Certifying Effort

Corresponding with:
Effort Reporting

Procedure Statement

Payroll vs. Effort distributions: A payroll distribution reflects the activities to which salary is charged in the payroll system. The UNCP Banner Effort certification system uses actual payroll charges as the basis for the certification. The final certified effort distribution should reflect an individual’s actual activity regardless of where or how the salary is charged. If the salary distribution and the actual activity are not congruent, the salary distribution in the payroll system must be changed during the certification process.

Who is Subject to Effort Reporting? Faculty, staff (including post docs) and students who receive compensation from sponsored projects are subject to effort certification

Reportable Activities on Effort Certification Reports Institutional effort relates to work required to meet an individual’s employment obligation to the University and may include both sponsored and non-sponsored activity. Institutional effort does not include external consulting or professional services provided outside the institution for non-university compensation.

Non-Institutional effort is performed outside the context of the individual’s University employment contract. Non-institutional effort is not a part of Institutional effort and is not documented by the system

What is a Percent Effort? Effort is measured as a percent of the individual’s total University employment obligation. Percent effort represents the proportion of time an individual spends on each University activity and is expressed as a percent of the individual’s total University activity. Total University activity = 100% effort.

The percent effort is not based on a typical 40-hour workweek. Total University effort for an individual is 100% regardless of the total hours worked. Total effort must equal 100% and should include only those activities for which an individual receives University compensation, including work performed on sponsored projects, whether reimbursed by a sponsor or University funded. An individual may not report effort that is less than or in excess of 100% (with a +/- 0.5% rounding variance allowed).
Circular A-21 Effort Reporting Standards

- The institutional effort reporting system will reflect only the activity for which the employee is University compensated and will include all activity required to fulfill the employee’s University obligations.
- The system must be inclusive of all University effort, including sponsored and non-sponsored activities.
- The individual’s effort for each activity will be expressed as a percent of 100% total effort. The salary distribution should be modified on a timely basis by the appropriate departmental personnel when there is a significant change in anticipated workload.
- All employees providing effort towards federal funds will certify a statement every semester, using appropriate means of verification that the work was performed, ensuring that charges are reasonable in relation to the work performed.
- The system is subject to independent internal evaluations on an ongoing basis to ensure effectiveness and compliance with federal standards.

Circular A-21 Effort Reporting Categories

Personnel with effort reporting administrative and certification responsibilities should be familiar with OMB Circular A-21 definitions of types of effort. Effort categories are divided into two major groups, sponsored (extramural sponsor funded) and non-sponsored (University funded). Sponsored Project Effort includes activities paid by sponsored research, sponsored instruction and training, and all other sponsored projects including cost sharing committed to sponsored projects. The system identifies each sponsored project separately with the commensurate percent effort. Cost sharing activities must be identified with a separate percent to the sponsored project they support. Cost sharing is effort associated with an identifiable sponsored agreement which is not reimbursed by the sponsor and is funded by the University. Sponsored project effort does not include activities funded by start-up funds or general department research funded from non-sponsored sources.

Non-Sponsored Project Effort (University funded) includes all University activity that is funded by non-sponsored operating and discretionary accounts, such as activities related to instruction, departmental research, department administration and other institutional activities.

- Department Administration refers to administrative activities in academic dean’s offices, departments divisions, and organized research units that jointly benefit all department activities. Department administration is supported by University funds and is not charged directly to sponsored projects. Examples include: time on academic and research committees, such as human subject review, bio-safety, animal care, and academic planning, administering personnel policies, interviewing and hiring, planning programs and preparing sponsored proposals.
- Non-sponsored instruction and other academic activity relates to the University’s teaching and training mission. Non-sponsored instruction includes university funded teaching and training activity, whether for credit or not, lectures, independent study, thesis preparation supervision, academic advising, curriculum development, seminar/workshop lecture presentations, and non-sponsored research and scholarly activities.
• Other Institutional Activity relates to University activities that are not classified under any other category. Examples include: institutional advancement, alumni relations, athletics, museums, and auxiliary services.

Authorized Signers

The following individuals are authorized to certify employee effort.

• EPA and SPA (including students and post docs) employees certify their individual effort.
• In the Banner Effort system authorized signers are referred to as “certifiers”.
• In the event extenuating circumstances make it impossible for an employee/certifier to certify his or her individual effort, the PI or other responsible official with first-hand knowledge or suitable means of verification that the work was completed must certify on behalf of the unavailable employee.
• Circumstances that prohibit an employee’s availability to certify their individual effort should be uncommon and infrequent in occurrence. Examples include termination, protracted illness or no reasonable access to the UNCP email system due to current work assignments, etc.

Significant Changes in Effort

When comparing an employee’s activities to his or her payroll distribution charges, differences may be noted. Payroll action adjustments are required when there is a significant change in activity from the current pay distribution. Changes in salary sources should be made on a timely basis and include the following circumstances:

• A sponsored project expires, continues under another account number or a new project is awarded.
• The degree of effort an individual expends on a particular activity changes.
• The individual experiences a prolonged sick leave, compensation base change, status change, or leave with or without pay.

Significant changes to an effort distribution must be recorded in the payroll system. If a significant change is indicated on the effort report, the department must initiate the appropriate payroll action.

Effort Certification Process

Effort reports are generated after the payroll information is processed for the applicable reporting period on a semester basis. An e-mail will be sent to the individuals required to certify as well as individuals needing to review certifications. After review, adjustments are made by the certifier to enter any significant changes in the certified effort column; the individual certifies and attests the effort report and Banner effort routes the report to the Principal Investigator.
After certification, the PI reviews the certifications and if accepted, processes certified effort report. The PI may review the changes with the certifier. When final certification indicates a significant variance between certified and calculated effort, PI’s must ensure the appropriate payroll action is processed so the changes are updated in the payroll system.

EFFORT REPORTING PERIODS AND CERTIFICATION DUE DATES

- EPA & SPA employee effort reports are certified on a semester basis. The periods of performance and pay cycles for EPA & SPA for employees for years 11-12 occur as follows:

<table>
<thead>
<tr>
<th>Period of Performance</th>
<th>Pay cycle</th>
<th>Dates</th>
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<tbody>
<tr>
<td>Fall Semester</td>
<td>MN08 – MN12</td>
<td>08/01/2011 – 12/31/2011</td>
</tr>
<tr>
<td></td>
<td>BW17 - BW26</td>
<td>08/01/2011 – 12/18/2011</td>
</tr>
<tr>
<td>Spring Semester</td>
<td>MN01 – MN05</td>
<td>01/01/2012 – 05/31/2012</td>
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<tr>
<td></td>
<td>BW02 – BW10</td>
<td>01/02/2012 – 05/06/2012</td>
</tr>
<tr>
<td>Summer 1</td>
<td>MN06 – MN07</td>
<td>06/01/2012 – 07/31/2012</td>
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<tr>
<td></td>
<td>BW11 – BW16</td>
<td>05/07/2012 – 07/29/2012</td>
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- The certification period typically lasts approximately 30 days and begins the day of the last payroll date. Effort should be properly certified and processed during the certification period.

Responsibilities of Employees and Supervisory Officials

The certifier will verify that the effort reflected on the report is correct or report a significant change in effort and certify the report. In rare cases when it is not reasonably possible for the individual employee to certify, the report may be certified by the PI or other supervisory/responsible official with suitable means or firsthand knowledge that the individual completed the work.

Completing Certification

- Post-Award ensures that complete and accurate effort reports are prepared and distributed.
- Authorized signers (Certifiers) review salary distributions, make adjustments if necessary, and certify the effort. EPA and SPA employees (including students and post docs) certify his or her individual effort. In unusual cases a responsible official may sign the certification in lieu of the individual. When the certification is complete, banner effort routes the effort report to the PI for final review, acceptance and certification.
- The PI performs a post review of the certification. If significant changes were made the PI must ensure a payroll action is processed that adjusts the payroll distribution to the certified effort.
- The certification period begins the day of the last payroll date and extends for approximately 30 days. Employees and PI’s must process certifications during the certification period for timely completion by the institutional due date and is noted on the report.
- The Post-Award Office reviews certifications and will contact the PI’s if policy deviations or processing problems are noted.
System Controls

Internal Controls and Responsibilities Effort reporting distribution totals from the Banner Effort system are created based on salary and wage distributions from the payroll system. Prospective and retroactive changes are made using the appropriate HR payroll forms. Changes must be made on a timely basis. Responsibility for continued maintenance and operation of the various controls rests with specific offices: Post-Award is responsible for:

- Ensuring the Banner effort system is operating properly and effort reports are distributed in a timely manner.
- Ensuring effort reports include all effort-eligible pay sources and are prepared correctly.
- Reviewing certifications and verifying that payroll records are modified when a significant change in certified effort has been noted on the effort report.
- Monitoring and administrating the System in accordance with provisions of OMB Circular A-21.
- Training employees and PI’s in effort reporting requirements, processes and banner effort reporting capabilities; providing banner effort access and reporting capability to campus units
- Investigating non-respondents and other policy deviations; contacting PI’s and other appropriate personnel for resolution.

Employees and Principal Investigators are responsible for:

- Ascertaining that the reported distribution of effort is a reasonable estimate of the effort expended for the reporting period. The employee (or in rare circumstances a supervisory official having suitable means of verifying the employee’s work) should certify his or her individual effort. PI’s ensure that all certifications are accurately completed in a timely way.
- Ensuring that all appropriate effort is reported in the certification.
- Ensuring that the effort reports are reviewed, certified and processed on a timely basis.
- Initiating, any required corrections to payroll distribution based upon known changes identified in the certification process.

Review

A review of the system is performed on an ongoing basis to ensure the system is operating in conformance with the policies and procedures set forth in this document as required by OMB Circular A-21 section J.10.b.(s)(f) which states: The system will provide for independent internal evaluations to ensure the system’s effectiveness and compliance with the above standards.