

THE
UNIVERSITY
OF RHODE ISLAND

OFFICE OF THE CONTROLLER

EFFORT CERTIFICATION MANUAL

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I. POLICY

All employees (faculty, staff, students, temporary\part-time employees and summer research faculty) who are paid on sponsored projects and/or cost share accounts must certify the accuracy of this time (i.e., effort) according to the procedures established by the University.

This requirement is established in the Code of Federal Regulations, Title 2: Grants & Agreements PART 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards section 200.430, Compensation – personal services.

URI's approved Disclosure Statement (DS2) includes a summary of the URI effort certification process. http://web.uri.edu/controller/sponsored_cost_accounting/

II. RESPONSIBILITES

Office of the Controller has primary responsibility for the maintenance of the Effort Certification Reporting (ECR) system:

1. Training University personnel on ECRs;
2. Monitoring University adherence to the ECR requirements;
3. Making changes to this manual as required;
4. Updating the University's financial system with the original payroll distribution;
5. Updating the University's financial system with distribution changes in a timely manner; and
6. Distributing, collecting ECRs and making sure they are completed and returned in a timely manner.

Academic Departments are responsible for:

1. Making sure that payroll forms are completed properly and submitted timely;
2. Reviewing and certifying their department ECRs. Making sure that the effort charged approximately reflects the work performed during that period, using suitable means of verification that the work was performed; and
3. Ensuring that the distribution, certification, collection and return of ECRs to the Payroll Department are accomplished in a timely manner.

Principal Investigators are responsible for:

1. Understanding the level of effort of each individual working on the sponsored award;
2. Making sure original payroll distribution meets commitment approved in the award;
3. Reviewing and certifying their own and their staff's ECRs. Making sure that the effort charged approximately reflects the work performed during that period, using suitable means of verification that the work was performed; and
4. Submitting payroll distribution modifications in a timely manner if the effort changes from the initial plan.

Division of Research & Economic Development - Office of Sponsored Projects is responsible for:

1. Providing guidance on requirements during proposal preparation and reviewing budgets prior to submission to sponsors; and
2. Ensuring effort percentages on payroll distribution forms meets the commitments of the award.

III. DEFINITIONS

Base Effort

Base effort is defined as the 100 percent effort expended by an employee over some contractual and/or predetermined period which is required to fulfill his/her obligation to the University. Base effort includes all regular pay, overtime pay, holiday pay and additional compensation paid to an employee.

Base Salary

The University's base salary is the annual compensation that the applicant organization pays for an individual's appointment, whether that individual's time is spent on research, teaching, public service or other activities. Base salary excludes any income that an individual may be permitted to earn outside of the duties to the University.

Cost Sharing

Mandatory

Mandatory cost sharing is cost sharing required as a condition of an award (i.e. Sea Grant, Land Grant funds) or negotiated as part of the award. In either case, once this award is funded, if required cost sharing is in the form of payroll it must be accounted for in the payroll distribution system and effort certified.

Voluntary Committed

Voluntary committed cost sharing is effort not required by the sponsor but proposed either in the proposal budget or in the narrative portion of the proposal with no corresponding funding requested. Per 2 CFR Part 200.306 (a), under Federal research proposals, voluntary cost share is not expected. Once the project is awarded, if cost sharing proposed is agreed in the awarded budget and is in the form of payroll, it must be accounted for in the payroll distribution and effort certified.

Voluntary Uncommitted

Voluntary uncommitted cost sharing effort is defined as University faculty (including senior researchers) effort that is over and above that which is committed and budgeted for in a sponsored agreement. This effort becomes part of the PI's non-sponsored activities for the University.

Note: If a PI chooses to use voluntary uncommitted cost sharing to fulfill sponsor requirements (such as to meet a required effort obligation) then this must be treated the same as voluntary committed cost sharing.

Department Budget Table

A table in PeopleSoft used by the Internal Payroll System to establish the chartfield string(s) to be charged for jobs compensated through that system. (Exhibit 6)

Effort Certification Reports (ECRs)

Reports used to certify effort “**after the fact**” charged on sponsored projects and/or cost sharing.

Effort

The proportion of time spent on any activity and expressed as a percentage of the individual's total professional activity for which an individual is compensated by Base Salary. Total effort must equal 100%.

When a proposal is awarded, the committed effort must be tracked in the **payroll distribution** system to ensure that the effort and the salary charged to support it are in agreement. Failure to accurately track and meet effort commitment requirements can subject the university to heavy fines and sanctions that inhibit the ability to receive future federal funds for research.

The commitment of effort in the proposal must be requested in accordance with sponsor’s regulations. The types of efforts requested are:

Requesting Salary Support

The amount of salary requested for the academic year by the individual should be reasonable and calculated by multiplying the level of effort times the individual base salary. Special attention should be paid to sponsors salary cap (i.e. NIH salary cap). If salary is requested for the summer months, special attention should be paid to sponsor requirements.

Effort Commitment Reduction

The Principal Investigator is required to ask for prior approval in writing from the Office of Sponsored Projects and the Sponsor for an **absence of 3 months or more** or **significant reduction of effort** (25% or more) on the part of the Principal Investigator or other key personnel.

Estimating Effort

Estimating effort must follow the guidelines established by [Uniform Guidance 2 CFR Part 200.430 \(h\)\(8\) \(viii\)](#) which states:

Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim account purposes, provided that:

- (A) The system for establishing the estimates produces reasonable approximations of the activity actually performed;*
- (B) Significant changes in the corresponding work activity (as defined by the non-Federal entity's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between*

workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term; and

(C) The non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal award based on budget estimates. All necessary adjustment must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

(ix) Because practices vary as to the activity constituting a full workload (for IHEs, IBS), records may reflect categories of activities expressed as a percentage distribution of total activities.

(x) It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to Federal awards for IHEs, a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected.

Effort Reporting Method

Effort reporting is the federally-mandated method by which the salary charged to a sponsored project or cost sharing is certified as being reasonable in relation to the effort expended on that project. The method chosen by URI is Effort Certification Reports.

Retroactive Pay Increase or Promotion

Pay received for work performed in prior pay periods will be charged to distribution in Payroll system on the date of the payment. If changes need to be made to distribution, contact the Payroll Accounting Department.

IV. EFFORT CERTIFICATON REPORTING PROCESS FOR THE UNIVERSITY OF RHODE ISLAND

The University of Rhode Island has **two effort reporting systems** which are summarized below and presented in detail in subsequent sections.

A certification of effort (through an ECR) is required only when a person is charged to a sponsored project and/or cost sharing.

No matter the effort reporting system used at URI, they must all follow the Uniform Guidance guidelines. Per Uniform Guidance 2 CFR Part 200.430 (h)(8)(i) “Standards for Documentation of Personnel Expenses”:

(1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

(i) Be supported by a system of internal control.

(ii) Be incorporated into the official records.

(iii) Reasonably reflect the total activity for which the employee is compensated.

- (iv) *Encompass both federally assisted and all other activities compensated by the non-federal entity.*
- (v) *Comply with established accounting policies and practices of the non-Federal entity.*
- (vi) *(reserved)*
- (vii) *Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award, etc.*

Effort Certification Frequency

The two effort reporting systems are (Exhibit 1):

1. Non-classified and Classified Employees (employees paid through the State of RI);

For non-classified and classified employees, faculty and professional staff an ECR will be prepared twice a year covering the academic year pay for the periods of July 1 to December 31 and January 1 to June 30. Effort will be certified on a semi-annual basis ***after the fact.***

2. Students, temporary employees and summer research faculty (employees paid through URI's internal payroll system)

These groups are paid through the University's Internal Payroll System.

For **graduate and undergraduate students** who charge or contribute (i.e. cost share) their effort to a sponsored project, an ECR will be prepared and certified on a semi-annual basis ***after the fact.***

For **temporary or part-time employees and summer research faculty** who charge or contribute (i.e. cost share) their effort to a sponsored project, an ECR will be prepared and certified on a semi-annual basis, ***after the fact.***

ECR calculation

The ECR for State non-classified (Exhibit 2) and classified employees is produced from the Payroll Accounting system **based on the distribution information submitted on the Employee Action Form (Exhibit 3 and 4)** and lists (for each employee), the percentage of the employee's total base pay charged to each chartfield string (listed in the effort percentage column), and the associated dollar amounts (listed under salary charges) for the period reported.

The ECR for students, temporary employees and summer research faculty is produced from the Internal Payroll Accounting system. Data is from the chartfield string(s) set up as part of the job creation process using department budget tables (Exhibit 5) and lists job and dollars, not percentages. See Exhibit 6 for the ECR.

Effort certification procedure

The steps below indicate the general procedure to be followed for certifying effort. The staff completing these steps may be different for different departments depending on organization structures and resources.

If you have questions on the procedure, contact Payroll Accounting Department for assistance.

At a minimum, the ECR must be certified by the employee, principal investigator or other responsible official (Dean/Department Head) who uses suitable means of verification that the work was performed. The certification is to confirm the distribution of activity represents a reasonable estimate of the work performed by the employee during the period.

It is recommended the ECR also be certified by a staff in a supervisory role for verification of the data.

Department Head/ Dean/ Principal Investigator will:

1. Review all ECRs to ensure that each employee has one. The Department Head/ Dean will notify the Payroll Accounting Department to obtain any missing ECRs and return any that do not belong to the department;
2. Determine every chartfield string to which the employee's effort has been charged during the reporting period is listed;
3. Review the effort percentages for each chartfield string and verifies that they reflect a reasonable estimate for the percentage of effort expended by the employee during the reporting period; and
4. Adjust the ECR by circling the incorrect data and writing in the appropriate retroactive change to the right of the pre-printed data ***if*** the pre-printed chartfield string, effort categories or percentages are incorrectly reported. An Employee Action Form must be completed to correct the effort percentage and distribution.

The reviewer should also indicate on the ECR the number of the Employee Action Form submitted to adjust the distribution. In all cases, effort distribution must total 100%. See also "Effort certification adjustments" below.

5. Sign and date the certification in the column labeled "Responsible Official". If an individual certified his/her ECR, he/she should submit the completed document to Department Head, Dean, or Principal Investigator for verification.
6. All certified ECRs must be forwarded to the Payroll Accounting Department no later than the date shown on the certification report.

Effort certification adjustments

Adjustments are required when there are significant changes in effort percentages, effort categories or funding sources. Such adjustments should be made as soon as they are known, but prior to the time of effort certification.

Note: If effort is certified and it is later determined such effort should be changed, a formal written request is required to be reviewed and approval by the Controller's Office. For effort changes greater than 90 days from the original transaction date, see the University's Cost Transfer Policy.

To make adjustment to existing **Unclassified and Classified Employees**: Complete an Employee Action Form. (Exhibit 3 and 4)

To make adjustment to an existing **Student, Temporary, Part Time Employees and Summer Research Faculty**: Complete an [In-House Payroll Adjustment form](#). (Exhibit 7)

Exhibit 1 Base Effort Analysis

Description	Appointment	Length	Report Periods
Faculty	Academic Year	9 Months	7/1-12/31 and 1/1-6/30
Non-Classified Staff	Calendar Year	12 Months	7/1-12/31 and 1/1-6/30
Classified Staff	Varies	Varies	7/1-12/31 and 1/1-6/30
Graduate / Undergraduate Students	Varies	Varies	7/1-12/31 and 1/1-6/30
Temporary/Part Time (Internal Payroll)	Varies	Varies	7/1-12/31 and 1/1-6/30
Summer Research Faculty	Summer	up to 3 months	7/1-12/31 and 1/1-6/30

Exhibit 2 Effort Certification Report - Non Classified and Classified

U_HP8113

University Of Rhode Island

01/12/2016

Effort Certification Report - Non-Classified
 Reporting Period 06/28/2015- 12/26/2015
 Pay Periods 1-13

Page:1/437

Name Train,Tammy
 Title Senior Information Technolgst
 Emplid 100000005
 Home Dept 1008 - ransportation Center
 Carlotti Administration Bldg
 Lower College Road, Kingston
 Dept Mgr Adams,John

Cost Category	Account Descr	Account	Effort %	Salary Charges
Non Research	Transportation Ctr Overhead	110-1008-00000000000	35.0	1,453.79
*No project data in Financials	Education Cluster Extension DP	500-1008-00000004600	25.0	1,038.43
Sponsored Research	RIC No.2014-GU-001 LTAP	500-1008-0000S000227	40.0	1,661.48
			Total:	100.0 4,153.70

I CERTIFY THAT THIS REPORT REPRESENTS A REASONABLE ESTIMATE OF 100 PERCENT OF THE ACTUAL EFFORT EXPENDED DURING THE ABOVE PERIOD AND THAT I HAVE SUITABLE MEANS OF VERIFYING THAT THE WORK WAS PERFORMED.

SIGNATURE OF FACULTY MEMBER/EMPLOYEE OR _____ DATE _____ SIGNATURE OF REVIEWER
 RESPONSIBLE OFFICIAL

 ** EFFORT REPORTS MUST BE RETURNED TO PAYROLL ACCOUNTING BY 03/02/2016 **

Exhibit 3 Employee Action Form

Employee Action Form		Workflow Map							
Employee Information									
Empl ID: 100000001	Name - First: sally	Middle: g	Last: Brown						
Dept ID: 2117	Home Department: Cancer Prevention Research Ctr	Pay Check Dist Bldg: KC77A							
Reason/Remarks: Change Salary Distribution Only									
Reason/Action (Budget Office):									
Replaces									
Empl ID:	Name:	Title:	<input type="radio"/> Trans <input type="radio"/> Promo <input type="radio"/> Leave <input type="radio"/> Term						
Job Data Information									
PS Position No:	State Position No:	State Appr Acct No: 5511-50000	Classified/Nonclassified: Faculty						
Job Code: 100005	Professor Research	Union: 94 AAUP Acad	Eff Start: 12/25/2016 End Date: 06/24/2017						
<input type="radio"/> Standard <input checked="" type="radio"/> Non-Standard	Shift: <input checked="" type="radio"/> First <input type="radio"/> Second <input type="radio"/> Third	# Wrk Wks/Yr:	Grade: 99 Step:						
Basic Wrk Wk Hrs: 40	Schd Hrs/Week: 40.0	Work Year: A	Appointment Status: <input type="radio"/> Perm <input type="radio"/> Temp <input checked="" type="radio"/> Limited						
SUP AMT: <input type="radio"/> Period <input type="radio"/> Annual	Annual Salary: 104803.00	or Hrly Rate:	Posting No:						
Provost Approved Strategic Initiative: <input type="checkbox"/>									
Comments: *** APPROVED ***									
Salary distribution									
From	To	Start Dt	End Dt	Fund	Dept ID	Program	Project	Reg Per	Changed
<input checked="" type="checkbox"/>	<input type="checkbox"/>	10/30/2016	12/24/2016	500	1550	0000	0005994	50.0	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	10/30/2016	12/24/2016	500	2117	0000	0005446	30.0	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	10/30/2016	12/24/2016	500	2117	0000	0005771	20.0	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/25/2016	06/24/2017	500	1550	0000	0005994	50.0	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/25/2016	06/24/2017	500	2117	0000	0005446	30.0	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/25/2016	06/24/2017	500	2117	0000	0005771	20.0	<input type="checkbox"/>

Exhibit 4 Employee Action Form Instructions

The Employee Action Form is used to process the initial salary distribution and any changes that may occur thereafter. The form must be processed timely to reach the Human Resources/Payroll Offices before the effective date of the action requested. All information must be completed and effort distribution must total 100%. For complete instructions of how to complete an Employee Action Form go to: <http://web.uri.edu/hr/forms/>.

Salary distribution information should be given for a minimum of the entire fiscal year or for the length of the appointment, whichever applies. *A fiscal calendar of pay periods is available from the payroll office.*

- When an appointment or change occurs in the middle of a pay period list the date (Effective Start) in the Job Data section of the Employee Action Form.
- List the first day of the pay period in the Salary Distribution section.
- This pay period must be accounted for separately. Treat each day as 10% and charge chartfield string with the appropriate %.
- Be sure each pay period distribution is equal to 100%

Changes should not be made unless they are of a significant nature. Initial appointment/changes should not be made using decimals such as, 10.5% or 9.3%,. The rationale is that nobody keeps time/effort devoted to projects at that detail level.

APPROVAL ROUTING FOR SALARY DISTRIBUTION CHANGES:

If an Employee Action Form is processed for a change in salary distribution only, the electronic approval routing for signature is as follows:

Originator > Dean/Director > Office of Sponsored Projects > Budget > Human Resources Payroll then receives the EAF to update PeopleSoft Distribution record.

Exhibit 5 Internal Payroll - Department Budget Table (Appointment Level) Active Entry

The screenshot displays the 'Department Budget Table USA' web application interface. The browser address bar shows the URL: https://apphprod.unh.edu:5001/jsp/homeprod/EMPLOYEE/HRMS/c/DEFINE_COMMIT_ACCOUNTING_US.DEPT_BUDGET_USA?folder=MYFAVORITES. The navigation menu includes 'Home', 'Worklist', 'Add to Favorites', and 'Sign out'. The main content area is titled 'Department Budget Table USA' and features several tabs: 'Dept Budget Date', 'Dept Budget Defaults', 'Dept Budget Earnings', 'Dept Budget Deductions', and 'Dept Budget Taxes'. The 'Dept Budget Earnings' tab is active, showing details for 'Set ID: URPS', 'Department: 1008', 'Transportation Center', and 'Fiscal Year: 2015'. The 'Budget Cap' is set to 'Per Budget Level'. The 'Level' section shows 'Department', 'Position Pool', 'Jobcode', 'Position', and 'Appointment'. The employee information is 'Empl ID: 100000001 Auto, John', with an 'Effective Date' of 07/13/2015 and a 'Status' of 'Active'. The 'Earnings Distribution' table is shown below, with one entry for 'CharField Details' and 'Education Cluster Extension DP'.

Sequence Number	CharField Details	Combination Code Description	Distribution %	Combination Code
1.1	CharField Details	Education Cluster Extension DP	100.000	500-1008-00000004800-0000

Exhibit 6 Effort Certification Report - Internal Payroll (Temporary, Part Time, Summer Research Faculty, Undergraduate and Graduate Students)

Report ID: UHPY098A.SQR
 University of Rhode Island
 URI Time and Effort Certification
 Reporting Pay Periods 25-DEC-2016 to 21-JAN-2017

Page No. 1
 Run Date 05/03/2017
 Run Time 09:09:19

Name: Smith, John
Employee ID: 100#####
EmployeeDept: Ocean Engineering
Location Code: GS **LocationName:** Grad Sch of Oceanography

<u>Rcd</u>	<u>Fund</u>	<u>Department</u>	<u>Program</u>	<u>Project/Grant</u>	<u>Account</u>	<u>StartDate</u>	<u>EndDate</u>	<u>Amount</u>	<u>%</u>
1	500	2306	0000	0005221	5240	25-DEC-2016	07-JAN-2017	385.00	100.0
Total:								385.00	100.0

I CERTIFY THAT THIS REPORT REPRESENTS A REASONABLE ESTIMATE OF 100 PERCENT OF THE ACTUAL EFFORT EXPENDED DURING THE ABOVE PERIOD AND THAT I HAVE SUITABLE MEANS OF VERIFYING THAT THE WORK WAS PERFORMED.

 SIGNATURE OF FACULTY MEMBER/EMPLOYEE OR RESPONSIBLE OFFICIAL

 DATE

 SIGNATURE OF REVIEWER

Effective 7/1/19: This effort certification will be for a 6-month period as indicated in the manual.

Exhibit 7 In-House Payroll Adjustment Form

UNIVERSITY OF RHODE ISLAND
IN-HOUSE PAYROLL ADJUSTMENT FORM

IP2 (12/14)

EMPLOYEE NAME _____ DEPARTMENT NAME _____

EMPLOYEE EMPL ID _____ JOB EMPL RECORD #: _____

Instructions:

1. This form is to be used to request adjustments to distributed payroll charges after a payroll is processed.
2. Complete the comment section by identifying the reason for the adjustment.
3. Complete the signature section where applicable. Retroactive adjustments to grants and contracts must be approved by Office of Sponsored Projects.
4. Include copies of Account Distribution Reports with the incorrect charge(s) highlighted.
5. Do not include FICA charges. They will be automatically transferred when salary adjustments are processed.

Adjustment Requests

Pay Period End Date	FROM:					DOLLAR AMOUNT	TO:				
	Fund	Department	Program	Project	Account		Fund	Department	Program	Project	Account
						\$					
						\$					
						\$					
						\$					
						\$					
						\$					
						\$					
						\$					
						\$					

Comments: _____

Effort Certification and Signatures:

I certify the adjustments requested are required to correct the distribution of payroll charges and the resulting charges represent a reasonable estimate of the actual effort expended during the pay period being adjusted.

Originator: _____ Date: _____
 Business Manager/Director: _____ Date: _____
 Office of Sponsored Projects: _____ Date: _____