



EFFORT REPORTING POLICY

RESPONSIBLE ADMINISTRATOR: OFFICE OF THE VICE PRESIDENT FOR RESEARCH AND ECONOMIC DEVELOPMENT

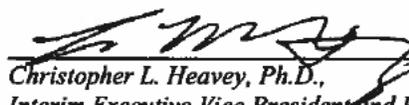
RESPONSIBLE OFFICE(S): OFFICE OF SPONSORED PROGRAMS

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APPROVALS: APPROVED BY:

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Lori Olafson, Ph.D., Date
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 6/23/2020

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Interim Executive Vice President and Provost

APPROVED BY THE PRESIDENT  6/23/2020

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REVISION DATE: JUNE 2020
POLICY No.: OSP – EFP 01

STATEMENT OF PURPOSE

The purpose of this document is to provide guidance to ensure that all persons responsible for effort reporting at the University of Nevada, Las Vegas (UNLV) have the necessary information to submit accurate and timely reports.

ENTITIES AFFECTED BY THIS POLICY

All academic and administrative faculty; undergraduate, graduate, and professional students; postdoctoral students, classified employees, and any other individuals who directly charge or cost share to sponsored programs, projects, or other work.

WHO SHOULD READ THIS POLICY

All UNLV academic faculty, administrative faculty, classified employees, administrators and students.

POLICY

Effort directly charged or cost shared to a sponsored project must be certified through the effort reporting process within 28 days of the date effort reports are initially generated in Workday. Effort on sponsored

projects is reported as a percentage of total institutional effort during a reporting period. The certification verifies that payroll expenses either directly charged or cost shared to a sponsored project are reasonably accurate in relation to the actual amount of effort spent on activities that benefited project's scope of work.

A. Who Must Comply

Effort directly charged or cost shared to sponsored projects by academic and administrative faculty, classified staff, postdoctoral fellows, graduate assistants and letters of appointment must be certified. Hourly employees who report time directly into Workday, such as undergraduate student employees, are exempt from the requirement to certify effort in Workday.

B. Policy Elements

Effort: Effort is the proportion of time spent by an employee on any UNLV activity for which he or she is compensated. Effort on a sponsored project is reported as a percentage of total institutional effort.

Total Institutional Effort: All compensated effort performed by an employee during a specific effort reporting period. This includes work on sponsored and non-sponsored activities, work performed outside of normal work hours and work performed off-campus. The total institutional effort will always equal 100% even if the employee has less than a 1.0 FTE appointment.

Reasonably Accurate: The federal government requires that salary charged to a project is consistent with an individual's actual effort in order to ensure that a sponsor is only charged for the amount of effort that directly benefited the project's scope of work. However, the federal government also recognizes that teaching, research, service and administration are intermingled in the daily activities of personnel. Thus, personnel working on sponsored projects are not expected to precisely report how they spend their time; instead, a reasonable estimate over a specified period of time based on a percentage of effort is acceptable.

An effort report is considered reasonably accurate if it deviates from actual effort by less than 5%. A payroll accounting adjustment is required if the difference between what was charged to a sponsored project worktag and actual effort was more than 5% over the effort reporting period.

Payroll accounting adjustments and effort reporting: Payroll accounting adjustments are submitted in Workday. If submitted at least a week before effort reports are generated, the accounting adjustment is likely to post and be included in the effort report.

If the need for a payroll accounting adjustment is identified less than a week prior to effort report generation, or after an effort report has been generated, the payroll accounting adjustment should be initiated through the effort certification review process in Workday.

Certification: The attestation by an employee or proxy/designee that payroll expenses charged to sponsored projects as direct charges or cost share reasonably reflect the amount of work performed for the benefit of the project's scope of work during a specific effort reporting period.

Committed Effort: The amount of effort proposed in a sponsored project proposal or other project application that is accepted by a sponsor. It is the policy of UNLV that committed effort is either directly charged to the sponsor or is reported as cost share and must be certified during the effort reporting process.

Effort Certification Reviewer: Each Supervisory Organization in Workday is assigned an Effort Certification Reviewer (ECR). ECRs are assigned by and at the department level are responsible for providing an administrative review of effort reports assigned to them prior to certification. ECR responsibilities include the following:

- Review effort reports for payroll distribution errors, cost shared effort, salary cap issues and other unique reporting requirements for various sponsors.
- Submit Payroll Accounting Adjustments (PAA) as needed.
- Route effort reports to other ECRs and PIs as needed.
- Communicate any questions or concerns to the ECM.
- Monitor the progress of effort reports so that they are certified on time.

When an employee has sponsored project effort in more than one department, an ECR should route the effort report to ECRs in other departments for additional administrative reviews. At this stage in the process, the ECR at the department has the option to add an additional reviewer, such as the Principal Investigator (PI) or direct supervisor, to review the effort reports for accuracy prior to certification by the employee.

Certifier: An effort report is routed to a Certifier after the administrative review. The Certifier is ultimately responsible for the accuracy of the effort report. The Certifier must verify that the proportion of effort directly charged or cost shared to a sponsored project is a reasonably accurate reflection of the proportion of time that was actually spent on the project. If the effort report is not accurate, the Certifier is responsible for communicating the error to the ECR and/or PI so that it can be corrected prior to certification.

Cost Shared Effort: Effort that is paid by UNLV or another non-sponsor source that benefits a sponsored project's scope of work. Mandatory, salary cap and voluntary committed cost share effort must be reported during the period in which the work was performed. (Please refer to the [Cost Sharing/Matching Policy and Procedure](#) for more detailed information.)

Effort Reporting Period: The academic semester or non-contract period during which an employee performs effort. Effort reporting periods include fall (July through December contract period), spring (January through June contract period), winter/spring break (December, January and March non-contract periods) and summer (May through August non-contract periods). Effort must be reported in the period in which it was worked: contract period effort must be reported on a contract period effort report, and "overload" effort must be reported on a non-contract period effort report.

When an effort report is first generated, it is only a report of payroll distribution. It must be reviewed to see if pay distribution was a reasonable reflection of the work that was actually done. If the amount of actual activity differed more than 5% from the employee's payroll distribution, the department must initiate a payroll accounting adjustment to move expenses to the correct accounts. Only then will payroll distribution match actual effort and the report can be certified. Effort reports should not be certified until they are correct.

Institutional Activities: Institutional activities include all job duties or assignments for which an employee is compensated and also benefit the institution. In the effort reporting process, faculty, staff and graduate students certify their effort on sponsored projects as a percentage of their total effort on all institutional activities.

Institutional Base Salary (IBS): IBS is the annual compensation paid by UNLV for individuals holding faculty appointments, whether that individual's time is spent on research, instruction, administration or

other activities. IBS excludes any income that an individual is permitted to earn outside of their institutional responsibilities (e.g., consulting payments).

Institutional Base Salary:

- Is established by the institution in an annual letter of appointment, regardless of source of funds.
- Is guaranteed by the institution regardless of the source of funds.
- Excludes payment for secondary assignments for which an administrative stipend or other supplemental pay is made; one time payments; and extra compensation such as a housing allowance, cell phone stipend, relocation reimbursement, etc.

C. Roles and Responsibilities

Effort reporting is a federal compliance requirement. There are many individuals involved in this financial process, and each one has a role in ensuring that effort certifications are accurate and completed on time.

Principal Investigator (PI): It is the PI's responsibility to verify that all payroll expenses directly charged or cost shared to their sponsored project worktag are accurate, allowable and properly allocated. PI responsibilities are as follows:

- Communicate payroll allocations for individual employees to department administration.
- Review posted payroll expenses each month to verify that each employee is being paid the appropriate amount from the sponsored project worktag or cost share worktag based upon the employee's effort.
- Ensure that employees are aware of how their assignments should be reflected on the effort report and that they promptly complete the effort certification.
- Ensure that effort directly charged or cost shared to their sponsored projects are accurate and completed on time.

Sponsored Projects: The Effort Certification Manager (ECM) in Sponsored Projects is responsible for providing oversight of UNLV's effort reporting program by designing and implementing the effort reporting policies and procedures. The ECM generates effort reports in Workday and monitors their progress. Sponsored Projects provides training on the effort reporting process and the related policies and procedures.

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- Route effort reports to other ECRs and PIs as needed.
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When an employee has sponsored project effort in more than one department, an ECR should route the effort report to ECRs in other departments for additional administrative reviews. At this stage in the process, the ECR at the department has the option to add an additional reviewer, such as the Principal

Investigator (PI) or direct supervisor, to review the effort reports for accuracy prior to certification by the employee.

Certifier: An effort report is routed to a Certifier after the administrative review. The Certifier is ultimately responsible for the accuracy of the effort report. The Certifier must verify that the proportion of effort directly charged or cost shared to a sponsored project is a reasonably accurate reflection of the proportion of time that was actually spent on the project. If the effort report is not accurate, the Certifier is responsible for communicating the error to the ECR and/or PI so that it can be corrected prior to certification.

Employees who work on sponsored projects are expected to certify their own effort reports. However, there may be instances where a supervisor or PI has a better understanding of how an employee spent his or her time on a sponsored project or an individual is no longer an UNLV employee. In such circumstances, a PI or supervisor who has first-hand knowledge of how the employee spent his or her time during the reporting period may certify effort on behalf of the employee. In these situations, if an employee has more than one supervisor, the effort report should be routed to all supervisors for certification.

Once the effort report has been certified, it is considered final. It may not be revised except under unusual circumstances. Certifiers are advised to ascertain that the report is accurate prior to certification.

D. Non-Compliance

Effort reports must be certified within 28 days of the date they are initially generated in Workday. Failure to certify within 28 days will result in the following:

Late Notice: The ECR, Certifier and the PIs of all sponsored projects on the effort report will receive a late notice after the 28-day due date has passed. The late notice will inform the recipients that uncertified payroll expenses are unallowable on sponsored projects and will be removed from sponsored project worktag if not certified before effort reports become delinquent.

Delinquent Notice: Fourteen days after the late notice, the ECR, Certifier and the PIs of all sponsored projects on the effort report will receive a delinquent notice. At this time, the effort certification manager will recommend to the associate vice president for research that all uncertified payroll expenses be moved from sponsored project worktags to non-sponsored worktags. If approved, the Office of Sponsored Programs will initiate Payroll Accounting Adjustments to remove the uncertified payroll expenses.

Note: Exceptions to the non-compliance policy will be made if a Payroll Accounting Adjustment must be delayed for budget setup or delayed funding reasons, or if there are verifiable extenuating circumstances. In these situations, effort reports may remain uncertified until the Payroll Accounting Adjustment posts in Workday or the extenuating circumstances have been resolved. ECRs must advise the effort certification manager of these situations.

RELATED DOCUMENTS

As a recipient of federal funding, UNLV is required to comply with the standards for documentation of personnel expenses to federal awards, which are found in the, [*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(§200.430\(h\)8*](#)). According to this regulation, while UNLV can initially charge salaries to sponsored project accounts based on budget estimates, it must

have internal controls to review the interim charges and make all necessary adjustments so that the final amount charged to the federal award is accurate, allowable and properly allocated. UNLV applies this requirement to all sponsored project accounts, federal and non-federal.

CONTACTS

Office of Sponsored Programs – 702-895-1357

DEFINITIONS

Effort Reporting or Effort Certification. This is the mechanism used to provide assurance to federal or other external sponsors that payroll expenses charged or cost shared to sponsored projects are reasonable in relation to the work performed. Faculty, staff and graduate students working on sponsored projects are required to report effort on sponsored projects on a systematic and reasonable allocation basis. The Nevada System of Higher Education uses Workday, a web based application, for the certification of effort.