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- PARS, however, has become outdated from a technology perspective and lacks the ability to meet changing regulations and conditions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:

	Amount	%
Federal C&G	$2.37 Billion	67.1
State Agencies	$408 Million	11.6
Private	$620 Million	17.6
Local Governments	$131 Million	3.7
TOTAL	$3.53 Billion	100%

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 on line 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