Effort Reporting
System Guide
Extramural Fund Accounting Contacts

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An Introduction to Effort Reporting

The federal government requires an effort report when an individual is compensated by or has agreed to contribute time to a federally sponsored project. All faculty who serve as investigators on sponsored agreements are personally responsible to certify the amount of effort that they and their employees spent on sponsored activities.

This guide provides an overview of effort reporting, including an explanation of why such a process is necessary and the minimum requirements for the process.

The University fulfills the effort reporting requirement through the use of the Effort Reporting System (ERS). ERS is a web-based tool that calculates the distribution of effort for all employees paid from federal and federal flow-through funds, captures certification electronically, and provides a mechanism for processing corrections and re-certifying reports.

What is Effort Reporting?

Effort is defined as the amount of time spent on a particular activity. It includes the time spent working on a sponsored project in which salary is directly charged or contributed (cost-shared effort).

Individual effort is expressed as a percentage of the total amount of time spent on workload-related activities (instruction, research, administration, etc.) for which the University compensates an individual.

Effort reporting is the mandated method of certifying to the granting agencies that the effort charged or cost shared to each award has actually been completed.
Non-Compliance

Risks of Not Complying with Circular A-21’s Effort Reporting Requirement

In fiscal year 2003, federal awards represented approximately 67 percent of the total $3.53 billion in contract and grant award activity within the UC system. Salary expense represents the largest direct cost component on these projects.

In recent years, the federal government and its auditors have become much more active in their review of effort reporting requirements, and a number of universities have received large audit disallowances as a result. Recent cases of audit disallowances are:

- Northwestern University paid $5.5 million to settle issues related to problems with effort reporting, on a contracts and grants base of $325 million;
- South Florida returned $4.1 million to the federal government to settle a number of charging issues, including effort reporting;
- University of California paid a total of $2.1 million to settle an NIH salary cap limitation disallowance for the period July 1, 1995 through June 30, 2002.

An effort reporting system must provide records on how individuals participating in federally funded sponsored agreements actually spend their time. Because the federal government mandates effort reporting, it is incumbent upon institutions that receive federal funding to maintain accurate and auditable systems and records.

Documentation on how individuals spend time on federally sponsored projects is subject to federal audit and can be cause for institutional or individual disallowances.

Disallowances Can Result If:

- The effort report was certified by an individual other than the employee or someone who has "first-hand" knowledge of 100 percent of the employee's time;
- The effort report does not encompass all of the activities performed by the employee under the terms of their employment;
- The levels of effort reported do not appear reasonable, given the responsibilities of the individual.
- The effort report certified by the individual is found to be falsified;
- The levels of effort reported do not appear reasonable.

As evidenced above, federal audit disallowances can result in serious financial penalties for institutions. In addition, criminal charges may be brought against an individual certifying to falsified effort.

Current audit plans for federal auditors include effort reporting as a specific audit focus.
Effort Reporting System Features

Features of ERS

- Certifications are easy to track
- Maintains historical information
- System becomes "office of record"
- Reduces risk of noncompliance
- Accessible online 24/7 through Web-based interface
- Reports and certifications are distributed and captured electronically
- Online editing and edit checks
- System interacts with PPS so you can drilldown to detailed payroll calculations
- Tracking of payroll changes against effort reported

How Effort is Calculated?

Below are three examples to illustrate how the system will calculate effort:

Add up each project's weighted %, then divide that sum by the total weighted % of all projects.

Example #2 - Two different departments need to certify

<table>
<thead>
<tr>
<th>Pay Period End Date</th>
<th>Project / Fund</th>
<th>Paid %</th>
<th>Weighted %</th>
<th>Effort Calculation Weighted % / Total %</th>
<th>EFFORT %</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/2008 448585-21373</td>
<td>0.5000</td>
<td>0.5000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7/31/2008 448585-21373</td>
<td>0.5000</td>
<td>0.5000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8/31/2008 448585-21373</td>
<td>0.5000</td>
<td>0.5000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9/30/2008 448585-21373</td>
<td>0.5000</td>
<td>0.5000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Total</td>
<td>2.0000</td>
<td>2.0000</td>
<td></td>
<td></td>
<td>50%</td>
</tr>
</tbody>
</table>

| 6/30/2008 444333-24960 | 0.5000 | 0.5000 | | | |
| 7/31/2008 444333-24960 | 0.5000 | 0.5000 | | | |
| 8/31/2008 444333-24960 | 0.5000 | 0.5000 | | | |
| 9/30/2008 444333-24960 | 0.5000 | 0.5000 | | | |
| Project Total | 2.0000 | 2.0000 | | | 50% |

| Total of all Weighted percentages | 4.0000 | 100% |
How to Log In

1. ERS system can be accessed from any internet connection via https://ers.ucop.edu/ucsb/

2. Log in to the system with your assigned UCSB NET-ID (user name and password, all lowercase).

3. If you do not have a user name and ID assigned to you please contact your department manager and they will direct you how to set up your NET-ID.

System Administration Overview

The Administration Task page functions as a portal to the various system administration pages on which you may perform administrative tasks related to ERS.

Administration Tasks related to ERS are divided into two categories: Central Administration Tasks and Departmental Administration Tasks

- **Central Administrative Tasks** include management of the organizational hierarchy and security administration, permissions roles, schedule definition, and operational tasks for monitoring ERS

- **Departmental Administrative Tasks** include administering users, and special report generation options.
Roles Available in ERS

A list of defined roles is available in ERS. You can assign those roles to new users as appropriate within your department.

Table 1: List of predefined in ERS

<table>
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<th>Predefined Roles</th>
<th>Permissions</th>
<th>Who is likely to have these roles?</th>
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<td>Coordinator Access</td>
<td>View effort reports, edit effort reports, access payroll info</td>
<td>ERS (Payroll) Coordinators</td>
</tr>
<tr>
<td>View Access</td>
<td>View effort reports, view payroll info</td>
<td>Central Office, Financial Managers, MSOs, Deans, Auditors,</td>
</tr>
<tr>
<td>Compliance Report Generator</td>
<td>Generate Compliance Reports</td>
<td>Central Office, Financial Managers, MSOs, Deans, Coordinators</td>
</tr>
<tr>
<td>Report Generator</td>
<td>Generate ad-hoc effort reports</td>
<td>ERS (Payroll) Coordinators, Business Managers</td>
</tr>
<tr>
<td>Certifier</td>
<td>View effort reports, edit efforts reports, view payroll info, certify effort reports</td>
<td>PIs, Co-PI's</td>
</tr>
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All the roles except Certifier and Self-Certifier can be assigned to users. One person can have more than one role if required. You will have authority to setup Preparer Access and Read Only Access.

For Preparer Access, you will assign users with the following roles:

- Coordinator Access
- Compliance Report Generator
- Report Generator

For Read Only Access, you will assign users with the following roles:

- Read only Access
- Compliance Report Generator
Assign roles to users

Follow these steps to assign roles to users

1. Access ERS at [http://ersqa.ucop.edu/ucsb/enterERS.do](http://ersqa.ucop.edu/ucsb/enterERS.do) and then click on the System Administration link located at the top right of the page.
2. Click on the View Users link under Security category from the System Administration homepage.
3. Search for the employee by name or employee ID, then select the desired user from the list by clicking on the employee's name.

4. Click on the Edit User button.
5. Select the desired role from the dropdown menu, and then click on the Add Role button to add it to a user record. Repeat this step until you have added the roles the user will need. The only two roles you should be adding is “All Home Departments Certifier” or “All Home Departments Coordinator”.

Note: Co-PI's will need to be assigned the role of “All Home Department Certifier”.
6. Click on the checkbox under Notify for the role of Coordinator Access, the status will change from “No” to “Yes” and the coordinator will receive a notification when new reports were produced.

7. Click Submit to finish, or remove the role if you added it by mistake.
Submit requests to Extramural Funds Accounting (EMF)

Should any of the following issues be raised, submit an email to ERS.Help@bfs.ucsb.edu with specific request in the subject line:

- Create a special permission and roles for an exceptional situation
- Add additional employees to the database
- Edit the “Cannot Certify” list
- Update the employees PI indicator
- Update effort report statuses

Key Items to Remember:

As you are aware your role is to set-up your Coordinators and any Certifiers that may need to be added for your department. The PI’s are automatically set-up in the system. It should take you less than a minute to set-up a user in the system. If you are setting up new users that are not already set-up in the system make sure to have their employee ID and email address ready. Key items to note:

1. Please note that the users you create cannot ever be deleted in the system and their log-ins are permanent! So be careful when you are setting them up.
2. All log-ins must be in lowercase or users will not be able to access the system.
3. In an effort to be consistent with log-in we ask you to use the UCSB NetID.
4. Keep in mind that the Coordinator and Certifier’s functions have access to payroll data in ERS. If an individual does not normally have access to payroll data in their job responsibilities, you may not want to grant them access with those roles.
5. The users will create their own passwords during their initial launch into the ERS system. You will just need to provide them with their user ID.
6. If you are setting up the role of Coordinator you will select “All Home Departments Coordinator” role. If you are setting up a certifier you will select “All Home Departments Certifier” role.