



Title: Effort Reporting Policy

Adopted: June 15, 2021

Last Revised: June 15, 2021

Policy Statement

As a recipient of federal funding the Institute for Protein Innovation, Inc. (the "Institute") is required to comply with the Office of Management and Budget Circular *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("*Uniform Guidance*") as well as other federal requirements for allocation of salaries expended on sponsored awards. The Institute requires all individuals who receive federal sponsored funding to comply with Institute policies and sponsoring agency regulations regarding the proposing, charging, and reporting of effort on those awards.

All Principal Investigators are required to certify their own effort as well as the effort of project staff working on their awards on a semi-annual basis.

Purpose

The Uniform Guidance Subpart E §200.430 contains the federal regulatory requirements for internal controls over certifying time expended on sponsored projects. The Institute's practice is to utilize after-the-fact effort reporting to certify that salaries charged are reasonable and consistent with the work performed. The individual's effort is first assigned to specific awards based on anticipated activities. Actual effort expended on each project is certified by a responsible person with suitable means of verification that the work was performed, generally the Principal Investigator, at the end of specified reporting periods. The effort certification should be a reasonable estimate of how time was expended.

Scope

All individuals involved with the administration and conduct of federally sponsored award activities must comply with this policy. Adherence to this policy is required for all effort related to federal sponsored awards as well as any non-federal awards where the non-federal sponsor requires effort reporting.

Procedures

Effort distributions account for 100% of all effort for which the Institute compensates the individual. Even where the number of hours of effort the individual expends each week substantially differs from the normal work week of 40 hours, effort percentages are based on total effort, not hours. External activities such as consulting or non-Institute committees are not included.

At the beginning of each fiscal year and/or budget year, salaries and wages are planned and distributed to various activities based on an individual's expected effort. This effort distribution is accomplished by the department head and/or Principal Investigator, in consultation with the Director of Finance. Effort distributions should be reasonable estimates of activities and must be adjusted in a timely fashion for significant changes in effort when they become known. The Principal Investigator reviews salary charges on awards monthly with the Director of Finance and identifies any necessary effort-related changes, which are processed by Finance.

The Institute has two effort reporting periods: January 1st to June 30th and July 1st to December 31st. As soon as possible after the end date of the reporting period, Finance will generate effort certification reports which are to be completed and returned by the Principal Investigator for their effort and that of their project staff within 30 calendar days of receiving the report. By approving the effort certification reports, the Principal Investigator attests that all activities (sponsored and non-sponsored) are reported correctly, and that the distribution of effort shown on the certification report reflects the percentage of total effort that was spent on each activity. In all cases, the certification must be signed by the individual who has suitable means of verification of work performed.