



## Department Administrative Policy and Procedures

Subject: **Effort Reporting Policy**

Effective Date: July 1, 2019

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### I. PURPOSE

The purpose of this policy is to provide guidance on University of Wyoming (“University”) standards and procedures for determining and supporting costs of personal services committed and charged to all sponsored projects. As a condition of accepting such funding, the University must ensure that such charges are based on records which accurately reflect the work performed and which reasonably ensure the charges are accurate, allowable, and properly allocated. The goals of this policy and these procedures are to:

- Fulfill Uniform Guidance requirements for documenting personal service costs paid from Federal projects; and
- Provide clear guidance to research faculty and staff to properly identify, verify, and document personal services allocated to Federally-sponsored projects.

### II. DEFINITIONS

#### A. **Effort**

The proportion of time spent on any activity and expressed as a percentage of the total professional activity for which an individual is compensated by Institutional Base Salary (IBS). Total effort for an employee must equal 100%.

An individual’s total time compensated by Institutional Base Salary serves as the basis for determining their total effort. In other words, if an individual who is compensated for a 100% appointment works 60 hours in a week, then 30 hours would represent 50% of their professional effort. If the same individual only works 40 hours in a week, then 20 hours represents 50% of their professional effort. If an individual who is being compensated for a 50% appointment works 30 hours in a week, 30 hours would represent 100% of their professional effort. If the same individual only works 20 hours in a week, then 20 hours represents 100% of their effort. If a graduate student is employed 10 hours per week, then 5 hours represents 50% of their effort.

#### 1. Activities Included in University Effort

- Externally-sponsored projects, including contributing and directly related activities such as delivering special lectures about the ongoing sponsored program, writing reports and articles, fulfilling compliance requirements (e.g., use of human subjects, animals, etc.), managing data, participating in seminars,

consulting students and colleagues, and attending related meetings and conferences;

- Departmental/University research including uncompensated participation in study sections, peer review of manuscripts, unfunded effort on externally funded projects;
- Instruction/University supported academic effort, including presentations to students, mentoring trainees;
- Administrative effort, e.g., Department Chair, Center Director, service on institutional committees, faculty advisory boards;
- Effort expended on preparing proposals.

## 2. Activities *Excluded* from University Effort

- Extra-service pay, such as compensation for short-term assignments and intra-institutional consulting across departmental lines in addition to regular workload;
- Consulting and other outside compensated professional work including service on scientific advisory boards compensated by external organizations;
- Volunteer community or public service;
- Bonuses and certain “one-time” payments for which extra compensation is paid by the University.

### III. POLICY

It is the policy of the University of Wyoming that the University maintains systems and procedures documenting the distribution of compensation for personal services to sponsored projects in compliance with Federal regulations as defined by the *Federal Office of Management and Budget Uniform Guidance* (OMB Uniform Guidance). All Principal Investigators (PIs) are required to perform a verification of effort charged to the sponsored project.

Activities during which effort issues are important include:

- Establishing faculty and staff appointments and professional duties
- Proposing effort in an application for a sponsored project
- Establishing effort commitments at the time an award is made
- Charging salary, documenting cost sharing, and expending effort during the life of a project
- Monitoring progress toward the fulfillment of effort commitments to specific projects
- Managing an individual’s total commitments across all projects
- Ensuring that salary charges are reasonable in relation to the work performed, and that commitments to sponsors have been met

This policy is applicable to all colleges, departments, units, and personnel of the University involved in charging or administering sponsored projects.

## **A. Policy Provisions**

1. Effort expended on each project must be verified by the PI. Effort should be a reasonable estimate of how time was expended.
2. Generally, faculty cannot commit 100% of their time on sponsored projects, as time must be reserved for other University duties. For administrative professionals and staff, up to 100% of effort may be devoted to sponsored projects. However, allocations of effort to sponsored projects must be reasonable given the individuals' non-sponsored University activities.
3. Effort must be verified for all individuals who receive salary support from a sponsored project and those who expend committed effort on a sponsored project without receiving salary support from the sponsor as part of a cost sharing commitment.
4. The effort devoted to a sponsored project should be consistent with the plan that was proposed to the sponsoring agency and agreed to at the time of the award. If there is a significant change in effort by the PI, then this should be reflected in effort charged and agency guidelines should be reviewed to determine if prior approval is needed. For federal projects, obtain prior approval if disengaged from the project for more than three consecutive months, or effort is reduced more than 25% from the budgeted awarded plan.
5. All PIs must devote at least one percent commitment to each federally funded project, where effort is required. However, there are a few exceptions such as equipment grants, and dissertation grants. Committed effort can be charged directly to sponsored projects or to cost sharing accounts.

## **B. Roles and Responsibilities**

### **Principal Investigator (PI)**

1. Ensure the appropriateness and accuracy of all effort expended on the sponsored project and compliance with this policy;
2. Expend effort on the project;
3. Verify direct-charged and committed cost sharing up to the effort level committed. For federal projects, obtain prior approval if disengaged from the project for more than three consecutive months, or effort is reduced more than 25% from the budgeted awarded plan.

### **Other Faculty and Research Employees**

- Communicate issues or errors to departmental administrator.

### **Office of Research and Economic Development, Research Services**

- Reconfirm the budget and cost sharing commitments, including PI and other relevant personnel time commitments at the time of award;
- Alert OSP of effort commitments, both funded and cost shared at the time of award;
- Convey changes in PI status to sponsor when required.

### **Office of Sponsored Programs (OSP)**

- Administer UW's effort/salary verification system;
- Ensure that cost sharing projects are created in the financial system consistent with sponsor requirements;

- Review and approve payroll expense corrections in accordance with the Cost Transfer Policy.

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**Responsible Division/Unit:** Administration / Office of Sponsored Programs

**Links:**

Office of Management and Budget Uniform Guidance

[https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

**Associated Regulations, Policies, and Forms:**

**Approved:**