

---

## MANAGING AND CERTIFYING EFFORT ON SPONSORED PROJECTS

---

### A. Purpose

Effort certification policies, procedures, and reports are essential to ensure the salaries and wages charged to sponsored projects are allocable, allowable, consistently treated, and reasonable. The purpose of this policy is to provide requirements and guidelines for time and effort reporting and management of effort commitments for all sponsored projects at The University of Texas Rio Grande Valley (UTRGV).

### B. Persons Affected

This policy applies to all individuals receiving funding in whole or in part from an externally or internally-funded sponsored project of any type. This policy also applies to any individual with responsibility for allocating labor expenses to sponsored projects and to any individual involved in the management, administration, or oversight of sponsored projects.

### C. Policy

1. It is the policy of UTRGV to comply with federal guidelines and regulations regarding effort certification of individuals on sponsored projects and to maintain records that accurately reflect the effort contributed by individuals to sponsored projects. Effort committed by individuals on sponsored projects must reasonably reflect the time devoted to each sponsored project, and also allow the individual to fulfill the individual's other institutional obligations.
2. Primary individuals are required to use UTRGV's effort certification system to certify their own effort and the effort of supporting individuals that worked on their sponsored projects, and are responsible for the accuracy of the certifications. Primary individuals must verify the effort compensated as salaries charged to sponsored projects every semester. Primary individuals must verify the effort compensated as wages when approving non-exempt employee timecards each month.
3. Effort-related policies are not intended to and will not in any way change the employment relationship between UTRGV and any of its employees.
4. Non-compliance with this policy may lead to suspension of the Primary Individual's research rights and privileges with UTRGV. If the Primary Individual does not adhere to this policy and certify effort within the 30-day certification period, UTRGV may refuse to allow the Primary Individual to submit proposals and may inactivate existing accounts in the accounting system.

5. UTRGV is required under federal regulations and the terms and conditions of its sponsored projects to comply with all compensation documentation requirements. Failure to comply with the requirements of this policy and its accompanying procedures could result in an individual being subject to discipline, up to and including termination of employment or non-renewal of appointment. In addition, an individual who makes a false compensation documentation may be subject to criminal prosecution.
6. All Supporting Individuals (who expend effort and cost sharing on sponsored projects), Primary Individuals (who certify their own effort and the effort of their supporting individuals), and Department Effort Coordinators (DEC) involved with the effort certification process are required to complete the UTRGV – Time and Effort Certification Training, which is part of the Online Employee Compliance Training.

#### **D. Procedures**

##### *1. General Requirements:*

- a. All individuals should review the Uniform Guidance [2 C.F.R. 200.430 Compensation – personal services](#).
- b. Primary Individuals are required to use UTRGV's effort certification system to certify their own effort and the effort of their supporting individuals that worked on their sponsored projects during each certification period. The Primary Individual can authorize a Department Effort Coordinator to review the effort statements, but the Primary Individual remains ultimately responsible for the accuracy of the certification.
- c. The Primary Individual is responsible for determining the appropriate effort committed on a sponsored project. The effort must reflect a reasonable estimate of the time that will be required to conduct the project.
- d. The Primary Individual is required to complete the effort certification within 30 days of receipt of notification by the Grants and Contracts Department to certify effort.
- e. A minimum commitment of 1% is required on the part of the Primary Individual and other key personnel during the project and must be charged to the projects or authorized through a cost share form.
- f. The effort expended on total institutional activities should equal 100%. Generally, most faculty have responsibilities for teaching or service that would preclude them from devoting 100% of their time to sponsored activities; exceptions to this include key research staff who do not have other responsibilities. Thus, in most situations, UTRGV

requires that a researcher not commit more than 80% effort on sponsored projects. In all cases, the researcher's nine-month salary rate cannot exceed his or her institutional base salary (IBS) rate on sponsored projects.

- g. For NIH awards, the researcher's academic salary plus summer salary (i.e., "annualized" salary) claimed on a project cannot exceed the annual NIH salary cap. Salary in excess of the NIH salary cap must be cost shared. The NIH salary cap is revised every calendar year and is available at [http://grants2.nih.gov/grants/policy/salcap\\_summary.htm](http://grants2.nih.gov/grants/policy/salcap_summary.htm).
- h. The number of months during the summer that a researcher can claim salary may be limited by summer teaching assignments and by individual funding agencies. For example, NSF limits summer salary to no more than two-ninths of the regular academic-year salary.
- i. Primary Individuals are not allowed to charge a higher monthly salary over the summer than during the rest of the academic year.
- j. Should the effort of the faculty/researcher charged or contributed as cost sharing to sponsored activities reach the maximum level of effort, before adding any more commitments, the Primary Individual must request (through the dean/chair) a release from other institutional activities to ensure that the total institutional activities equal to 100%.
- k. Commitment of summer effort for all sponsored activities can be up to, but not more than, 100%, assuming that the researcher does not teach during the summer. Some agencies do not allow payment of 100% salary for all three months during the summer (e.g., NSF). Researchers should check with the guidelines for sponsoring agencies.
- l. All researchers and others who are authorized to certify or save the effort statements for Primary Individuals are required to complete an effort-training course prior to performing the effort certification. Subsequent training will be provided in accordance with the following schedule, or more frequently if determined by the requirements of sponsoring agencies:
  - i. for researchers and others who have been previously authorized, training will occur at least once every two years.
  - ii. for newly hired, assigned, or engaged researchers or unauthorized persons, training will occur 30 days after the date that the person is:
    - ii.i. hired by UTRGV, or

ii.ii. otherwise engaged or assigned to a sponsored activity.

2. *Primary Individual Responsibilities:*

- a. Identifying all intended effort on a project when submitting a proposal.
- b. Reviewing proposed commitments with the appropriate administrator responsible for the commitment (e.g. chair, dean, or director), and obtaining his or her approval prior to submitting a proposal to the Office of Sponsored Programs (OSP); and again prior to UTRGV's acceptance of an award.
- c. Coordinating the review of effort statements and initiating adjustments as necessary. All effort adjustments for the period must be identified and initiated at this time in accordance with UTRGV policy [ADM 07-303](#), Cost Transfers for Sponsored Projects.
- d. Certifying their own effort each certification period and the effort of their supporting individuals that worked on their sponsored projects. The effort certification must be completed within 30 days of notification by the Grants and Contracts Department to certify effort using UTRGV's effort certification system. The Primary Individual is required to monitor the level of effort committed to all projects.

3. *Responsibilities of Chairs and Deans:*

- a. Determining the balance between the Primary Individual's research, teaching, and service. The deans of the colleges are also responsible for setting the minimum and maximum levels a Primary Individual can commit to sponsored projects and for providing OSP with that information.
- b. Ensuring that individuals do not become over-committed with more obligations than they can undertake successfully.
- c. Ensuring departmental and college needs are met, considering the different commitments undertaken by members.

4. *Supporting Individuals on sponsored projects (grants) are responsible for:*

- a. Reviewing their effort commitment and raising questions to the Primary Individual on their sponsored projects, department managers, or OSP about possible errors they perceive or anticipate;
- b. Seeking resolution through OSP in cases where they do not reach agreement with the Primary Individual about the correct effort percent that should be certified on a project.

5. *Responsibilities of the Office of Sponsored Programs (OSP):*

- a. Reviewing and authorizing the proposal/applications of faculty/researchers.
- b. Ensuring that the Primary Individual has gained approval from the department chair or dean for proposals that include effort exceeding their thresholds (research, service, or teaching) approved by the chair or dean for time either contributed to or charged to the project.
- c. Ensuring that any faculty member adjustments in effort are negotiated with other funding agencies so they may commit effort to more than one sponsored project as long as the cumulative committed effort from all such sponsored projects does not exceed the applicable maximum level of committed effort.
- d. Ensuring effort commitments have been reviewed and approved at the project proposal stage and upon consideration of a project award.
- e. Ensuring that all cost sharing is authorized and that a cost sharing form is completed and approved by the account manager and account manager's supervisor for the account to be charged.
- f. Accepting awards on behalf of UTRGV subject to proper verification of the appropriate terms and conditions and any approvals required by the department chair/dean or sponsor.

6. *Responsibilities of the Grants and Contracts Department:*

- a. Ensuring Primary Individuals certify their effort and the effort of their supporting individuals that worked on their sponsored projects after every semester through the UTRGV's effort certification system.
- b. Reviewing all certified effort statements for compliance.
- c. Taking steps to notify the Primary Individual of non-compliance by e-mail.
- d. Developing education and training programs to assist all administrators, faculty, and staff in understanding the intent and the implications of policies related to effort certification.

7. *Responsibilities of the Senior Vice President for Research and Innovation (SVPRID):*
  - a. Ensuring compliance with this policy.
  - b. Suspending all accounts until the certification is completed if the Primary Individual has not complied with the notified deadlines.
  - c. Establishing an effective monitoring process that is based on risk assessment, identification of internal controls, identification of monitoring strategies to be deployed, and effectively communicating the monitoring plan criteria to the executive managers.

#### **E. Definitions**

1. Award – Depending on its context, either: (a) the terms and conditions associated with a sponsor’s decision to select a UTRGV sponsored project proposal or application for funding, or (b) the Notice of Award or other documentation reflecting such a decision by the sponsor.
2. Committed Effort or Effort Commitment – The amount of effort identified in a sponsored project agreement or sponsored project proposal that is submitted and accepted by the sponsor regardless of whether salary support is requested in support of that effort.
3. Cost Shared Effort or Contributed Effort – The percent of committed effort that is contributed by an individual to a sponsored project and is to be paid and cost shared by UTRGV or a third party. It represents effort committed to the sponsored project that will be paid by UTRGV or third party resources. (For a more detailed definition of cost shared effort and more information relating generally to cost sharing, see UTRGV policy [ADM 07-302](#), Cost Sharing on Sponsored Projects).
4. Cost Sharing – The mandatory or voluntary commitment of UTRGV’s resources contained in the proposal or award agreement. The concept of matching is synonymous with cost sharing.

These are different types of cost sharing:

- a. Mandatory Committed Cost Sharing is required by the sponsor as a condition of obtaining an award; it is tracked and reported to the sponsor.
- b. Voluntary Committed Cost Sharing is not required by the sponsor but is voluntarily offered by the institution, documented and quantified in the proposal and accepted by the sponsor. This includes minimum effort not directly charged to a sponsored project, but tracked and reported to the sponsor. Voluntary Committed Cost Sharing is generally discouraged and, if proposed, must be recommended for approval by the appropriate

Dean or Vice President. Final approval rests with the Senior Vice President for Research and Innovation or designee.

5. Department Effort Coordinator – The departmental individual responsible for coordination between awards and accounts and faculty and research staff in their department, to facilitate administration of the effort commitment, charging, and certification process.
6. Effort – The amount of time spent on any activity for which an individual is compensated by UTRGV. Effort is expressed as a percentage of the individual's Total Institutional Activities, and does not assume a 40-hour workweek or any other standard workweek. Activities typically include Research (sponsored projects), Instruction (teaching/instructing students), Clinical Practice, Administrative Duties (chair, dean, proposal preparation, etc.), and other Institutional Activities (as assigned). An individual's total effort must equal 100%. For example, if an individual averages 60 hours per week during the reporting period and spends an average of 15 hours on a sponsored research/project, that represents 25% effort and the other 45 hours, allocated to other institutional activities, represents 75% effort. For a graduate student who is employed for only 10 hours, the 10 hours represent 100% effort.

Completed effort certification should reflect all activities conducted under the terms of employment, which typically does not include activities compensated by stipend payments or outside employment.

7. Individual – Any UTRGV employee who has committed effort (whether paid by the sponsor or cost shared) on a sponsored project. Where appropriate in this policy, the following subcategories will be utilized:
  - a. A Primary Individual has responsibility for the overall conduct and management of the research or activity as described in the proposal/application or as identified in the Notice of Award of a sponsored project. A primary individual is typically identified in the sponsored project award as principal investigator, project director, co-investigator, co-project director, or a person with comparable responsibilities on a sponsored project proposal. A primary individual typically, but not always, carries an academic (i.e., faculty) appointment.
  - b. A Supporting Individual is an employee other than the Primary Individual whose salary is supported in part or completely by sponsored research/project under the direction of the Primary Individual.
8. Institutional Base Salary (IBS) – The base annual compensation set by UTRGV, typically on a 9 or 12 month basis, for an individual's appointment, whether that individual's professional activities are spent on instruction, research, public service, administration, or on other areas of focus, and whether that employee is appointed full-time or part-time. IBS is the required

- basis for determining salary in proposal budgets. Excluded from IBS are fringe benefit payments, reimbursed expenses, temporary or supplemental compensation for incidental work such as very small one-off assignment on payments received for weekend workshops, and any income that an individual may be permitted to earn outside of duties to UTRGV.
9. Maximum Level of Effort Commitment – The upper limit of (or “cap” on) that primary individuals can devote to all activities associated with a sponsored project. Most primary individuals who are faculty at UTRGV working on sponsored projects generally have other responsibilities as part of their total workload that would preclude them from devoting 100% of their time and effort to a sponsored project. In most situations, faculty may not have more than 80% effort committed on a sponsored project during the academic year. However, faculty with a nine-month appointment for the academic fiscal year who have committed effort on a sponsored project may be allowed a 100% appointment during one or more summer months but cannot perform other activities during that period (e.g. serving on institutional committees, writing proposals, etc.) as these activities would reduce the effort expended on the project below the 100% commitment. Primary Individuals who do not hold faculty positions and supporting individuals may be allowed a 100% appointment on a sponsored project with a similar level of effort, provided that the individual does not perform other UTRGV related duties and does not work on research activities that are not related to the sponsored project to which he or she has committed all of his or her effort.
  10. Minimum Level of Effort Commitment – The minimum level of effort every Primary Individual is required to expend on each of the individual’s sponsored projects. If there was no level of effort described in the sponsored project proposal, there is a minimum of 1% commitment on the part of the Primary Individual and other key personnel during the period of the project. This minimum requirement does not apply to equipment grants, dissertation support, other awards intended as “student augmentation,” limited-purpose grants such as travel grants or conference support, education grants, and scholarship grants.
  11. Sponsored Projects – Activities conducted in research, instruction, training, or public service as a result of a formal written agreement (such as a grant, contract, or cooperative agreement), which agreement is typically obtained as a result of a formal application and approval process. Government, industry, or private sponsors can externally fund these activities. Sponsored projects are separately budgeted and accounted for, meaning there is a defined scope of work, a budget that identifies the costs to be incurred in the performance of the work, and the accumulation of costs actually incurred in support of the project. Sponsored projects usually involve a specific commitment of time for each individual involved in achieving the aims of the project. Sponsored projects may be thought of as transactions in which there are specified statements of work with a related, reciprocal transfer of funding.



12. *Time and Effort Certification or Effort Reporting* – formal verification through UTRGV’s effort certification system that committed effort (whether paid from the sponsored project account or cost shared) has been performed. The certification process is a key part of UTRGV’s system of internal controls that provides reasonable assurance that the charges are accurate, allowable, and properly allocated.
13. *Total Institutional Activities* – All activities for which an individual is paid by UTRGV as a result of their employment. Activities typically include Research (sponsored projects), Instruction (teaching/instructing students), Clinical Practice, continuous Administrative Duties (chair, dean, proposal preparation, etc.), and other activities (as assigned). Only activities for which the employee is paid by UTRGV to perform (as part of IBS) are considered “Total Institutional Activities.”

**F. Related Statutes or Regulations, Rules, Policies, or Standards**

Uniform Guidance [2 CFR 200.430](#), Compensation-personal services

The University of Texas Rio Grande Valley (UTRGV) Policy [ADM 07-102](#), Misconduct in Research and Scholarly Activities

**G. Dates Reviewed or Amended**

Not applicable.