Washington University in St.Louis

Effort Reporting Policies and Procedures

Introduction/Overview

Purpose
The purpose of this policy is to provide clarification on Federal policies with respect to effort reporting and to help ensure that all effort certifications are accurate and in accordance with sponsor requirements. The Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 ("Uniform Guidance"), provides principles for determining the costs applicable to grants, contracts, and other agreements with institutions of higher education. (Under the "terms of acceptance" of grants from the federal government, the college or university agrees to comply with the provisions of Uniform Guidance.) The Office of Management and Budget has assigned the Department of Health and Human Services (DHHS) as our federal cognizant agency for costing and financial management issues.

The Department of Health and Human Services follows the cost principles set forth in Uniform Guidance in establishing the acceptability of charges to grants and contracts. Section 2 CFR 200.430(i) *Standards for Documentation of Personnel Expenses* of Uniform Guidance provides the federal regulatory requirements for internal controls over certifying time spent on sponsored projects. The University complies with this section by requiring periodic after-the-fact certification of effort by each individual whose salary is charged to a sponsored fund and/or cost sharing account during an effort reporting period.

Audience
This policy applies to all University employees who conduct or assist with the administration of sponsored project activities and all School of Medicine Faculty members regardless of their involvement with sponsored funds.

Policies

Requirements
Uniform Guidance requires the grantee to confirm that the payroll costs charged to the project are **reasonable** in relation to the actual work performed during the period. It is, therefore, the University's policy that all faculty and non-faculty (other academics, staff and students) involved in allocating salaries and wages to sponsored funds and completing effort reports are responsible for understanding the principles of timely and accurate effort reporting.

Effort

Effort is defined as the proportion of time spent on any activity expressed as a percentage of the total institutional activities for which an individual is compensated by the University, regardless of part-time or full-time status and/or number of hours worked. Accordingly, Total Effort is always 100% whether a person is employed on a full-time basis by the University (Full-Time Equivalent or FTE of 1.00) or an a part-time basis (FTE less than 1.00). Compensation is based on an individual's total Institutional Base Salary (IBS), as denoted in the University's payroll system (i.e., HRMS) – see section below for detailed information.

For University's faculty, total institutional effort/activity (100%) is not defined as a single, standard number of hours or days per week, since it will likely be different for each individual during the year. The number of hours in an individual faculty member's "100%" must be reasonable and supportable to department, school, university and external reviewers, if requested.

Proposed Effort

When proposals submitted by the University identify a quantifiable portion of effort for an employee, that effort is considered to be a commitment to the project. The level(s) of effort committed to a project must be reasonable with the actual effort that each individual is expected to expend on the project during the relevant project period(s). Principal Investigators and other key personnel for whom such commitments have been made are responsible for ensuring that the commitments are met and, if necessary, sponsor approval is obtained to reduce the commitment.

For proposal purposes, proposed level of effort must be expressed in accordance with sponsor requirements. Some sponsors require that level of effort be proposed in terms of person months (e.g., three 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 effort).

Federal granting agencies (and some non-federal sponsors) expect the Principal Investigator (PI) of any sponsored fund to devote some level of effort (>0%) towards his/her project. Certain types of awards such as equipment, instrumentation and training (T32) grants are normally excluded from this requirement. Please click the University's Cost Sharing Policy for additional information regarding cost sharing.

Effort During a No Cost Extension (NCE)

The effort commitment percentage of key personnel during a no-cost extension period is assumed to be consistent with the commitment for the immediately preceding budget period, unless otherwise communicated to the sponsor. If the effort commitment for key personnel is anticipated to change, prior approval requirements established by the sponsor would still apply (see section below entitled "Reduction of effort on a project:" for additional detail).

- Per NIH Grants Policy Statement (8.1.1.3): With the exception of grant programs that have an effort requirement, or where terms and conditions prohibit such reductions, NIH will not require prior approval for the reduction in effort for Senior/Key personnel. The recipient is reminded that active awards must have a measurable level of effort.

Effort Reporting

Effort reporting is the process by which the University confirms and documents that the salaries charged are reasonable in relation to the actual effort expended on sponsored projects during each effort

reporting period. The methodology used by the University is an "after the fact" certification process based upon an individual's institutional base salary.

Faculty and non-faculty are required to review, adjust as necessary and certify their effort via the electronic Personnel Activity Reporting System (ePARS), see http://epars.wustl.edu. The ePAR documents the proportion of effort devoted to sponsored projects, instruction/teaching, department administration, patient care, and other activities, expressed as a percentage of Total Effort.

When an employee certifies his or her effort for a reporting period, they are creating a legal document that states that the effort certified for the period is a reasonable approximation (see Level of Tolerance section below) of the effort actually spent on the projects/activities during the period.

Institutional Base Salary

Salaries and wages charged to sponsored funds are allowable at the Institutional Base Salary (IBS) rate. IBS is the annual compensation paid by the University for an employee's appointment, whether that individual's time is spent on research, teaching, patient care or other activities. The IBS does not include bonuses or other miscellaneous pay. An employee's IBS may not be increased as a result of replacing University salary funds with sponsored project funds. Refer to the Human Resources Compensation Policy for additional information.

For WU faculty, IBS is established by each School via his/her annual appointment which includes regular salary associated with their academic appointment(s). IBS would also include secondary administrative appointments such as chair of a department, as applicable. The IBS would not include items such as:

- Honorarium payments or patient care incentives/bonuses
- Salaries and wages paid directly to an individual by another organization including but not limited to the Veterans Administration Hospital or the Howard Hughes Medical Institute
- Income that an individual is permitted to earn outside of their University responsibilities such as consulting fees

In some programs/departments, stipend payments are made to individuals to provide for their living expenses during the training period of a fellowship or training program. These amounts are not salaries/wages for work performed, thus they are excluded from the effort reporting process.

Effort Categories and University Activities

Faculty and non-faculty perform a number of activities associated with their respective jobs or appointments. Uniform Guidance requires the University to maintain specific activity classifications within its effort reporting system. Accordingly, a general description of these effort categories is provided below.

Organized Research: Research and development activities that are sponsored by federal agencies, non-federal /private organizations and industry. Includes activities such as:
- Activities related to the scope, goals and/or objectives of sponsored project (e.g., grants, cooperative agreements, subagreements, contracts and other agreements)
- Writing progress (technical) reports for existing projects
- Holding a meeting with lab staff, colleagues and graduate students to discuss direction and progress of sponsored projects

- Attending a scientific meeting/conference held by an outside professional society to present research results
- Training of individuals/trainees in research techniques, commonly call research training (e.g., NIH T-32 & F-32 projects)

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 of internal funds and is not identified by project.

Instruction (Teaching): All teaching, course development and training activities (lecturing, tutoring, supervising independent study or laboratory course work, preparing for scheduled teaching, grading papers, preparing for future courses, devising new instructional techniques, revising manuals, tapes, slides…)
- 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 Graduate Medical Education category below)

Department Administration: Administrative and supporting services which benefit two or more departmental activities or objectives. Includes activities such as:
- Preparation of competitive grant proposals.
- Participation in school/department committees
- Review of department accounts and financial statements.
- Selection/training of general staff
- Selection/recruitment of faculty
- Selection of graduate students, medical students and housestaff
- Planning for building projects or renovations
- The activity cannot be directly identified with an organized research project, instruction, patient care, or hospital administration activity…

Other Sponsored Activities: Programs and projects sponsored by Federal and non-Federal agencies and organizations which involve the performance of work other than instruction and organized research. Examples of such programs and projects are health service projects, federally funded clinical trials that occur in patient care space and community service programs.

Patient Care:
- Clinical services - rendered to individual patients that are normally eligible to be billed to patients or third parties. Includes professional, technical and support staff services.
- Support staff personnel performing clinical administrative functions (e.g., billing, collection, scheduling, labs used specifically for patient care and other administrative activities)
- Clinical trial activities - testing of drugs, therapies and medical devices using human subjects (industry-sponsored).

Graduate Medical Education: Supervision of residents - activities related to the supervision of persons enrolled in accredited intern and residency program located at a specifically named hospital.

- 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, including preparing for and leading
- Teaching conferences

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 and provide other administrative and general patient services.

The effort/activity categories noted above have been assigned specific budget and object codes within the University's chart of accounts. The information is maintained on the FIS site.

Summer Research Salary

Faculty with academic year appointments (typically nine month appointments) may expend additional summer effort on one or more sponsored projects in the months not covered by their academic year appointment and earn additional compensation for that work. The additional compensation provided to the individual is called Summer Research (SR) salary and it is charged to sponsored funds during the months of June, July and August. A faculty member's SR rate of pay may not exceed his or her monthly base salary amount (rate of pay) for their academic appointment. For example, a faculty member with a nine month appointment and an academic year salary of $90,000 may not receive SR at a rate in excess of $10,000 per month. The SR should be distributed to the appropriate sponsored funds based upon the expected effort on those projects. Effort related to the receipt of SR must be performed within the summer period (June, July & August); effort performed during the academic year prior to or after the summer does not count toward summer period effort commitments. For the purposes of expending and certifying effort, and charging the related additional salary for activity outside the appointment period, the expectation for activity in a summer research period is consistent with the expectation for activity in a commensurate academic period.

If non-sponsored activities related to the faculty member's appointment are performed outside of the appointment period, they should not interfere with or reduce the faculty member's ability to expend summer effort on sponsored projects for which he/she is earning SR. If the effort associated with any such non-sponsored activities could not reasonably be conducted along with sponsored activities, the faculty member has an obligation to limit and/or adjust, and likely decrease, summer salary on sponsored projects.

While reasonable personal time off may be taken during the summer, it is not appropriate to concentrate significant time off during a period for which the faculty member is receiving SR. For example, taking a three-week vacation during July when the faculty member is 100% funded by a sponsored project/fund would not be considered appropriate.

All Summer Research salary payments must be processed in accordance with the sponsoring agency guidelines and/or individual award terms and conditions. As a general policy, NSF limits the salary compensation requested in the proposal budget for senior personnel to no more than two months of their regular salary in any one year. This limit includes salary compensation received from all NSF-funded grants. This effort must be documented in accordance with 2 CFR § 200, Subpart E. If anticipated, any compensation for such personnel in excess of two months must be disclosed in the proposal budget, justified in the budget justification, and must be specifically approved by NSF in the award notice. Under normal rebudgeting authority, as described in AAG Chapters II and V, an awardee can internally approve

an increase or decrease in person months devoted to the project after an award is made, even if doing so results in salary support for senior personnel exceeding the two month salary policy. No prior approval from NSF is necessary as long as that change would not cause the objectives or scope of the project to change. NSF prior approval is necessary if the objectives or scope of the project changes.

Faculty with academic appointments who receive SR from projects funded by the National Institutes of Health (NIH) can only charge salary based on the applicable NIH cap amount. The balance of the summer salary should be funded, as cost sharing, from non-sponsored sources. Detailed information on the NIH Salary cap may be found in the NIH Salary Cap Policy.

Secondary Administrative Appointments

In some instances, faculty may have a secondary administrative appointment and responsibilities (e.g., department chairs). The compensation associated with this administrative appointment is considered part of the individual's institutional base salary and it will be included in the ePAR.

Special care should be given to summer effort and pay for faculty members who have secondary administrative appointments. If the faculty member's administrative appointment is a year-round (12-month) obligation, then he/she cannot commit summer effort associated with their administrative responsibilities to sponsored projects, nor can he/she request reimbursement from or charge sponsors for pay associated with their administrative appointments.

Procedures

Sourcing

The salaries of faculty, staff and students working on a sponsored project should be sourced/charged to the corresponding account/fund and/or related cost sharing allocation. The PI or their designee should initiate prospective and retro-active salary sourcing modifications due to significant and on-going changes in work activity (e.g., receipt of a new award and start of that work, shifts in personnel or work assignments). Updates and revisions to sourcing should be documented, as necessary, per HR guidelines and/or department requirements. Annual review of sources by the Principal Investigator is also required and is outlined in the University's Principal Investigator Salary Authorization Policy.

Within the University's payroll system (HRMS), sourcing, charging and retroactive changes of salaries and wages on sponsored funds should utilize the appropriate IBS salary rate, earnings codes (see Appendix A Earnings Code Guidance & Appendix B Earnings Code Guidance – Additional Pay) and departmental/school approval processes. Additionally, specific guidance regarding sourcing in HRMS is available by clicking here.

Frequency

All faculty, staff and students whose salary is charged, in whole or part, to sponsored funds (including cost sharing allocations) are required to certify their effort. In addition, all School of Medicine Faculty members are required to certify even if they do not meet the aforementioned criteria. The University has three reporting period frequencies: semi-annual, quarterly, and semester. The frequency that an individual is assigned is based on his/her job code and campus/ school affiliation. These groups can generally be categorized as follows: Medical School and Engineering faculty members are required to certify semiannually, Danforth faculty members (non-Engineering) must certify every semester and non-faculty must certify on a quarterly basis.

Employee	Frequency	Reporting Periods
Med. School Faculty	Semi-annual	Jan.-June, July-Dec.
Danforth (Eng.) Faculty	Semi-annual	Jan.-June, July-Dec.
Danforth Faculty	Semester	Jan.-May, June-Aug., Sept.-Dec.
Non-Faculty	Quarterly	Jan.-Mar., April-June, July-Sept., Oct.-Dec.

Timing
In accordance with the University's agreement with the Department of Health and Human Services, the certification period is 30 days. All certifiers should certify within 30 days of the start of the certification period in order to be in compliance with this agreement.

Certification
The University supports the effort reporting requirements through the online certification of an electronic Personnel Activity Report (ePAR). Certification is completed through the electronic Personnel Activity Reporting System (ePARS). Certifiers will be notified via an e-mail when the certification period has begun. The ePAR displays the individual's salary distribution accounts and the corresponding salary percentage for each account as it relates to the total institutional base salary for all months in the reporting period.

For more information on the ePARS System and how to certify please visit: https://epars.wustl.edu/.

Suitable Means of Verification
It is the University's policy that each individual complete his or her own effort certification. If an individual is no longer with the University or is unavailable at the time of the certification period, a Proxy who has suitable means of verification may certify on his or her behalf. The Proxy certification requires the documented review by an appropriate individual, such as the Principal Investigator, project manager, or supervisor, or an employee who has first-hand knowledge that the work was performed.

Level of Tolerance (Precision)
Federal guidelines recognize that research, instruction, patient care and department administration activities within an academic / medical center environment are often "inextricably intermingled", therefore, a precise assessment of the corresponding effort percentages may not be feasible. Accordingly, faculty and non-faculty/staff are required to review, modify as necessary, and certify that the effort percentages on the *ePAR* are a *reasonable estimate* of the actual work performed. The University has deemed this level of tolerance to be +/- five percentage points.

If the actual effort performed on a sponsored project differs (positively or negatively) from the percentage noted on the *ePAR* by:
- 0 to 5%, no adjustment to the *ePAR* is necessary. The effort percentage is deemed to be a reasonable estimate that is within the University's level of tolerance.

Note: If the original figure is manually revised (between 0 to 5%) by the employee, a Payroll Cost Transfer (PCT) form must be submitted to Payroll Services so that the distribution is modified to match the certified effort.

- >5%, the PAR should be adjusted manually to reflect the correct effort percentage. A Payroll Cost Transfer (PCT) form must be submitted to Payroll Services so that the distribution is modified to match the certified effort.

Significant change/Retroactive Changes

Reduction of effort on a project: Many sponsors require prior approval for significant reductions of effort by the PI and/or other key personnel. It is the PIs responsibility to be familiar with terms and conditions contained in the award and/or sponsor's policies. Sponsored Projects Accounting and the Office of Sponsored Research Services can assist with any questions concerning prior approval requirements.

For most federal awards, prior approval from the sponsoring agency must be obtained when a 25% or more reduction in effort devoted to the project by the approved project director (PD) or principal investigator (PI) is expected for a substantial time period. Noted below are the specific guidelines for the University's two primary federal funding agencies. Please refer to the applicable financial management guidelines for other federal agencies, as necessary.

> **National Institutes for Health (GPS 8.1.2.6):** The University (recipient) is required to submit a prior approval request to the Grants Management Official (GMO) if:
> - The PD/PI or other Senior/Key Personnel specifically named in the NoA will withdraw from the project entirely, be absent from the project during any continuous period of 3 months or more, or reduce time devoted to the project by 25 percent or more from the level that was approved at the time of initial competing year award (for example, a proposed change from 40 percent effort to 30 percent or less effort or in calendar months a change from 4.8 to 3.6 calendar months). Reductions are cumulative, i.e., the 25% threshold may be reached by two or more successive reductions that total 25% or more. Once agency approval has been given for a significant change in the level of effort, then all subsequent reductions are measured against the approved adjusted level. Selecting Yes in the RPPR constitutes a prior approval request to the agency and the issuance of a subsequent year of funding constitutes agency approval of the request.
> - There is a change from a multiple PD/PI model to a single PD/PI model.
> - There is a change from a single PD/PI model to a multiple PD/PI model.
> - There is a change in the number or makeup of the PD/PIs on a multiple PD/PI award.

NIH must approve any alternate arrangement proposed by the recipient, including any replacement of the PD/PI or senior/key personnel named in the NoA, and the addition of any new PD/PIs.

National Science Foundation: If the PI/PD or co-PI/co-PD will devote substantially less time to the project than anticipated in the proposal, (defined in the Research Terms and Conditions (RTC) and NSF Grant Conditions (GC-1) as a reduction of 25% or more in time) he/she should consult with OSRS and with the NSF Program Officer. If either determines that the reduction of effort will substantially impair

the successful execution of the project, the Program Officer will consult the NSF Grants and Agreements Officer. The NSF Grants and Agreements Officer may:

- Request the University to nominate a replacement PI/PD or co-PI/co-PD acceptable to the NSF Program Officer;
- Initiate the award termination procedures; or
- Negotiate an appropriate modification to the grant.

Retroactive Changes: Changes in salary distribution (workload) involving sponsored projects may not normally be made for any prior pay period after the effort has been certified. Accordingly, it is very important that the *ePAR* data is carefully reviewed prior to certification. In the exceptional situation in which it is found that the original certification was not correct, retroactive changes may be made. When the payroll cost transfers are submitted, they should contain a detailed explanation and include how the error occurred and when it was discovered. The revised salary distribution may also require recertification of the effort (see below). For more information please see the PCT Guidelines on Sponsored funds.

Recertification: All changes that require recertification will be completed through the *ePARs* system for any distribution occurring on or after 01/01/2007. The revised *ePAR* should be certified within 30 days following the receipt of the automatically generated system e-mail. Such retroactive changes on sponsored funds are also subject to the concurrence of Sponsored Projects Accounting.

Training

Training on effort reporting is required for faculty, and strongly recommended for other University personnel, who work on sponsored funds. The University has developed effort reporting training videos and other reference materials that are available under the Resources and Training section. This data will be updated and expanded as necessary to ensure compliance.

Additionally, *ePARS* training for certifiers and effort coordinators is available but not required at the *ePARS* website: http://epars.wustl.edu. This site contains educational videos, slides, Quick Guides, FAQs, and other materials.

Roles and Responsibilities

Washington University is committed to the objective, ethical, and responsible conduct of research. A Roles and Responsibilities document is maintained to provide comprehensive descriptions of the duties of key individuals and organizational units that design, conduct, report, and/or support research activities at Washington University. This detailed set of information is available at http://research.wustl.edu/Resources/Roles/Pages/default.aspx. For the purposes of this document, the roles and responsibilities for the primary positions associated with effort reporting is also provided below.

Principal Investigator
- Reviews, adjusts, and legally certifies the accuracy of personal activity reports (ePARs) Completes ePARs for unavailable personnel within deadlines and in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Certifies the ePAR in a timely manner, in accordance with University policy.
- Assures that all key personnel involved in effort reporting have met training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Supports and endorses cooperation with the University's compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.
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Department Effort Coordinator
- Assists Principal Investigator to review, adjust, and certify personnel activity reports (ePARs) for all applicable personnel.
- Cooperates with the University's compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.
- Primary contact for answering questions from department certifiers and coordinating with SPA

Department Administrator
- Assists Principal Investigator to review, adjust, and certify personnel activity reports (ePARs) for all applicable personnel.
- Certifies the ePAR in a timely manner, in accordance with University policy.
- Assists Principal Investigator to assure that all key personnel involved in effort reporting have met training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Cooperates with the University's compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.

Department Chair
- Provides direction, resources, and oversight to help ensure that accurate reporting of effort.
- Requires that faculty and staff involved in the reporting of effort to complete and comply with required education and meet annual training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.

- Supports and endorses cooperation with the University's compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.

Dean
- Provides direction, resources, and oversight to help ensure the accurate reporting of effort in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Requires that all faculty and key personnel involved in the reporting of effort complete and comply with the required education and meet annual training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Supports and endorses cooperation with the University's compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.

This information, as well as other policies and procedures related to sponsored projects, will be posted on SPA's web page https://financialservices.wustl.edu/wfin-topic/sponsored-projects-accounting/.

If you have any questions regarding the information presented in this document, please contact me at 314-935-7089 or jgindhart@wustl.edu.

Appendix A: Earnings Code Guidance - Institutional Base Salary (IBS)

Included in IBS

Earnings Code	Description
ACA	Academic Pay Adjustment
ADJ	Adjunct Pay
CRG	Regular Pay -- Academic Year
DBL	Double Time
LUM	Lump Sum in Lieu of Raise
MIS	Miscellaneous Other (In PARS)
OVT	Overtime at Time & a Half
REG	Regular
RGA	Regular - Add'l (Annuity Elig)
SRR	Summer Research
SRS	Summer School
TEM	Temp Pay Adjustment
VAP	Vacation Payout on Termination

Not included in IBS

Earnings Code	Description
ADV	Advisor Pay
ANN	Univ Contribution Paid as Wage
BNP	Productivity Bonus
BON	Bonus/Incentive
CON	Consultant Fees
ENP	Earned Not Paid -Academic Year
HLT	Healthcare Prem Severance Agmt
HON	Honorarium
INC	Incidental Other (Not In PARS)
LEC	Lecture Fees
MOO	Moonlighting
OLD	Overload Pay
ONC	On-Call/Beeper Pay
PNE	Paid Not Earned -Academic Year
PRI	Prize/Award - Cash Payment
PRO	Project Pay
PRZ	Prize/Award- Txbl Val- No Pay
RES	Research-Incidental
SAL	Salary Continuance (Ben Elig)
SEV	Severance Pay (Non Ben Elig)
SHA	Stipend for Health Allowance
SLE	Stipend for Living Expenses
SLT	Stipend for LTD
STT	Stipend Tuit-Value Only No Pay
TAX	Reduce FICA Taxable
TER	Payment in Lieu of Notice
UCO	Univ. College Annuity Only
UCT	Univ Contribution Nonwage-Txbl
VCA	Vacation Accrual Transfer
WUC	WUCA Additional Pay
Z51	Stipend for Living Expenses

Appendix B: Earnings Code Guidance - Additional Pay

Earnings Code	Description	Comments	Faculty (allowable on Sponsored Funds)	Staff (allowable on Sponserd Funds)
ACA	Academic Pay Adjustment	Contract Pay Adjustment - must contact Payroll when using	Yes	NA
ADJ	Adjunct Pay	Payment for part time affiliation with the University	Yes	NA
ADV	Advisor Pay	Used for employees who serve as student advisors outside of their normal jobs	No	NA
ANN	Univ Contribution Paid as Wage	Payment for University 403(b) contribution prior to two years of employment, must be outlined in new hire agreement	Yes*	Yes*
BNP	Productivity Bonus	Can only be used on Additional Pay and requires HR approval	No*	No*
BON	Bonus/Incentive	Can only be used on Additional Pay and requires HR approval	No*	No*
CON	Consultant Fees	Should only used when a person is truly functioning in a consulting position	No*	No*
CRG	Regular Pay -- Academic Year		Yes	NA
HON	Honorarium	Payment made for guest speakers	No*	No*
INC	Incidental Other (not in PARS)	Contact Payroll or HR for guidance before using, can only be used on Additional Pay	No	No*
LEC	Lecture Fees	Payment made to a visiting lecturer or for a faculty member giving lectures	No	No
LUM	Lump Sum in Lieu of Raise	Payment made in lieu of a merit increase. Can only be used on Additional Pay and requires HR approval.	Yes	Yes
MIS	Miscellaneous Other	Contact Payroll or HR for guidance before using, can only be used on Additional Pay	No	No
MOO	Moonlighting	Used for Clinical Fellows when Fellow is being paid wages for work above and beyond their Clinical Fellow duties or when a Clinical Fellow is being paid for services performed.	Yes	Yes
OLD	Overload Pay	Payment for teaching additional courses	No	No
ONC	On-Call/Beeper Pay	Payment for responding to a call outside of normal work hours	Yes*	NA
OVT	Overtime at Time & a Half	One and one half times normal hourly rate paid to non-exempt employees for all hours worked in excess of 40 in any workweek	No	Yes
PRI	Prize/Award - Cash Payment	Payment for a one time award or cash gift	No*	Yes*
PRO	Project Pay	Payment made to an employee for completing a project, not an ongoing payment. Payment stops when project is complete.	Yes*	Yes*
REG	Regular	Payment for work performed as outlined in new hire agreement	Yes	Yes
RES	Research Incidental	Research performed outside of normal work duties	No*	No*
RGA	Regular Additional	Payment for additional duties/responsibilities for a limited time period	NA	Yes
SEV	Severance Pay (Non Ben Elig)		No	No
SHA	Stipend for Health Allowance	Can only be used for a non-employee	NA	Yes
SLE	Stipend for Living Expenses	Can only be used for a non-employee	NA	Yes
SLT	Stipend for LTD	Can only be used for a non-employee	NA	Yes
SRR	Summer Research	Payment for conducting research outside of the academic year	Yes	NA
SRS	Summer School	Payment for teaching during the summer months	No	NA
TCS	Treatment Center Shift	Shift premium pay	Yes	Yes
TEM	Temp Pay Adjustment	Used to deduct for work comp payments and any other one time adjustment	Yes	Yes
UCO	Univ. College Annuity Only	Payment made for teaching at University College during the summer months	No	No
UNC	University College	Payment made for teaching at University College during the academic year	No	No
VAP	Vacation Payout on Termination	Payment of unused vacation balance due at termination or FTE reduction	NA	Yes*
VCA	Vacation Accrual Transfer	To move the unused vacation balance between departments when an employee transfers	NA	Yes

*See additional guidelines

Earnings Code Guidance – Additional Pay

Below you will find some general guidelines for which HRMS earnings codes should be used for additional pay payments to faculty/staff on sponsored funds. Only the most frequently used additional pay earnings codes have been listed below, and in instances where a department would prefer to use an alternate earnings code, SPA should be consulted. As stated in Section 200.430(h) *Charges for work performed on Federal awards by faculty members during the academic year are allowable at the IBS rate.*" Accordingly, most payments to individuals working on sponsored funds should be made using regular pay earnings codes such as REG or CRG. Exceptions may be made for payments utilizing additional pay earnings codes provided that there is specific written agency approval or some other mitigating circumstance.   All additional pay payments should follow University and funding agency guidelines.

- ❖ **ANN** payments are typically additional annuity payments, agreed upon by the department and employee during the hiring process, that are paid out as a wage. ANN may be charged to sponsored funds so long as the sourcing for the ANN corresponds with the sourcing for the regular wages for the same distribution period. The distribution should also proportionally charge the cost share allocation for the NIH Salary cap, as applicable.

- ❖ **BON/BNP** Bonus payments are incentives or contractual obligations paid to employees who go above and beyond their regular duties. Bonuses may not be paid from federal funds. In some highly unusual circumstances, where a non-federal agency has given permission or it has been elsewhere noted in the NoA, such payments may be allowed.

- ❖ **CON** The consultant earnings code should only be used for University employees when the work they are performing is in an area of expertise that falls outside of their regular University appointment. All payments should follow the University's consulting policy.

- ❖ **HON** Honorarium payments are typically made to faculty for educational activities (lectures, symposium…). For sponsored projects, these educational activities are considered part of faculty member's regular academic appointment, therefore, additional compensation should not be provided. In some unusual circumstances or with written agency approval, exceptions may be made. SPA should be contacted prior to the use of this earnings code on sponsored funds.

- ❖ **ONC** On call beeper should be used for payment for responding to a call outside of normal work hours. The code should only be used on sponsored funds with proper justification for the specific project it is to be charged to.

- ❖ **PRI** Prize payments are for a one-time award or cash gift. This code should not be used on most sponsored funds, but may be allowable on some non-federal awards where guidance has been specifically provided.

❖ **PRO** Project pay should be used for a payment made to an employee for completing a specific project, not an ongoing payment. Payment stops when project is complete. Faculty should typically not receive project pay from sponsored funds. Per Uniform Guidance 200.430 for faculty, "*Intra-IHE consulting by faculty is assumed to be undertaken as an IHE obligation requiring no compensation in addition to IBS. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the faculty member is in addition to his or her regular responsibilities, any charges for such work representing additional compensation above IBS are allowable provided that such consulting arrangements are specifically provided for in the Federal award or approved in writing by the Federal awarding agency.*" Project pay for non-faculty may be allowable with proper justification and when the payment goes above and beyond their regular duties.

❖ **RES** Research incidental relates to research activity performed outside of normal work hours. This earnings code should not be used on sponsored funds.

❖ **VAP** Vacation payout on termination is allowable on sponsored funds provided that the time was accrued on the project it is being charged to and should follow all University guidelines.