Effort Reporting Initiative

December 2003
What is Effort Reporting?

- Federal regulations require that the University certify effort devoted to sponsored projects including committed cost sharing effort (OMB Circular A-21).
- Since 1982 the University has used a paper-based Personnel Activity Reporting System (PARS) to satisfy this requirement.
- PARS, however, has become outdated from a technology perspective and lacks the ability to meet changing regulations and conditions.
Why is Effort Reporting Important?

- Volume of activity from grants and contracts for UC in FY 02-03:

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<thead>
<tr>
<th></th>
<th>Amount</th>
<th>%</th>
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<tbody>
<tr>
<td>Federal C&amp;G</td>
<td>$2.37 Billion</td>
<td>67.1</td>
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<tr>
<td>State Agencies</td>
<td>$408 Million</td>
<td>11.6</td>
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<tr>
<td>Private</td>
<td>$620 Million</td>
<td>17.6</td>
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<tr>
<td>Local Governments</td>
<td>$131 Million</td>
<td>3.7</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$3.53 Billion</strong></td>
<td><strong>100%</strong></td>
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Why is Effort Reporting Important?

**Risk Exposure:**
- Northwestern University received audit disallowances related to problems with effort reporting of $5.5 Million on a grants and contract base of $325 Million in FY01-02
- University of South Florida returned $ 4.1 Million to the federal government to settle a number of charging issues, including effort reporting
- UC paid a total of $2.1 Million to settle the NIH salary limitation disallowance for the period 7/1/95 through 6/30/02

**Importance of Good Business Practices:**
- Meeting fiduciary and stewardship responsibilities
- Maintaining Credibility with Funding Agencies, External Donors and Constituent Groups
- Leveraging off of UC New Business Architecture Initiative
- Facilitating user convenience and responsiveness
- Encouraging active participation by faculty and staff required to complete an Effort Report
Current Effort Reporting Initiative

- **Goal**: Identify requirements for a new effort reporting system, including:
  - Online and fully distributed access
  - Web-based interface
  - Ability to interface with other existing enterprise systems to both gather and pass required information (e.g. Payroll, committed cost sharing)
  - On line editing and edit checks
  - Maintaining or importing campus security and access controls
  - Distributing reports and capturing certifications electronically
  - Providing ad hoc and management reporting capabilities
  - Maintaining historical information and audit trail
  - Web-based training/compliance component
Current Effort Reporting Initiative

Process:

- Collaborative:
  - 5 campuses and UCOP working together to develop specifications
  - All participants have committed both time and direct financial support to the project
  - Task Force and Work Groups have included representatives from: Admin. Affairs; Budget and Finance; Research; Information Technology; and Campus Departments

- Consultative:
  - Project staff and Task Force members have met with staff in departments and central units on all 5 campuses and UCOP to receive input and review draft documents

- Comprehensive:
  - Project members have met with representatives of other institutions that are in the process of developing or implementing online effort reporting systems
  - Task Force has identified both technical and cultural issues that must be addressed
Current Effort Reporting Initiative

- **Status:**
  - Draft requirements document prepared and out for review
  - Comments due in December
  - Technical fit and preliminary cost estimates to be developed in December
  - Revisions to be incorporated and final requirements due in January
  - Consultation with key stakeholders scheduled for December and January, including:
    - Council of Vice Chancellors Administration
    - COVC
    - VCs Research
    - Budget and Planning Officers
    - Controllers
    - IT Leadership Council
    - Others
Next Steps

- We need your support to move to the next phase—System Development
- We need your support to make this initiative a funding priority both at your campus and for the system
- We need you to work with your colleagues to support a culture of collaboration and accountability