



eCert General Information

USC Office of Financial Analysis



What is effort certification?

- Way for government and other sponsors to verify salary charges
- After-the-fact confirmation of effort
- Demonstrates that salaries charged to sponsored projects or cost sharing reasonably reflect effort performed
- Required by USC policy and the federal government



Inaccurate certification may result in:

- financial penalties,
- expense disallowances,
- damage to USC's reputation, and
- damage to your own reputation

Late effort reports may result in a spending freeze on the accounts.



eCert Objectives

- Facilitate compliance with OMB Circular A-21 [2 CFR, part 180] by certifying to percentage of effort, not just dollars paid
- Ensure timely certification
- Ability to monitor certification via reports, reminders, follow-up
- Reduce paperwork and streamline the process



eCert User Roles

- Preparers – prepare the effort certification documents for certifiers
- Certifiers – certify effort certification documents
- Reviewers – Assign preparers to certifiers. Run status reports for their organization codes



Who will use eCert?

- Faculty – will certify for themselves and their Research Assistants
- Exempt staff – will certify for themselves
- Preparer – assists certifiers
- Reviewer – delegates Preparer(s), has access to summary reports for school, department, or unit activity



Who certifies?

- Only users designated as certifiers will certify efforts
- Certifiers are required to have first-hand knowledge of the work being performed
- Certifiers must have “direct technical knowledge” of the work



When will they certify?

- Quarter Schedule – 12 month faculty and exempt staff
 - For example, April – June quarter will be certified in July
- Semester Schedule – 9 month faculty and Research Assistants
- Average effort over the period is certified
- 30 day deadline from when period opens



eCert Workflow Timeline

- Certification period opens for Preparer
- Preparers make adjustments and comments
- Certification period opens for Certifiers
- Certifiers certify effort in eCert
- Payroll expense transfers processed to match payroll with effort

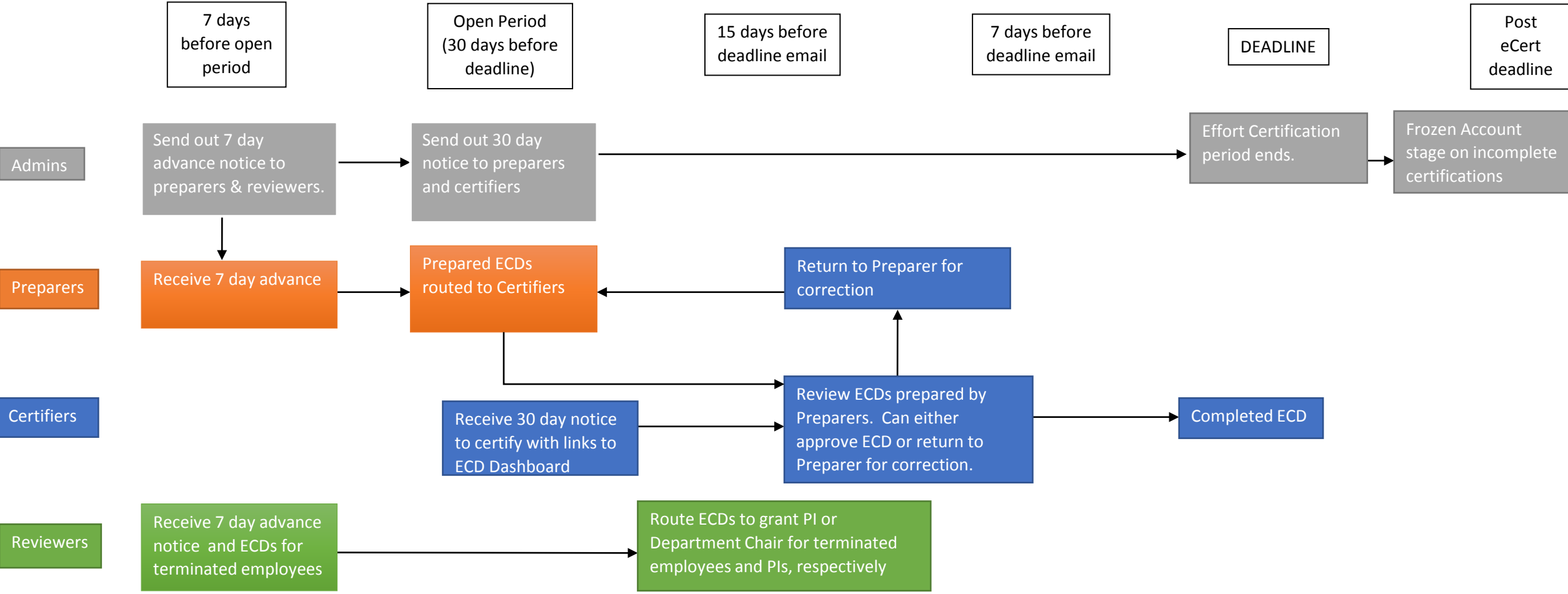


Email Schedule

- Certifiers
 - 1st Email – Period Open – 30 days to certify
 - Reminder when 15 and 7 days left
- Preparers
 - 1st Email – 7 days before period opens
 - 2nd Email – Period Open – 30 days
 - 15 day and 7 day reminders
- Reviewers
 - Reminder with 7 days left



eCert Workflow





What needs to be certified?

- Institutional Base Salary (IBS) paid from grants, contracts, or cost sharing
- IBS is defined in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (12/26/2013) as: “The annual compensation paid by an IHE [Institution of higher education] for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for the IHE.”



IBS Basic Principles

- IBS is the total guaranteed USC salary set in advance by the Provost
- IBS includes:
 - Core salary (formerly called “base salary”)
 - Private Practice or clinical core salary (KSOM)
 - Supplemental Salary
 - Administrative stipends
 - Clinical and other supplements



IBS Basic Principles (cont.)

- IBS does not include:
 - Teaching overloads
 - Housing subsidies
 - Outside consulting income
 - Education loan repayments
 - Clinical incentives or bonuses (KSOM)
 - Direct pay from LAC+USC Medical Center or Children's Hospital Medical Group

*for a full list refer to guidance



How is IBS used?

- IBS is used for proposing, budgeting, and charging effort on grants and contracts
- For example, if a PI proposes to spend 10% of his or her effort on the project, 10% of his or her IBS should be budgeted and charged [except in the case of cost-sharing or the PI is paid over the NIH salary cap]



IBS Example

- 12 month faculty PI Trojan makes \$120,000 a year
- IBS for each quarter = \$30,000
- Paid \$1,000 per month from NIH grant
- Paid \$3,000 for quarter from NIH grant
- % of effort per payroll for quarter = 10% (\$3,000 divided by \$30,000)



How much effort do I certify?

- Effort is NOT calculated based on a 40 hour week, it is based on 100% of USC effort
- Faculty, exempt staff, and RAs certify to 100%
- Average effort over the period is certified



Salary over the NIH Cap

- PI paid over the cap performing 10% effort may charge up to 10% of the NIH cap
- Example: PI with \$250,000 salary performs 10% effort on an NIH grant
- They can charge \$18,150 to the NIH grant (assuming the 2012 cap of \$181,500)
- Salary over the NIH salary cap must be charged to an unrestricted account (\$25,000 less \$18,150)



Next Steps

- Certifications will appear on Certification Summary report for review by Preparer and Reviewer
- Payroll does not have to match effort at time of certification
- Effort changes require a payroll expense transfer so payroll matches effort performed



Thank you!! Any questions?

- For eCert contact the Office of Financial Analysis at 213-821-1937 or email: ecert@usc.edu
- More info: <http://fbs.usc.edu/depts/ofa>
- For USC Shibboleth password assistance contact ITS at 213-740-5555