

 <b>UNIVERSITY of DENVER</b> RESEARCH & SPONSORED PROGRAMS	<b>Office of Research and Sponsored Programs</b>	Version: 2.0
Subject: <b>Certification of Effort</b>		Date: 01/01/2021
Approved by: Julie Cunningham, Director - Sponsored Research Administration	Approved by: Jerry Mauck, Executive Director – Research Administration	

## I. PURPOSE

To document effort in direct support of sponsored programs or cost-shared towards sponsored programs.

## II. DEFINITIONS

- a. **2 CFR § 200.29 Cost-sharing:** *Cost sharing or matching* means the portion of project costs not paid by Federal funds (unless otherwise authorized by Federal statute).
- b. **Effort:** The percentage of time that is expended in fulfilling one’s obligations to the University. The total must equal 100%, no matter how many hours are worked.
- c. **Mandatory cost-sharing:** Costs that have been committed by the University towards the support of a program or project. This may be a requirement of the sponsor to be eligible for the award, or it may be voluntarily proposed by the PI/University and accepted by the sponsor as a condition of the award.
- d. **OMB Uniform Guidance 2 CFR § 200:** The uniform administrative requirements, cost principles, and audit requirements for determining costs applicable to grants, contracts, and other agreements with educational institutions.
- e. **Principal Investigator:** The DU employee (usually a faculty member) who is responsible for the proper conduct of research or other activity described in a proposal, grant, contract or other agreement.
- f. **Responsible Person/Official:** Person who has sufficient and verifiable knowledge (direct knowledge) of the work being performed, including an understanding of the individual’s regular duties and responsibilities.
- g. **Sponsored Programs:** Programs or projects that are funded by an external entity through an award (grant, contract, etc.) to the University. Sponsored programs include research, instruction, and other sponsored activities.
- h. **Suitable Mean of Verification:** Written documentation that is sufficient to confirm or support the effort expended by an individual on a sponsored program. Examples include (but not limited to): teaching schedules, leave reports, calendars and correspondence, award work products, grant timesheets. Oral verification from a faculty member to an administrator is not suitable means of verification.

### III. POLICY

The University receives federal funding and is, therefore, subject to the requirements established by the Office of Management and Budget within Uniform Guidance 2 CFR 200. Uniform Guidance requires that institutions maintain a system of internal controls that provide reasonable assurance that charges to sponsored projects are accurate, allowable, and properly allocated.

Uniform Guidance 2 CFR § 200.430 requires that each grant recipient document time expended towards a sponsored program. Recognizing the unique nature of universities, Uniform Guidance 2 CFR § 200.430 requires documentation and certification of percent of effort, totaling 100%, in support of one's total commitment toward sponsored programs. To meet this requirement for documentation and certification, individuals paid monthly and who has some commitment towards a sponsored program, shall certify their effort based on the distribution of total compensation paid to the individual during that month.

Uniform Guidance 2 CFR § 200.430 requires that an individual's effort must be certified by a responsible person with suitable means of verifying that the work was performed. Each faculty member, academic staff member, and PI is responsible for certifying their own effort. PI's can certify for graduate students, postdocs, and non-PI classified staff in their departure from the University.

### IV. PROCEDURES

- a. An effort certification report shall be generated on payroll accounting distributions for each employee:
  - i. Who is paid monthly, AND
    - i. Has been paid from a sponsored program fund sometime during the fiscal year, OR
    - ii. Has cost-shared effort towards a sponsored program (as indicated through an Activity Code), OR
    - iii. Has an employee class code related to research.
  - ii. Reports for faculty are be generated on a quarterly basis (January – March, April – June, July – September, and October – December). A reminder email is automatically generated and sent to any open effort certification.
  - iii. Reports for all other benefited employees are be generated on a monthly basis. A reminder email is automatically generated and sent to any open effort certification.
- b. Electronic Effort Certification reports are available to the employees through the Banner Effort Certification module accessed through PioneerWeb.
- c. Employees shall review the accuracy of distribution of effort. If correct, the report is certified by submitting the report electronically in the system. By submitting the report the employee attests that: ***"I hereby certify that the distribution of effort as reported represents a close estimation of the actual effort expended for each function/activity"***.
- d. If an adjustment is required (greater than 5%), the employee will initiate a payroll redistribution. Once the distribution is processed in Banner, a new certification report will be generated for certification.
- e. Reports shall be reviewed and certified through the Effort Certification system following the timeline below.

- i. 1<sup>st</sup> of the month – monthly staff efforts are generated and available for certification for the period two months previous.
  - ii. Example: March effort is available for certification on May 1<sup>st</sup>
- f. If reports are not certified in the Effort Certification system within the fiscal year end (June 30) of the report being generated, the payroll expense will be deemed unallowable and charged back to the employee's departmental operating budget.
- g. Principal Investigators can certify for graduate students, postdocs, and non-PI classified staff in their absence due to a departure from the University if they have suitable means of verification that the work was performed.
- h. Change in Level of Effort: OMB Uniform Guidance, Section 200.308 requires grantees to obtain the sponsoring agency's approval in writing if the PI or key personnel specifically named in the Notice of Grant Award (NGA) will:
  - Withdraw from the project entirely;
  - i. Be absent from the project during any continuous period of 3 months or more; or
    - ii. Reduce time devoted to the project, by 25 percent or more, from the level approved at the time of award.

This rule applies to all federal grants unless waived in writing by the sponsor. The sponsoring agency must approve in advance any alternative arrangement proposed by the grantee, including any replacement of the PI or key personnel named in the NGA.

## V. ROLES AND RESPONSIBILITIES

- a. **Employee** is responsible for timely submission of payroll documents that reflect actual distribution of effort as accurately as possible, reviewing the effort distribution report, and certifying to its accuracy.
- b. **Supervisor / Principal Investigator** is responsible for verifying the effort expended on behalf of the sponsored programs which are under their programmatic authority, reviewing the effort distribution report, and certifying to its accuracy.
- c. **Department Administrators** are responsible for assisting their PIs and staff to ensure that actual distribution of effort as accurately as possible and that PIs and Staff are certifying their effort in a timely manner.
- d. **Shared Services – Payroll** is responsible for generating the effort certification reports.
- e. **Office of Research and Sponsored Programs (ORSP)** is responsible for ensuring that the effort reports are certified appropriately and in a timely manner. ORSP will follow up on all uncertified reports and work with Department Administrators to close any pending open reports.

## VI. REFERENCES AND AUTHORITY

- Uniform Guidance 2 CFR§200.