

## **Effort Reporting FAQ**

### **Q: What is Effort Reporting?**

Effort reporting, a requirement to comply with US federal regulations, is the process where salaries and wages charged to US federally sponsored projects are certified to be reasonable in relation to the effort expended on the project.

Effort reports will capture both the percentage of salary (in the form of salaries/wages/scholarships) and percentage of effort charged to a project.

1. The percentage of effort charged to a project should not be less than the effort committed to the project
2. The percentage of effort charged to the project should not be less than the percent of salary charged to the project

### **Q: Why Must Effort be certified?**

US federal regulations require that all institutions in the United States and institutions in Canada receiving in excess of \$750,000 USD in federal funding must maintain systems and procedures to document the distribution of activity and associated payroll charges to each individual sponsored agreement.

### **Q: Who must Report Effort?**

Any individual who is paid from a US federally sponsored project must have their effort certified. A responsible person with suitable means of verification that the work was performed, generally the principal investigator, will certify the effort for the specified reporting period.

### **Q. How is Effort being certified?**

The University of Calgary will be utilizing an after-the-fact effort reporting process to certify that salaries charged to US federal sponsored awards are reasonable and consistent with the work performed. This process is also utilized by other Universities in Canada and the United States to certify effort on US federally sponsored projects.

Research Accounting will prepare the effort certification report semi-annually. The principal investigator will review the effort report and certify that the payroll distribution percentages on the effort report reasonably correspond with the individual's actual effort on the project. The principal investigator will sign the effort certification form and return the form to Research Accounting.

### **Q: How is effort reporting different from payroll distributions?**

Payroll distribution is the distribution of an individual's salary, while effort reporting describes the allocation of an individual's time spent working on specific projects. The payroll distribution comprises the source data for the effort report; however, actual effort needs to be reported regardless of how the salary is distributed across the institution.



**Q. What happens if the actual percentage of effort is different from the calculated effort?**

If the salary charged to a project is greater than the actual effort expended on a project, the difference in salary expense must be transferred out of the US federally sponsored project, and into a project where actual effort was expended.

**Q. Can I make salary corrections after I have certified effort?**

Salary corrections cannot be made to periods that have been certified. Please ensure that employees are correctly charged to the project they are working on.

**Q. What is the deadline to return the signed Effort Reporting forms?**

Signed Effort Reporting forms must be returned to [finance@ucalgary.ca](mailto:finance@ucalgary.ca) within two weeks of the forms being sent out for signature. Effort reports will be emailed to principal investigators for signature for two certification periods each fiscal year: 1) April to September; 2) October to March.

**Q. What happens if I don't complete the certification?**

All faculty members who receive funding from US federal sources must certify effort. Failure to certify effort will result in suspension of research projects.