Effort Reporting and Certification

The why and how of effort certification

Spring/Summer 2017
Overview – Why we do what we do

Federal Regulations

• Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UG) Subpart E-Cost Principles, Section 200.430-Compensation

• Costs of compensation are allowable to the extent they [are]
  • Reasonable for services rendered
  • Follow the non-Federal entity’s written policy and meets Federal statues
  • Determined and supported by documentation
Overview – Why we do what we do

Consistency

• Federal regulations require that we treat all expenses the same
  • There can’t be 2 sets of rules – one for Federal funds and one for non-Federal funds
• Since the majority of our sponsored projects are Federally funded, our internal policies are aligned to those regulations
Effort – FAQs

What is effort?
• Effort is the proportion of time spent on professional activities such as research, teaching, administration, service for which an individual is employed by Case or for which one is appointed as a Case faculty member.

What is effort reporting?
• Effort reporting is a method of documenting the proportion of work time devoted to these professional activities as a percentage of total professional activity.
  • An effort report usually covers a 6-month period of time. The total time – 100% - during the reporting period must be accounted for on the report based on a reasonable estimate.
Effort – FAQs

Who is subject to effort reporting?
• Every individual who devotes effort to sponsored activities, whether paid or unpaid, is subject to effort reporting.

What is 100% effort?
• The total amount of effort expended to accomplish the professional activities of Case Western Reserve faculty, staff, and students regardless of the actual number of hours expended on those activities.
  • Whether an employee works 20 hours a week or 60 hours a week, the total time that person worked for Case is considered 100%
Effort – How is it different than payroll?

Payroll and effort distributions are not the same thing.
• Payroll distributions describe the allocation of an individual's salary
• Effort distributions describe the allocation of an individual's activity to individual projects independent of salary

_A person does not have to have a payroll distribution from a sponsored project in order to have effort on a project._
Effort Reporting – How it works

Case requires effort reporting 2-3 times annually depending on appointments

- CY faculty and staff report twice a year
  - 1st half (January-June)
  - 2nd half (July-December)

- AY faculty report 3 times a year
  - Spring (January-May)
  - Summer (June-August)
  - Fall (September-December)
Effort Reporting – Creation of Reports

Ideally, ORA will create reports within 60 days of the end of the reporting period and notify the administrators that they are available.

- Reports are pre-populated with info from HCM as of the date they are created and other data (previous reports)
  - Any adjustments made to HCM after the reports are created will not be captured in the reports and must be taken into consideration manually.

- An employee’s report will be based in the department ORA lists as that employee’s home base.
  - ORA doesn’t get data from HR, so we rely on you to tell us if there are errors.
Effort Reporting – Review and Release

In order to ensure the most accurate data, the reports require a preliminary review by the administrator(s) assigned to a department.

Methods to review

• Monthly effort grids
• Other support documents
• Faculty/staff interviews
• HCM reports
  • Please remember that effort does not equal payroll. HCM reports can be a useful tool assuming the distributions are correctly entered into HCM.
Effort Reporting – What you’ll see
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This is where you can change the reporting cycle if your department has both Summer and Fall reports to complete.
Effort Reporting – What you’ll see

- **Date Created**: Date ORA created the report. Important to know for adjustments that may have been made since report was created.

- **Date Notified**: Most recent date the “Ready to Certify” button was clicked.

- **Date Certified**: Date that the report certification was finalized.
Effort Reporting – What you’ll see

- List of all previous reports – Click on the link to get to another cycle’s report.

- Effort distribution is divided into 3 parts:
  - Sponsored Projects
    - Generally RES, TRN, SPC projects
  - Academic Responsibilities
    - Unrestricted projects/areas – OPR, INS, END, VSN, BGT, OSA
  - Clinical Service
    - Used for faculty who participate in the UH Medical Group

- Within each reporting line, you can have direct effort and cost shared effort

- Pre-populated effort is mainly based on what is in HCM when the report is created and should equal 100%
Effort Reporting – What you’ll see

Comments
• Add any info deemed pertinent

Form Actions
• Update: Use after changes are made
• Add a Sponsored Project: Use if a speedtype/contract number is missing
• Printable: Creates a pdf of the form that can be printed for signature
Effort Reporting – What you’ll see

Certification Actions

- Ready to Certify: Releases the report and notifies the employee.
- The “Certify” button remains grayed out until the form is released.
- Certified by Paper: Once paper form has been signed, this finalizes the certification.
The review of the report may lead to the following situations:

- Percentages listed are accurate
- Slight modification of the percentages is needed
  - Make necessary changes and click “Update” button
- Lines for sponsored projects are missing
  - Click the “Add a Sponsored Project” button and follow the prompts to add the project you need
  - Make necessary changes and click “Update” button
Effort Reporting – Release Report for Online Certification

If the individual is a current employee or student, the preferred method of certification is online via Spiderweb.

To release the report, click the “Ready to Certify” button.
Effort Reporting – Online Certification

After clicking “Ready to Certify”, the employee gets a standard email letting them know they should certify their report.

Clicking the link to Spiderweb and logging in should take them to the report directly (if not, they can click the “Effort Reporting” link in the left side menu.)
If the individual is no longer with Case or does not have access to Spiderweb, the certification can be done by paper.

Click the “Printable” button to produce a pdf of the effort report.

- Do not click “Ready to Certify”

Have the individual or a designee (someone with direct knowledge of that person’s effort) sign the form.

Go back into the Spiderweb report and click the “Certified by Paper” button. You will then be prompted to upload a scan of the signed paper form.
Effort Reporting – Variances

Once the report has been certified in Spiderweb, an automatic check is performed by the system to compare the percentages of effort in Spiderweb to the payroll information in HCM.

• Variance percentage = the amount of salary paid from a speedtype during the reporting period divided by the total salary paid over the timeframe

• The threshold for the difference is +/- 5%
Effort Reporting – Variances

Examples:

- Dr. Joe has certified 10% effort for the 2\textsuperscript{nd} Half of 2015 on RES123456
- HCM shows he was paid $60,000 over the period of July-December 2015
- $4,500 of this came from RES123456

\textit{Variance for RES123456} = $4,500 / $60,000 = 7.5\% - \textit{within tolerance limit}

- Dr. Joe has certified 10% effort for the 2\textsuperscript{nd} Half of 2015 on RES123456
- HCM shows he was paid $60,000 over the period of July-December 2015
- $10,000 of this came from RES123456

\textit{Variance for RES123456} = $10,000 / $60,000 = 16.7\% - \textit{outside of tolerance limit}
Effort Reporting – Reviewing and Clearing Variances

To find out if any variances exist, use the menu on the Effort Administrative page and click on the “View” link under the Variance header.
Effort Reporting – Reviewing and Clearing Variances

The list will show everyone with a variance over the 5% tolerance.

Click the linked name to get more detail on the variance.
The individual variance report will show:

- Percentages certified
- Payroll from HCM
- Variance

Comment boxes are available for each line.
Effort Reporting – Clearing Variances

If a variance exists, you must do one of the following:

- Adjust any salary overage to the cost share speedtype
  - Note this in the Comments box and click “Update” to save notes
  - Process salary adjustment in HCM
  - Click the “Notify SPA this is ready for review” button.

- Request to reopen the report for recertification
  - Refer to the FAQ handout for exact process
  - Very similar to the late cost transfer process – requestor needs to answer similar questions
  - This request is reviewed by the Assistant VP for Sponsored Projects and is approved on a very limited basis (not as liberal as LCT)

- Explain why the variance does not need to be adjusted in HCM in the Comment box and notify SPA via the button
  - Work study, cost share captured on non-restricted accounts, etc.
Effort Reporting – Common Issues

A few common issues:

- No changes once released to the employee
  - If the employee changes a percentage, the report locks down and an email is sent to the admin and the employee letting them know it needs to be reviewed and re-released.

- Certified by paper?
  - Paper should match what’s online and needs to be uploaded.

- Students
  - Only certify for the time they working in your department
  - If a student is working in multiple departments, then there should be an effort report for each department.
  - Paper certifications are most common (signed by the PI)
  - Stipend payments (572XXX) are not considered wages/payment for work and are not subject to effort reporting.
Effort Reporting – How it impacts you!

• Late or missing effort certifications = No NOAs for RES, SPC, TRN, OSA awards
  • Funding will deferred until all certifications are completed
    • This includes the PI and any named key personnel on the entire project

• This is an audit item for our annual A-133/Single Audit and is considered primary documentation for salary charged to a sponsored project
  • The threshold for an audit finding is one (1) report out of compliance – missing reports impact the entire University, not just your school or department
Effort Reporting – Resources

What to do if you need help:

• ORA Website:
  http://www.case.edu/research/faculty-staff/award-mgt/effort/
  • Instructions, policies, schedules, FAQ

• ORA Effort Team
effort@case.edu
  • Email address that goes to multiple people in ORA.
  • Our goal is to respond within 24 hours
Effort Reporting – Contact Information

Office of Research Administration
http://case.edu/research/
Nord Hall, 6th floor   LC: 7015   Phone: 368-4510

effort@case.edu – Preferred contact method; monitored by multiple people

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