

# **Fiscal Year 2026 Effort Reports**

## **Departmental Procedures**

### **Purpose**

The Oracle-based Effort Reporting System (ERS) is the University's mechanism to document how individuals who work on sponsored projects have spent their time. Per regulation in the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements, for Federal Awards, 2 CFR 200 (Uniform Guidance) charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.

All employees whose salaries are charged in whole or in part to sponsored agreements (including land grant funds) or are used in meeting cost sharing or matching requirements on such agreements, are subject to effort reporting.

### **Frequently Asked Questions**

#### *Why is effort reporting so important?*

Effort reporting serves as a verification that the percentages of effort for which an employee is paid, reasonably reflect the actual effort expended. Salaries constitute the largest component of the expenses charged to sponsored projects. Effort reports are the University's legal records of how it spends the sponsoring agency's money on salaries. Sponsor representatives and University internal and external auditors can review reports at any time.

#### *Who is required to complete an effort report?*

All employees for whom any portion of salary is charged to either an Oracle Grants Management (OGM) project or Land Grant account will be required to complete an effort certification report.

#### *How often will employees receive effort reports?*

All employees will receive semi-annual effort reports regardless of whether or not the employee is exempt or non-exempt.

#### *What exactly is effort?*

Effort is activities or functions to which an employee directs time and energies, including instruction, sponsored projects and departmental administration. Effort is work or the proportion of time spent on any activity.

#### *How are percentages calculated?*

Effort is expressed as a percentage of total time an employee is compensated for. Total effort for an employee must equal 100%. For example, if an employee spent 30 hours a week on sponsored Project A and an additional 30 hours on sponsored Project B the expended effort would be 50% per project with a required total of 100%.

What if the salary distribution data is incorrect?

If departmental records do not agree with the salary distribution data on the effort report (usually due to retroactive appointments, changes in status, or incorrect Labor Distribution lines), please update Oracle so that it matches your records. If after the LDA has been processed and the employee still qualifies to receive an effort report, a new effort report will be generated by Effort Reporting, thereby superseding the first effort report and making it obsolete. There will be no need to manually update the effort report by making changes to it and submitting it to Effort Reporting. Effort Reporting will check for LDAs every month and generate new effort reports as needed.

What if the effort report I've received is incorrect, should I still have it signed?

It is at the department's discretion whether or not to have the effort report signed and returned. However, if no LDA is processed after the effort report was printed, then the effort report will still be active and outstanding. A new effort report that supersedes the incorrect effort report will only occur when an LDA is processed for the employee.

How is UHA effort reported?

Many professors at the Health Sciences Center hold joint appointments with West Virginia University and the University Health Associates (UHA), paying each salary separately. UHA salaries are not included in the effort reporting system because the funding for these salaries are not provided to the University. Only University funded effort is confirmed by the system.

What if an effort reporting form is lost or destroyed?

Replacement forms can be requested at any time from the Cost/Compliance Accounting Unit of Financial Services. They are usually printed and mailed within a day of the request.

What happens if an effort reporting form is not returned?

The effort reports are created to provide a means to certify effort on sponsored awards. When salary is paid from these sponsored awards, the lack of effort certification can create an audit exception, which may require that these funds be repaid to the sponsor. In addition, statistical data pulled from the effort reporting system is weakened when effort reports are not returned. The Cost/Compliance Accounting Unit will make every effort to utilize departmental contacts to see that all effort reports are returned. When this is not successful, lists of delinquent forms may be distributed to appropriate collegiate officials.

Who should sign the effort report?

Effort Reports must be certified by an individual with first-hand knowledge of all the activities performed by an employee.

- **Faculty:** Ideally, all faculty should certify their own effort report. If the faculty member is unable to do so, (no longer employed or cannot be reached in a timely manner) it may be determined that the applicable PI or departmental chair may have adequate knowledge about how the faculty member spent or divided their effort between more than one activity/funding source. In these cases, the applicable PI or departmental chair should certify.

- **Staff:** Effort Reports for classified staff, non-classified staff, and Research Corp employees should be certified by someone with first-hand knowledge of the employee's effort. If the staff member has an understanding of how their effort directly benefits the accounts that were charged, the employee can certify the effort. If the staff member is not knowledgeable about how their effort directly benefits the accounts that were charged, the employee's supervisor or PI of the award should certify the effort report.
- **Student Workers, Graduate Assistants, Temporary employees, Seasonal Employees** – Effort Reports for student workers, graduate assistants or temporary employees must be certified by the PI of the award or the employee's supervisor. The PI or the supervisor should have first-hand knowledge of the effort expended in order to review and certify the report.

There may be other unusual circumstances when other exceptions can be made for who should certify an effort report with the approval of the Department of Finance. Deviation from the certification practices outlined above should not occur merely for PI or departmental convenience or expedience. Please contact the Cost Accounting Effort Reporting representative for possible alternative approval scenarios.

An effort report not signed because the effort is incorrect should result in the processing of labor distribution adjustments to make corrections in a timely manner. Once the corrections are processed, a superseded effort report will be issued to reflect the correct effort distributions.

*What elements are not included on the effort report?*

The following is not included on the effort report: incidental hourly, incidental salaried, overload pay, one-time pay, incentive pay, car allowance, housing allowance, and other income.

*Where can I find more information about the new effort reporting system, an example of the new effort reports, and other policies and procedures?*

<https://financialservices.wvu.edu/cost-compliance/effort-reporting>

## **Departmental Responsibilities**

Effort reports will be distributed to EBOs and individual departments for further distribution. The salary distribution data needs verified with departmental records. Once the data is verified, the effort reflected on the report needs reviewed and signed by the person with suitable knowledge about how the effort was expended.

## **Corrections**

If a Labor Distribution Adjustment needs completed, this is the department's responsibility. If your departmental records do not agree with the salary distribution data on the effort report (usually due to retroactive appointments, changes in status, or incorrect Labor Distribution lines), please update Oracle so that it matches your records. If after the LDA has been successfully processed and the employee still qualifies to receive an effort report, a new effort report will be generated by Effort Reporting, thereby superseding the first effort report and making it obsolete.

It will no longer be necessary to manually update the effort report by making changes to it and submitting it to Effort Reporting. Only significant changes in effort must be adjusted in Oracle. A variance of 5% or more between paid effort dollars and actual effort dollars is defined as significant. However, the values on the effort report and in Oracle should match.

Please return the signed and dated original effort report to:

martha.spransy@mail.wvu.edu  
cost@mail.wvu.edu

If you have any questions regarding the effort reporting certification process, please contact one of the following employees at the Department of Finance:

Martha Spransy, Senior Corporate Projects Accountant, mdspransy@mail.wvu.edu

Jaime Bunner, Director of Financial Projects & Compliance, 293-3539