



Boston College: OFFICE FOR SPONSORED PROGRAMS Effort Reporting Policy

Policy Statement

Boston College receives external funding for sponsored programs from various sources with the largest funding source being the Federal government. Boston College must comply with government regulations including the Federal government's Office of Management and Budget (OMB) 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Boston College requires all individuals who receive sponsored funding to comply with Boston College's policies and procedures, the sponsor's terms and conditions, and any regulations regarding the proposing, charging, and reporting of effort and the associated salary costs on sponsored awards.

Employees of Boston College (faculty, staff, and students) are expected to charge their time to sponsored awards commensurate with the committed effort expended on all activities they perform. Payroll costs charged to sponsored awards, and cost sharing recorded for faculty and staff are the initial data points for Boston College's effort reporting system.

Scope and Applicability

This policy is applicable to all sponsored awards and **must** be followed by schools, departments, centers, institutes, and employees of Boston College involved with sponsored awards.

Policy Effective Date and Revision Dates

The Office for Sponsored Program's Effort Reporting policy was effective on December 30, 2009. It was revised in May 2014, April 2016, and April 2018.

Policy Details

Internal Controls and Salary Costs Charged to Sponsored Awards

OMB's 2 CFR 200 has increased the emphasis on internal controls, and it is the policy of Boston College to comply with regulations imposed on sponsored awards. The system of internal controls associated with salary costs charged to sponsored awards at Boston College has the internal controls for the payroll system process as its foundation.

The starting point for The Boston College Sponsored Programs - Employee Effort Report (the Effort Report) is the salary, wages, and fringe benefit costs charged to a sponsored award, and any

associated cost sharing account, through Boston College's payroll system. Boston College's policies and procedures for Human Resources and payroll processing for faculty, staff, and students are therefore at the heart of the Effort Report process.

An employee's effort is first assigned to a sponsored award in the payroll system based on anticipated activities. Boston College uses an after-the-fact effort reporting system to certify that salary and fringe costs charged, or cost shared to sponsored awards, are reasonable and consistent with the work performed by the employees (faculty, staff, or students). Charges for work performed on Federal awards by faculty members during the academic year are allowable at the Institutional Based Salary (IBS) rate.

Principal Investigators (PI's) should periodically review the list of employees who are being paid from sponsored awards under the PI's purview. The Office for Sponsored Programs (OSP) expects PI's, in conjunction with their Departmental Research Administrator (DRA), to utilize the Transaction Detail Report (TDR) in their review process along with other tools at their disposal. OSP expects PI's with their DRA's to review who is paid from each award prior to the distribution from OSP of the Effort Report.

OSP recommends that at least on a quarterly basis that PI's with their DRA's compare the listing of employees working on sponsored awards to the payroll payments that are processed. Frequent review of salary costs charged to sponsored awards should improve the Effort Report process and help to ensure salary costs are charged timely and accurately. Proactively reviewing the salary costs charged to awards will help to ensure costs are charged properly, changes are made using the Employee Change Request Form, and decrease the number of Labor Redistribution Forms processed.

Percentage of Effort

Employees of Boston College (faculty, staff, and students) are expected to charge their time to sponsored awards commensurate with the effort expended on all activities they perform. Payroll costs charged to sponsored awards, and cost sharing recorded for faculty and staff are the initial data points for Boston College's effort reporting system and The Boston College Sponsored Programs - Employee Effort Report (the Effort Report).

100% effort is the maximum amount of effort expended to accomplish the professional activities of Boston College faculty, staff, and graduate students regardless of the actual number of hours expended on those activities. 100% effort is not defined as a single, standard number of hours or days per week, since it will likely be different for each employee and may vary during the year. The Effort Report must represent a reasonable estimate of each employee's effort for the time period listed. OMB's 2 FR 200 section §200.430(i)(C)(x) states, "It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to Federal awards for Institutions of Higher Education (IHEs), a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected."

Employees of Boston College are expected to commit some level of effort (>0%) on a sponsored award on which they are listed as a Principal Investigator or as key personnel, with the exception of equipment and instrumentation grants, doctoral dissertation grants, student supplement grants, and institutional/individual training grants (for faculty mentors). Most PI's and key personnel have other responsibilities for teaching and/or other administrative responsibilities. Therefore it is not usually feasible to have 100% effort charged to sponsored awards.

Also some sponsors may impose a limit/cap on the annual rate of salary. Nevertheless, Principal Investigators must still devote the full committed effort as proposed and/or was awarded by the sponsor without regard to the salary reimbursement limitation.

Amounts paid that should be excluded from the effort report percentage are any bonus pay, overload compensation, and compensation received from sources other than Boston College (such as compensation from outside consulting work as permitted by Boston College policy).

Changes to the Effort Report

Principal Investigators (PI's) and Departmental Research Administrators (DRA's) must ensure that costs charged to, or cost shared to, sponsored awards for salary, wages, and fringe benefits are allowable, allocable, reasonable, and documented in accordance with the terms and conditions of the sponsored award and Boston College's policies and procedures. As noted in the Internal Controls section above, PI's in conjunction with their DRA's should periodically (at least quarterly) review salary costs charged to a sponsored award to ensure the funding source for each employee's payroll payment is in line with the actual sponsored award(s) work each employee is performing.

The Effort Report is the documentation Boston College uses to provide assurance to sponsors that salary costs charged, or cost shared to sponsored awards are reasonable in relation to the work performed. Proactively reviewing the salary costs charged to awards will help to ensure costs are charged properly, changes are made using the Employee Change Request Form, and decrease the number of Labor Redistribution Forms processed.

However, there may be situations when a Labor Redistribution Form will need to be processed, and may not have completed the processing cycle in time to be reflected on the Effort Report. If a Labor Redistribution Form is in process and not yet reflected on the Effort Report, then the PI and DRA must make a note of it on the Effort Report. Labor Redistribution Forms that are processed, if not already reflected in the Effort Report, will be reflected in the next time period that Effort Reports are run. The processed changes will be provided in the Prior Period Adjustments section at the end of the Effort Report.

Effort Report Signers and the Certification Language

A Principal Investigator (PI) is the person primarily responsible for a sponsored award. Although Boston College is legally responsible to the sponsor as the actual recipient of a grant or contract, the PI is accountable for the proper fiscal management and conduct of the sponsored award.

Because Boston College entrusts a PI with a high level of responsibility, the signing authority for the Effort Report is bestowed on the Principal Investigator. On the Effort Report, the employee listed as the Designated Responsible Person is the PI for the sponsored project. The PI oversees the work performed by employees and is able to attest to each employee's salary costs charged or cost shared to a sponsored award under his/her purview and provide assurance that the charges reasonably reflect the effort expended and work performed during the time period of the Effort Report.

Before signing the Effort Report, the PI should review the Effort Report and note on it any needed changes (such as Labor Redistributions that are in process, as described in the section above titled Changes to the Effort Report). By signing the Effort Report, the signer is providing his/her certification that the information represented is to the best of the certifier's knowledge accurate and complete.

Certified Effort Reports are considered legal documents in which the individual who signs the report is attesting to the accuracy of the effort spent on sponsored awards. For this reason, it is in rare situations that OSP may permit an Effort Report to be signed by another employee (such as a Director of an Institute or the Chairperson of a Department) but these situations must be discussed with OSP's Associate Director for Financial Management and Compliance prior to returning the signed Effort Report to OSP.

The certification language on Boston College's Effort Report is, "I hereby certify that all direct labor charges, related to project(s) above, for which I am the responsible person, subject to any noted adjustments, are reasonable, and reflect employee effort without significant variations."

Effort Reports may be electronically certified if the electronic signature includes the employee's name and the date of the signature.

Due Date for Certified Effort Reports

Certified Effort Reports are required to be returned to OSP within 45 days from the date that OSP sends the Effort Report to either the Principal Investigator, Designated Responsible Person, or Departmental Research Administrator.

Effort Report Certification Periods and Timing

Effective January 2014, the Effort Reports are for the following periods: January 1 through May 31, June 1 through August 31, and September 1 through December 31.

Compliance / Penalties for Non-compliance

All employees involved in certifying effort must understand that inaccurate, incomplete, or untimely effort reporting could result in financial penalties, funding disallowances, and harm to the reputation of the individual and Boston College. It is therefore incumbent upon all Boston College faculty and staff involved in the effort reporting process to ensure that they abide by the provisions of this policy.

Roles and Responsibilities

Principal Investigator (PI's):

- Comply with Boston College's policies and procedures, the sponsor's terms and conditions, and any regulations regarding the proposing, charging, and reporting of effort and the associated salary costs on sponsored awards.
- Ensure all costs charged to sponsored awards are allowable, allocable, and reasonable in accordance with Boston College policies and procedures, and sponsors' requirements.
- Responsible for the proper fiscal management and conduct of the sponsored award.
- Charge his/her time to sponsored awards commensurate with the effort expended.
- Notify OSP of changes in key personnel and/or commitments.
- Ensure effort commitments are met and in accordance with the level of effort in the award or proposal documentation.
- On a regular basis, review the list of employees who are being paid from sponsored awards under the PI's purview to ensure proper charging of salary costs.
- Approve Labor Redistribution Forms.
- Certify Effort Reports.
- Return certified Effort Reports to OSP timely.

Department Research Administrator (DRA):

- Comply with Boston College's policies and procedures, the sponsor's terms and conditions, and any regulations regarding the proposing, charging, and reporting of effort and the associated salary costs on sponsored awards.
- Ensure all costs charged to sponsored awards are allowable, allocable, and reasonable in accordance with Boston College policies and procedures, and sponsors' requirements.
- Assist the PI with the review of employees who are being paid from sponsored awards under the PI's purview to ensure proper charging of salary costs.
- Charge his/her time to sponsored awards commensurate with the effort expended, and as permitted by the sponsor's terms and conditions and Boston College's policies and procedures.
- Assist PI in ensuring effort commitments are met and in accordance with the level of effort in the award or proposal documentation.
- Assist PI with notifying OSP of changes in key personnel and/or commitments.
- Assist PI with reviewing Effort Reports, as needed.
- Assist PI with Labor Redistribution Forms, as needed.
- Assist PI with returning certified Effort Reports to OSP timely.

Human Resources (HR):

- Sets policies and procedures for employees of Boston College.
- Sets policies and procedures for processing payroll costs at Boston College.
- Processes payroll related transactions including Labor Redistribution Forms.

Office for Sponsored Programs (OSP):

- Comply with Boston College's policies and procedures, the sponsor's terms and conditions, and any regulations regarding the proposing, charging, and reporting of effort and the associated salary costs on sponsored awards.
- Review sponsored project expenditures to ensure all costs charged to sponsored awards are allowable, allocable, and reasonable up to and including final closeout.
- Provide training on effort reporting, as needed and requested by department personnel.
- Provide technical support to PI's and DRA's for the interpretation of sponsor's terms and conditions, and OSP's policies and procedures.
- Review and process transactions for salary-related costs.
- Contact sponsor regarding changes in key personnel and/or commitments, as required by sponsor's terms and conditions.
- OSP is responsible for the distribution, collection, and retention of all Effort Reports.

Definitions

See [OSP's Definitions](#) and *Glossary of Terms*, as well as OMB's *Uniform Guidance*.

Contacts

If you have any questions about this policy, how to treat a specific cost, or need additional information or training on the topic, please contact the Office for Sponsored Programs main number at 617-552-3344 or directly contact your area's OSP Liaison ([OSP Staff](#)).