



**THE GEORGE  
WASHINGTON  
UNIVERSITY**  
WASHINGTON, DC

**Responsible University Official:**  
Associate Vice President and Comptroller  
**Responsible Office:** Office of the  
Comptroller  
**Last Revised Date:** December 19, 2014

## **EFFORT REPORTING**

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### **Policy Statement**

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Effort reporting is the process by which the university determines and documents the effort expended on sponsored projects during each reporting period. The university maintains an effort reporting system and obtains signed effort reports from employees in compliance with applicable federal regulations. Employees who are compensated in whole or in part by sponsored project and/or whose compensation is cost-shared in connection with a sponsored project must confirm their effort allocation twice a year to provide reasonable assurance of its accuracy.

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### **Reason for Policy**

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Federal government regulations require that institutions receiving federal funds for sponsored projects maintain an effort reporting process that complies with the requirements set forth in [OMB Uniform Guidance 2 CFR §200](#) and [OMB Circular A-21, Cost Principles for Educational Institutions](#) for funding effective before December 26, 2014, collectively referred to as Federal Guidance. This policy establishes the university's standards for obtaining required effort reports for employees who are compensated in whole or in part by sponsored projects or whose compensation is cost-shared on a sponsored project and must be based on records that accurately reflect the work performed.

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### **Who is Governed by this Policy**

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Faculty and staff

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## Policy

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### Federal and University Requirements

The university receives federal funding for sponsored projects and is required to comply with [OMB Uniform Guidance 2 CFR §200](#) and [OMB Circular A-21](#), Cost Principles for Educational Institutions for funding effective before December 26, 2014), collectively referred to as Federal Guidance. The Federal Guidance addresses 'Standards for Documentation of Personal Expenses' by requiring that the university have a system of internal control which provides reasonable assurance that charges are accurate, allowable and properly allocated.

The university encourages faculty and staff to prospectively plan their anticipated levels of effort via the labor distribution system. While charges are made based on reasonable estimates, they should be confirmed and promptly adjusted after-the-fact during the effort reporting process.

To fulfill federal requirements, the university requires that effort reports be completed by employees who are compensated in whole or in part by sponsored project or whose compensation is cost shared on a sponsored project. These reports are used to confirm the percentages of Total University Effort allocable to sponsored projects and to non-sponsored activities. Principal Investigators (PIs) are also responsible for ongoing monitoring of the level of effort expended by others on all sponsored projects under their purview.

## **Explanation of the Effort Reporting Process**

The effort reports must account for 100% of an employee's Total University Effort. Total University Effort includes research, teaching, administration, clinical activity and any other activity for which an individual receives compensation of salary, wages, supplementary salaries and overloads (but not bonuses) from the university. Activity that is not included in Total University Effort, such as outside consulting, is not included in the university's effort reporting process. Activity within Total University Effort must be reasonable, allowable and allocable in order to be properly charged and verified to a sponsored project.

Effort on sponsored projects is expressed as a percentage distribution of Total University Effort. Each percentage must reasonably agree with actual effort devoted to each activity in relation to the employee's Total University Effort. The verified effort report documents the allocability of payroll charges for each activity listed on the effort report for the period being verified.

## **Frequency of Reports**

GW has two effort reporting periods: January 1<sup>st</sup> through June 30<sup>th</sup> and July 1<sup>st</sup> through December 31<sup>st</sup>. For employees paid bi-weekly, the periods covered may begin/end shortly before/after the January/June and July/December dates, depending on the annual pay period schedule. Approximately 45 to 60 days after each effort reporting period, data on salary charges from the payroll system are reformatted into percentage of effort for each sponsored project, and all non-sponsored project activities are summed into one line. This process forms the basis for the effort reports.

Actual effort should be monitored closely throughout the life cycle of each sponsored project and significant changes to planned effort distributions should be updated on an ongoing basis to reflect any significant changes in work distribution as they become known.

## **Signing the Effort Report**

Each effort report must be confirmed and signed by the employee, the PI, the department chair, or another responsible official using suitable means of verification that the work was performed. "Suitable means of verification" means that the reviewer has used appropriate due diligence to confirm that the distribution of activity represents a reasonable estimate of the work performed by the employee during the period.

Authorized personnel are expected to confirm the payroll distribution percentages on the effort report, and determine whether those percentages reasonably correspond to the percentages of the individual's Total University Effort on each sponsored project, recognizing that within the academic setting, teaching, research, service, and administration are often inextricably intermingled and reasonable estimates are permitted.

### **Effort Commitments**

PIs, Co-PIs, and other sponsored project staff identified as Key Personnel are required by many external sponsors to fulfill their committed effort obligations, sometimes with a permissible degree of variance (e.g., federal sponsors generally permit variance so long as it is less than 25% between the committed effort and actual effort devoted before prior approval is required from the sponsor).

It is the responsibility of the PIs, Co-PIs, and Key Personnel to evaluate their ability to manage their effort commitments and to promptly notify the Office of the Vice President for Research (OVPR) if a reduction in effort or change in PI, Co-PI or Key Personnel needs to be communicated to the sponsor to obtain approval or other guidance.

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## **Definitions**

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**Key Personnel** The PI, Co-PI and other individuals who contribute to the scientific development or execution of a sponsored project in a substantive, measurable way, whether or not they receive salaries or compensation under the award. Typically these individuals have doctoral or other professional degrees, although individuals at the masters or baccalaureate level may be considered senior/Key Personnel if their involvement meets this definition. "Zero percent" effort or "as needed" is not an acceptable level of involvement for senior/Key Personnel.

**Total University Effort** The effort that an employee devotes in the aggregate to the professional activities for which he or she receives compensation from the university, whether full-time or part-time, and regardless of the number of hours the person is expected to work based on his or her full-time and/or part-time appointment. Faculty members with multiple appointments consider their combined responsibilities to arrive at their Total University Effort.

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## Related Information

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[OMB Uniform Guidance 2 CFR §200](#)

[OMB Circular A-21](#)

[Labor Adjustments and Redistributions Policy](#)

[Cost Transfers on Sponsored Projects Policy](#)

[Cost Sharing on Sponsored Projects Policy](#)

[Sponsored Activities Definition](#)

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## Contacts

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Contact	Telephone	Email
Office of the Comptroller	703-726-4117	<a href="mailto:effort@gwu.edu">effort@gwu.edu</a>
Payroll Services	703-726-4277	<a href="mailto:payroll@gwu.edu">payroll@gwu.edu</a>

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## Document History

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- **Last Reviewed Date:** April 14, 2017
  - **Last Revised Date:** December 19, 2014
  - **Policy Origination Date:** July 2002
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## Who Approved This Policy

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Leo M. Chalupa, Vice President for Research

Louis H. Katz, Executive Vice President and Treasurer

Steven Lerman, Provost and Executive Vice President for Academic Affairs

Beth Nolan, Senior Vice President and General Counsel

*This policy, as well as all [university policies](#), are located on the [Office of Compliance and Privacy's](#) home page.*