

## Georgia State University

### Personnel Effort Reporting Procedures

These procedures should be read in concert with the Personnel Effort Reporting Policy.

#### A. Salary Allocation for Effort

Procedures for salary allocation ensure that salary distribution involving sponsored project accounts occurs concurrently with actual project effort and that PIs and other key personnel fulfill their effort commitments.

1. Upon receipt of a new award, PIs and other key personnel review their *effort commitments* to all sponsored and non-sponsored projects to ensure that they can honor their commitments. Commitments to sponsored and non-sponsored activities cannot sum to more than 100%. Appropriate action should be taken if changes need to be made, including seeking prior approval from the sponsoring agency for significant reductions in effort on the new or other sponsored projects and discussing with their department head changes in non-sponsored activities. (See Section F for a detailed explanation of effort commitments.)
2. PIs will inform the appropriate department administrative staff member who has been assigned responsibility for unit level processing of PERS (to be known as the PERS Coordinator in this document, but will have more standard titles in a department such as Business Manager, Grants and Contracts Specialist, Accountant, etc.) of the proposed effort for all personnel on their sponsored project, including themselves, as well as how the new award affects effort for other sponsored and non-sponsored projects.
3. PIs must also make sure their PERS Coordinator know about any committed uncompensated effort (i.e., *committed cost share*.) This is effort funded by University funds that was included in the proposal. Committed cost share must be documented through a companion account associated with that sponsored project. This includes committed cost share that occurs because of sponsor-imposed salary caps (e.g., NIH).
4. *Voluntary uncommitted effort* (defined as effort expended on the project that is not committed in the proposal or compensated for by the sponsored project) is not documented on a Personnel Action Form (PAF) or on the Personnel Effort Report (PER) as sponsored activity.
5. As soon as the PERS Coordinators are informed, they will initiate a PAF. The timely completion of the PAF will ensure that an employee's salary distribution between sponsored projects, companion accounts (for committed cost sharing), and non-sponsored funds are consistent with their effort.
6. During the life of a sponsored project, PERS Coordinators must be informed of any changes in effort. If at all possible, this should occur prior to when an employee's actual effort changes. PERS Coordinators will complete a PAF so salary distribution will reflect actual effort as soon as possible.
7. PIs approve the PAFs for all personnel employed on their grants.

## **B. Effort Reporting Process**

1. Three times a year a PER will be generated by the Effort Reporting System for all personnel covered by the Personnel Effort Reporting Policy. Georgia State University uses a web-based electronic Effort Reporting System (ERS). The PER will contain estimates of effort based on the percentages of an employee's IBS that are allocated to all sponsored and non-sponsored accounts. These effort estimates are based on salary allocation percentages from the University payroll system. They are therefore based on proposed effort allocations rather than actual effort. They are provided solely for informational purposes.
2. Departmental PERS Coordinators should pre-review the PERs for all individuals in their unit and determine if the effort allocation is consistent with their records (e.g., their PAFs, notes based on discussions with PIs). Departmental PERS coordinators can complete the University-funded effort summary screen during prereview based on knowledge of employees' workload. After prereview is completed, the PERs become available to appropriate certifiers (defined in section in Section E.)
3. Certifiers must review the effort percentages on the PER initially based on salary allocation and determine if those percentages reasonably correspond to the percentages of the actual effort on each sponsored project or activity. They should also estimate the percentage of University-funded effort spent on instruction, research, and other, as defined on Table 1 of the PER Policy. The completed PER must reflect the individual's total University effort (see definition in PER Policy). Total University effort (sponsored and non-sponsored combined) cannot be more or less than 100%.
4. If effort percentages based on salary allocation reflect actual effort, the certifier should certify the PER. Effort certification is the affirmation by the individual completing the PER that the percentages of effort reported on the report for the timeframe being considered are accurate. It is understood that such estimates only need to be reasonable and that effort devoted to different activities are frequently inextricably intermingled. Knowingly signing an inaccurate effort certification is a serious violation of University policy, as well as potentially a violation of civil and criminal fraud statutes.

## **C. Timing**

1. Georgia State University uses after-the-fact certification.
2. For fall and summer semester, PERs are created 30 days after the close out of the semester. Certifiers are responsible for completing effort certification within 30 calendar days from the time that effort reports are available for certification (i.e., 60 days after the close out).
3. For spring semester, the creation of PERS and the certification period occur on an accelerated schedule in order to be completed by the close of the fiscal year.

## **D. Changes in Effort Report**

### **Changes initiated by the Certifier before the end of certification period**

1. When the percentage of actual effort expended is *less* than the percentage of salary charged to the sponsored project, the certifier must correct the PER. The certifier will change the effort allocation on the PER to reflect actual effort distribution. The certifier can then certify the corrected PER. When the percentage of actual effort is *more* than the percentage of salary charged to the sponsored project, no change in effort allocation is required because this effort is considered uncommitted voluntary cost sharing (see below).
2. The department PERS Coordinator must complete the appropriate PAF reallocating salary so that there is a change in the actual payroll distribution in the payroll system to match the actual effort. Note that all such PAF changes for Spring Semester must be made before the end of the fiscal year (June 30) in accordance with the Georgia State University's year-end close-out procedures.

### **Retroactive adjustments to salary allocation**

Retroactive adjustments to salary allocation are changes in salary allocations after the certification period (i.e., 60 days after the close of summer and fall semester or after the end of the fiscal year).

1. PAFs used for retroactive salary adjustments must be accompanied by a written request from the PI detailing the justification for the change. Lack of oversight or unidentified mistakes have not been widely accepted in recent audits as adequate justifications.
2. Retroactive salary adjustments must be approved by Research Financial Services prior to being processed. Such approval is contingent on an adequate justification.
3. Retroactive salary adjustments requesting costs be charged onto sponsored projects will not be approved if the requested adjustment is more than one year after the date of the initial charge.
4. If a PER has already been certified, it will be deleted. A revised PER will be generated based on the salary adjustment.
5. The PI must certify the revised PER.
6. Retroactive salary adjustments are cost transfers and must be completed in accordance with Georgia State University's Cost Transfer policy and procedures.

## **E. Who can certify PERs?**

*Employees whose salary allocation includes charges to a sponsored project(s) or a cost share account.*

PERs must be certified by someone who has a "suitable means of verification that the work was performed." (OMB A-21 Section J.10.c.2.c). Typically, the department staff including the PERS

Coordinator does not have after-the-fact knowledge of an employee's Total Work Effort and should not certify the effort of employees whom they do not supervise.

1. Faculty members on sponsored projects are required to certify their own PER.  
In extraordinary circumstances where a faculty member on a sponsored project is unavailable to certify his or her PER, the Assistant Vice President for Research Administration (AVP) or designee will be notified and the AVP will determine the appropriate steps to achieve certification.
2. For other personnel on sponsored projects:
  - PIs typically certify the PERs of employees working on their sponsored projects except for other faculty.
  - The PI can designate another individual to certify a sponsored project's PERs. PIs must inform the department administrator in writing that the designee has suitable means of verifying the employee's effort on the sponsored project (e.g., a Laboratory or Project Director).
3. Employees may certify their own effort reports.

*Employees funded solely by University funds*

Department coordinators can complete and certify PERS. This should only occur when employees do not expect to be funded by sponsored projects in future semesters.

**F. Effort Commitment in Proposals and Subsequent Fulfillment**

**The following is a more detailed explanation of the relation between effort commitment, actual effort, and effort certification**

Levels of effort in any sponsored project proposal should be consistent with the actual effort that each individual is expected to expend on the project, except when not allowed by the sponsoring agency (e.g., academic year for many NSF programs.) The amount of salary support requested normally should be determined by multiplying the proposed level of support by the individual's Institutional Base Salary (IBS). (See below for more detailed examples).

*For example, if the proposed level of effort is 33.3% (or three person months for an academic year appointment), and the individual's IBS is \$60,000, the requested salary support would be \$20,000 per year.*

For proposal purposes, proposed level of effort must be expressed in accordance with sponsor requirements. Some sponsors require the level of effort be proposed in terms of person months (equivalent to one month of work), while others expect the proposed level of effort in percentage term (e.g., three person months is the same as 33.3% of a 9-month appointment). Salary requests also can be used to determine effort commitments (i.e., % of salary funded by sponsored project = % effort committed.)

Faculty members at Georgia State University have either 9 or 12 month appointments. Faculty members with 9 month appointments typically divide effort between the 9 month academic year and the 3 month summer term. This division of effort across the calendar year is different from payroll distribution (that divides the year into 10 and 2 month periods).

Not all proposals are awarded; therefore, an employee's proposed effort may exceed 100%. It is the PI's responsibility to ensure that all key personnel can honor their effort commitments as determined by the terms and conditions of the award. Federal agencies (either via direct or indirect funding through federal flow through) require PIs to fulfill their effort commitments. At the time of an award or during the lifetime of an award, a PI may need to negotiate a change of effort commitments with the sponsoring agency. Documentation of sponsor approval of changes to effort commitments must be sent to the PI's Sponsored Programs Officer at Georgia State University.

When an awarded budget reflects a reduction from the proposed budget, the PI must evaluate and determine the impact on effort commitments. Generally, a budget reduction of 25% or more from the proposed budget indicates that a proportional reduction in the effort commitment is appropriate, along with a reduced project scope of work. PIs should negotiate the reduced commitment of effort and scope of work at the time of the award.

*Minimum effort.* Faculty are expected to propose some level of activity (>0%) and the corresponding salary on which they are listed as Principle Investigator or key personnel unless specifically not allowed by the sponsor.

*Maximum effort.* Maximum amount of effort an employee can devote to a project is 100%. However, faculty generally have responsibilities for teaching, administration, and service that would preclude them from devoting 100% of their time to sponsored activities. During any period that a faculty member is devoting 100% of their University Effort to sponsored projects, he or she cannot devote a significant amount of their effort to other activities that are considered part of their University effort (see Table 1 of PER Policy).

### **Effort during Academic Year**

Faculty with nine month appointments can frequently expend effort on a sponsored project because they decrease effort on instructional activities and teach fewer courses during the academic year. However, effort and corresponding salary distribution is not synonymous with "course buyouts." The following are examples of different ways faculty may fulfill their effort commitments to sponsored projects during the academic year.

1. Faculty may negotiate with their department head for a reduction of their instructional activities in order to fulfill their effort commitments during the academic year. They also may reduce their University-funded "other" or "research" activities (see Table 1 of the PER Policy for definitions).

*For example, when not working on a sponsored project, Dr. Jones's University-funded (non-sponsored) workload during the academic year is 34% research, 33% instruction, and 33% other activities. After receiving an award, she is committed to spending 33% of her academic year effort engaged in activities related to the sponsored project and receives 33% of her salary from that project. She reduces her instructional load one course each semester and also engages in less service activities than is typical for her unit. Her Personnel Effort Report would indicate that she spent 33% of her effort on the sponsored project and 67% on non-sponsored activities. She distributes her non-sponsored activities as 24% research, 20% instruction, and 23% other.*

2. Faculty who are expecting to maintain a consistent level of effort on a sponsored project across the academic year should allocate the same percentage of salary to that sponsored project for fall and spring semesters.

*For example, Dr. Brown has committed 12.5% of his time for the academic year to a sponsored project and is released from teaching a course in the fall. If he is spending the 12.5% effort equally across the semesters, he should charge the sponsored project 12.5% for both fall and spring semesters. If he is only expending effort in the fall, he would charge the sponsored project 25% of his salary fall term.*

3. Faculty may devote time to a sponsored project and reduce department/university research, non-coursework instruction, or other activities without a reduction in teaching load.

*For example, Dr. Smith, as a co-PI on a funded project, commits to spending 5% to the sponsored project. His salary distribution would be divided between the sponsored project account (5%), and University accounts (95%). He divides his effort into these four types of activities: 5% on sponsored activities, 29% on department/University research, 33% on University instruction, and 33% on other activities.*

4. A faculty member may devote more effort to a project than is committed in the proposal or reflected in salary allocation. This is known as *voluntary uncommitted effort* and is part of the faculty member's non-sponsored (university) activities. University workload should be such that effort can be devoted to the project.

*For example, Dr. Clinton is working on her NSF-funded sponsored project during the academic year. She did not commit any specific amount of effort during the academic year in her proposal because the NSF program will not fund faculty salaries during the academic year. 100% of her effort is devoted to non-sponsored activities and her work on the NSF project is part of her university/department research activities. She may or may not be devoting more than the 34% of her total workload to research. She will divide her university workload accordingly.*

*For example, Dr. Bush commits to spending 25% of her time to her sponsored project during the academic year and charges accordingly. She actually devotes 40% of her time to the project. Her PER will indicate she spent 25% of her time on the sponsored project, and 75% on University-funded effort. She divides her University-funded effort into 30% research, 20% instruction, and 25% other.*

5. A faculty member may commit to expend effort on a proposal during the academic year but not request salary. This is committed cost sharing and must be documented in a companion account and follow cost share policy and procedures for mandatory and voluntary committed cost sharing.

### **Summer Effort**

Faculty that have nine month academic appointments are permitted to expend up to an additional three months of summer effort on one or more sponsored project and earn up to three months of summer salary. This would be 100% of effort during the summer semester if that effort is devoted to sponsored activities. Effort devoted to a sponsor project during the summer can range from 1 to 100%, if a faculty member is not teaching a course. A course accounts for 30% of summer effort.

A request for summer salary indicates a commitment to put forth the comparable effort on the particular project during the summer, not the academic year. Effort expended during the academic year does not satisfy a commitment related to the receipt of summer salary. Faculty who receive summer salary from a sponsored project will be required to certify that that effort occurred during the summer salary period.

*For example, Professor Smith receives 100% of her salary during the summer months. She will be required to certify that she spent 100% of her summer effort devoted to the sponsored project.*

If a faculty member has administrative, instruction, or non-research responsibilities during the summer period, generally, they are precluded from devoting 100% effort to sponsored projects and thus from requesting 3 months from those sponsored projects.

### **Academic vs Summer Effort**

Most sponsors consider effort commitments in terms of the sponsored project's *budget period*. For faculty with 9 month salaries, effort committed during academic and summer periods do not need to be fulfilled during those periods, as long as actual effort for a budget year is not significantly reduced from the committed effort for that budget year AND the faculty member can certify they expended the effort during the period the sponsored project is charged.

*For example, Dr. Lui committed to three person months (or 33.3%) of effort during the academic year in her proposal and commits no effort during the summer months. At the*

*time of the award, she decides to devote 100% of her effort during the summer months to the sponsored project. She does not have any additional funds to charge the sponsored project for her academic year salary. She has fulfilled her commitment for the year. However, she must expend 100% of her effort during the summer period. Any effort devoted during the academic year cannot be used to fulfill the summer months' effort. It is considered volunteer uncommitted effort and is not tracked as sponsored activity.*

**Fulfillment of commitment through cost share accounts.**

Because of unexpected expenditures for a sponsored project, a faculty member may wish not to charge his or her salary to the sponsored project. Committed effort can be fulfilled by establishing and charging a companion cost share account. However, this is voluntary committed cost share and requires prior approval by the faculty member's chair, dean, and the Vice President for Research due to its impact on F & A rates (see Cost Share Policy and Procedures).