Introductions and Topics

• Introductions / Training process
• Federal requirements under OMB A-21
• Basics of effort certification
• Why do we Certify Effort?
• The SUNY Research Foundation e-Cert System
Effort Policy and System Operations—Outreach/Training

**Academic Senior Administrators**
- Executive & Academic Management (Dean’s & Vice Presidents)
- Advisory Council on Research
- Chairs Faculty meetings

**Department Administrators**
- Targeted training of College/School administrators
- Distribution and training of Standard Operating Procedures

**Faculty Outreach**
- RF Grant Manager sessions with faculty (planning, )
- Small group faculty meetings
Time & Effort Requirements

- A-21, §J.10 prescribes
  - Criteria for acceptable methods for payroll distributions
  - Examples of acceptable methods
  - Salary rates for faculty members
  - Period outside the academic year salaries (e.g. summer)
- NIH Grant Policy Statement – payments for dual appointment
- PHS 398 – definition of the Institutional Base Salary
- DS-2, Subparts 2.4, 2.5 and associated continuation sheets
- Time & Effort policy & procedures
The system will reflect categories of activities expressed as *a percentage distribution of total activities*. (§J.10.c.(1)(b), *Plan-Confirmation*)

These reports will reflect an after-the-fact reporting of the percentage distribution of activity of employees (§J.10.c.(2)(b). *After-the-fact Activity Records*)

[Personal activity] reports will reasonably reflect the activities for which employees are *compensated by the institution*. (§ J.10.b.(2)(a)(ii))
Charges for work performed on sponsored agreements will be based on the individual faculty member's *regular compensation* for the continuous period which, under the policy of the institution concerned, constitutes the basis of his salary. “ (§ J.10.d.(1))

The distribution system must “conform to the *existing policies of the institution*, consistently applied.” (§ J.10.a.)
What is effort certification?

• Method to ensure that salary being paid from an award aligns with the work being done on the award
• A process to show that time committed to a project is actually performed as committed
• A method to establish documented records to link salary distribution to the certification.
What is effort certification?

• Effort is usually expressed as a percentage

\[
\text{Effort for project A} = \frac{\text{Amount of time spent on project A}}{\text{Amount of time spent on all university activities}}
\]

• Certification forms will normally show the payroll percent along with the effort percent
• These forms are then either signed on paper (biweekly RF Staff) or certified electronically.
100% of What?
Clinical - Education - Research - Administration - Public Service
## Typical Medical Center Activity Components of Faculty Salary

<table>
<thead>
<tr>
<th>Function</th>
<th>Funding</th>
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</thead>
<tbody>
<tr>
<td>Instruction/Dept. Research</td>
<td>General Funds</td>
</tr>
<tr>
<td>Organized Research</td>
<td>Grants &amp; Contracts</td>
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<td>Cost Sharing</td>
<td>FPP Professional Fees</td>
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<td>Patient Care</td>
<td>Hospital Contracts</td>
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<tr>
<td>Hospital Administration</td>
<td>GME Hospital Transfers?</td>
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<tr>
<td>Graduate Medical Education</td>
<td>Endowment &amp; Gifts</td>
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<tr>
<td>Other Academic Activities</td>
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# Standard Faculty Compensation: X-Y-Z Concept

<table>
<thead>
<tr>
<th>X</th>
<th>Y</th>
<th>Z</th>
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</thead>
<tbody>
<tr>
<td><strong>Academic Base</strong></td>
<td><strong>Clinical Base</strong></td>
<td><strong>Incentive Component</strong></td>
</tr>
<tr>
<td><strong>Salary Component</strong></td>
<td><strong>Salary Component</strong></td>
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<tr>
<td><strong>General Fund</strong></td>
<td><strong>Professional Fees</strong></td>
<td><strong>Professional Fees</strong></td>
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<tr>
<td><strong>Tuition</strong></td>
<td><strong>Capitation Income</strong></td>
<td><strong>Capitation Income</strong></td>
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<tr>
<td><strong>Grants/Contracts</strong></td>
<td><strong>Third Party Income</strong></td>
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<tr>
<td><strong>Endowment Funds</strong></td>
<td><strong>State Service Contracts</strong></td>
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</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td><strong>Capitation Income</strong></td>
</tr>
</tbody>
</table>
Payments for Dual Appointments

• For investigators with university and clinical practice plan appointments, compensation from both sources may be considered the base salary if the following criteria are met:
  – Clinical practice compensation must be guaranteed by the university;
  – Clinical practice effort must be shown on the university appointment form and must be paid through the university; and
  – Clinical practice effort must be included and accounted for on the university’s effort report.
Why do we certify effort?

- Certification provides a “record” that validates work was performed in accordance with the charges.

- Additionally, the certification process helps to ensure that costs are:
  - Allowable
  - Allocable
  - Accurate
  - Consistently applied
Expressed As a Percentage

Time spent on one particular activity

__________________________  Divided by  ________________________

Time spent on all activities for which an individual is compensated by their IBS

Sponsored Agreements: Research, Training, Other Sponsored Activities
Non Sponsored Activities: Teaching, Instructional, Department Research, Administration, Public and Community Service, Clinical

This is the basis for projecting effort or certifying effort. This is what constitutes 100% effort
Effort Commitments

• When a proposal is submitted, effort is committed for key personnel
• The amount of commitment that is on the final award needs to be met
• For federal awards, this committed amount should not be reduced by 25% or more without agency approval (§200.308.c.3)
• Effort certification process should allow you to compare committed effort to payroll distribution percentage.
Effort Percent

- 100% Effort = Total Time Estimated for all university activities, i.e., only those activities compensated by the Institutional Base Salary
- Excluded from effort reporting is any compensation received from sources other than the Institution
- 100% Effort ≠ 40 hours ≠ 60 hours ≠ 10 hours, etc.
- No fixed work week
Effort Verification - Sample Questions

• Are all of my current active awards represented in my effort plan?

• What effort do I need to apply on each grant during the remaining time of the budget period to meet my effort commitment?

• Are there any compliance issues e.g. over-commitments, internal maximum thresholds?

• Do I need to obtain prior approvals from sponsors or notify Principal Investigators on effort commitment reductions?
Effort Verification - Sample Questions

- Will I have an effort commitment for upcoming no-cost extension requests?
- What are my future effort plans e.g. likely proposals to be awarded?
- Are payroll distribution changes required to account for actual/planned effort including cost share?
Certification Process

**Pre Review**
- Pre Review of effort form
- Initiate payroll distribution chg (if applicable)

**Certification**
- Reviews effort
- Makes changes (if applicable)
- Certifies form

**Post Review**
- Initiate payroll distribution change (if applicable)
Committed Effort Management/Tracking

• Organize effort commitments into a plan for faculty/staff

• Increase effort compliance awareness of faculty/staff

• Provide information in a meaningful way for faculty

• Resolve effort compliance issues during mid-year effort certification

• Compare effort plan with actual payroll distribution results

• Facilitate workload planning between Chairs & faculty

• Decrease retroactive payroll distribution transfers
Semi-Annual Effort Certification/Verification Process

Using the basic effort reporting questions above the faculty member would review each project account and validate their effort or make necessary adjustments.

1. Validate effort plan information
2. Review Compliance Report for issues
3. Compare actual payroll to effort plan
4. Submit payroll distributions or prior approval requests (if applicable)
5. Save effort plan
6. Edit effort plan
Institutional Base Salary

• The annual compensation that the applicant organization pays for an employee’s appointment, whether that individual’s time is spent on research, teaching, patient care, or other activities.

• Base salary excludes any income that an individual may be permitted to earn outside of duties to the applicant organization. (excludes “Temporary Also Receives” payments)

• Base salary may not be increased as a result of replacing institutional salary funds with grant funds.
NIH Salary Cap

• A Salary Cap -- is a maximum annual rate of salary for full-time effort that can be charged to an agency's award and is applicable only to direct charges
  – Amounts charged to both NIH grants and to cost sharing cost centers

• NIH salary caps are indexed to a specific Government Executive Pay Level.
  – The salary for the Executive Pay Level may vary for each Government Fiscal Year in which the funds are awarded.
NIH Salary Cap (continued)

• A **Funding Limitation** is defined as the limitation on the annual rate of salary for full-time effort that the agency provides in a given award.
  – This limit is usually established at the time of a competitive award based on the salary cap in effect at the time.

• However, if, after a competitive award is made, the NIH announces an increased Salary Cap, the agency will allow PIs to re-budget awarded funds, in that or future years, to charge the higher salary level.
  – NIH has not historically provided additional funds for this purpose.
NIH Salary Cap (continued)

• The salary over the cap **cannot** be treated as cost sharing to federal grants.
  – It must be treated as **unallowable costs**.
Addendum

- How to navigate the SUNY Research Foundation’s e-Cert System.
Navigate to the RF Homepage

- Navigate to the Research Foundation (RF) homepage at [http://www.rfsuny.org](http://www.rfsuny.org)
- Select the “Certify your effort (ecrt)” option.
Login Navigation

- Click on the “Log-in to Effort Reporting and Certification Technology (ecrt)”. 

Beginning with effort statements for the Spring 2013 / first-half of 2013 periods of performance, all campuses are required to use the online effort reporting tool - [Effort Certification and Reporting Technology (ecrt)](https://effort.certificationtool.com).

Benefits of ecrt include:

- No paper forms to sign and route
- Just a few clicks to complete your effort certification
- View even more information about your effort and sponsored awards:
  - Detailed payroll transactions
  - The dollar amounts behind the effort percentages
  - Staff charging effort to your awards
  - The amount of effort you committed to each award
- Access your information anytime and anywhere you have internet access—mobile devices too!
Login Navigation (cont.)

- Click on the SUNY RF logo
Work List: The ecrt Home Page

- The **Work List** provides access to the effort statements that need certification. **Navigate ecrt** using the tabs across the top of the screen (indicated by the red box)
Certify the Effort of Research Staff

- Access an effort report statement by either: 1) Clicking a name under the **Statement Owner** column or 2) Clicking a “Ready to be Certified” icon under the **Status** column
Certify the Effort of Research Staff (cont.)

- To certify statements one at a time click an individual’s name in the Work List.
- To certify all the individuals click the checkmark icon (highlighted).
- The selected statements will display below the work list.
Certify the Effort of Research Staff (cont.)

- Review the effort statement(s).
- For the displayed effort statement(s) click the checkbox for each award line or click the All link and then click Certify.
- Read the certification attestation statement and click I Agree to affix your electronic signature.
- Click OK to confirm on the pop-up window.
- The effort certification is complete.