

NORTHEAST COMMUNITY COLLEGE

ADMINISTRATIVE PROCEDURE NUMBER: AP- 3610.1

FOR POLICY NUMBER: BP – 3610

EFFORT CERTIFICATION

1. PROCEDURE SUMMARY STATEMENT

To establish protocol for grant effort certification as required by 2 CFR 200 Uniform Guidance. The College applies Uniform Guidance requirements to all federal sponsored projects, regardless of the funding source. Therefore, effort must be reported and certified for all individuals who receive salary support from a federally sponsored project or who expend effort on a federally sponsored project (even if the individual does not receive salary support from the sponsor).

2. DEFINITIONS

- 2.1 Certifier - the individual that must review and certify their effort report or statement which includes all employees who were appointed to a sponsored project during the reporting period.
- 2.2 Committed Effort - the amount of effort proposed in a project application or a proposal that is accepted by a sponsor, regardless of whether salary is requested in support of the effort.
- 2.3 Cost Sharing - the commitment of institutional resources contained in the proposal or application and resulting award, which is quantifiable and must be accounted for and reported to the sponsor. This procedure only refers to effort of employees and does not cover every aspect of cost share (e.g., third party or non-payroll expenses).
- 2.4 Effort - the amount of time spent on any activity expressed as a percentage of total institutional activities for which an individual is compensated by the College. Under federal regulations, effort for exempt employees is not calculated based on a forty (40)-hour work week, but rather effort is based on the employee's total hours actually spent on work within the scope of their employment. For example, if an individual works an average of fifty (50) hours per week during the reporting period and spends an average of fifteen (15) hours on a sponsored project, that represents thirty percent (30%) effort. The other thirty-five (35) hours, allocated to other institutional activities, represents seventy percent (70%) effort. Effort will always equal one hundred percent (100%).
- 2.5 Effort Certification - a means of confirming that all of the effort committed to a project, whether paid by the sponsored award account or expended in support of a project as cost share, has been performed, charged, and documented appropriately.

- 2.6 Effort Picture - a snapshot of the entire effort reflected over the reporting period for the individual employee.
- 2.7 Institutional Base Salary - the annual compensation paid by the College for an employee's primary appointment, whether that individual's time is spent on research, instruction, administration, or service.
- 2.8 Principal Investigator (PI) - the primary individual responsible for the preparation, conduct, and administration of the sponsored project.
- 2.9 Recertification - the certification of effort that was previously certified, but changed due to the processing of a grant reallocation request or budget transfer.
- 2.10 Reporting Period - the actual dates in which the employee worked; this is the period in which the College is looking to confirm the employee's effort.
- 2.11 Responsible Official - determined on a case by case basis by the department or unit in consultation with the Principal Investigator. The Responsible Official may be the PI, Co-PI, or other individual who is knowledgeable of the work performed by the individual.

3. PROCEDURE

- 3.1 The College requires all individuals who receive sponsored funding to comply with College policies, procedures and sponsoring agency regulations regarding the proposing, charging, and reporting effort on sponsored awards. College employees are expected to charge their time to sponsored awards commensurate with the effort expended on all activities they perform, and are required to certify their own effort. There will be three (3) reporting periods annually, for which all employees must certify their time. In addition, there will be a final reporting period at the end of each grant. Certifiers will have ten (10) calendar days at the end of each reporting period to certify all assigned effort reports. All employees involved in certifying effort must understand that the College could incur penalties and funding disallowances as a result of inaccurate, incomplete, or non-timely effort reporting.
- 3.2 Effort certification records must reasonably reflect the total activity for which the employee is compensated, encompassing both federally-assisted and all other compensated activities. The effort reports must account for one hundred percent (100%) of an employee's total effort, including research, instruction, administration, and any other activity for which an individual receives compensation of salary and wages from the College. Effort is expressed as a percentage distribution of total effort, and each percentage must reasonably agree with actual effort devoted to each activity in relation to the employee's total effort.
- 3.3 Completion of Effort Certifications
 - 3.3.1 College employees are required to review their own effort report, determine whether the percentages on the effort report reasonably reflect effort expended

on sponsored and non-sponsored activities. The employee must certify the effort totals on the effort report. Variances of up to ten percent (10%), but less than five hundred dollars (\$500), for a line of funding are allowable and do not require an adjustment or recertification. Variances exceeding ten percent (10%) or more than five hundred dollars (\$500) for a line of funding must be corrected prior to final system processing of the effort report. Employees must complete their effort report within ten (10) calendar days of the date they receive the e-mail that the certification period is open. Following the ten (10) calendar day certification period, an issue resolution period of thirty (30) calendar days can be utilized by employees to address issues that arose during the certification period and to finalize certification of their effort reports; certifications that are completed during this issue resolution period will still be considered compliant.

3.4 General Responsibilities

3.4.1 Effort reporting is a federal compliance requirement. Many individuals or departments are involved in this process and each has a role in ensuring that certifications are accurate and completed on time.

3.4.2 Certifiers (Principal Investigators (PIs)), Faculty and Staff Responsibilities:

- 3.4.2.1 Understand federal requirements related to effort;
- 3.4.2.2 Ensure the appropriateness and accuracy to all effort expended on sponsored projects;
- 3.4.2.3 Review, initiate corrections when necessary, and electronically certify effort report(s) during ten (10) calendar day certification period;
- 3.4.2.4 Communicate significant effort changes (over ten percent (10%) or exceeding five hundred dollars (\$500) per line threshold) to their effort coordinator(s);
- 3.4.2.5 Recertify effort report(s) in the thirty (30) calendar day recertification period, if effort changes over the threshold are made after a report has been certified;
- 3.4.2.6 On federal projects, obtain prior approval from the funding agency if disengaged from the project for more than three consecutive months or if effort is reduced more than twenty-five percent (25%) from the budget awarded; and,
- 3.4.2.7 Ensure that the employees appointed to their sponsored projects certify within the (re)certification period(s).

3.4.3 Human Resources Department Responsibilities:

- 3.4.3.1 Assist certifiers during certification process;
 - 3.4.3.2 Verify accuracy of effort certifications during the review period;
 - 3.4.3.3 Monitor that effort certifications are completed within ten (10) calendar days after release to the certifier, and that re-certifications are completed with thirty (30) calendar days after release to the certifier;
 - 3.4.3.4 Develop and implement effort reporting policies and procedures; and,
 - 3.4.3.5 Provide appropriate training on the effort certification procedure.
- 3.4.4 Accounting Department Responsibilities:
- 3.4.4.1 Understand federal requirements related to effort;
 - 3.4.4.2 Monitor effort commitments, salary charges, and cost sharing on all applicable awards;
 - 3.4.4.3 Follow up with employees and the Payroll Office to make adjustments to effort reports as necessary or appropriate;
 - 3.4.4.4 Communicate any changes that require sponsor notification and/or approval to the PI and Grants and Contracts Office;
 - 3.4.4.5 Review Salary charges with employees and report any salary distribution updates and/or corrections in a timely manner;
 - 3.4.4.6 Ensure that the effort system produces accurate effort statements in a timely manner;
 - 3.4.4.7 Monitor system to ensure compliance; and,
 - 3.4.4.8 Monitor the effort process for timely submission and report findings to the respective department(s) and/or individuals(s).

4. APPLICABILITY

N/A

ISSUE DATE: 08/28/2019

EFFECTIVE DATE: 08/28/2019

REVISION DATE(S): none

PRIOR POLICY/PROCEDURE NUMBER: none

SCHEDULE FOR REVIEW: 2024

DIVISIONS/DEPARTMENT RESPONSIBLE FOR REVIEW & UPDATE: Development and External Affairs

SPONSORING DIVISION/DEPARTMENT: Development and External Affairs

RELATED PROCEDURES/REFERENCES: AP-3610.0

PROCEDURE KEY WORDS: Effort Certification