HARVARD
UNIVERSITY

Effort Reporting Policy

Originally Issued: July 1, 2013 (FY14 Effort)

Last Revised: April 8, 2022

Responsible Office: Office for Sponsored Programs

Policy Statement

As a recipient of federal funding Harvard University is required to comply with the Office of Management and Budget Circular Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") as well as other federal requirements for certifying effort expended on sponsored awards. Harvard University requires all individuals who receive federal sponsored funding to comply with University policies and sponsoring agency regulations regarding the proposing, charging, and reporting of effort on those awards.

University faculty and staff are expected to charge their time to sponsored awards commensurate with the committed effort expended on all activities they perform. Payroll charges to sponsored awards, and cost sharing recorded for faculty and staff, serve as the initial data points for the University's effort reporting system.

Reason for Policy

The _Uniform Guidance Subpart E §200.430_ contains the federal regulatory requirements for internal controls over certifying time expended on sponsored projects. The University's practice is to utilize an after-the-fact effort reporting system to certify that salaries charged, or cost shared to sponsored awards, are reasonable and consistent with the work performed. The individual's effort is first assigned to specific awards in the payroll system based on anticipated activities. Actual effort expended on each project is certified by a responsible person with suitable means of verification that the work was performed, generally the principal investigator, at the end of specified reporting periods. The effort certification should be a reasonable estimate of how time was expended. Section §200.430 states, "It is recognized that teaching, research, service, and administration are often inextricably intermingled in an

academic setting. When recording salaries and wages charged to Federal awards for IHEs [Institutions of Higher Education], a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected."

The Annual Faculty Effort Certifications and the Quarterly Project Effort Certifications are the primary means for complying with the federal regulations relating to effort certification.

Who Must Comply

All individuals involved with the administration and conduct of federally sponsored award activities, including central and departmental sponsored project administrators, principal investigators, and other research personnel must comply with this policy.

Adherence to this policy is required for all effort related to federally sponsored awards as well as any non-federal awards where the non-federal sponsor requires effort reporting.

Responsibilities

Effort reporting is a federal compliance requirement. There are many individuals involved in this process and each one has a role in ensuring that certifications are accurate and completed on time.

Principal Investigators (PIs)/Faculty Members

- Understand their own as well as their staff members' (non-faculty personnel) levels of effort committed, charged and reported on all applicable awards
- Review, initiate corrections if necessary, and electronically certify their individual Annual Faculty Effort Certification and their Quarterly Project Effort Certification(s)
- Communicate significant effort changes to the department/local-level effort coordinators
- If applicable, formally request, via the Request for Proxy Authority form, that the certification responsibility be delegated to another individual who has sufficient technical knowledge and/or is in a position that provides for suitable means of verification that the work was performed
- Review salary charges on awards on a routine basis with grant manager and identify any effort-related changes and communicate with administrators to post corrections if needed

- Recertify and electronically sign if effort changes are made after a statement has been certified

Department/Local-level Effort Coordinators (Primary Effort Coordinators, Secondary Effort Coordinators and Grant Managers)

- Monitor effort commitments, salary charges, and cost sharing on all applicable awards
- Communicate to the central sponsored programs office (OSP, HCSRA, or ORA) any changes that require sponsor notification and/or approval
- Review salary charges with PI/faculty member and post any salary distribution updates and/or corrections in a timely manner
- Check effort certifications for accuracy during the review period
- Monitor that effort certifications are completed within the certification period

Tub-level Effort Coordinators (TECs)

- Monitor school-level implementation of, and compliance with, the University Effort Reporting Policy
- Coordinate with the University central sponsored programs offices (OSP, HCSRA, or ORA) on any questions or issues
- Review and approve or reject PI/faculty designee requests for alternate signers on Quarterly Project Effort Certifications
- Review requests for PI proxies for alternate signers of Annual Faculty Effort Certifications and, if approved at the tub level, send the request to OSP for review and final approval
- Manage requests for manual/voiding of statements from departments/local units

Central Administrators (Office for Sponsored Programs (OSP), Harvard Chan School Research Administration (HCSRA), Harvard Medical School Office of Research Administration (ORA), and Harvard University Information Technology Administrative Technology Services (ATS))

OSP/HCSRA/ORA (Submitting Offices)

- Communicate significant changes in effort to sponsors

- Update effort commitments in GMAS to reflect new effort commitment when changes in effort are approved by sponsors

OSP (Cost Analysis)

- Review and approve or reject PI proxy requests received from tub level effort coordinators for alternate signers on Annual Faculty Effort Certifications
- Maintain the University Effort Reporting Policy
- Provide effort reporting training, guidance on requirements, and oversee University-wide compliance with the University Effort Reporting Policy
- Manage the business/functional aspects of the electronic effort reporting system (ecrt)
- Staff the ecrt help desk and respond to functional questions and issues

HUIT ATS

- Manage the technical aspects of the electronic effort reporting system (ecrt)
- Respond to requests from OSP to implement system modifications as required by new or changing policies, accounting or reporting practices, federal requirements, or any other compliance-related matters
- Manage security roles/rights and provide user access to ecrt
- Manage data uploads into ecrt
- Staff the ecrt help desk and respond to technical questions and issues

Procedures

See the [OSP Electronic Effort Reporting Resources website](#) for detailed information regarding effort reporting and the ecrt system.

An individual employee, whether faculty, staff or trainee, will only complete one type of certification in any fiscal year, either an annual or a quarterly effort certification. Note that the certification status, annual or quarterly, is set at the beginning of the fiscal year, based on current payroll information, and

will not change during the year. Once an individual is assigned as an annual or quarterly certifier, they should follow the portions of the policy that relate to that employee type, annual or quarterly.

Completion and Certification of Annual Faculty Effort Certifications

University PIs/faculty members and other academic appointees who have effort charged to federal awards must certify their academic-year and/or supplemental/summer salary on an annual basis. The annual effort report(s) covers the fiscal year (July 1st to June 30th) and is released for review and electronic signature in ecrt after the fiscal year end close process is complete. Junior and senior faculty members are required to sign their own certifications, with limited exceptions. Other academic appointees (e.g., research associates, fellows, and lecturers) can either self-certify or be certified by the PI or mentor of the award associated with their effort, subject to school-specific policies.

Other exceptions for proxies will only be made in extraordinary circumstance as referenced in the "Proxies" section below.

PIs/faculty members are required to review their certifications and determine whether the percentages reasonably reflect the committed effort expended and the work performed on each sponsored award and the aggregate effort associated with "all other activities" displayed on the certification. Variances of up to and including 5% of the faculty member's salary for the period being certified are allowable and do not require an adjustment or recertification. Variances over 5% should be corrected, in compliance with the Cost Transfer Policy, prior to final approval of the certification. PIs/faculty members should complete their certification within 30 calendar days of the date they receive the e-mail that the certification period is open.

Proxies

> All University PIs/faculty members are required to sign their own annual effort certifications. Requests for proxies for faculty will only be approved by OSP in circumstances of enduring unavailability. Requests for non-faculty proxies may be approved at the tub level for 6030 Research Associates or Non-Faculty Other Academic Appointees and the proxy indicated is the official mentor or PI on the award that funds the salary to be certified.

Requests for faculty proxies are initiated using the [Request for Proxy for Faculty Annual Certifiers form](). The completed form must be signed by the person who will serve as proxy, approved by the school's Tub Effort Coordinator, and approved by OSP.

Requests for non-faculty proxies are initiated using the [Request for Proxy for Non-Faculty Annual Certifiers form](). The completed form must be approved by the school's Tub Effort Coordinator. No faculty or OSP signature is required.

Maximum Effort Threshold

In most cases, the University policy allows PIs/faculty members to charge up to 95% of their annual academic and/or supplemental/summer effort to sponsored awards if their other University responsibilities are less than or equal to 5% of their total time and effort. Individual schools may be more restrictive; refer to your local school policy or guidance for individual school requirements. PIs/faculty members must account for 100% of their University compensated time and effort including, for example, the time relating to non-sponsored activities including teaching, grant writing, committee participation, administrative duties, department or other chairmanships, or other administrative responsibilities. Effort associated with non-sponsored University activities will be aggregated for the purpose of certification while committed sponsored effort will be certified at the account level.

Minimum Effort Threshold

All PIs and other key personnel on sponsored awards must have effort, if required, on awards. Committed effort can be charged directly to awards or to cost sharing accounts.

Individual schools may be more restrictive; refer to your local school policy or guidance.

Specific to NIH awards the following clarification was published in 2003 regarding charging effort on federal awards: "*…the contribution of Key Personnel [must be] "measurable" whether or not salaries are requested. Zero percent effort and "as needed" are not acceptable for individuals that the grantee identifies as Key Personnel.*"

Completion and Certification of Quarterly Project Effort Certifications

Quarterly Project Effort Certifications are generated for each federal award that has non-faculty salary charges at the subactivity level. Each quarterly certification includes all non-faculty personnel who were charged to the account during the quarter. The quarterly certifications follow the fiscal year: July-September, October-December, January-March, and April-June. Once released to the PI, the certifications should be completed within 30 calendar days.

The PI of an award or part-of account is expected to sign their Quarterly Project Effort Certification(s). The certifier is attesting that they have *sufficient technical knowledge and/or is in a position that provides for suitable means of verification that the work was performed*. There are circumstances when it may be appropriate for the PI to delegate this responsibility to another individual, a designee, associated with the project.

Certifiers of Quarterly Project Effort Certifications are expected to review the payroll distribution percentages on the effort report and determine whether those percentages reasonably correspond to the individual's actual effort on the project. Variances up to and including 3% of the individual's salary for the period being certified are allowable and do not require an adjustment or recertification. Variances over 3% should be corrected, in compliance with the Cost Transfer Policy, prior to final approval of the certification. (For example: a certification with a charge to an award for 40% of an individual's time in that quarter can be approved provided the actual effort is between 37% - 43%, +/- 3%).

Designees

> All PIs are required to certify their Quarterly Project Effort Certification(s). In certain circumstances, the PI can delegate this responsibility to another individual with first-hand knowledge of his or her sponsored award(s). The individual who signs the effort certifications must attest that the salaries charged and effort expended reasonably reflect work performed on the project and that the signer has sufficient technical knowledge and/or is in a position that provides for suitable means of verification that the work was performed. Individual schools may be more restrictive; refer to your local school policy or guidance.

Requests for delegation are made by completing the *Request for Delegation of Authority for Quarterly Salary Certifications* form. The completed and signed forms are sent to the Tub Effort Coordinator (TEC) for approval.

Recertification of Annual and Quarterly Effort Certifications

In ecrt, salary adjustments which create a variance above 3% for project statements or 5% for annual statements generate payroll adjustment (PAR) tasks. Salary adjustments that create new project statements or annual statements for prior periods also create PAR tasks.

For PAR tasks older than 7 days, OSP will **Post and Reopen** and place "On Hold" any certification that is not manually certified.

Recertifications and newly created certifications from current or prior periods are due at the next quarterly certification date following the posting of the payroll adjustment to the general ledger. Uncertified salary becomes an unallowable cost and will need to be removed from federal awards.

Annual and Quarterly Effort Certification for Statements Generated After the Opening of a Certification Period

A salary journal posted to a federally sponsored award may generate an effort certification that did not previously exist if no previous salary was charged to the award in the reporting period/period of work performed. The newly generated certification should be certified by the later of the original due date or within 21 calendar days of the e-mail sent indicating that there is a statement that needs certification.

Contacts and Subject Matter Experts

- Tub Effort Coordinators (TEC)
- Sponsored Project Effort Reporting Administrator (OSP)
- Business Systems Analyst for ecrt (ATS)

Definitions

Academic Year

For effort reporting purposes, an academic year is the period of a faculty member's appointment. Harvard faculty are generally appointed for either 9 or 12 months. 9-month appointments can relate to either a specific 9 month period or 9 months' work spread over the fiscal year and 12-month appointments include all months during a fiscal year.

Account

For effort reporting purposes, account is the unique combination of a fund, activity and subactivity as set up in GMAS and charged in the general ledger.

Certification

The assertion by a PI/faculty or proxy/designee that the salaries charged to sponsored projects as direct charges or cost sharing reasonably reflect the effort expended and work performed during the period of work performed/reporting period.

Certification Period

The interval when ecrt enables PIs, their proxies, or their designees to certify annual statements or quarterly project statements. The duration of the certification period is 30 days for unadjusted statements.

For reopened certifications and for newly created statements from previous periods, the certification period begins when the payroll adjustment is posted in ecrt and ends at the end of the current quarterly certification period.

Committed Effort

Amount or percentage of time an individual has communicated to the sponsor that they will work on a specific sponsored project over a specified period of time. Commitments are made in the award proposal and may be documented by the sponsor in award documents.

Changes to reduce committed effort may require sponsor approval.

Cost Sharing

Any project costs that are not borne by the sponsor. Cost sharing of effort is the provision of faculty and/or staff time and related fringe benefits that were committed and provided in support of a project but are paid for by other sources of funding. Cost-shared effort in excess of the commitment made in the proposal does not have to be identified or certified.

Designee

Authorized delegation of certification responsibilities on a specific sponsored project to another individual (other than the PI) for the Quarterly Project Effort Certifications.

ecrt

The electronic effort reporting system used by Harvard University. Effort Reporting - The mechanism used to provide assurance to federal or other external sponsors that salaries charged or cost shared to sponsored awards are reasonable in relation to the work performed. Effort reports are also referred to as "certifications" or "statements."

Faculty Institutional Base Salary (IBS)

Annual compensation paid by the University for an employee's appointment (9 or 12 months), whether that individual's time is spent on research, teaching, or other activities. IBS does not include bonuses, one-time payments, or incentive pay. Additionally, IBS does not include payments from other organizations or income that individuals are permitted to earn outside of their University

responsibilities, such as consulting. IBS must be used as the base salary on all grant proposals unless there is a statutory limit on compensation (e.g. NIH cap).

Key Personnel – (NIH definition)

The program director/principal investigator and other individuals who contribute to the scientific development or execution of a project in a substantive, measurable way, whether or not they request salaries or compensation.

Period of Work Performed (PWP)

The academic year or fiscal quarter during which an employee performs effort. The period of work performed for annual faculty certifications is a fiscal year, July 1st to June 30th. The period of work performed for quarterly project certifications are the fiscal quarters, July- September (Q1), October-December (Q2), January-March (Q3), and April-June (Q4). The period of work performed includes salary journals that are posted outside the academic year or fiscal quarter but relate to time and effort expended during the academic year or fiscal quarter. The period of work performed may also be referred to as the reporting period.

PI/Faculty Effort

The proportion of time spent by an academic appointee on any University activity expressed as a percentage of time. 100% effort is the total time spent on University work within the scope of their academic appointment period (9 or 12 months), regardless of how many or how few hours an individual worked in the reporting period. The total effort reported for a PI/faculty member will always equal 100%, even if they are less than 1.0 FTE. Total academic period effort includes sponsored projects and non- sponsored activities that are funded by the University including work performed outside of normal work hours and work performed off-campus.

Proxy

Authorized delegation of certification responsibilities for the PI/faculty member's individual Annual Faculty Effort Certification statement.

Supplemental/Summer Salary

Faculty compensated for 9-month academic appointments are permitted to earn up to an additional three months of supplemental/summer paid compensation on one or more sponsored and/or non-sponsored activities. Individuals can earn up to the equivalent of three months of additional salary for that effort, subject to school and sponsor policies and the appropriate school level approval. If a faculty member has administrative or other non-sponsor related responsibilities (including vacations) during the period for which they are requesting supplemental salary, they are precluded from devoting the maximum allowable 95% effort to sponsored projects and cannot request the full 95% of 3 months of salary from sponsored projects.

Voluntary Uncommitted Cost Sharing (VUCS)

University faculty or senior researcher effort that is over and above that which is committed and budgeted for in a sponsored agreement. This effort differs from mandatory or voluntary committed cost sharing which is cost sharing specifically pledged in the proposal's budget or award. Effort relating to VUCS does not need to be charged to federal awards or be certified.

Related Resources

Policies

- Cost Transfer Policy
- Cost Sharing Policy
- Tuition Policy
- Harvard Medical School / Harvard School of Dental Medicine Maximum Effort Policy

Documents

- ecrt Training Material
- COGR Policies and Practices for Compensation, Effort Commitments, and Certification (2007)

Forms

- [Request for Proxy for Faculty Annual Certifiers](#)
- [Request for Proxy for Non-Faculty Annual Certifiers](#)
- [Request for Delegation of Authority for Quarterly Project Effort Certifications](#)
- [FAS Request for Delegation of Authority for Quarterly Project Effort Certifications](#)

Revision History

12/01/2013: July 1, 2009 Effort Reporting Policy revised and approved

05/05/2014: Recertification of Annual and Quarterly Effort Certifications section edited, Annual and Quarterly Effort Certification for Statements Generated After the Opening of a Certification Period section added, certification period definition added, effort reporting definition added, and period of work performed definition added

12/18/2014: Uniform guidance references updated; clarified certification period for newly generated certifications

1/22/2015: Annual and Quarterly Effort Certification for Statements Generated After the Opening of a Certification Period section corrected for a typo and updated the wording stating the statements are due when the e-mail is sent to the PI to just state they are due when the email is sent.

1/17/17: Clarification of the threshold amounts that trigger re-opening of certified statements, added paragraph to state that an employee is set as an annual or quarterly certifier at the beginning of each year and that this individual follow the portions of the policy relating to that employee type, update of the IBS definition.

4/7/2020: Clarification that threshold amounts represent percentages of pay for the period being certified.

4/8/2022: To eliminate 21-day due date for reopened and newly created certifications, to align due dates for reopened and newly created certifications with all other certifications, and to update Proxy forms separating faculty from non-faculty requests.