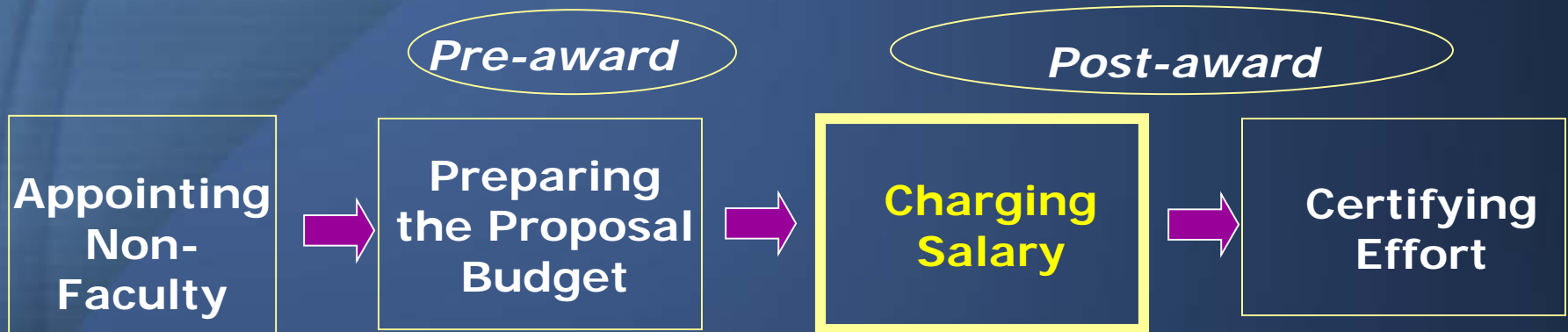
- A Non-Faculty member's appointment, as documented in the payroll (HRMS) system, denotes the individual's FTE and salary.

Proposing Effort



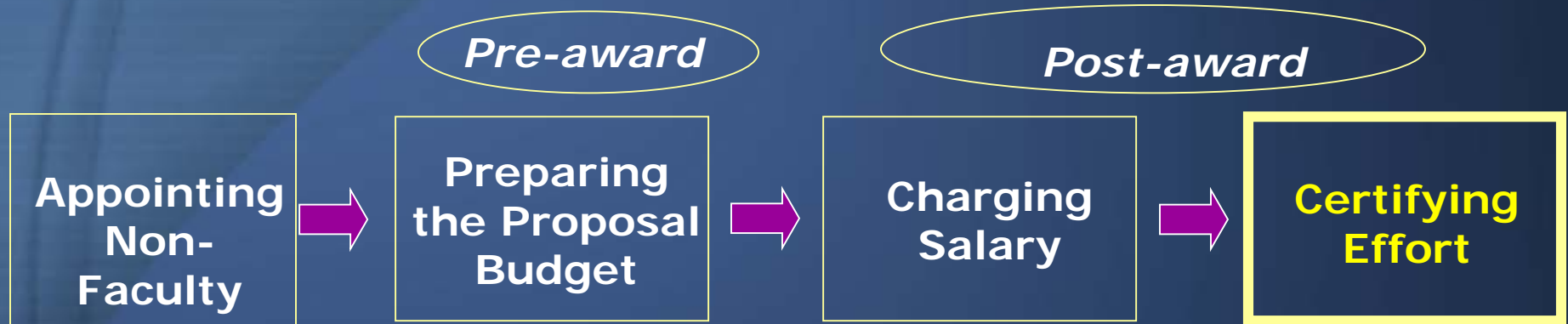
- Proposed effort is a *commitment* to the sponsor that must be honored and tracked if awarded.
- Sum of effort for all WU activities, including awarded sponsored projects, must equal 100%.

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*

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://epars.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

In Progress

Recently Completed

Bonds, Mr Barry J - 00101N

Statement Owner

Effort Statements

Needing certification

Base 8/6/2014 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.

Accounts [-]	Computed Effort	Project Breakdown	Certified Effort	Effort by Category	Account Number
ORGANIZED RESEARCH					
! Dr Steve Smith **5R01XX01002000** - Training Acct for Dept 100N	19.17%		19%		22 00100N 12 20 53103C
Jody Foster **5R01XX01002000** - Training Acct for Dept 100N	48.67%		49%		22 00100N 12 20 54105
Dr Larry K Johnson **5R01XX01002000** - Training Acct for Dept 100N	21.67%		22%		22 00100N 12 20 56684B
Dr Bill Jones **5R01XX01002000** - Training Acct for Dept 100N	10.50%		10%		22 00100N 12 20 56850
ORGANIZED RESEARCH Total:	100.01%			100.00%	
Grand Total:	100.01%		100%	100.00%	

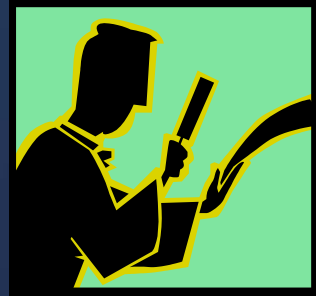
Get Help

Close

Certify

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.



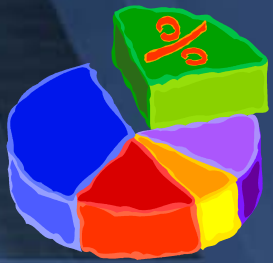
Payroll Distributions

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

<u>Activity</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Average</u>
DOD Grant A	63%	62%	65%	63%
NIH Grant B	30%	33%	29%	31%
Instruction	5%	3%	4%	4%
Dept. Admin.	2%	2%	2%	2%
Total	100%	100%	100%	100%

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

https://financialservices.wustl.edu/wp-content/uploads/2016/03/WP_SPA_EFFORT_RR.pdf



- **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
 - <https://financialservices.wustl.edu/wfin-topic/sponsored-projects-accounting/personnel-cost/effort-reporting/>
- 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

