

 <b>Research &amp; Sponsored Programs</b> UNIVERSITY OF DENVER	<b>Office of Research and Sponsored Programs Policy Manual</b>  <b>Certification of Effort</b>
Supersedes Document Dated: 01/01/2021	Policy Number: ORSP-08
<b>Recommended By:</b> Director of Sponsored Program Administration; Sponsored Program Academic Research Council <b>Approved By:</b> Senior Vice Provost for Research and Graduate Education	Effective Date: 08/20/2023

## 1. PURPOSE

To document Effort (defined below) in direct support of Sponsored Programs.

## 2. DEFINITIONS

- 2.1. Effort is the percentage of time that is expended to fulfill an employee’s obligations to the University. The total Effort across all duties and obligations must equal one hundred percent (100%), regardless of how many hours are worked.
- 2.2. Uniform Guidance established by the Office of Management and Budget at 2 CFR § 200 is the uniform administrative requirements, cost principles, and audit requirements for determining costs applicable to grants, or agreements between educational institutions, such as the University and any agency of the federal government.
- 2.3. Principal Investigator is a University employee that leads a given program or project and is responsible for the proper conduct of research or other activity described in the proposal, grant, or instrument of agreement for the specific program or project.
- 2.4. Responsible Person is a University employee who has sufficient and verifiable knowledge of the work being performed on a given Sponsored Program, including regular duties and responsibilities.
- 2.5. Sponsored Programs are programs or projects that are funded by an external entity through a written agreement (grant, agreement, or other instrument) with the University. Sponsored Programs include specific research, training, or service programs and projects.
- 2.6. Suitable Means of Verification are the written documents that are sufficient to confirm or support the Effort expended by an employee on a Sponsored Program. Examples include, but are not limited to, teaching schedules, leave reports, calendars and correspondence, award work products, and grant timesheets. An oral verification is not a Suitable Means of Verification.

### 3. POLICY

The University receives federal funding and is, therefore, subject to the requirements established by the OMB contained within Uniform Guidance (2 CFR 200). The Uniform Guidance requires that institutions maintain a system of internal controls that provide reasonable assurance that charges to a Sponsored Program are accurate, allowable, and properly allocated.

The Uniform Guidance (2 CFR § 200.430) requires that each grant recipient document time expended towards the Sponsored Program. Recognizing the unique nature of universities, the Uniform Guidance (2 CFR § 200.430) requires documentation and certification of the percent of Effort expended toward Sponsored Programs. To meet the requirements for documentation and certification, employees paid monthly, who provide any type of service toward a Sponsored Program, shall certify their Effort based on distribution of total hours worked during that month. All employees are responsible for certifying their own Effort.

Uniform Guidance (2 CFR § 200.430) requires an employee's Effort be certified by a Responsible Person with reference to Suitable Means of Verification that the work was performed, and the employee's certified Effort is appropriate.

### 4. PROCESS

- 4.1. An Effort certification report shall be generated during the payroll administration process accounting for the Effort distribution of each employee who:
  - 4.1.1. Is paid monthly from research, and
  - 4.1.2. Has been paid from a Sponsored Program fund sometime during the fiscal year, or
  - 4.1.3. Has an employee classification related solely to research.
- 4.2. Reports for full time employees are to be generated on a quarterly basis (January – March, April – June, July – September, and October – December) by the Office of Research and Sponsored Programs utilizing the University financial management system (Banner). A reminder email is automatically generated by Banner and sent to Employees whose Effort certification is not completed by the applicable Effort certification deadline.
- 4.3. Electronic Effort certification reports are available to University employees through the Banner Effort Certification module.
- 4.4. Employees are to review the accuracy of the Effort certification produced by Banner and attest to the accuracy of the information contained in the report.
- 4.5. If an adjustment is required (“adjustment” being a change greater than five percent (5%)), the employee will initiate a payroll redistribution. Once the redistribution is processed in Banner, a new certification report will be generated for the employee's Effort certification.
- 4.6. If Effort reports are not certified before the conclusion of fiscal year end (June 30), the payroll expense may be determined to be unallowable and will not be reimbursed by the Sponsored Program fund causing the applicable payroll expense to be borne by the employee's department. All incidences where Effort is not timely certified will be reported to the Vice Provost for Research.

- 4.7. If there is a change in contracted Effort on a given Sponsored Program, Uniform Guidance, (2 CFR 200.308) requires the Principal Investigator to obtain the sponsoring entity's approval in writing. Approval by the sponsoring entity must also occur if the Principal Investigator or key personnel specifically named in the notice of grant award will:
  - 4.7.1. Withdraw from the project entirely.
  - 4.7.2. Be absent from the project during any continuous period of 3 months or more; or
  - 4.7.3. Reduce time devoted to the project, by 25 percent (25%) or more, from the level approved at the time of award.
- 4.8. Each employee is responsible for timely submission of payroll documents that reflect his/her/their actual Effort across Sponsored Programs as accurately as possible, reviewing the Effort distribution report, and certifying the accuracy of the timesheet.
- 4.9. A Principal Investigator is responsible for overseeing the Effort expended on behalf of the program or projects that they are charged with overseeing, with reviewing employees' timesheets, and with certifying accuracy of the timesheet.
- 4.10. Department administrators are responsible for assisting Principal Investigators and their staff in ensuring that actual Effort distributed across Sponsored Programs is reported as accurately as possible, and that the Principal Investigator and their staff are certifying Effort in a timely manner.
- 4.11. The Office of Research and Sponsored Programs (ORSP) is responsible for ensuring that the Effort reports are certified appropriately, in a timely manner, and are properly allocated to the correct Sponsored Program fund. ORSP will follow up on all uncertified reports and work with department administrators to close any pending open reports.

## **5. RESOURCES**

- 5.1. Cost sharing or matching – Content Details – 2 CFR § 200.29.
- 5.2. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Records – 2 CFR § 200.
- 5.3. Compensation, personal services – 2 CFR § 200.430.
- 5.4. Revision of budget and program plans – 2 CFR § 308.