Effort Reporting System
Requirements Group
Notes of the May 12, 2005 Meeting
Revised   June 8, 2005 - Accepted   June 8 , 2005

Attendees: Greg Carr (UCB), Cathy Jen (UCB), Cynthia Kane (UCB), Amy Kimball (UCB), Rick Valdivia (UCLA), James Ringo (UCD), Buck Marcussen (UCD), Dan Gilbreath (UCSD), Erica Webber (UCSF), Jorge Ohy (UCOP), Deb Nikkel (UCOP), Pixie Ogren (UCLA), Jon Good (UCOP), Adam Cohen (UCOP), Wayne Kidd (UCOP)

Introductions

Jon Good introduced Deb Nikkel who is joining the project team to fill the communications/training specialist role.

Review of 4/14/2005 Meeting Notes

Jorge Ohy commented that the meeting notes pertaining to Rick Valdivia's question about "the UCLA issue" with the White Paper dealing with voluntary uncommitted cost sharing (page 2, 4th paragraph) does not elaborate on the particulars of the issue and suggested that for completeness the notes should reflect those details. Jon suggested, and it was agreed, to include a reference to April 13 Management Group meeting notes where the details are elaborated. [Note: a subsequent check of the April 14 meeting notes shows that a reference to the April 13 Management Meeting notes was already in place (page 4, 4th paragraph).]

Jorge questioned whether the discussion of DOS Hours on Pay Status (page 3, second full paragraph) should be expanded to explain the Pay Category and Time Code clarification note. Pixie commented that the requirements definition spells out the particulars of how Pay Category and Time Code are used. **The meeting notes will be updated to make reference to the requirements definition.**

There were no further comments on the 4/14/2005 meeting notes.

Management Group Report

Jon reported on highlights of the May 11 ERS Management Group meeting:

- A "pre-quality assurance" testing phase has been proposed for July/August to address a multitude of cases and to help identify whether issues that come up with campus-specific data are related to actual ERS requirements or, for example, the way the campus has set up the data in PPS. This "pre-quality assurance" before usability testing begins would aid the development team which doesn't have the expertise to say whether all situations for a campus are being handled correctly

  Pixie commented that this is important testing process and that each campus needs to have a person or people who know the Effort Reporting policy perspective and

how things are done in PPS as well as understanding the cases from a department perspective, and who can work together well.

The Management Group will most likely look to tap people from campus work groups. Pixie suggested that members of the Requirements Group think of candidates and make recommendations to their respective Management Group members. Pixie added that it was offered to have the project team meet with the campus participants in "pre-quality-assurance testing" to give an overview of the new system, explain what needed to be done, and answer questions about the process in general.

Buck suggested that this needs to be done initially without cost sharing imports – really a payroll & financial systems check. Adam responded that this is what the intent of this aspect of testing was all about, and the test "system" would run at UCOP. Adam pointed out that fresh payroll and financial system interface files will be needed from the campuses (reflecting the most up-to-date interface file specifications).

Jon also pointed out that the real work would not be in checking the common effort reporting cases, but validating the uncommon cases that really do exist.

Erica suggested having a short write-up prepared to describe the necessary skills set and activities the person/people will be asked to carry out as part of "pre-quality assurance" testing. It was agreed that this made sense to do.

Rick mentioned that the Federal Flow Through Code needed an expanded set of values (previously discussed and agreed upon). It was proposed that Jorge would draft a list of values to be added to the definition of this Account/Fund Profile (AFP) data element and that the endorsement of the Management Group would need to be obtained before making the change in definition formally. **Jon added that in the interest of moving this forward quickly, he will bring this topic up with the Management Group as soon as possible rather than wait for the June 8 Management Group meeting.**

Cynthia Kane inquired about who is responsible for pursuing the installation of the PPS release (Release 1591) installed and getting the data ready" for this testing activity. Adam commented that the list of prerequisites has already been articulated with Technical Advisory and Management groups, but there is no one document with such a description. **Adam will draft a test plan that outlines the pre-requisites that campuses must have in place for the test to be successful.**

- NIH Salary Cap in PPS -Modifications to PPS to implement the NIH Salary CAP will be released to campuses in two phases. The first phase encompasses edits on salary at the time salary changes are made to the EDB. This first phase release is

scheduled to be released in mid-June. The second phase will address reporting "over cap" conditions detected in the Payroll Compute process and is planned for release later in the summer.

- White Paper Status – Comments from the Budget and Planning Officers are expected to be received sometime next week. After these comments have been received, the White Paper will be finalized.

- 5% tolerance – The Management Group discussed the issue raised in the April 14 Requirements Group meeting where the 5% tolerance in effort reporting was questioned as truly being supported by the Federal Government. In the Management Group meeting, Jorge Ohy cited an HHS IG review of the design of the original A21/PAR system had resulted in tacit approval of the tolerance. The Management Group agreed that the 5% tolerance was not an issue.

- Deb will be preparing a plan for communications and developing the first content aimed at executives for discussion at the next Management Group meeting. The Requirements Group will be kept up to date on progress as work proceeds.

  Buck re-iterated a comment from the April 14 meeting that faculty buy-in is critical and that communicating to researcher an increased level of involvement in effort reporting must follow a tack that works with faculty. A discussion of how to approach the "selling" of ERS to the campus community ensued. Key points from this discussion on communications are summarized in "Points for Communication" on page 8.

9/12 and 11/12 Appointment Combinations and Title Code Attributes

Jon introduced this discussion item by asking for status reports and pointing out that discussion will continue at the next Requirements Group meeting.

- Berkeley –Amy/Cynthia – focused on the local issue of how the local HRMS provides drop-downs for appointment Basis and Paid Over field overrides. It appears that these values need to be entered explicitly and it there is any conflict with Title Code attributes, then a message is presented. 9/12 and 11/12 appointment combinations have not yet been vetted.

  Adam will discuss with the Technical Advisory Group and pull together an understanding of how default Basis and Paid Over values are established on EDB appointments and whether overrides are allowed..

- Los Angeles – (Pixie) reported UCLA representatives confirmed that in general employees at UCLA are not paid using a combination of 9/12 and 11/12 appointments. In those cases where joint appointments occur, the combination appointments are set up on the EDB for record purposes only and all the pay is received from either 9/12 or 11/12 but not a combination of both. There are a few cases where combinations do occur, primarily lecturer and researcher appointments, but it is not common and when it happens steps are usually taken to convert the pay retroactively to one type of appointment or the other.

- Davis – (Adam) using a case provided by James Ringo (multi-department, lots of sponsored research), it was discovered that the PPS data for the specific case was from before installation of PPS 1591 (derived percent time), so the example could not be verified systematically. Adam will provide James with an analysis of this case using the winter quarter as the basis (data should be available to Adam very soon to accomplish the analysis).

- San Diego (Dan Gilbreath) – only one significant coding anomaly has been uncovered and that can be addressed by cleaning up the data.

ERS Reporting Requirements

Adam reviewed a collection of reporting requirements extracted from the Requirements document as well as from the minutes of Management and Requirements workgroup meetings. After a review of the combined list of requested reports, the Requirements group agreed that a single summary report format could be used to satisfy all of the reporting needs.

The single format should include the ability to sort by home department, fund department, account department, employee, project, PI and effort report status. The single format report should also display the total number of effort reports and percent of total effort reports for each status (e.g., *Open*, *Certified*, *Overdue*.)

In addition to this standardized effort report summary list, the system will produce operational reports of the status of interface file loading and report period processing. These reports would not be used by end-users, but by production control units or functional groups responsible for monitoring the overall effort reporting process.

ERS Notification Requirements

Discussion of the notification requirements articulated at the April 14 meeting resulted in two changes:

- clarification that notifications go to the effort reporting coordinator in the Home Department of the individual
- setting the minimum number of notification recipients at two does not achieve a practical control and that campuses should have the flexibility to specify as many notification recipients as were desired and to be able to set a campus-specific minimum number of recipients.

These changes are reflected in "Notification Requirements" on page 6.

Meeting Schedule: July-December 2005

Meetings have been scheduled for July through December 2005 as follows:

July 14 (Thursday) 10-2 - 9204 Franklin
August 11 (Thursday) 10-2 - 10325 Franklin
September 8 (Thursday) 10-2 - 11326 Franklin
October 13 (Thursday) 10-2 - 9204 Franklin
November 10 (Thursday) 10-2 - 9204 Franklin
December 8 (Thursday) 10-2 - 9204 Franklin

Next Meeting

Scheduled for June 9, 2005, from 10-2pm. Location will be 1111 Franklin Conference Room 12322 (UCOP). This will be an in-person meeting.

Notification Requirements

General guideline for notifications:

- Whenever possible notifications should go department effort reporting coordinators directly rather than PI's.

- Campuses should be able to specify the number of recipients notifications must have and allow for campus to specify the minimum number of recipients required for notifications.

The following scenarios as the basic set of situations for which notifications should be issued:

1. **Condition:** The start of a certification cycle has begun and effort reports for the associated reporting period are available for review/certifications.
   Notification type: generic (no specific effort report detail is included in the notification).
   Timing of notification: at the conclusion of the batch process to generate effort reports for certification (e.g., 30- 45 days after close of reporting period).
   Destination of notification: home department effort reporting coordinators.

2. **Condition:** Time-based reminder of the deadline for certification of effort reports.
   Notification type: generic.
   Timing of notification: Some campus-specified number of days prior to the deadline for certification of effort reports.
   Destination of notification: home department effort reporting coordinators.

3. **Condition:** Change of payroll information which impacts the percent time for which any effort has been opened/certified.
   Notification type: Specific (pertaining to the one effort report only).
   Timing of notification: Immediate, when the ERS detects a change in percent time from a payroll adjustment that merits re-review/recertification of an effort report.
   Destination of notification: just to the effort reporting coordinator for the employee's home department.

4. **Condition:** When a multi-line certification report has been updated and reflects a significant change requiring re-certification of the effort report (where change from one department may impact other department[s]).
   Notification type: Specific (pertaining to the one effort report only).
   Timing of notification: Immediate, at the time a change to the effort report is made, as described above.

Destination of notification: to the department effort reporting coordinator for the employee's home department and to the certifier of the individual line that was de-certified.

5. **Condition:** Time-based reminder of the deadline for certification of effort reports. NOTE: this reminder may occur more than once on a schedule determined by the campus.
    Notification type: generic.
    Timing of notification: Some campus-specified number of days prior to the deadline for certification of effort reports.
    Destination of notification: all principal investigators associated with funds on a report awaiting certification with cc's to department effort reporting coordinator of the home department of the individual for whom certification must be obtained.

To reduce the number of actual notification emails sent to a single recipient, the ERS is must consolidate multiple notifications of a given type into a single email note for each recipient.

There is no need to have multiple cycles of delinquent certifications (e.g., 30, 60, 90 days past due).

Points for Communication

We've got to do it

The federal auditors are serious about enforcing compliance with A21. They are almost always tipped on a non-compliance situation by insider whistleblowers who receive a portion of the ultimate fine.

When compliance exceptions are discovered, there are serious consequences. Contracts and grants can be suspended, research can be shut down (e.g., seven month shut-down at Los Alamos), huge fines costing millions of dollars can and have been levied. These events are always reported on the front page of the local newspaper and often make national headlines.

New procedures at NIH on SNAP require that when PIs submit their regular progress reports, they attest to certifying their effort. This cannot be an empty promise.

How an Audit Works

Federal auditors typically take a sample of effort reports and validate the individually certified effort against all appropriate sources. Today, those sources include the actual certified PAR, the payroll audit report, the general ledger, the original commitment (either for direct charges or cost sharing effort), the original grant agreement and other pertinent records. Any discrepancies found in the sample are used to extrapolate from to come up with an estimated total number of occurrences for the entire population. A fine and/or audit disallowance is calculated based on this extrapolation.

Regardless of how fully compliant an organization may be, it is vulnerable to audit disallowance if the sample reflects an unusual number of discrepancies.

The primary benefit of an automated ERS is that it is an auditable system that the University can rely on to substantiate its effort claims and therefore ward off unreasonable or extreme audit disallowances.

If we don't do this right
- Faculty ability to get contract money could be impaired
- The whole University (system-wide) would be a risk.
- You will be spending an inordinate amount of time responding to audit queries.

Put the Fear of GOD in Them
- Tips for non-compliance most often come from whistleblowers
- Your own technician can be your worst enemy
- Not all around you are trusted souls
- When the audit comes, it will affect all of us

We feel your pain
We respect you. We understand your position. We acknowledge that what we're asking you to do is hard. But it is still worth doing to avoid risk, fines and prosecution.

The Chancellor needs to say "you need to do this"

The Academic Structure Needs to Drive the Initiative
- Administration needs to team-up with the academic side of the house
- Get the buy-in from the chief academic officer, the deans, and everyone in the academic hierarchy
- The academic leadership needs to drive this initiative and communicate the need for change and compliance

We are here to help
- Whether you realize it or not, we're trying to help you be in compliance with federal requirements for reporting effort
- Here's how we are making your life easier… (e.g., eliminating the paper chase associated with the PAR, the new process will take only minutes per semester).
- Here's what we've got to do…
- Here's how we're going to help you…