

# Would You Recommend Your Institution's Effort-Reporting Process to Others? Determining Best Practices in Effort-Reporting Compliance

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## ABSTRACT

Effort-reporting compliance at higher education institutions was examined to discern best practices from those that would recommend their effort-reporting process. Data were derived from a survey of effort administrators—the research administrators responsible for the effort-reporting compliance program at their respective higher education institutions. The research was conducted in the fall of 2012, before the implementation of the OMB (2013) Uniform Guidance. Data were separated into two focus groups for greater applicability: Doctoral/Research Universities (DRUs) and Predominantly Undergraduate Institutions (PUIs). These effort administrators were generally confident about their institution's compliance with current effort-reporting regulations and believed that, even aside from the regulations, they properly documented compensation costs charged to sponsoring agencies. These data provide information on best practices in effort-reporting compliance for these two types of higher education institutions and expand the body of knowledge in the field of research administration. Data derived from this study can also be used as a baseline from which to compare future studies on effort-reporting compliance after the implementation of the OMB (2013) Uniform Guidance.

## INTRODUCTION

Effort reporting is one of the most challenging compliance areas faced by research administrators. Effort reporting, or documenting compensation for personnel services, is a federal requirement mandating institutions to verify that personnel costs on sponsored projects are reasonable when taking into account the actual work performed on the project (Anthony & Gindhart, 2009; Council on Government Relations, 2007). The process of reporting effort also verifies that time commitments made to a sponsoring agency are met. Personnel charges typically represent a large portion of sponsored project costs. Auditors have always focused on effort reporting, but there has been a recent increase in auditor oversight due to federal audit findings and multimillion dollar settlements, institutional disclosures, and whistleblower lawsuits brought under the False Claims Act (1863); these have created concerns that the policies and procedures in place at universities are inadequate or out of compliance (Blevens, 2013; Council on Governmental Relations, 2007; Fife, 2006). An examination of the *Summary of University Audits, Settlements and Investigations Related to Federal Programs* (Blevens, 2013) shows that effort-reporting findings represent the largest proportion, constituting over 25% of all compliance areas. Effort-reporting findings in annual A-

133 audits, high-profile large settlements, and false-claims whistleblower lawsuits have motivated continued auditor oversight of universities (Fife, 2006; Stanley & McCartney, 2009). These circumstances demonstrate the need for universities to have a sound effort reporting compliance program.

At the time of this study, the federal requirements governing compensation for personnel services were found in the U.S. Office of Management and Budget (OMB) Circular A-21, section J.10, *Cost Principles for Educational Institutions* (OMB, 2004). The federal regulations for compensation costs have since changed to the OMB (2013) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, "Uniform Guidance," section 200.430. Based on either set of requirements, a sound effort-reporting compliance program should have a policy, procedure, and system that address the federal requirements. Continued from Circular A-21 (2004) to the OMB (2013) Uniform Guidance, is a required "after-the-fact" review process of personnel costs, versus relying on budget estimates to document costs. Further, it is expressed in both documents that costs must be reasonable, accurate, and based on all activities represented in an employee's institutional-based salary. With the new focus on stringent internal controls in OMB (2013) Uniform Guidance, institutions should

continue vigilance to ensure they have a strong effort-reporting compliance program.

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External monitoring programs cannot be solely relied upon to ensure compliance (Fedor, Yaussy, & Cola, 2008). Compliance programs should be implemented into daily operations and the policies and procedures put in place to foster compliance should be followed (Saputelli & Smith, 2010). An effective compliance program serves to protect an institution from liability, mitigate risk, and foster the proper stewardship of external funds and institutional resources (Erickson & Tangredi-Hannon, 2006). The assessment of compliance programs at an institution must be a constant priority and continually monitored (Erickson & Tangredi-Hannon, 2006). Effective programs should ultimately lessen administrative burdens while allowing for the early identification and prevention of issues (Fedor et al., 2008). The increase in compliance costs is a large component of research and development expenses for higher education institutions; streamlining regulations is a way to decrease these costs for all higher education institutions

(National Science Board, 2012). Rockwell (2009) noted that universities “go beyond the regulations” (p. 36) because they experience an audit, fear they will be audited, or have different interpretations by auditors, thus further exacerbating administrative burdens. Developing and utilizing best practices are one way that institutions can work together to lessen administrative burdens (National Science Board, 2014).

**Effective [compliance] programs should ultimately lessen the administrative burdens, while allowing for the early identification and prevention of issues . . . .**

Institutions can point to multiple resources for developing sound compliance programs. For example, the Draft OIG Compliance Program (2005) for recipients of Public Health Service awards offered the following guidance for a good compliance program as a means to promote strong internal controls:

1. Implementing written policies and procedures,
2. Designating a compliance officer and compliance committee,
3. Conducting effective training and education,
4. Developing effective lines of communication,
5. Conducting internal monitoring and auditing,
6. Enforcing standards through well-

publicized disciplinary guidelines, 7. Responding promptly to detected problems and undertaking corrective action, and 8. Defining roles and responsibilities and assigning oversight responsibility (p. 71313).

The two internal control documents cited in the OMB (2013) Uniform Guidance, *Internal Control Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, are provided for best-practice guidance and can also be used to design a sound effort-reporting compliance program (Committee of Sponsoring Organizations, 2013; Comptroller General of the United States, 2014; Office of Management and Budget, 2014). Internal control is defined as “a process effected by an entity’s oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved” (Comptroller General of the United States, 2014, p. 5). Strong internal controls ultimately allow institutions to quickly respond to change, such as the changes in regulation that the research community is now experiencing (Committee of Sponsoring Organizations, 2013).

Although the above examples are straightforward, achieving compliance is not. Research administrators still rely on

their colleagues through listservs and conferences for assistance due to the ever-changing compliance environment and with specific areas of interest, such as effort reporting (Saputelli & Smith, 2010). The regulatory environment has evolved to have “strict” and “reactive” requirements that come with little guidance or time to implement (Saputelli & Smith, 2010, p. 23). Further, since the guidance is not always clear, institutions are responsible for clarifying some information in their policies (Saputelli & Smith, 2010). Due to this ambiguity, best practices are essential to developing or evaluating a compliance program. Best practices have changed over the past ten years due to new competitors, pressures from the government on “cost containment,” increased regulatory oversight by sponsors, and the technology age (Kirby & Waugaman, 2005, p. 5).

A goal of this study was to assist in identifying best practices by examining some of the common issues that institutions must address when designing an effort reporting compliance program. Further, since institutions are unique in their size and culture, there is no one best compliance program (Draft OIG Compliance, 2005). As such, this paper summarizes the effort-reporting characteristics of a sampling of Doctoral/Research Universities (DRUs) and Predominantly Undergraduate Institutions (PUI) that would recommend their effort-reporting process as a means of identifying

best practices in effort-reporting compliance for these types of institutions. A DRU is defined as a higher education institution that awards at least 20 research doctoral degrees (adapted from Carnegie Foundation for the Advancement of Teaching, n.d.). A PUI is defined by the National Council of University Research Administrators (NCURA, 2013) as follows:

The PUI Neighborhood members provide research administration information to our colleagues at “predominantly undergraduate institutions” — two-year, four-year, masters-level, and small doctoral colleges and universities that grant baccalaureate degrees, or provide programs of instruction for students pursuing such degrees with institutional transfers (e.g., two-year schools), where undergraduate enrollment exceeds graduate enrollment, and no more than 10 Ph.D. or D.Sc. degrees are awarded per year (adapted from the National Science Foundation’s description of PUIs) (para. 12).

## METHODS

Study participants were research administrators responsible for the effort-reporting compliance program at their respective higher education institutions (i.e., effort administrators). Participants were recruited from both the REASADM-L Research Administration Discussion List

listserv and three of NCURA’s Collaborate membership communities (Predominantly Undergraduate Institutions, Compliance, and Financial Research) in order to access the largest number of eligible respondents from the population. To further expand the number of participants, listserv and community members were encouraged to send the survey communication on to the appropriate person at their institution. The sample was drawn from this proportion of the population of effort administrators and was composed of those individuals who completed the web-based survey.

Nonprobability sampling was utilized since the groups described above were used to collect the sample and it was not known if all universities subject to effort-reporting requirements were represented in these groups. A random sampling method was used because the respondents were only sought out via the groups and not individually selected to participate in the study. The survey was anonymous; no identifying information was collected on the participants or their institutions. The number of participants was not limited in this study.

Demographic information was collected on both the institutions and individual respondents. The institutional information collected included institutional classification (*Doctoral/Research University, Master’s College or University, Predominantly Undergraduate Institution, Associate’s or*

*Technical College, or Other*), public versus private status, total amount of annual sponsored funding expenditures, and the office that oversaw effort reporting. Respondent information collected was the respondent's position title and years of experience working in effort administration. Institutions were grouped by their institutional classification in order to compare types of institutions.

The instrument was a web-based questionnaire using the Survey Gizmo software program and consisted of predominantly closed-ended questions, with a small number of semi-closed-ended questions and one open-ended question. The instrument was separated into four sections consisting of demographic data, current data on the institution's effort-reporting compliance program, data on past audit influences, and perceptions of future changes to the effort-reporting regulations. The survey was preceded by a participant letter that included a participant rights statement and statement of consent. The survey adhered to Nova Southeastern University Institutional Review Board consent compliance requirements, and all applicable information was included in the e-mail invitation and survey introduction.

A cross-sectional survey design was used in this study. On September 25, 2012, an e-mail invitation to participate in the research study was sent to the REASADM-L listserv and posted in the three NCURA

Collaborate communities. In order to prevent multiple individuals from responding to the survey from the same institution, the invitation to participate in the study specified that only the person responsible for effort-reporting compliance for the institution was eligible to take the survey. Users were limited from responding to the survey more than once by using software features. The invitation directed eligible participants to a link to the survey instrument. To reduce nonresponse error and ensure a high response rate was received, a follow-up invitation was sent one week following the initial invitation on October 2, 2012. A final request was sent two weeks following the initial invitation on October 9, 2012.

Each of the survey question response choices was coded prior to the data being collected. Once collected, the data were exported to the IBM Corporation's SPSS (Versions 20 and 21) software for analysis. The response rate was not calculated because the number of eligible respondents could not be calculated since the number of eligible potential respondents was not known. To determine best-practice characteristics of effort-reporting compliance programs by type of institution, the data from respondents who indicated that they would recommend their effort-reporting process were separated from the master data set and then further divided into two groups, Doctoral Research

Universities (DRU) and Predominantly Undergraduate Institutions (PUI). All variables were covered individually by the survey questions and percentages were calculated based on the strength of the responses to the variables. Descriptive statistics were also used to analyze the variables; frequencies on the responses were calculated.

A total of 114 responses were received. Of these, eight responses (six complete and two partial) were ineligible for the survey because they were not self-classified as institutions of higher education; these responses were omitted from data analysis. Of the 106 remaining responses, 38 were partial responses for which not enough data were collected and thus were discarded from the final analysis. The analyzed responses resulted in 67 or 68, depending on the variable. Two classifications of higher education institutions (DRUs and PUIs) represented the majority of institutions in this study (91.1% or 62 institutions). Of the 68 total institutions represented in the analysis, only 30 or 44.1% of respondents would recommend their effort-reporting process to others (variable: pREC). Of these 30 institutions, 28 were DRUs and PUIs with an equal number representing each group. A higher percentage of DRU respondents (14 of 19 institutions or 73.6%) would recommend their effort-reporting process than PUIs (14 of 43 institutions or 32.5%). The results

presented here on DRUs and PUIs are specific to only those respondents who would recommend their institution's effort-reporting process.

## RESULTS

Results are designed to shed light on best practices among DRUs and PUIs that can be adopted by other institutions looking to update their effort-reporting compliance program. This analysis was conducted separately for both DRUs and PUIs to identify best practices for each type of institution. Throughout this section, variable labels are listed in parentheses.

The first section of the survey instrument collected demographic data on the types of respondents (position title), their institutions (public versus private status and research expenditures), and the respondent institution's effort-reporting compliance program (office that oversaw effort reporting, effort-reporting system, OMB Circular A-21 method, frequency of certification, number of effort certifications per reporting period, and source of funding reported on). Most DRU respondents were public institutions (78.6%; d3). As expected, they reported higher research expenditures and effort certifications for their institution than PUIs (d5, d11). They expended more than \$10 million in research expenditures for the last fiscal year, with most over \$50 million (d5). This correlates with a higher number of effort certifications; they all

reported above 500 certifications per the institutionally specified certification period, and the majority reported over 1,000 (78.6%; d11). Further, effort-reporting compliance programs were most often administered at DRUs by a central effort administrator (42.9%) with the next highest response being a central post-award research administrator (21.4%; d1). They were divided by which office oversaw effort reporting, with the sponsored accounting offices a slight majority (57.1%; d6) over sponsored programs offices (42.9%; d6). Most DRU respondents indicated that their institution used a software system to report effort; an equal number of institutions chose off-the-shelf software and institutionally developed software (85.8%; d8). The majority (64.3%; d9) of DRU respondents indicated an *after-the-fact* method for reporting effort. DRU respondents were divided on the frequency of certification at their institutions. The most common response was semiannually (42.9%; d10). Finally, almost all DRU respondents indicated that their institution reported effort for all sponsored funding (versus only federal funding or federal and state funding; 92.9%; d12).

Most PUI respondents were public institutions (64.3%; d3). As expected, PUI respondents reported lower research expenditures and effort certifications for their institutions than DRU respondents (d5, d11). Most PUI respondents indicated

that their institutions expended less than \$50 million in funds for research in the last fiscal year, with half of these respondents reporting under \$5 million (d5). This correlates with a lower number of effort certifications, with 85.7% having fewer than 1,000 certifications per certification period and 71.4% having even fewer than 500 (d11). A clear trend was not observed on who administered effort-reporting compliance programs at these PUIs, although the most common positions included a central effort administrator, noneffort specific post-award research administrator, and generalist research administrator with varying functions (d1). PUI respondents were also divided about which office oversaw effort reporting at their institutions—sponsored programs offices were the majority, at 64.3%, followed by sponsored accounting offices at 28.6% (d6). In contrast to the DRU respondents, only half of PUI respondents used a software system at their institution, and the others utilized paper (both 42.9%; d8). The majority (85.7%) of PUI respondents used an *after-the-fact* method for reporting effort at their institutions (d9), although they were mixed on the frequency of certification (d10). Finally, PUI respondents differed from DRU respondents in regard to types of sponsored funding reported—64.3% reported effort for all sponsored funding, 14.3% reported on federal and state funding only, and 21.4% reported on federal funding

only (d12).

The second aspect of the survey collected current data on institutions' effort-reporting compliance programs. Factors included: having an effort policy (c1), defining who can attest to effort or "suitable means of verification" (c2), allowance of certification by administrators (c3), training (c4), consequences in place for those that do not certify (c5), process in place to track late or overdue statements (c6), commitment management (c7), maximum effort policy (c8), minimum policy for principal investigators (c9), defining significant change per OMB Circular A-21 (c10), are sponsors charged correctly (c11), conducts independent internal evaluations (c12), timeliness of certification (c13), and allowance of recertification of effort (c14). In addition, the following self-analysis questions were examined: overall OMB Circular A-21 compliance (c15), having no federal audit findings (c16), having accurate certification (c17), and having an effective compliance program (c18). DRU respondents who would recommend their effort-reporting process demonstrated best practices on which other institutions could model their effort-reporting compliance programs (Table 1). All of these respondents reported having an effort-reporting policy and conducted independent internal

evaluations (c1, c12). The majority defined in their policy who could attest to effort or, who had *suitable means of verification* (78.6%; c2), and what constituted a *significant change* per OMB Circular A-21 requirements (71.4%; c10). DRU policies did not let administrators certify another individual's effort for which they did not have *suitable means of verification* (71.4%) or they allowed it only with supporting documentation (21.4%; c3). A formal training program on effort reporting was also common at DRUs (85.7%) although the trend was towards a non-mandatory program (64.3% versus 21.4%; c4). A slight majority reported that their institution had consequences in place for those who failed to certify effort (57.1%; c5). Almost all respondents said they tracked down late or overdue statements to achieve compliance (92.9%; c6). DRU respondents also managed commitments of effort (85.7%; c7) with the majority having a policy on minimum effort (specific to Principal Investigators; 64.3%; c9) and maximum effort (78.6%; c8) charged to sponsored projects. The majority of effort certifications at their institutions were completed on time (71.4%; c13). However, responses were mixed regarding the allowance of recertification, indicating no clear trend (c14).

**Table 1**  
**Practices of Doctoral Research University Respondents Who Would Recommend Their Effort-Reporting Process**

Variable	Description	Percentage who demonstrated the practice
c1	Effort policy	100.0
c2	Define suitable means of verification	78.6
c3	Do not allow certification by administrators	71.4
c4	Mandatory or non-mandatory training	85.7
c5	Consequences for not certifying	57.1
c6	Track late or overdue statements	92.9
c7	Commitment management	85.7
c8	Maximum effort policy	78.6
c9	Minimum principal investigator effort policy	64.3
c10	Defining significant change	71.4
c12	Conducts independent internal evaluations	100.0
c13	Timeliness	71.4

Note: For Variable c3, an additional 21.4% would allow certification by administrators with supporting documentation. For Variable c13, the response choices *always*, *very often*, and *fairly often* are included in the percentage.

PUI respondents who would recommend their effort-reporting process also demonstrated best practices for that process (Table 2). Similar to DRU respondents, almost all reported that their institution had an effort-reporting policy and conducted independent internal evaluations (both 92.9%; c1, c12) although there were mixed results about providing a definition of *suitable means of verification* in that policy or who has *suitable means of verification* to certify effort (c2, d15). The majority of PUI respondents indicated that their institution defined what constituted a *significant change* (71.4%; c10). They also did not let administrators certify another individual's effort for which they did not have *suitable means of verification* (85.7%, 14.3% allowed only with supporting

documentation; c3). No trends were observed with regard to a formal effort-reporting training program (c4) or having consequences in place for those who did not certify effort (c5). All respondents indicated that their institution tracked down late or overdue statements to achieve compliance (c6). Like DRU respondents, the majority of PUIs formally managed commitments at their institutions (84.6%; c7), but in contrast to the DRU respondents, PUIs did not have policies on minimum or maximum effort (57.1% and 78.6%, respectively; c9, c8). They were positive with regard to timely completion of effort certifications at their institutions (71.4%; c13). However, responses were mixed regarding the allowance of recertification, indicating no clear trend (c14).

**Table 2**  
**Practices of Predominantly Undergraduate Institution Respondents Who Would Recommend Their Effort-Reporting Process**

Variable	Description	Percentage who demonstrated the practice
c1	Effort policy	92.9
c2	Define suitable means of verification	42.9
c3	Do not allow certification by administrators	85.7
c4	Mandatory or non-mandatory training	64.3
c5	Consequences for not certifying	50.0
c6	Track late or overdue statements	100.0
c7	Commitment management	84.6
c8	Maximum effort policy	21.4
c9	Minimum principal investigator effort policy	42.9
c10	Defining significant change	71.4
c12	Conducts independent internal evaluations	92.9
c13	Timeliness	71.4

*Note.* For Variable c3, an additional 14.3% would allow certification by administrators with supporting documentation. For variable c13, the *always*, *very often*, and *fairly often* response choices are included in the percentage.

The next set of variables analyzed represented self-analysis questions (Table 3). Most DRU respondents indicated that the salary compensation charged to sponsors was an accurate reflection of the effort certified at their institution (78.6%; c11), with the rest indicating a neutral response. Almost all agreed that their institution’s effort-reporting compliance program met the requirements in OMB (2004) Circular A-21 (92.9%; c15) and almost all were neutral or positive in response to “my institution's effort reporting

compliance program would have no significant findings in a federal audit” (57.1% positive and 35.7% neutral; c16). Overall, these answers reflected confidence by DRU respondents in their institution’s compliance program. These respondents agreed or strongly agreed that effort was certified accurately at their institutions (78.6%; c17) and their effort-reporting compliance program was effective in documenting personnel expenses on sponsored projects aside from the federal effort-reporting regulations (100%; c18).

**Table 3**  
**Comparison of Doctoral Research University and Predominantly Undergraduate University Respondents Who Would Recommend Their Effort-Reporting Process**

Variable	Description	Percentage of DRUs that responded positively	Percentage of PUIs that responded positively
c11	Sponsors charged correctly	78.6	78.6
c15	A-21 compliant	92.9	100.0
c16	Would have no federal audit findings	57.1	78.6
c17	Accurate certification	78.6	85.7
c18	Effective compliance program	100.0	85.7

*Note.* DRU = doctoral research university; PUI = predominantly undergraduate university. For all PUI variables, the rest of the responses were neutral (no respondents disagreed with the statement). This same statement applies to variable c11 of the DRU responses. For variable c16 of the DRU responses, 35.7% indicated a neutral response.

Most of the PUI respondents indicated that the salary compensation charged to sponsors was an accurate reflection of the effort certified at their institutions (78.6%) with the rest of the institutions indicating a neutral response (c11). All PUI respondents agreed or strongly agreed that their institution’s effort-reporting compliance program met the requirements in OMB (2004) Circular A-21 (c15). Most agreed or strongly agreed that their institution would have no significant findings in a federal audit (78.6%), with the rest indicating a neutral response (c16). Similar to the DRU respondents, the PUIs who would recommend their institution’s effort-reporting process were confident in their compliance program. These PUI respondents agreed or strongly agreed that effort was certified accurately at their institutions (85.7%), with the rest indicating a neutral response (c17). Similarly, PUI

respondents agreed or strongly agreed that their institution’s effort-reporting compliance program was effective in documenting personnel expenses on sponsored projects aside from the federal effort-reporting regulations (85.7%), with all others indicating a neutral response (c18).

To put the above practices into context, the third aspect of the survey collected data on past audit influences. Factors included: audit findings (aFIND), change made to their compliance program due to an audit finding (aCHANGE), change due to fear of future audit (aFEAR); and change to an adopted electronic system (aELEC). The variables were weighted equally, ranging from 0 (no finding; no change) to 1 (finding; change). No further statistical tests were needed as each variable served as a separate indicator of audit influence. About half of DRU respondents reported having significant findings at their institution related to effort reporting in the past

(aFIND). Most DRU respondents changed their effort-reporting compliance program in the past ten years due to the fear of being audited in the future (85.7%; aFEAR).

Further, most DRU respondents noted a change in their institution's effort-reporting compliance program in the past ten years to adopt an electronic system (85.7%; aELEC).

In contrast to DRUs, the majority of PUI respondents indicated that their institution had not had a significant finding related to effort reporting (92.3%; aFIND). This result was not surprising as it was assumed most PUI institutions, due to the level of funding, did not have a high audit risk. Only about half of PUI respondents indicated that their institution had changed their effort-reporting compliance program in the past ten years due to the fear of being audited in the future, with most others indicating a neutral response (aFEAR). Interestingly, these respondents were divided at opposite ends of the spectrum about whether their institution changed its effort-reporting compliance program in the past ten years to adopt an electronic system; 35.7% answered *definitely false* and 42.9% answered *definitely true* (aELEC).

The final section of the survey instrument collected data on perceptions of effort administrators on future changes to the effort-reporting regulations, since the data collected predated publication of the OMB (2013) Uniform Guidance. Factors included: satisfaction with current process

(pSAT), concern regarding investment in a new system (pINVEST), and stay with current process (pSTAY). The variable, "would you recommend your institution's effort reporting process to others" (pREC), was also included in this section. The questions were scored with equal weight from 0 to 1 with a higher score indicating a more positive response towards the variable. No further statistical tests were needed as each variable served as a separate indicator on perceptions of effort administrators on future changes to the effort-reporting regulations.

All DRU respondents reported being satisfied with their institution's effort-reporting process (*somewhat to very satisfied*; pSAT). Given their institutional leadership, all except one of DRU respondents (who did not know) would likely stay with their institution's current effort-reporting process if the regulations changed (pSTAY). Most of these respondents indicated at least some level of concern about the investment in resources and costs of implementing a new effort-reporting system (92.9%; pINVEST).

Similarly, almost all PUI respondents reported being satisfied with their current effort-reporting process (92.9% *somewhat to very satisfied*; pSAT). Given their institutional leadership, 85.7% of PUI respondents indicated that it was very likely that they would stay with their current effort-reporting process if the regulations changed, with the rest

indicating that they were unsure (pSTAY). Most of these respondents (85.7%) noted at least some level of concern about the investment in resources and costs of implementing a new effort-reporting system (pINVEST).

Overall, these results demonstrate the vast difference between DRUs and PUIs, but also indicate some notable similarities between the two types of institutions. The DRU and PUI respondents who would recommend their effort-reporting process were understandably confident in their effort-reporting compliance programs' basis on self-analysis questions (Table 3). The differences between the effort-reporting practices at these DRU and PUIs can most likely be explained by the varying resources and emphasis placed on research at these institutions. Further, given the lower amount of research expenditures reported at the PUIs than the DRUs, it makes sense that the PUIs would be less likely to have a significant audit finding related to effort. This is possibly another reason for the risk-assessment approach taken at a DRU versus a PUI.

#### LIMITATIONS

Since the data were self-reported, there is a possibility that participants could inflate their responses. It was assumed that the respondents responded honestly and accurately, which cannot be verified. Also, it was assumed that only one individual from

an institution responded to the survey. By using research administration groups and a listserv to distribute the survey, there could be an association, although assumed to be minimal, of the membership of compliance-focused groups or subscription to a listserv as an indication of a high level of personal or institutional compliance. In addition, the analysis of data from those who would recommend their effort-reporting process to others was based on a small sample size and was subjective in that it only identified trends in these data as only one of many possible analyses to determine best practices in effort-reporting compliance.

#### CONCLUSION

This study expanded the body of knowledge in the field of research administration by examining effort-reporting compliance programs at both Doctoral Research Universities and Predominantly Undergraduate Institutions that would recommend their effort-reporting process. These effort administrators were generally confident that their institutions complied with the

**No matter what the level of funding, all institutions that accept federal funds must ensure that they exercise proper stewardship of those funds and comply with the same set of regulations that govern research.**

current regulations and, that their institution's effort-reporting compliance programs properly documented personnel costs to sponsored projects. Many institutions' compliance programs reflected changes due to an audit finding or a fear of a future finding. No matter what the level of funding, all institutions that accept federal funds must ensure that they exercise proper stewardship of those funds and comply with the same set of regulations that govern research. Compliance programs are expensive; they require both financial and nonfinancial resources to operate in addition to an immense culture change. Institutions that accept federal funding must prioritize where their resources are best placed to ensure they are operating in

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the most efficient way possible. For example, tracking down late or overdue statements is an efficient way of ensuring compliance given the resources available. Institutions looking to update or enhance their effort-reporting compliance programs in light of the OMB (2013) Uniform Guidance can use these results as one set of

best practices for developing or enhancing an effort-reporting compliance program.

## **RECOMMENDATIONS FOR FURTHER STUDY**

Future studies can be conducted to measure the impact of the OMB (2013) Uniform Guidance on effort-reporting compliance programs at higher education institutions in order to determine whether the regulatory changes result in more effective documentation of personnel costs charged to sponsored projects with fewer burdens on institutions. This research can also be carried into other compliance areas to determine best practices.

## **ACKNOWLEDGMENTS**

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