



Research Office Policy 16-003 Effort Reporting

Responsible Executive: VP for Research
Responsible Office: Office for Sponsored
Research & Award Administration
Effective: 12/26/2014
Last Revised: 07/01/2016

I. Policy Statement

Oregon State University (OSU) is responsible for maintaining compliance with federal regulations governing certification of personnel effort charged to sponsored projects, also known as effort reporting. All OSU researchers who engage in sponsored projects are expected to follow the OSU policies, procedures and guidelines, as well as sponsoring agency regulations regarding the proposing, charging and reporting of effort on these projects. Effort must be certified for all individuals who receive salary support from a sponsored project or who expend committed effort on a sponsored project without receiving salary support from the sponsor. The effort devoted to a sponsored project should be consistent with the plan that was proposed to the sponsored agency and agreed to at the time of award.

II. Reason for Policy

As a recipient of federal funding, OSU is required to maintain internal controls over certifying time expended on sponsored awards in order to comply with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR §200) ("Uniform Guidance"), specifically section §200.430 which sets forth the requirements for Compensation – Personal Services. Charges to awards for salaries and wages must be based on records that accurately reflect the work performed. OSU's primary means for complying with these regulations is the quarterly Personnel Activity Report (PAR).

If OSU's policy is not followed, salary and associated costs, such as OPE and F&A, will be treated as an unallowable cost and removed from the project.

III. Scope & Audience

University-wide. OSU personnel involved with the conduct and administration of sponsored award activities must comply with this policy. These personnel include central, departmental and business center administrators, principal investigators, and other research staff.

IV. Definitions

- **Certification** – The assertion by the person who signs the PAR form that the salaries charged to sponsored awards as direct charges or cost sharing reasonably reflect the effort expended and work performed during the reporting period.
- **Committed Effort** – Amount or percentage of time an individual has communicated to the sponsor that he/she will work on a specific sponsored project over a specified period of time. Commitments are made in the project proposal to the sponsor and sponsor approval may be required to change the level of committed effort.

- **Cost Sharing** – Any project costs that are not reimbursed by the sponsor. Cost sharing of effort is the personnel time and related fringe benefits that were committed and provided in support of the project but are paid for by other funding sources.
- **Effort Reporting** – The mechanism used to verify an employee’s allocation of time in order to provide documentation and assurance to federal and other external sponsors that salaries charged or cost-shared to sponsored awards are reasonable in relation to the work performed.
- **Institutional Base Salary (IBS)** – The annual compensation paid by OSU for an individual’s appointment, whether that individual’s time is spent on research, instruction, administration, or other activities. The IBS does not include extra service pay, consulting, one-time payments or incentive pay. Additionally, IBS does not include payments from other organizations or income that individuals are permitted to earn outside of their OSU responsibilities, such as consulting. IBS must be used as the base salary on all proposals.
- **Labor Distribution (LD)** – An allocation of payroll costs to or from a sponsored award. Labor Distributions may be for future distributions or after-the-fact cost transfers taking place after the expense was initially charged to another sponsored award or non-sponsored project index.
- **Key Personnel** –Principal Investigators, Project Directors, Co-Investigators, and other individuals who contribute to the scientific development or execution of a project in a substantive, measurable way, whether or not they request salaries or compensation. **NOTE:** The definition of Key Personnel can be agency- and award- specific.
- **PAR Form** – Personnel Activity Report (PAR) form which summarizes an individual’s total effort for the reporting period. OSU issues PAR forms quarterly for certification by a responsible person with suitable means of verification that the effort was expended in the proportions shown. The certifier is typically the principal investigator for the sponsored project on which the employee is working or the employee’s direct supervisor.
- **PAR Coordinator** – Departmental or Business Center individual responsible for timely processing of PAR forms. The PAR Coordinator receives PAR forms from OSRAA and ensures that the forms are distributed to the appropriate staff for certification. The PAR Coordinator also assists with changes when the PAR form does not accurately represent an employee’s effort and for filing of the final PAR forms, once signed.
- **Reporting Period /Effort Certification Period** – The quarter during which an employee performs effort. The period of work performed for quarterly effort certifications are the calendar quarters, January-March (Q1), April-June (Q2), July-September (Q3), and October-December (Q4). The work performed includes payroll that is posted outside the calendar quarter but relates to time and effort expended during the quarter.

V. Website (specific to this policy)

<http://research.oregonstate.edu/osraa/effort-reporting>

VI. Contacts

Department	Phone Number	Website
Office for Sponsored Research and Award Administration (OSRAA)	541.737.4933	http://research.oregonstate.edu/osraa

VII. Responsibilities & Procedures

In order to comply with the Uniform Guidance Subpart E §200.430, which contains the federal regulatory requirements for internal controls over certifying time expended on sponsored projects, OSU's practice is to apply federal regulatory requirements for effort certification to all sponsored projects, and utilizes an after-the-fact effort reporting system to certify that salaries charged or cost shared to sponsored awards are reasonable and consistent with the work performed.

An individual's effort is apportioned on the composite of all activities they perform as part of their OSU appointment, including teaching, research, extension, administration and service. Individuals on a full-time appointment would be expected to calculate this on a 100% effort basis; individuals on a part-time appointment would be expected to calculate effort as a percentage of their total OSU effort. For each funded project, the effort is calculated based on project effort as a percentage of their total OSU effort. Those activities are later confirmed when actual effort expended on each project is certified by a responsible person with suitable means of verification that the work was performed, generally the principal investigator, at the end of specified reporting periods. If the anticipated activities changed, the payroll system is corrected to reflect actual project effort prior to certification of the PAR form.

OSU faculty and staff who are paid on sponsored awards, or associated cost share indices, are compensated on an Institutional Base Salary and are expected to charge their time to sponsored awards commensurate with the committed effort expended on all activities they perform. Actual salary charges are posted to OSU's accounting system and are supported by documentation. These charges serve as the basis for the information included on the PAR form and it is expected that the accuracy of time (i.e., effort) is certified through an effort statement such as the PAR form.

Additional guidelines and procedures are found in a document entitled "Guidelines for Completing PAR Forms" on the OSRAA website.

The Office for Sponsored Research and Award Administration (OSRAA) is responsible for institutional oversight on effort reporting. A comprehensive list of OSU Roles and Responsibilities may be viewed at: <http://research.oregonstate.edu/osraa/osraa-organization/roles-and-responsibilities>

VIII. Forms & Tools

Forms:

- Manual PAR Form: (<http://research.oregonstate.edu/osraa/forms-and-rates>)
- Labor Distribution Form – (<http://research.oregonstate.edu/osraa/forms-and-rates>)

Tools:

- PAR Form Status Report - APPWORX Job FRR0260
- Creating a new PAR Record folder in Nolij – APPWORX Job FRR0330

See FAQs link for APPWORX Job instructions

Frequently Asked Questions

[See OSRAA FAQs](#)

IX. Related Information

[OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section §200.430 Compensation – Personal Services](#)

Related OSU Policies:

[Labor Distribution Policy](#)

Cost Transfer Policy

Cost Sharing Policy

X. History

Last review date 10/14/16

Next scheduled review date: 06/30/18

Original issue date: Effective 10/20/2008

Note: The Office of University Compliance will attempt to track the original issue date of policy and revision dates to existing policies but will not publish this information on the website.