

Applies to: All Departments and Units of the University

The University receives federal funding and is therefore subject to the requirements established by the Office of Management and Budget within the Uniform Guidance (2 CFR Chapter I, Chapter II, Part 200, et al., Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards). To receive federal funding, the Uniform Guidance requires that institutions maintain a system of internal control which provides reasonable assurance that charges to federally sponsored projects are accurate, allowable and properly allocated. The University's effort reporting process is a primary component of this system of internal control and provides evidence to support the reasonable approximation of employee effort devoted to sponsored projects or more than one functional activity (e.g., Instruction and Department Administration).

To ensure compliance with the requirements in the Uniform Guidance:

- The University requires effort certification by certain employees.
- The University's certified effort reports must provide sponsors with assurance that they received the level of effort committed when the award was granted.
- The University's certified effort reports must identify effort on multiple functional activities performed by an employee.

In addition, state agencies, private foundations and other organizations that provide sponsored funding may require verification that effort is consistent with the terms of the grant or contract.

Employees must certify effort if they:

1. Perform a sponsored activity, or
2. Are compensated by cost sharing related to sponsored activities, or
3. Perform more than one functional activity (e.g., Instruction and Departmental Administration), or
4. Are medical doctors in the Medical School with effort on Classes 31101 through 31108.

Employees signing an Effort Certification Report attest to and verify the accuracy of information contained in the report.

Annual effort certification education is mandated for all persons required to certify effort.

The University is the primary award recipient with oversight accountability to the sponsor. As such, the University may suspend the rights and privileges enjoyed by the Principal Investigator (PI) and project staff when they do not adhere to this policy.

If a PI fails to comply with this policy, the University may suspend or withdraw proposal submissions for the PI and may inactivate existing Project/Grants in the accounting system. Disregard of this policy may also lead to other disciplinary actions in accordance with other University policies.

For additional information and procedures regarding effort certification, see <https://finance.umich.edu/restricted/programs/effortrptg>.

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Applies to:

All Departments and Units of the University

Owner:

Office of the Executive Vice President and Chief Financial Officer

Primary contact:

Office of the Executive Vice President and Chief Financial Officer

Related links:

[For additional information and procedures regarding effort certification.](#)

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