



**Northern Illinois  
University**

**Sponsored Programs Administration  
Introduction to Time and Effort Reporting**

**Thursday, April 11, 2024**

# Welcome!



The purpose of this session is to familiarize faculty and administrators with NIU's effort reporting process to comply with federal and state grant requirements.

# Today's Topics



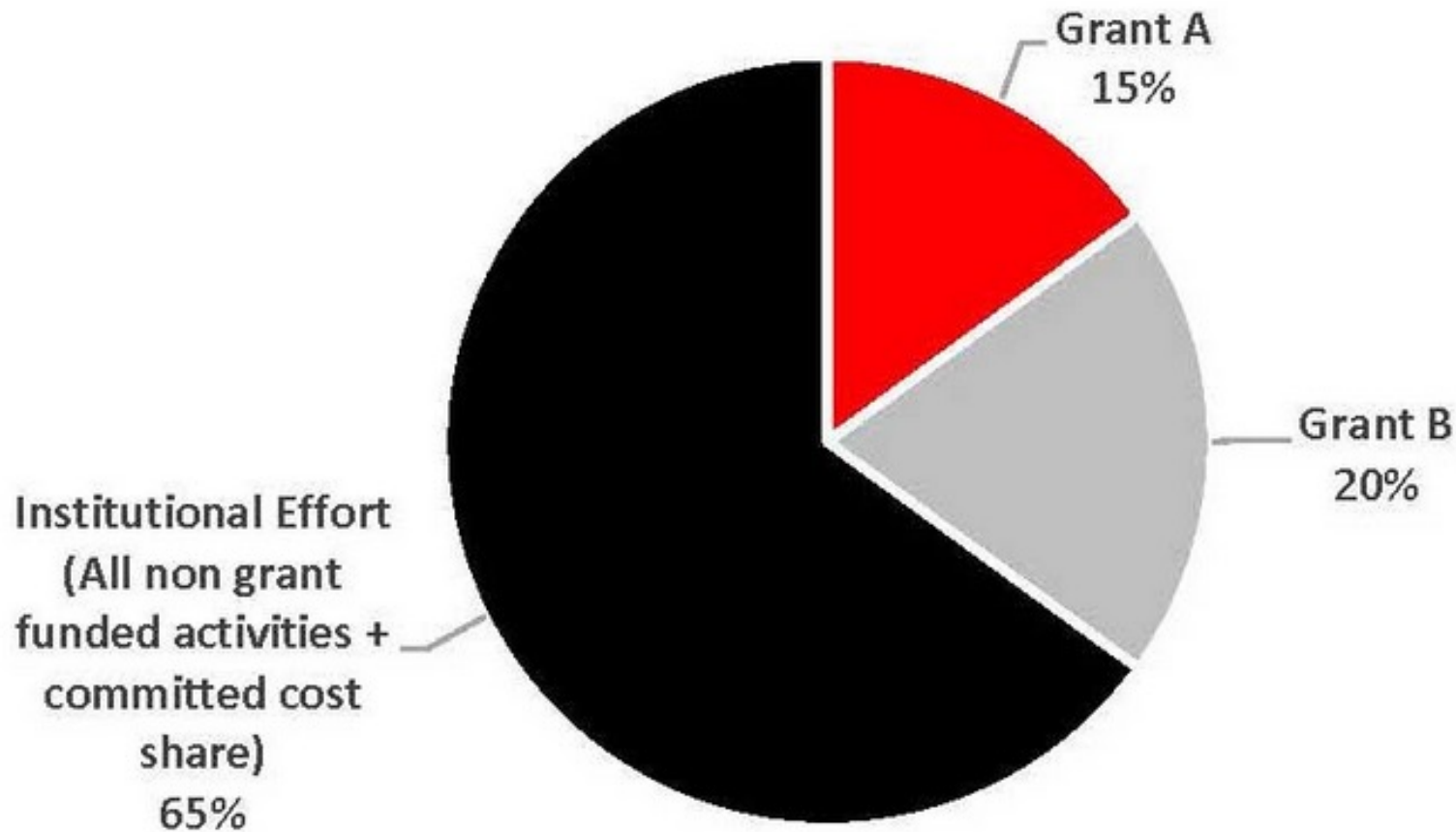
- Defining effort
- Why we do effort reporting
- The effort reporting process
- The connection between proposed salaries and wages and effort reporting
- Key strategies to support accurate reporting

# What is Effort



- It is time spent on an activity, expressed as a percentage
- It is based on total hours spent on institutional duties
- It always equals 100%
- It varies by person and is subject to change
- It is not an exact science

# Effort as a Visual



# Why We Do Effort Reporting



- It is a federal requirement per Uniform Guidance(UG) 2 CFR 200:430 Standards of Documentation of Personnel Expenses
- It is a state requirement per the Grants Accountability and Transparency Act (GATA) that applies UG to most State of Illinois funded programs
- Federal and State funds account for most of NIU's sponsored funding portfolio

# UG Standards of Documentation Requirements – Salaries Must:



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Be supported by a system of internal control to provide reasonable assurance that the charges are accurate, allowable, and properly allocated;

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Be incorporated into the official records of the non-Federal entity;

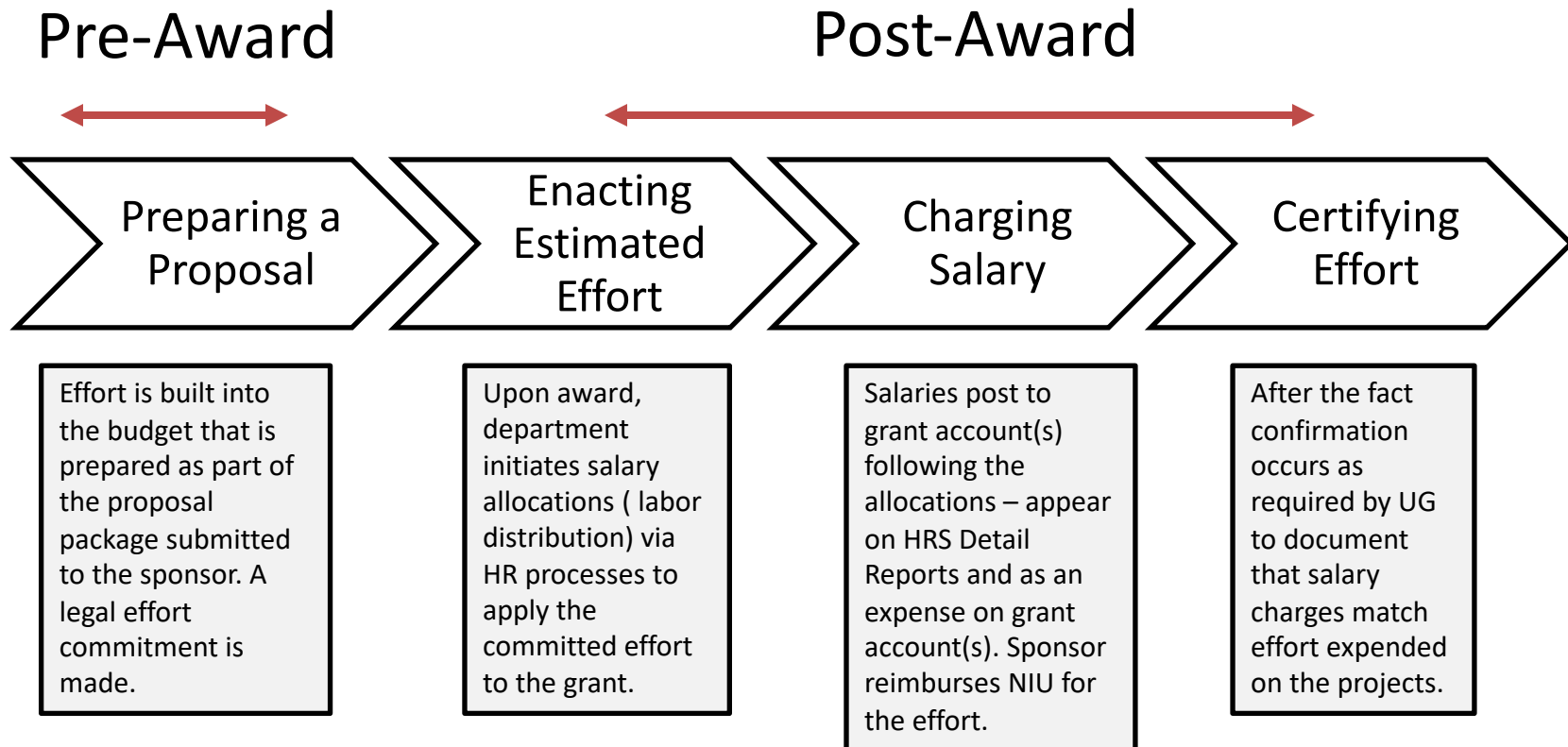
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Comply with the established accounting policies and practices of the non-Federal entity; and

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Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities.

# Effort Across the Grant Lifecycle







# Effort and Labor Related Issues



- **Northwestern University (\$5.5 million, DOJ Settlement)**
  - Researchers spent less time on NIH-sponsored projects than they reported
  - Misrepresentation of time spent on funded activities
  - Failed to comply with effort reporting standards

- **Mayo Clinic (\$6.5 Million DOJ Settlement)**
  - Over expenditures were made
  - Improper Transfers – costs from overspent grants and internal Mayo cost centers included on under spent grants
  - Accounting system unable to monitor and manage charges

- **Dartmouth**
  - Overstated Salaries (Labor Distribution)
  - 18 months effort charged (100% of 4 PI's salaries) to NIH grants but also taught a course
  - PI's verbally estimated to auditors that they spent 20% of their time on proposal activities
  - The College charged salaries that were not consistent with the PI's actual activity and used an overstated labor distribution percentage

- **Georgia State University**
  - Center charged for work done on another grant
  - GSU did not take adequate care in maintaining required documentation and did not always follow its policies and procedures
  - Transfers made without explanation or source documentation
  - Could not locate personal action forms

# NIU's Effort Reporting Cycles



Effort/Certification Period	Reports Distributed to Colleges/Divisions	Reports Due
July 1- December 31 (TE1)	Approx. May 1	Approx. June 1
January 1 – June 30 (TE2)	Approx. Nov 1	Approx. Dec 1

Because **effort reporting is an after-the-fact confirmation** of salary charges, effort statements are retrospective.

E.g., May 2024 reports will reflect payroll records for July 1, 2023 – December 31, 2023.

Colleges and Divisions receive effort statements from SPA for all employees in their departments or units and are responsible for timely distribution and return of effort statements.

# Effort and Institutional Base Salary (IBS)



- The guaranteed amount of annual compensation that NIU pays for an individual's professional services, whether that time is spent on research, instruction, administration, or other activities
- It does not include bonuses, incentives or other “one time” payments or reimbursements
- IBS for effort reporting includes these earning codes:
  - E30/R30 – Add Comp Grant Resrch & Actvty (Extra Compensation)
  - GNC/RGN – Grant No Fringe Cost (Summer Salary)
  - REG/RRG – Regular Base Earnings (Release Time)

# Certification



- A person with *firsthand knowledge or suitable means of verification* of the work performed must sign the report
- Reasonable estimate (-/+5%) is generally acceptable for certification
- Larger variances require salary adjustments
- Effort can never be less than the salary amount charged for the certification period

# Sample Effort Statements – Grant and Non-Grant Funded Effort



SPONSORED PROGRAMS ADMINISTRATION  
SEMI-ANNUAL EFFORT REPORT FOR  
PERIOD 7/1/20-12/31/20

Employee Name: Dr. Mission  
Department Name: XX0000/NIU Doghouse  
Employee ID Number: 0000000

A	B	C	D	E
Grant #	Brief Description/ Principal Investigator	Percent Effort	Change in Effort (%)	New Total
G1A45678	Woof Woof – Treats are Good/ Mission	55.88		

Total Effort - Grant - 55.88  
Total Effort - Non Grant - 44.12  
Total Percent Effort - 100.00

After-the-fact Effort Certification is necessary for direct labor charges to contract/grant accounts. This is required by federal regulations contained in Uniform Guidance 2 CFR 200.

Note: A significant change in effort may result in a journal.

This is the activity of the above-named staff member according to our records (Column C). If the activity is incorrect or incomplete as reported, please make additions and/or corrections on this form (Column D), sign the certification and return to Sponsored Programs Administration, Lowden Hall 203.

Printed Name \_\_\_\_\_

- Column A shows the grant(s) that Dr. Mission (employee) received salary for the certification period (7/1/2020– 12/31/2020)
- The title of the grant and PI of the grant is listed in column B - in this example, Dr. Mission is the PI of the grant.
- In this case, 55.88% of all salary paid to Dr. Mission during the certification period was allocated to grant G1A45678 based on university payroll records for that period. The remainder of Dr. Mission's salary (44.12%) was allocated to non-sponsored accounts. Thus, Dr. Mission is certifying that they worked at least 55.88% of their time on this project during the certification period. The remainder of time encompasses all other university duties and any cost shared effort commitments.

# Sample Effort Statements – Grant and Non-Grant Funded Effort & Non-PI



SPONSORED PROGRAMS ADMINISTRATION  
SEMI-ANNUAL EFFORT REPORT FOR  
PERIOD 7/1/20-12/31/20

Employee Name: Dr. Mission  
Department Name: XX00000/Huskie Pride  
Employee ID Number: 0000000

A	B	C	D	E
Grant #	Brief Description/ Principal Investigator	Percent Effort	Change in Effort (%)	New Total
G1A12344	Pup Treats for Touchdowns / Huskie	16.60		

Total Effort - Grant - 16.60  
Total Effort - Non Grant - 83.40  
Total Percent Effort - 100.00

After-the-fact Effort Certification is necessary for direct labor charges to contract/grant accounts. This is required by federal regulations contained in Uniform Guidance 2 CFR 200.

Note: A significant change in effort may result in a journal.

This is the activity of the above-named staff member according to our records (Column C). If the activity is incorrect or incomplete as reported, please make additions and/or corrections on this form (Column D), sign the certification and return to Sponsored Programs Administration, Lowden Hall 203.  
Programs Administration, Lowden Hall 203.

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

- Column A shows the grant(s) that Dr. Mission (employee) received salary for the certification period (7/1/2020 – 12/31/2020)
- The title of the grant and PI of the grant is listed in column B - in this example, Dr. Huskie is the PI of the grant.
- In this case, 16.60% of all salary paid to Dr. Mission during the certification period was allocated to grant G1A12344. The remainder of Dr. Mission's salary (83.40%) was allocated to non-sponsored accounts. Thus, Dr. Mission is certifying that they worked at least 16.60% of their time on this project during the certification period and that the remainder of their time was spent on other university duties and any cost shared effort commitments.

# Acceptable Activities on Grants



**Sponsored projects can only be charged for activities that directly relate to the work of the project. Common activities include:**

- Directing or participating in any aspect of the research related to the specific project
- Writing a progress report for the project, sometimes called a **continuation or non-competing proposal**
- Holding a meeting with lab staff to discuss the specific research project.
- Activities **contributing to and intimately related to work under the agreement**, including:
  - Participating in appropriate seminars
  - Consulting with colleagues about specific aspects of the project
  - Delivering special lectures about specific aspects of the ongoing activity
  - Attending a scientific conference held by an outside professional society to present research results
  - Reading scientific journals to keep up to date with the latest developments in one's field
  - Mentoring graduate students on the specific research project
- Making an invention disclosure and other activities related to pursuing intellectual property (IP) – if the IP is directly related to the project and the effort occurs within the project award period



# Unacceptable Activities on Grants



**Sponsored projects cannot be charged for activities that do not directly relate to the work of the project. Below are examples of activities that should not be charged to sponsored awards:**

- Proposal-writing, except for non-competing continuations (progress reports); this includes:
  - Developing necessary details to support the proposal
  - Writing, editing and submitting the proposal
- Administration, including service as a department chair or dean
- Instruction, office hours, counseling for students, and mentoring graduate students on something other than a specific research project
- Service on an IRB, IACUC, selection committee, or another similar group
- Course or curriculum development not specific to your research project
- Writing textbook chapters
- Fundraising
- Lobbying
  
- In addition, work that falls outside of the definition of NIU effort would not be allocated to a sponsored project. This includes:
  - Service as the primary editor of a journal
  - Peer review of manuscripts, regardless of whether compensation is received
  - Advisory activities for sponsors, including service on an NIH study section or NSF review panel, regardless of whether compensation is received

# Strategies to Support Effort Reporting



- Review Financial Summary Reports (FSRs) and HR Personnel Detail reports monthly to ensure proper labor distribution across grant(s) and other activities
- Notify SPA Grants and Contracts Associate(s) immediately of any errors to ensure timely corrections
  - ***Late Cost Transfers >90 Days Pose Significant Risk to NIU***
- Review grant activity against other university activities for reasonableness and consistency with other university documentation
- Maintain contemporaneous documentation to support effort if audited
- Use advance accounts when appropriate for timely salary allocations and to minimize the need for cost transfers

# For more information



- [Effort and Effort Reporting | Sponsored Programs Administration | Northern Illinois University \(niu.edu\)](#)
- Contact us!