

# Effort Reporting

## 1.0 Policy Statement

As a condition of accepting and receiving sponsored awards, the University must assure that the effort expended on federally sponsored projects justifies the salary charged to those projects. The University provides this assurance by requiring the certification of periodic effort reports for faculty and staff whose salary is funded by one or more sponsored projects and/or cost sharing accounts during the effort reporting period. Compensation for employees should be considered reasonable.

It is the policy of Mississippi University for Women to comply with the Federal guidelines and regulations regarding Time and Effort Reporting and Certification as required by the Federal Office of Management and Budget Cost Principles for Educational Institutions rules and regulations.

## 2.0 Purpose

This policy outlines the University's policy to adhere to effort reporting as defined in the Uniform Guidance [§200.430](#) which contains the Federal regulatory requirements for internal controls over certifying time expended on sponsored projects. This section also defines the criteria for acceptable methods of charging salaries and wages.

## 3.0 Definitions

- 3.1 Effort – Proportion of time spent on University related activity funded for which compensation is received.
- 3.2 Effort reporting – Reporting mechanism used to document salaries charged for work performed on a federally sponsored program.
- 3.3 Sponsored Project Effort - 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.
- 3.4 Non-Sponsored Project Effort (University funded) - 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.
- 3.5 Cost Sharing Activities - Effort and other activities associated with an identifiable sponsored award which is not reimbursed by the sponsor and is funded by the University. Sponsored Project Effort does not generally include activities funded by start-up funds or general department research funded from non-sponsored sources.
- 3.6 Institutional Base Salary (IBS) - Annual compensation paid by the University for an employee's appointment for time spent on research, teaching, service or other activities. The Institutional Base Salary does not include bonuses, one-time

payments or incentive pay.

- 3.7 Firsthand Knowledge – Direct evidence of work performed which is generally confirmed by a supervisor or the employee.

#### 4.0 Additional Information

- 4.1 Effort report forms should account for all employee effort compensated by the University. This includes effort expended on institution compensated sponsored research, administration, instruction, unsponsored scholarly activity, clinical activity, and other activity.
- 4.2 Effort reporting and payroll distribution are not the same.
- 4.3 All faculty and staff who are involved in allocating salaries and wages to sponsored projects, managing sponsored projects, or completing effort reports are responsible for understanding the principles of accurate and timely effort reporting. Faculty and staff members are required to certify their own effort reports. The Principal Investigator certifies the effort reports of research staff working on his or her sponsored projects. Sponsored course release or in-kind committed effort must also be certified.
- 4.4 To protect the interests of the University and ensure compliance with Federal policies, any faculty or staff member who fails to fulfill their appropriate responsibilities may be subject to disciplinary action.
- 4.5 Failure to comply with the University's effort reporting requirements may result in financial penalties, expenditure disallowances and harm to the University's reputation. All individuals involved in the effort certification process are expected to strictly abide by all laws, guidelines and regulations.
- 4.6 The University utilizes a Sponsored Personnel Action Form (SPAF) to certify that salaries charged are reasonable and consistent with the work performed. The information on the SPAF, once approved, is entered into the MUW Banner System.
- 4.7 Accounting distributions are determined by listing the grant organization name, the fund number, grant accounting organization number, annual rate, and workload percentage. Actual effort expended on each project is certified by a responsible person with firsthand knowledge or a suitable means of verification that the work was performed on the project. The approval process is as follows:
1. Principal Investigator fills out the SPAF;
  2. Submits to Academic Head;
  3. Verified by Human Resources;
  4. Verified by Office of Sponsored Projects;
  5. Verified by Dean;
  6. Verified by Chief Academic Officer;
  7. Submits to Chief Financial Officer for final approval.
- 4.8 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 related activity. There is no set number of hours that constitutes an employee effort.

## 5.0 Employee Adherence

Employees are required to adhere to these guidelines. Willful disregard of this policy shall be considered non-compliance. The information stated in this policy pertains and applies to applicable employees, departments and funding sources of the University.