

EFFORT CERTIFICATION POLICY

The federal government, through the Office of Management and Budget (OMB) Circular A-21, Section J.10, requires effort certification on externally-sponsored activity. In order to receive and maintain eligibility for funding, sponsoring agencies require accurate and reasonable documentation to support that labor charged to sponsored accounting units are consistent with the effort expended. This certification is reviewed for two purposes:

1. Verify that the percentage of effort placed on a federal award is not less than the percentage of salary charged to the accounting unit, and
2. Capture any voluntary cost sharing by indicating an excess percentage of effort as compared to the percentage of salary.

This Effort Certification Policy is intended to meet this federal requirement.

A. After-the-Fact Reporting

Hamline University uses an “After-the-Fact Activity” system to comply with the federal effort certification requirement. Under an after-the-fact system, distribution of salaries and wages for employees working on externally-funded projects will be supported by activity reports. Charges are made initially on the basis of estimates made before the services are performed. Activity reports will reflect an after-the-fact reporting of the actual percentage distribution of activity of employees. If significant (>10%) differences between the charges and actual distribution, the charges will be promptly adjusted to reflect actual activity.

B. Employee Effort Certification Reports

Employee Effort Certification Reports will reasonably reflect the percentage distribution of efforts expended by Hamline faculty and exempt professional staff involved in federally-funded grants, contracts, and cooperative agreements. The report will account for 100% of an employee’s actual effort for the given time period.

100% effort is defined as the effort expended to accomplish the full set of activities encompassed by Hamline University appointments regardless of the actual number of hours expended on those activities. 100% effort is not defined as a single, standard number of hours or days per week because it will likely be different for each faculty/staff member and may vary during the year. The number of hours implicit in an individual faculty member's 100% must be reasonable and supportable to department, school, college and external reviewers if requested.

The employee should indicate the percent effort (number of hours worked on an individual activity divided by the total number of hours worked for Hamline University) for all sponsored research and curricular (i.e., instruction, administration, public service) activities.

The employee should provide an account of all effort expended on a sponsored activity, even if the sponsor did not compensate the employee for that activity, which constitutes “cost sharing.” This can occur on a mandatory or voluntary basis. Mandatory cost sharing occurs when it is required by the sponsor at the time of application. Voluntary cost sharing represents additional effort expended on a project that is not required by the sponsor. Although it is the University’s practice to minimize voluntary

cost sharing, the PI/Project Manager must record all effort expended on their projects regardless the source of compensation.

Employee Effort Certification reports do not need to be completed by clerical staff or students that fill out a weekly time sheet.

Principal Investigators will be required to verify that the information provided by any employees working on their grants is accurate.

Employee Effort Certification Reports are required for three reporting periods annually and must be submitted to the Accounting Office no later than the 30 days after the end of the reporting period. The reporting periods and submittal deadlines are provided as follows:

- a. Summer (June 1–August 30); submittal deadline – September 30
- b. Fall (September 1 – December 31); submittal deadline – January 30
- c. Spring (January 1 – May 31); submittal deadline – June 30

Completed Employee Effort Certification Reports will be filed in the Accounting Office.

C. Other Items of Note

1. When a PI/ Project Manager are absent in excess of 90 days from his/her project, approval must be obtained from the sponsoring agency.
2. Changes in effort require approval from the VP/Dean's Office and/or the Sponsoring Agency as appropriate.
3. Time spent in the preparation of proposals cannot be charged to a sponsored accounting unit. Therefore, it is inappropriate for an employee to be paid from sponsored accounting units to prepare and submit proposals.
4. Many State grants utilize funding provided by the federal government, effort reports will be required for all employees with time charged to 21xxx or 25xxx funds.

For further information, contact the Director of Accounting Systems at x2018.

Effort Reporting FAQ's

Can I complete the Effort Certification Form on a weekly or monthly basis instead; it's hard to remember at the end of the term how much time I spent on a project?

The form can be completed more frequently, however please send all the forms together at the end of the applicable term to Accounting. Term based reporting is the minimum requirement under OMB A-21.

Payroll already has information on where my time is charged to, isn't this an unnecessary duplication?

The Federal OMB Circular A-21 requires Hamline University to obtain "the signature of the employee or of a person having direct knowledge of the work, confirming that the record of activities allocable as direct costs of each sponsored agreement is appropriate".

Should I report the approximate time I spent on the project or the amount of my time that I know is being charged to a specific project or grant?

The Effort Certification Form is intended to reflect *actual* time expended on a project or grant during the term by an employee. This may be more or less than the time being charged out to the project by payroll.

I spend a lot of extra time mentoring students and serving on Departmental committees, can my total be greater than 100%?

The Effort Certification is intended to reflect what percentage of your **total** University time is utilized on a specific project or grant during a given term, and must total 100%.

What happens when a faculty member leaves Hamline in the middle of a term and is not available to complete the Effort Certification at the end of the term.?

If an employee is no longer available due to change in employment or extended absence then the immediate supervisor or another employee with knowledge of the employee activities must complete the certification and sign on their behalf.

Why can't we complete the Effort Certification Form online in Piperline like timesheets?

The current form is intended as a temporary step to bring the University into compliance with federal regulations. We will work to have an online process available for Effort Certification by October 2008.