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Unit: Sponsored Programs, Office of the Provost

Faculty Effort Reporting: Academic Year Term, Compensation, Summer Salary, and Overall Effort Distribution Guidelines

Introduction

Yeshiva University (the "University") regards research as part of the normal workload of its full-time faculty. In general, compensation for time spent on research within the term of appointment¹ is included within the faculty member's regular University salary, commonly referred to as an Institutional Base Salary, or IBS². The IBS encompasses compensation from research, teaching, administration, and other activities. This "regular" salary component can operate on a nine- or twelve- month term. The nine-month term may be supplemented by a summer salary component, which is discussed under the "summer Salary" section of this document. While the IBS compensates for many of the faculty member's responsibilities, there are certain remunerations that are explicitly excluded from it. For example, bonuses, administrative pay, and one- time payment or incentive payments are not included in the IBS. Payments from outside organizations for work that does not factor into the 100% University Effort are also separate from the IBS³.

Academic Year: Effort Allocation and Certification

Subject to the conditions set forth below, when a sponsored project is carried out during the academic year, a faculty member may use the funds from the sponsored project to cover a portion of his or her salary and associated fringe benefits for such academic year. In exchange, the University may release the faculty member from some or all (as appropriate) of his or her teaching obligations known as *course release*. Terms and conditions related to a course release can be found in the YU Course Buyout Policy.

A course release is subject to the following conditions:

¹ Full-time appointments are for two semesters (fall and spring) unless the faculty member's letter of appointment specifies otherwise. See the YU Faculty Handbook for more details.

² Institutional Base Salary (IBS) is the annual compensation a faculty member receives for their academic appointment at the university. It is established in the faculty member's annual appointment letter and is used as the basis for the salary included on sponsored project applications. Federal cost accounting rules outlined in OMB Uniform Guidance require that IBS be clearly established by the university, and that additional payments (ex: course overload, administrative pay, etc) be clearly demarcated separately from IBS. A faculty member may have one appointment letter, specifying different duties (ex: faculty position and chair position), or a school may provide a faculty member with a main appointment letter and a separate letter outlining additional responsibilities.

³ Commitment outside the University: During the academic year, full-time faculty members may not devote more than 20% (the equivalent of one day per week) to outside consultations or assignments without the express written approval of the provost on behalf of the President. See the YU Faculty Handbook for more detail.

- Prior approval of the University's Provost and the Dean of the faculty member's School at the University.
- The availability of sponsored funds.
- The allowability of such use in accordance with the sponsor's terms and conditions applicable to the award.

The effort committed in a grant proposal, but not financially supported by the sponsor, represents committed or mandatory cost sharing. Cost sharing is discussed in greater detail under the "Effort Reporting Cost Sharing" section of this document. As a rule, proposals should include only the minimum amount of required cost sharing necessary to meet the sponsor's requirements. Committing University resources more than any sponsor-matching requirements is prohibited without prior approval of the University's Provost and/or the faculty member's department Dean at the University.

Grant funds may not be used to augment a faculty member's IBS, nor may they be used to reimburse faculty for consulting activity covered by their faculty appointment. As a recipient of federal research funding, the University is subject to financial accounting and reporting obligations designed to ensure that the charges to its sponsored projects are allowable, reasonable, and properly allocable to those projects.

Among these obligations is the requirement to maintain a salary allocation system that complies with the provisions of OMB's Uniform Guidance:

1. Faculty engaged in sponsored programs with any portion of their salary charged or committed to a sponsored award are subject to effort reporting. They must be aware of their level of committed effort to the sponsored awards and the ability to meet those commitments along with any other University obligations they carry.
2. "Total University Effort" is the total professional activity for which a faculty member is compensated by the University.
 - a. Salary Components considered part of effort include:
 - i. *Regular pay*
 - ii. *Administrative supplements, including those associated with Department Chair etc.*
 - b. Salary components excluded from effort include:
 - i. *Overload payments*
 - ii. *Special merit pay or bonus awards*
 - m. *Distinguished faculty supplements*
 - iv. *One-time incentive pay.*
 - v. *Income from outside professional work (ex consulting and other approved outside activities.) (See Footnote 3.)*
3. Salary charges to a sponsored award must not exceed the proportionate share of the IBS for the period during which the individual worked on the award.
4. Principal Investigators must ensure that only effort expended on tasks that benefit the sponsored project is allocated or charged to such project.

5. Principal Investigators must be aware of the level of effort committed to a sponsor in relation to all other professional activities included in the faculty's Total (100%) University Effort.
6. Principal Investigators must ensure that sponsor-imposed salary caps are applied and that appropriate salaries are recorded properly in grant budgets.
7. Principal Investigators must notify the sponsor in writing if he or she plans to reduce his or her level of effort by 25% or more from the awarded level. This notification must be approved by his or her department Dean at the University and routed through the University's Office of Sponsored Programs for approval by the University's Provost as the designated Authorized Organizational Representative.
8. Awarded effort is subject to after-the-fact certification by the applicable faculty member and approval by his or her department Dean at the University three times a year: fall, semester, spring semester, and summer months.
9. Effort certifications must be submitted via Banner Self Service to the University's Finance Department. If labor redistributions are warranted based on the level of effort, those should be submitted through Banner Self Service as well.

Academic Year Effort Reporting Process

The purpose of effort reporting is to provide a reasonable basis for distributing salary charges among direct sponsored and non-sponsored activities, such as instruction, administration, professional development, and clinical activity. Effort reporting is subject to the Yeshiva University Effort Reporting Policy (see below). This Policy ensures that effort is appropriately documented, salaries and wages charged to sponsored projects reflect the effort expended on those projects, that effort is certified by authorized University personnel in a timely manner, and that effort certifications comply with sponsor requirements and federal regulations.

Once an award is issued to the University, the Principal Investigator, or the University's Office of Sponsored Programs (depending on the type of the award) should provide the University's Finance Department with a copy of the award letter and the approved budget to set up the project (account) in Banner. Simultaneously, the effort level committed to the project by university faculty and other personnel should be provided by the Principal Investigator to the University's Human Resources Department to be documented in the University's **HR** system, so that salary compensation is allocated among funding sources in accordance with the committed effort (CE). The University uses a Self-Service Banner Effort Certification module as a repository of effort distribution for the faculty engaged in sponsored and other externally funded programs. Three times a year (Fall semester, Spring semester, and summer months), the affected faculty members are subject to after-the-fact labor distribution certification.

Summer Salary: Extra Compensation

Faculty may be eligible to receive extra compensation for research activity when a faculty member

holds a nine-month appointment from the University and receives salary support from an externally funded grant or contract for the time not covered by the academic appointment (typically during the summer months). The faculty member may receive up to three months summer salary from all sponsored program sources. In no event may a faculty member with a nine-month appointment receive more than three months of additional summer compensation. Charges for work performed by a faculty member during the summer months will be determined for each faculty member based upon his or her IBS rate.

Federal agencies often have their own caps on salary/compensation. For instance, the National Science Foundation supports up to two months effort per year. If a faculty member has more than two months NSF support across all awards, they must reduce their efforts to remain at 2 months of NSF support. NIH maintains salary caps. If a faculty member's salary exceeds the cap, the faculty member's effort will be paid at the level of the agency's cap.

Summer Salary Key Points

- Subject to the conditions set forth above, faculty may charge salary to sponsored project(s) for up to three full summer months. Faculty members who have 9-month contracts with the University are not entitled to any vacation other than University holidays during the period being charged. In the summer when faculty have no duties assigned by the University, faculty may commit their effort and, as such, charge their salary to sponsored project(s) for up to three full months.
- All effort and corresponding salary charged to any sponsored project(s) must follow sponsor and University policies. Further, the effort committed during the period should be devoted exclusively to the activities supported by that project(s), with the salary charges supported by effort certification (timesheets). No academic year effort may be attributed to the summer months.
- All summer effort must be properly documented and is subject to effort certification. Faculty members who anticipate expanding their effort for additional compensation from sponsored projects during the summer must seek approvals from their respective department Deans at the University.
- It is understood that, as part of normal academic work, faculty may participate in *other academic, administrative or research activities* during the summer. These activities include but are not limited to: advising students (outside the scope of the sponsored research charged), doing unsponsored research, participating in administrative committees, preparing grant proposals, teaching, curriculum development, peer reviews, and refereeing and/or writing scholarly publications. Effort associated with such 'non-sponsored' activities during the summer months should never be charged to any sponsored research project.

Summer Salary Request and Effort Reporting

School-level administrators of the eligible faculty members engaged in externally funded research activities should initiate requests for extra summer compensation through the University's Electronic Personnel Action Forms (EPAF) system. These requests are routed to the University Budget Director for University approval. Faculty summer effort is subject to after-the-fact certification by the post award administration department.

Effort Reporting Cost-Shared Commitments

Cost Sharing occurs when the University "shares" a portion of a sponsored project's costs. Cost sharing can take many forms, including salaries, expendable supplies, and equipment costs.

Cost sharing may either be mandatory, voluntary committed, or voluntary uncommitted. As a rule, University proposals should include only the minimum amount of cost sharing mandated by the sponsor. Voluntary committed cost sharing is strongly discouraged and requires the approval(s) stipulated. When the University agrees to voluntary committed, or mandatory, cost sharing and has proposed salary costs as the source of such cost sharing, the Effort Report is used to document that the agreed to cost share was provided by the University.

Whenever mandatory or voluntary committed cost sharing is proposed, the source of funds must be identified, and approval must be obtained from the University official with authority over those funds. Expenses that represent mandatory and voluntary committed cost sharing must be treated consistently and uniformly and may be counted only once toward matching requirements. The Principal Investigator must document the fulfillment of the committed cost sharing and maintain compliance with the sponsor's requirements. All mandatory and committed cost sharing must be included in the semiannual effort certification to document that the commitment to the sponsor has been satisfied and that the funding of such activity has been properly reflected (i.e., not charged to another sponsored project).

Effort Reporting Policy

Effective Date: July 1, 2017

I. PURPOSE

This Policy describes Yeshiva University's (the "University") commitment to implement and manage its processes and procedures related to Effort Reporting. The University is committed to ensuring that effort expended on sponsored projects is appropriately documented, that salaries and wages charged to sponsored projects reasonably reflect the effort expended on them, that effort is certified by authorized University personnel in a timely manner, and that effort certifications comply with sponsor requirements and federal regulations.

II. WHO MUST COMPLY

All individuals involved with the administration and conduct of sponsored projects, including central and departmental sponsored project administrators, principal investigators, and other research personnel.

III. IMPLEMENTATION

The implementation of this Policy is the responsibility of the University's Office of Sponsored Research and the Finance Department.

IV. ADMINISTRATIVE OVERSIGHT

The University's Office of Sponsored Research and the Finance Department are responsible for the administration of this Policy.

V. REASON FOR POLICY

Federal regulations:

- a. OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Sections 2 CFR 200.430

VI. BACKGROUND

The University promotes intellectual exploration by pursuing excellence in teaching, learning, and research. This mission cannot be accomplished without promoting and conducting inquiry-based and use-inspired research and engaging in creative and scholarly activities. To cultivate a research culture and to support its research faculty, the University has established a set of institutional policies and administrative controls to meet its compliance responsibility and to ensure accurate and timely accounting for the research dollars it manages.

Because Effort Reports are a means of documenting and supporting salary charges to sponsored projects, as well as other University responsibilities, it is essential that this data be based on reasonable estimates of actual effort expended on each sponsored project and non-sponsored or University-funded activities.

This Policy is intended to ensure that the University complies with the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as well as other sponsor requirements for certifying that effort expended on a project is commensurate with the salary charged against the sponsored project. The Uniform Guidance Subpart E §200.430 (hereafter referred to as "Uniform Guidance") contains the federal regulatory requirements for acceptable methods of certifying effort devoted to all federally sponsored projects. It is the University's policy to comply with Uniform Guidance requirements for certifying time spent working on all sponsored projects, regardless of funding source. As a result of the federal regulatory requirements contained in the Uniform Guidance, the University has implemented an after-the-fact web-based Banner Effort Reporting System in conjunction with Banner Labor Redistributions as a means of recording, reviewing, and certifying that direct labor charges to sponsored projects are reasonable and reflect actual work performed. Effort Reporting documents the proportion of time an eligible individual spends on all University activities as a percent of total effort.

VII. DEFINITIONS

Affiliated Institutional Activity: Services performed under terms of a non-sponsored agreement with an affiliated institution.

Banner Effort Certification module: A web-based application that is part of the University's information computer system, which enables the University to meet the reporting requirements of the Uniform Guidance. The application tracks effort distribution data for University faculty and other employees compensated from sponsored projects, captures electronic certification, and utilizes the Banner Labor Redistribution module to provide a means of correcting and applying retroactive adjustments.

Clinical Activity: Treatment of clinical patients. It includes teaching or supervising residents, interns, and clinical personnel when such teaching effort does not properly belong in the instruction category. It also includes administrative and support services that solely benefit clinical patient care.

Effort: Amount of time spent on a particular activity. This includes the total of all activities associated with a faculty member's institutional base salary in which he or she is engaged as part of his or her employment obligation for the University- "full workload" or "Total University Effort" is defined as 100% effort.

Effort Distribution: A distribution that reflects the percentage breakdown of an individual's time spent on activities, regardless of where the salary is charged.

Effort Reporting: Method used to confirm to sponsors that the effort spent on a sponsored agreement reasonably reflects the salary and wages charged to that agreement. An effort report is an after-the-fact confirmation of activities for which the faculty member or other employee was compensated by the University.

Faculty Member: An individual employed by the University in a tenured, tenure-track or non-tenure track full-time position who teaches and/or performs research at any college, school, center, or institute within the University. A Faculty Member also is deemed to be exempt under the provisions of the Fair Labor Standards Act (FLSA) and/or applicable state law.

Incidental Effort: Effort in addition to University Effort, for which it is customary to accept extra compensation (e.g., honoraria, intra-university consulting, "pay in excess" activities, etc.). Incidental effort is not documented in the Banner Effort Reporting System.

Institutional Base Salary (IBS): Annual compensation paid by the University for an employee's appointment, whether that individual's time is spent on research, teaching, administration, patient care, or other activities. The IBS does not include bonuses, one-time payments or incentive pay. Also excluded from the IBS is salary paid by outside organizations, and income that an individual is permitted to earn outside of their university responsibilities such as consulting.

Instruction and Other Academic Activity: The University's teaching and training mission. It includes teaching and training activity where the employee is the instructor (whether for credit or not) and includes lectures, independent study, thesis preparation supervision, academic advising, curriculum development, seminar/workshop presentations, and non-sponsored research and scholarly activities.

Labor Distribution: A distribution that reflects the activities to which salary is charged in the

payroll system.

Mandatory Cost Sharing: Costs which are required by the sponsor to be funded by the University and not sponsor-reimbursed.

Non-Institutional Effort: Effort performed outside the context of the individual's University employment contract. It is not a part of University Effort and is not covered by the Banner Effort Reporting System. Employees subject to effort reporting must promptly notify the University's Office of Academic Affairs when performing non-institutional activities for which the University does not receive compensation (i.e., via an independent consultant agreement).

Other Institutional Activity: University activities that are not appropriately reported under any other category. Examples include: institutional advancement, service centers, alumni relations, athletics, museums, theatres, and concerts.

Staff Member: An individual employed in any non-faculty category by the University, including an individual who is deemed to be exempt under the provisions of the Fair Labor Standards Act (FLSA) and/or applicable state law.

Sponsored Projects: Projects that support research, creative, and scholarly activities funded by external sponsors whose funds are administered by the University or are projects that support research involving humans or animals as research subjects and are funded by external sponsors whose funds are administered by the University.

Sponsored Project Effort: Effort related to sponsored research, sponsored instruction and training, and other sponsored activities. The Banner Effort Reporting System identifies each sponsored project separately with the commensurate percent effort. Mandatory and/or Voluntary Committed Cost Sharing activities must be allocated to the cost sharing fund related to the sponsored project they support. Sponsored Project Effort also includes University-funded research (e.g. internally provided seed funding) that is separately budgeted and accounted for. This category does not include start-up funds or general department research.

University Effort: Work required to fulfill an individual's employment obligations to the University. It may include both sponsored and non-sponsored activities. University Effort does not include incidental activities for which no additional compensation is received (e.g., editing a technical paper for a colleague), external consulting, volunteer or uncompensated effort, non-university authorized research effort, or professional services provided outside the University for non-University compensation.

Voluntary Committed Cost Sharing: Costs which the University has voluntarily agreed to fund even though not required by the sponsor in the solicitation/proposal.

VIII. POLICY STATEMENT

The University is committed to ensuring that effort expended on sponsored agreements is appropriately documented, that salaries and wages charged to sponsored agreements reasonably reflect the effort expended on those agreements, that effort is certified by authorized personnel

in a timely manner, and that effort certifications comply with sponsor requirements and federal regulations.

This Policy requires that all University personnel, who allocate salaries and wages to Sponsored Projects, and/or are subject to Voluntary Committed or Mandatory Cost Sharing obligations, comply with the federal regulations contained in Uniform Guidance by recording, reviewing, and certifying the Effort expended on those projects. That Effort is required to be certified by such personnel in a timely manner as described below, and to comply with sponsor requirements and federal regulations.

Per the Uniform Guidance, the non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made such that the final amount charged to sponsored awards is accurate, allowable, and properly allocated." To ensure compliance with this requirement, the University requires after-the-fact effort certifications for the affected faculty and staff three times a year: for Fall semester, Spring semester and Summer months.

All these certifications must be completed within 90 days of the end of the Effort period as defined below:

If a Principal Investigator (**PI**) or other required staff fail to comply with this Policy; the University may suspend or withdraw proposal submissions for the PI and may suspend work on a Sponsored Project. Non-compliance may also lead to other disciplinary actions in accordance with university policies, up to and including termination of employment.

Effort Period	Effort Certification Requests Disseminated to Faculty	Effort Certification Due Dates	Actual Effort Reconciliation
Fall Semester	December 25	January 25	March 31
Spring Semester	May25	June 25	August 25
Summer	September 1	October 1	October 30

Calculating Person Months Effort

As necessary, salary may be based on the number of month of effort, referred to as "Person Months". Person Months is the metric for expressing the effort (amount of time) PI(s), faculty and other senior personnel devote to a specific project. The Effort is based on the type of appointment of the individual with the University; e.g., calendar year (CY), academic year (AY), and/or summer term (SM); and the University's definition of such. The University defines the academic year as a 9-month appointment.

There are three basic salary (wage) bases: Academic Year, Summer Term, and Calendar Year.

Academic Year	9 months	39 weeks	273 days
Summer Term	3 months	13 weeks	92 days
Calendar Year	12 months	52 weeks	365 days