

PERSONNEL ACTIVITY SURVEYS (EFFORT REPORTS)

Standards and Procedures

(Effective for effort periods after January 13, 2013)

Updated June 26, 2015

Introduction

As a recipient of federally sponsored projects, the University of Maryland Center for Environmental Science (UMCES) is subject to governmental regulations covering the treatment and certification of certain costs. Specifically, Office of Management and Budget (OMB) [Circular A-21, Section J.10](#), and the Code of Federal Regulations (CFR) [2 CFR 200.430](#) requires the University to maintain records that will substantiate that the effort spent on a sponsored agreement reasonably reflects the salary and wages charged to that agreement. This requirement applies to effort spent on sponsored programs that was either 1) directly charged to an award (sponsor supported), or 2) was committed in a proposal as cost share from another funding source. There is not, however, a single best method prescribed for documenting and certifying the distribution of charges for personal services. Additional information, including relevant definitions regarding Effort Reports, can be found in the *University of Maryland Center for Environmental Science Statement on Effort Certification* at <http://www.umces.edu/about/comptroller>.

Personnel Activity Surveys (Effort Reports)

The University has chosen to certify effort using the After-the-Fact confirmation method. Specifically, this certification is accomplished via the Personnel Activity Surveys (Effort Reports) which are generated from the Payroll & Human Resources (PHR) system. UMCES utilizes PHR as a payroll tool because it is linked to the UM benefits systems and financial system that supports UMCES. Please note the following regarding Effort Reports generated from PHR:

- a) Effort Reports will reflect the distribution of activity expended by employees covered by the effort system.
- b) These reports will reflect an after-the-fact reporting of the percentage distribution of activity of employees. Charges may be made initially on the basis of estimates made before the services are performed, provided that such charges are promptly adjusted if significant differences are indicated by activity records.
- c) Reports will reasonably reflect the activities for which employees are compensated by the University. To confirm that the distribution of activity represents a reasonable estimate of the work performed by the employee during the effort reporting period, the reports will be approved by the Responsible Person(s), employee, or Lab Director, using Firsthand Knowledge or Suitable Means of Verification that the work was performed.
- d) Official UMCES institutional salary rate of pay NEVER changes.
- e) UMCES tenured/tenure track faculty are (with very few exceptions)

1. 12 month, 100% effort appointments
2. Paid from both state and sponsored project funds
3. Expected to devote 100% effort to UMCES
4. Maintained at 100% FTE in PHR regardless of salary support to protect credit for years of service.

f) Since UMCES maintains the FTE at 100% within PHR, the percentage related to the salary in PHR may not always be precise.

g) Effort Reports will be prepared semi-annually.

University of Maryland, College Park
Effort Reporting Procedures as adopted by UMCES

1. Effort Reports –

Effort Reports substantiate the effort expended by an employee in fulfilling the employee's obligation to the University. Effort always equals 100%, and encompasses all of the time utilized to meet these obligations, even if the appointment is less than full time. Effort is divided into two categories: (1) Sponsored Projects (Federal or Other); and (2) Non-Sponsored Activities. Federally Sponsored Projects covers effort spent conducting or directly supporting Federal or Federal Flow-through projects for research, training or other service. Other Sponsored Projects are projects funded by non-federal sponsors, such as state agencies or private organizations. Non-Sponsored Activities are funded by the University and include activities like instruction, departmental research, and administration.

Many faculty, academic and staff members are engaged in teaching, service, administrative, and other duties in addition to their work on sponsored projects. Accordingly, unless the circumstances clearly warrant otherwise, 100% of effort (and salary) should normally not be assigned to sponsored projects in a given period.

2. Method for Certification –

For all salaried personnel, effort is certified via the Web-based Personnel Activity Survey (Effort Report) system. For all hourly workers, the timesheet serves as the mechanism for certifying effort.

3. Frequency of Reporting –

Effort reporting must be completed and certified on a regular basis to comply with the federal requirements. At UMCES, Effort Reports will be distributed twice a year:

- Reporting cycle 01 (PP # 1-14)
- Reporting cycle 02 (PP # 15-27)

4. Timely Certification (Approval) –

UMCES practice requires effort to be certified within 90 days of the end of the reporting period. Effort Reports are available for departmental review for approximately 45 days (three pay periods) following the close of the reporting period. It is expected that any necessary corrections and transfers will be initiated during this period. Once the initial review and

revision period is closed, the remaining time (approximately 45 days) is then provided to review and certify reports.

A reminder email will be sent by the Effort Report Coordinator at Center Administration to all Effort Report Coordinators at the labs with unapproved Effort Reports one week prior to the due date, for each reporting cycle. The email will remind them of the pending due date for approving Effort Reports (for a given reporting cycle), and that there are still employees in their unit with unapproved Effort Reports. The Effort Coordinators will be instructed to send an email to all employees in their unit with unapproved Effort Reports, reminding them of the upcoming due date for approving their Effort Report and that unfavorable audit findings or notoriety may result if their Effort Report is approved late or remains unapproved after the due date.

5. Monitoring Uncertified Effort Reports –

The University is committed to ensuring that Effort Reports certified in connection with federally sponsored projects are accurate, timely, reasonably reflect the level of effort expended, and comply with all agency requirements. It is important that labs follow up with their PIs and other certifiers to ensure that any past due Effort Reports are certified as quickly as possible. It is each lab's responsibility to ensure that a business process has been appropriately established to certify Effort Reports in a timely manner. Effort Reports that are outstanding at the certification deadline may result in salary and related costs being disallowed by UMCES and the sponsoring agency. The Effort Report Coordinator at Center Administration will provide notifications to Effort Coordinators at all labs of Effort Reports that are outstanding after the due date.

<u>Timeframe</u>	<u>Recipient</u>
One week past due	Email notification to all Effort Report Coordinators of labs with unapproved Effort Reports. The email will remind them that the due date has past, and that there are still employees in their unit with unapproved Effort Reports.
Two weeks past due	Email to Lab Directors, which includes a list of individuals with unapproved Effort Reports for their respective colleges.

6. Revised Effort Reports –

A payroll transfer (PT) approved more than 45 days after the end of an Effort Reporting cycle that effects sponsored program accounts from a prior reporting cycle will cause a revised Effort Report to be created. The revised Effort Report will be available for approval immediately following the pay period during which the applicable PT is posted to FRS. A revised Effort Report may be approved by the employee or an alternate approver using suitable means of verification that the work was performed.

7. Confirmation (i.e., Certification) of Effort Reports –

Confirmation of effort is an OMB Circular A-21 / 2 CFR 200 requirement that UMCES agrees to when a contract or grant is accepted that is fully or partly funded by the federal government. Effort Reports are used to document the certification of effort. The federal requirement is designed to ensure that:

- a) salary charges to the sponsor are reasonable in relation to the work performed, and
- b) the effort provided to each sponsor is at least as great as the effort promised to the sponsor.

To comply with the regulations, UMCES has designated certain individuals who can certify Effort Reports. These individuals are:

- a) Employee, with firsthand knowledge of 1) the work performed and 2) the benefitting sponsored project,
- b) Principal investigator, with firsthand knowledge of the work performed,
- c) Co-principal investigator or other individuals (i.e. Assistant Lab Director or employee supervisor) with firsthand knowledge of the work performed,
- d) Other designated certifier using suitable means of verification that the work was performed. Examples of acceptable documents that would constitute a “suitable means of verification” include (i) time records that include effort distribution that have been signed by the employee, supervisor, or principal investigator (ii) written documents including email messages from the principal investigator confirming the distribution of effort, and (c) department created reports that include effort distribution and are signed by the employee, supervisor, or the principal investigator.

UMCES prefers to have Effort Reports certified by a person with firsthand knowledge (Items a-c above).

8. Preciseness of Certifications –

UMCES has defined an acceptable preciseness tolerance at +/- 4%. Therefore, an individual may certify a level of effort for an award or activity that is within four percentage points of their best estimate of the actual effort expended during the reporting period.

9. Activities That Can and Cannot be Allocated to Federally Sponsored Projects

Activities that CAN be allocated to a sponsored project include:

- Directing or participating in any aspect of the research related to the specific project
- Writing a progress report for the project, sometimes called a continuation proposal
- Holding a meeting with lab staff to discuss the specific research project
- Activities *contributing and intimately related to work under the agreement*, including:

- Participating in appropriate seminars
- Consulting with colleagues about specific aspects of the project
- Delivering special lectures about specific aspects of the ongoing activity
- Attending a scientific conference held by an outside professional society to present research results
- Reading scientific journals to keep up to date with the latest developments in one's field
- Mentoring graduate students on the specific research project

Activities that CANNOT be allocated to sponsored projects include:

- Proposal-writing, except for non-competing continuations (progress reports); this includes:
 - a. Developing necessary data to support the proposal
 - b. Writing, editing, and submitting the proposal
- Administration
- Instruction, office hours, counseling for students, and mentoring graduate students on something other than a specific research project
- Clinical activity for an IRB-approved sponsored research activity
- Service on an IRB, IACUC, selection committee, or other similar group
- Course or curriculum development not specific to the faculty member's research project
- Writing textbook chapters
- Fundraising
- Lobbying

There is no federal guideline or directive regarding a "typical" percent of effort for writing a grant proposal. This percent will depend upon the size and scope of the project, as well as the requirements of the sponsor, and can vary greatly. The effort percentage assigned for proposal writing should be based on each individual situation.

How-to Guide for Using the Web-based Personnel Activity Survey

The Personnel Activity Survey (Effort Report) has four sections:

Section 1. – Identification – The top portion of the form identifies the Survey period's fiscal year and cycle (for example: 201201 identifies the first reporting cycle of fiscal year 2012), the dates of the reporting period, the PHR unit number of the employee's UNIT of primary appointment; the name of the employee; the title of the employee; and the UID of the employee.

Section 2. – Salary Payment – The left side of the form is used for reporting accounts from which an employee is paid. There are three columns: FRS account number, salary amount, and percentage of this salary to the total salary. On the upper half, amounts paid from sponsored program accounts are reported. The lower half is used to report salary paid from state and other (non-sponsored) accounts. The amounts paid are summed at the bottom as are the percentages (Everyone's percentage total will always be 100%).

Section 3. – Activity Designation – The right side of the form is used for reporting effort (Activity %) against each sponsored program account "Sponsored Programs from which you were paid". The employee or alternate approver should click approve after verifying that the percentage shown (under "Activity %") for each sponsored program account reflects a reasonable estimate of activity (effort). Section B. "Residual Activity" reflects the difference between the percent of effort on all sponsored programs (Section A) and the total effort (always 100%). A change to the percentage shown (under "Activity %") for any sponsored program account of +/- 5% (material change) or more will generate an ERROR message. The ERROR message will direct you to see your PHR administrator and discuss the need to have your pay allocation changed (a PT processed) for the survey period in question. You will be unable to approve an Effort Report with a material change (+/- 5%) for any sponsored program account listed under "Activity %". A revised Effort Report will be generated and replace the original Effort Report (for the reporting period) at the end of the pay period during which the PT is processed. You will then be able to log-in and approve the revised Effort Report.

Section 4. – Approval – This section of the form requires certification that the report reasonably reflects the activities for which the employee was compensated by the institution. All persons are encouraged to approve their own Effort Reports. Lab Directors and senior faculty may alternatively approve for all personnel. Alternate approvers, who do not have firsthand knowledge of the activities performed by the employee, must use and document a suitable means of verification that the work was performed.