Effort Reporting FAQs

What is effort reporting?

Effort reporting is a process mandated by the federal government to verify that direct labor charges to, or cost shared on, sponsored projects are accurate, timely, and reflect the actual level of work performed. Effort is the portion of time spent on a particular activity, expressed as a percentage of the individual's total activity for the university.

Effort Reporting is intended to ensure that individuals confirm "after-the-fact" the effort expended on sponsored activities. The confirmation certifies they have received compensation from sponsored fund sources and they have expended effort on funded projects in the same percentage they are paid.

Who requires effort reporting?

OMB's Federal Uniform Guidance requires certification of effort spent by all instructional staff whose salaries are charged directly to federal and federal flow-through funds, as well as for reporting committed cost sharing. Additionally, most State, City and Private sponsors require "after-the-fact" effort certification.

Sponsors expect to pay only for those portions of employee effort that are actually devoted to their projects. Periodically, sponsor auditors review our payroll charges to enforce this expectation. In conducting these audits, they are assessing whether the salary charged to awards is for effort that appropriately benefited those projects over the reporting period.

The Effort Reporting and Summer Salary systems are frequently called upon to provide this verification to auditors.

When must effort reporting be completed?

Online effort certification is available to the PI on the first business day after the semester ends. Effort Reporting should be completed and certified within a reasonable period of time after each semester in accordance with the terms stated in the Federal Uniform Guidance. Failure to meet these requirements puts the College along with the University at risk for audit disallowances resulting in significant financial penalties. In recent years, several major universities have been assessed large penalties and/or agreed to settlements due in part to effort reporting violations: Northwestern University for $5.5 million; University of Southern Florida for $4.1 million; Johns Hopkins for $2.6 million; Harvard University for $3.3 million; and University of Alabama Birmingham for $3.39 million.

Who can certify effort on the award?

After-the-fact certification should be performed by the Principal Investigator or Responsible Official at the College (i.e., - Dean or Department Chair) with first-hand knowledge of employee effort expended on the project. Only PIs have the ability to certify online. In the PIs absence, a paper PAR may be signed by the Responsible Official at the College and returned to the RF.

How precise must certification be?

Federal regulations clearly acknowledge that precise determinations are not expected, and that reasonable estimates are acceptable. To quote directly from the federal regulations, "… it is recognized that, in an academic setting, teaching, research, service and administration are often inextricably intermingled. A precise assessment of factors that contribute to costs is not always feasible, nor is it expected." Consistent with the Federal regulations, you are obliged to use your best judgment in your certification, taking into consideration all of the activities that you were engaged in during the course of the fiscal period.

Is there a maximum level of effort that can be charged to sponsored projects?

The rules do not limit the percentage of effort that can be charged to sponsored projects; however, the effort charged to each project must be consistent with the level of effort to be devoted to that project. There is a minimum level of effort for PIs: PI effort on a sponsored project must be 1% or greater.

Is the time you devote to writing grant proposals chargeable to a sponsor?

If the proposal writing relates to providing budget, technical and other materials on a continuing project (i.e., a non-competing renewal of an existing project), that time is part of the effort devoted to that project. For new proposals, if a portion of the proposal is a summary of work done on another sponsored project, that time may be charged to the other sponsored project. However, all other effort devoted to writing grant proposals for either new awards or competitive renewals of existing awards may not be charged to sponsored projects.

If you need to reduce the effort (and therefore the salary charged to) on your sponsored project, where will the funding for that non-sponsored effort come from?

Funding for non-sponsored activities such as teaching, and administrative activities (including proposal writing as described above), as well as cost sharing on sponsored activities must be charged to non-sponsored sources (i.e., Tax Levy departmental funds or College Recovery accounts). Under no circumstances may the costs associated with these activities be charged to sponsored projects; funding for these activities is a departmental and/or School issue which you should discuss with your Chair.

In allocating effort to various activities in which you are engaged at CUNY, what activities do you need to consider to determine Total CUNY Effort?

Effort allocations to the various activities must be based on Total CUNY Effort. Total CUNY Effort includes all professional activities for which an individual is compensated by the University and RF: sponsored activities, teaching, and College administrative duties. Total CUNY Effort includes all of these activities, regardless of when (daytime, evening, weekends) or where (on campus, at home, while traveling, etc.) the activities take place.

In assessing your effort, how do you treat vacation, sick leave or other time off provided by University policy?

Generally, for purposes of allocating your effort, you should treat this time as if it was time worked on the projects which funded your salary during those periods. However, if you are receiving summer salary, you must complete the work you are funded to do during the summer months. That means that if you have three months of summer salary, you may not take vacation during the summer months.

If you work many more than 35 hours a week, isn't effort reporting limited to what you do in the 35 hour work week?

No. Effort reporting is not based on a fixed number of hours, but rather on the percentage of effort devoted to a single project or activity as it relates to Total CUNY Effort.

A common misconception is that the effort percentage can be uniformly based on a preconceived number of hours set by a faculty member or other employee, without regard to the actual time worked.

If you are paid for working a fixed number of hours, then this determination is simple. For example, if your work week is 35 hours and you devote 7 hours to a particular activity, then 7 hours constitutes 20% effort.

This simplistic approach, unfortunately, does not apply to faculty and the majority of other CUNY employees, whose compensation is not based on a fixed number of hours. For faculty and such other employees, the determination is based on the relative proportion of time spent on that project, as described in the following example:

Although his hours vary from week to week, over the long term, Prof. Smith works 50 hours per week, devoting his time to teaching, administrative responsibilities and research. Of those 50 hours, on average, 10 hours is spent on his research activities. This represents 20% of Prof. A's effort.

If you only worked 2 weeks during the summer why do you have 100% effort charged on your project?

The Summer Salary system allows for online effort certification during the summer period. Summer Salary effort is calculated by dividing the salary paid by the total salary earned for summer period. There are six "Pay Periods" covering the entire summer period (June 1-15, 16-30, July 1-15, 16-31 and August 1-15, 16-26). Therefore, if an employee earns only 2 weeks of summer salary on 1 award, the percentage of effort calculated would be 100% for that 2 week period.

During an external review, sponsor auditors examine whether the salary charged to awards is for effort that appropriately benefited those projects over the reporting period.

The Summer Salary system is frequently called upon to provide this verification to auditors.

If you agree to work more hours to fulfill a specific non-sponsored task (e.g., participate on a CUNY committee and add an additional 2 hours to your regular work week for an extended period of time), does that mean that your effort percentage devoted to the sponsored project(s) must change?

Yes. While this may appear to be unfair from the perspective of the faculty member, as it relates to the sponsored project itself, the proportion of time devoted to that project, as a percentage of Total CUNY Effort has in fact been reduced. Federal regulations require that the charge to the sponsored project be limited to that percentage.

Your Department Chair asked you to take on significant new administrative responsibilities and to fulfill them by working more hours per week. Do you have to reduce your effort on all of your sponsored projects?

Yes.

Are you required to certify effort if none of it is related to a sponsored project?

No. You are only required to certify your effort if some portion of it is related to a sponsored project (irrespective of whether that sponsor is a government or non-government sponsor). However, even if none of your salary is funded by a sponsored project, you must nevertheless certify if you committed to devoting effort to a sponsored project during a semester which is funded by either a Tax Levy or College Recovery account.

The Effort Reporting and Summer Salary systems produce an effort report if a portion of your salary is funded by a sponsored project. It will also produce an effort report for you even if you don't meet these criteria, but you have committed to cost sharing on a proposal, and that cost sharing has been recorded in these systems.

How do you report and fund cost sharing (i.e., effort which was promised to an award sponsor at either no cost or at a cost that represents less than the percentage of time you have committed to provide on a project)?

If you have committed to cost share some or all of your effort on a sponsored project, we may only charge to the sponsored project that portion of your salary that represents the amount required by the sponsor. The cost-shared portion of your effort is charged to a non-sponsored project (e.g. Tax Levy) and included in the certification process after the end of the semester.

The University strongly discourages voluntarily committed cost sharing. Under the Uniform Guidance, voluntary committed cost sharing may not be considered in the merit review process. Moreover, since commitments to cost share result in the need to provide funding from non-sponsored sources, it is strongly recommended that unless the sponsor requires you to provide cost sharing, you do not offer to provide effort beyond that which is to be funded from the project. All voluntary committed cost share must be approved by CUNY Research Administration before it can be processed by the RF.

If a portion of your salary is funded by an NIH grant and your salary is above their cap, how do you report?

For a number of years now, NIH has limited the amount of Institutional Base Salary that may be charged to NIH grants. Since the government's fiscal year 2001, the cap has been set at the Executive Level I. The cap establishes a maximum annual rate of pay at which an individual can be compensated for full time effort over a twelve-month period. Salary charges to a grant, contract, or cooperative agreement from this agency cannot be paid at a monthly rate that exceeds 1/12th of the maximum annual rate of pay then in effect (1/9 for those who hold 9-month appointments). If your salary exceeds the NIH cap, you may only charge to NIH grants that portion of your Institutional Base Salary that represents the effort provided to those projects multiplied by the NIH cap. The excess must be charged to a non-sponsored project. This same rule holds true for summer salary as well: to the extent that your salary exceeds the NIH cap (computed monthly if necessary for those with an appointment less than 12 months), the excess must be funded from a non-sponsored source.

For those individuals whose salary exceeds the cap, your effort certification report will automatically reflect that cost sharing as discussed previously.

Example: Assuming an NIH cap of $186,600 (the cap as of 1/1/07), if your 9 month Institutional Base Salary is $200,000 and you devote 40% of your time to an NIH grant, then the salary charge to that grant is limited to $74,640 (i.e., $186,600 times 40%). However, since 40% of your Institutional Base Salary equates to $80,000 (i.e., $200,000 times 40%), the difference of $5,360 may NOT be charged to this or any other sponsored project, and must be funded from departmental resources.

Since the salary over the NIH cap is typically not separately identified in the charge to departmental resources, it is vital that both faculty and Grants Officers take care to ensure that sufficient funds are charged to those departmental funds to cover all of the salary over the cap related to any and all NIH grants that the individual is working on.

How do you access the Effort Reporting and Summer Salary systems?

The Effort Reporting system is accessible at:

https://www.rfcuny.org/RFWebsite/electronic-tools/effort-reporting/

The Summer Salary system is accessible at:

https://www.rfcuny.org/RFWebsite/electronic-tools/summer-salary/

What if you have forgotten your Username and Password?

Please email weblogonid@rfcuny.org or call (212) 417-8450

Who should you contact if you have questions or concerns about effort and effort reporting that are not addressed in this Q&A?

Please feel free to email or call the following individuals with any questions or concerns.

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