Research Annual Certification Reports

Updated October 2021

Northeastern University

Topics

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Northeastern University
Research Enterprise Services

Policy on Effort Reporting

Federal regulations require that compensation and effort devoted to sponsored projects is appropriately documented and must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated. This policy defines and establishes University practices for effort reporting and assures those sponsors that salary and wages are properly accounted for.

Accordingly, it is University policy that while salary charges to sponsored projects are made initially based upon the planned or estimated workload of faculty and others, the actual effort of each individual working on sponsored projects must be monitored, with charges modified as necessary based on variances between the estimated and actual effort.

Policy on Effort Reporting

Federal Regulations

As a recipient of federal funding, Northeastern University is required to comply with the CFR, Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Section 200.430: Compensation for Personal Services

- Contains the federal regulatory requirements for internal controls over documenting salary charges to Federal awards.

- Provides standards for documentation of personnel expenses.

- Implies that charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.

- And that these records must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

Effort & Salary Monitoring

Although the University's effort and annual certification process provides the principal means for certifying that the salaries and wages are reasonable and allocable, it is important to monitor the activity devoted to those projects on a regular basis.

- University policy requires that such provisional salary and wage charges be monitored by the PI on a regular basis and that any adjustments to the activity devoted be processed on a timely basis.

- It is important that changes in effort are routinely communicated and recorded on the University's financial records during the course of the fiscal year.

- Department administrators and/or the PI are required to review their monthly payroll distribution reports for accuracy.

- Should an individual be charged to an incorrect index number/project, then a Payroll Distribution Change (PDC) form will need to be submitted in order to make the correction.
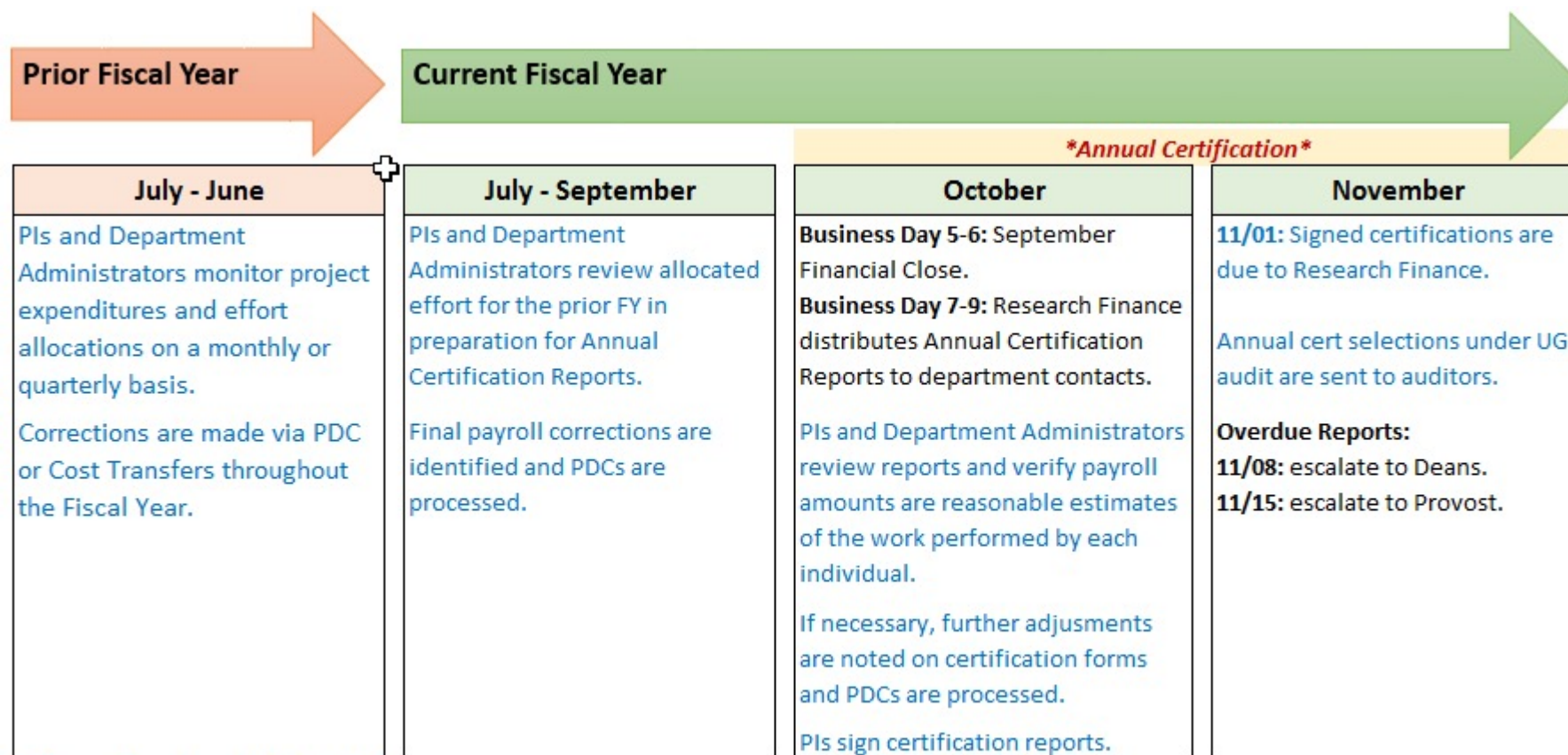
Annual Certification Process

The University's practice is to utilize an after the fact reporting system to certify that salaries charged to sponsored awards are reasonable and consistent with the work performed.

- The Annual Certification Report is the primary means for complying with the federal regulations relating to effort certification.

- Principal Investigators or designated officials with suitable means of verification are required to certify that the total amounts charged to the sponsored awards are reasonable for the work performed on the award.

- If the salary information on the pre printed Annual Certification Report does not agree with the actual effort performed, then a correction needs to be noted on the Annual Certification Report and a Payroll Distribution Change (PDC) form needs to be processed and reviewed by NU-RES Finance.

Timeline

Prior Fiscal Year	Current Fiscal Year		
		Annual Certification	
July - June	**July - September**	**October**	**November**
PIs and Department Administrators monitor project expenditures and effort allocations on a monthly or quarterly basis. Corrections are made via PDC or Cost Transfers throughout the Fiscal Year.	PIs and Department Administrators review allocated effort for the prior FY in preparation for Annual Certification Reports. Final payroll corrections are identified and PDCs are processed.	**Business Day 5-6:** September Financial Close. **Business Day 7-9:** Research Finance distributes Annual Certification Reports to department contacts. PIs and Department Administrators review reports and verify payroll amounts are reasonable estimates of the work performed by each individual. If necessary, further adjusments are noted on certification forms and PDCs are processed. PIs sign certification reports.	**11/01:** Signed certifications are due to Research Finance. Annual cert selections under UG audit are sent to auditors. **Overdue Reports:** **11/08:** escalate to Deans. **11/15:** escalate to Provost.

* PIs and Department Administrators
* Research Finance

Annual Certification Reports

EXAMPLE

Northeastern University
Research Annual Certification Report
Reporting Period: July 01, 2019 to June 30, 2020

Run Date: 10/08/2020
Run Time: 16:15:57
RJUN2020XXXXX

Fiscal Year

Grant   G00006987
Project Start Date   08/01/2019
Project End Date   07/31/2023
Sponsor   Health and Human Services
Award No.   R01AB123456
Project Title   Measuring Levels of Internet Use...

Grant-level Project Information

Grant-level Lead PI

Principal Investigator: Smith, J.
DIV20   Bouve College Health Sciences
36700   School of Nursing

Index-level Division and Department

Index No.   500789
Index Title   HHS/1R01AB123456-01/Smith, J.

Index #, Index level Title and PI

Employee salary charges posted in the Fiscal Year

Document revisions, PDCs, etc.

Name	Position Title	NU ID	ACCT	Acct Code Desc.	Fiscal YTD Charges 07/01/2019-06/30/2020	Revisions
Smith, J.	500999 Professor	001111111	61010	Salary-FT Tenured/TenureTrack Fac.	$ 5,000.00	
Smith, J.	193333 Extra Compensation	001111111	61013	Salary-Faculty Off Contract	$ 15,000.00	
Henry, R.	202999 Temp Non Students	002222222	61417	Salary-Additional Help-Non Student	$ 13,500.00	
Kelley, B.	443888 SGA Research	003333333	61050	Salary-Research/Teaching Assistant	$ 9,400.00	
Kelley, B.	443777 SGA Research	003333333	61050	Salary-Research/Teaching Assistant	$ 5,500.00	
Thomas, K.	601222 Postdoctoral Research Assoc	004444444	61130	Salary-Professional	$ 60,700.00	
Thomas, K.	601222 Postdoctoral Research Assoc	004444444	61055	Postdoctural Research Assoc/Fellows	$ 8,200.00	
				Total Fiscal Year Salary Charges:	$ 117,300.00	

*If revisions are required, Payroll Distribution Change (PDC) forms must be completed in K2 and noted on this report. Completed certification report must be returned to NU-RES Finance by November 1, 2020

Certification language & signatures

I certify that I have first-hand knowledge of (or have suitable means of verifying) that the above payroll distributions reasonably represent both work performed and salary continuity under unexpected or extraordinary circumstances consistent with university policy. I am aware that any false, fictitious or fraudulent information may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section

Departmental Signature (required)   Print Full Name   Date

N
LVX
VERITAS
VIRTVS

Reviewing Annual Certification Reports

- Confirm salaries are allowable and directly benefit the project
- Check guidelines for agency-specific effort requirements: FDP Prior Approval Matrix
- Flag significant changes of effort for Key Personnel and ensure their commitments are met
- Submit timely prior approval requests
- Ensure payroll charges are in line with activity/personnel listed in Progress Reports
- Ensure that Cost Sharing requirements have been met (if required)
- Remove unallowable costs, such as administrative personnel, payroll beyond period of performance, and charges that do not directly benefit the project
- Process final payroll adjustments via PDCs and note the adjustments under the Revisions column

Reminder:

Annual Certification Reports are a vital document used in audits (annual UG) as well as specific agency audits and reviews.

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Returning Certified Reports

Three ways to sign the Annual Certification Reports:

1. Print, sign, and scan
2. Sign electronically
3. Reply with "I certify" via email and include screenshot of Annual Certification Report in the body of email

Please return all completed Annual Certification Reports to f.cromp@northeastern.edu by November 1st.

Thank you!

Resources

NU Policies:
- [Policy on Effort Reporting](#)
- [Policy on Cost Transfers](#)

Cognos:
- FIN0032 – Payroll Distribution Report (search by index #)
- FIN0036 – Payroll Distribution by Month (search by employee and/or index #)

ePrint:
- PZRLDFR – FTD Payroll Distribution Report Research (current FY, search by index #)
- PZRLDIR – ITD Payroll Distribution Report Research (inception-to-date, search by index #)
- PZRVRA1 – Research Monthly Payroll Verification Detail (search by department)

PDCs:
- [K2 PDC Tips & Tricks](#)
- [PDC Training Document](#)