



Process Name:	Effort Certification on Sponsored Programs
Responsible Position/Department:	Office of the Controller
Reviewer Name/Department:	Maria G. Sanchez, Controller

I. Process Overview

As a recipient of federal funding the University of San Diego is required to comply with the Office of Management and Budget Circular Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") as well as other federal requirements for certifying effort expended on sponsored awards. USD requires all individuals who receive federal sponsored funding to comply with University policies and sponsoring agency regulations regarding the proposing, charging, and reporting of effort on those awards.

University faculty and staff are expected to charge their time to sponsored awards commensurate with the committed effort expended on all activities they perform. Payroll charges to sponsored awards, and cost sharing recorded for faculty and staff, serve as the initial data points for the University's effort reporting system.

The Uniform Guidance Subpart E §200.430 contains the federal regulatory requirements for internal controls over certifying time expended on sponsored projects. The University's practice is to utilize an after-the-fact effort reporting system to certify that salaries charged, or cost shared to sponsored awards, are reasonable and consistent with the work performed. The individual's effort is first assigned to specific awards in the payroll system based on anticipated activities. Actual effort expended on each project is certified by a responsible person with suitable means of verification that the work was performed, generally the principal investigator, at the end of specified reporting periods. The effort certification should be a reasonable estimate of how time was expended. Section §200.430 states, "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 [Institutions of Higher Education], a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected."

The semesterly Effort Certifications are the primary means for complying with the federal regulations relating to effort certification.

II. Process

It is the process of the University of San Diego that employees and principal investigators certify the accuracy of percentage of time (i.e. effort) that is charged to sponsored projects. For the purpose of this process effort is measured in terms of percentage and not in terms of hours worked.

University faculty and staff who have effort charged to federal awards must certify their effort on a semesterly basis. Faculty and staff are required to sign their own certifications, with limited exceptions.

Other exceptions for proxies will only be made in extraordinary circumstances and have to be approved by Grants & Contracts Accounting.

Faculty, staff, and PIs are required to review the certifications and determine whether the percentages reasonably reflect the committed effort expended and the work performed on each sponsored award and the aggregate effort associated with all other activities displayed on the certification. Variances of up to and including 2% of the employee's salary for the period being certified are allowable and do not require an adjustment or recertification. Variances over 2% should be corrected. Certifications should be completed within 15 calendar days of the date they receive the Workday notification that it is available for review and completion.

III. Definitions

- A. Committed Effort: The amount of time that an individual commits to a specific project and is identified in a proposal for funding. Committed effort may not always equal paid effort.
- B. Effort: Work or the proportion of time spent on any activity and expressed as a percentage of total time. Total effort for an employee must equal 100%. The appointment serves as the basis for an individual's total effort. In other words, for a 50% appointment, 100% effort is the 50% appointment. Total effort includes sponsored projects and non-sponsored activities that are funded by the University including work performed outside of normal work hours and work performed off-campus.
- C. Donated Effort: Synonymous with Committed Effort
- D. Effort Certification: The effort certification is the means by which an individual documents the proportion of time allocated to each of the activities with which they are involved. This becomes the official verification that the salaries charged to sponsored projects are consistent with the report effort.
- E. Sponsored Program: A Sponsored Program involves a specific commitment of time and can be either: 1) a formal award, such as a contract, grant, or cooperative agreement, is made to the University of San Diego for a research, training, public service, or other activity; or 2) an internally funded project which is the result of a formal application and approval process and for which the activity is separately budgeted and accounted for.

IV. Who Must Complete Effort Certifications

Effort certification is required of any individual who receives salary from a sponsored program which is funded from federal sources. The actual effort certification must be made either by the individual through the University of San Diego's effort certification system or by a responsible individual who can reasonably verify the effort of that individual for whom the certification is being made. Such a responsible individual should be a supervisor, the principal investigator of the award under which the individual to be certified is being compensated, or the department chair/director of the department of the individual to be certified.

V. Frequency of Certification

- A. Faculty and Exempt Staff: 3 time per year for the reporting periods:
 - i. September 1 through December 31
 - ii. January 1 through May 30
 - iii. June 1 through August 31

VI. Total University of San Diego Effort

The federal government acknowledges that practices vary among and within institutions as to the activity constituting a full workload. Accordingly, the University of San Diego is permitted to express effort in terms of a percentage distribution of total institutional activities. Likewise, the government recognizes that effort certification can only reasonably reflect the activity for which an individual is compensated by the University of San Diego and that a precise estimate of the time devoted to each project is not always feasible nor is expected.

VII. Effort Changes After Certification

Changes in effort allocations after certification is rarely allowed and will be made only if the change is to remove effort certification and/or payroll changes that have been improperly made to the project.