

EFFORT CERTIFICATION

Case Study # 25: The Case of What Effort is Where

Professor Katie has four sponsored projects from different sponsors, both federal and non-federal. All the projects are related in terms of the scientific activity. The projects start and end at different times and they have different funding levels. Professor Katie has graduate students and post-docs working on all these grants.

- *How does Professor Katie decide how much effort to charge to her salary?*
 - An individual should charge a grant based on the actual work on that project. The grant must receive direct benefit from the work. While these projects are all related, OMB Circular A-21 requires some reasonable method of dividing the costs between the awards. This method must be documented.
- *One project with only a few dollars remaining is ending and there is some last minute work to be completed. Can Professor Katie shift work to the closing grant but pay of one of the post docs or grad students from another project which has more funding available?*
 - A key principle of effort reporting is the need to certify that salaries charged to a sponsored project were reasonable in relation to the work performed. The PI should consider carefully the work plan for each specific project and the individuals who can achieve the work. Then, individuals should be appointed to the right project and be appropriately compensated for the work performed. Just because funding remains is not a good reason to move salaries to a project.
- *Would it matter if one of the projects was federal and one was private?*
 - Yes but within the boundaries of the institution's policy on cost transfers. The policy generally will cover the business practices required for timely and late cost transfers, managing extenuating circumstances, and the necessary documentation associated with each transfer. When effort is certified, it should reflect the actual work on each project associated with that payroll record.
- *If someone is working on two of the projects simultaneously, how does Professor Katie decide which grant to use to pay the salary?*
 - Again, salary charges must be a reasonable reflection of the work performed. Salaries should be allocated based on some documented and reasonable basis.
- *If someone is working on two of the projects simultaneously, how does Professor Katie decide which grant to use to pay the salary?*
 - The Principal Investigator should use reasonable efforts to determine the relative benefit received from each award and charge those awards accordingly.
- *Can Professor Katie change people's source of pay retroactively?*
 - If an error has been discovered and in order to correct that error, the PI should make necessary adjustments to salary distribution. This must be done consistent with the institution's payroll policies.