

UNIVERSITY OF ILLINOIS

AT URBANA-CHAMPAIGN



2013 BUSINESS LEADERSHIP CONFERENCE

Effort Reporting and Institutional Base Salary

March 12

9:15am - 10:30am

and

1:45pm - 3:00 pm

Destination Success

Workshop Presenter(s)

- Barb Geissler
Executive Assistant Dean, College of Education
geissle@illinois.edu
- Maxine Sandretto
Assistant Vice President for Business and Finance,
Office of Business and Financial Services
msandret@uillinois.edu

Please ...

- Turn off cell phones.
- Avoid side conversations when others are speaking.
- Sign the attendance roster.
- Complete the evaluation at the end of the workshop.

Workshop Objectives

Learning Objectives:

- Review current compensation and faculty personnel budgeting practices across the campus and the associated risks.
- Receive a comprehensive understanding of how the University's Activity Reporting System impacts other university issues, including the calculation of the F&A rate.
- Recognize the impact of these functions and practices on grant budgeting and administration, faculty compensation and audit risk.

Topics

- Introduction
- What is Institutional Base Salary (IBS) and why does it matter?
- What is committed effort and how does that differ from voluntary uncommitted effort for sponsored project awards? How is it tracked?
- How is ARS information important for the calculation of F&A (Facilities and Administrative) or “overhead” rate and other rates for the campus? Why should we care about this?

Topics

- Case Study Discussion
- Summary Discussion
 - What factors need to be considered in developing a campus-wide policy for effort commitment and reporting to ensure faculty are not over-committed and the campus does not violate federal guidelines?
 - What factors need to be considered in developing a campus-wide policy for calculation of Institutional Base Salary?

Introduction

- Special Committee for Effort Reporting Policies and Procedures (SCERP) charged with:
 - Creating and implementing a comprehensive policy and defined procedures for effort reporting for the Urbana-Champaign campus
 - Creating and implementing a policy that defines what is to be included in Institutional Base Salary (IBS) for the purposes of supporting salary rates charged to sponsored projects.

Introduction

- SCERP Activities to Date:
 - Began meetings in November to discuss assignment.
 - Met with select faculty members on January 18 to illustrate the issues and receive their input.
 - Consulting with business managers at Business Leadership Conference Session
 - Reviewing policies and procedures of peer institutions.

Introduction

- SCERP Timeline:
 - Seeking to draft recommendations for review by Provost, VCR, and Chancellor's Office by April.
 - Participating in communication and feedback Period – April through June.
 - Policy and Procedures finalized by August 2013
 - Implementation August 2013-May 2014.

Effort Reporting and Institutional Base Salary



Office of Management and Budget

Circular A-21 Cost Principles

- Reasonable
- Allocable
- Allowable
- Consistently applied

Effort Reporting and Institutional Base Salary

How does this relate to *Effort*?

-services rendered to project during the period of performance



IBS

-base salary rate which conforms to the established policies of the institution

-consistently applied

Effort Reporting and Institutional Base Salary

- Related Appointment Types
 - Academic Year salary
 - Stipends/Increments
 - Endowed Professorships/Chairs
 - Summer service
- Federal Agency Requirements
 - PI Effort
 - Personnel Commitments
 - Salary Cap



Effort Reporting and Institutional Base Salary

- **What is effort and how is it tracked?**
 - 1) **Direct salary**
 - 2) **Voluntary or Mandatory committed cost sharing**



Effort Reporting and Institutional Base Salary

COST SHARING:

If no cost-sharing is indicated leave this

Required by Sponsor?:

Yes

No

Informal Request of Sponsor

Voluntarily Committed

IN THE FORM OF CONTRIBUTED EFFORT* (

Cost sharing is normally shown as a percentage necessary.

% of Time

5%

Last Name

PI

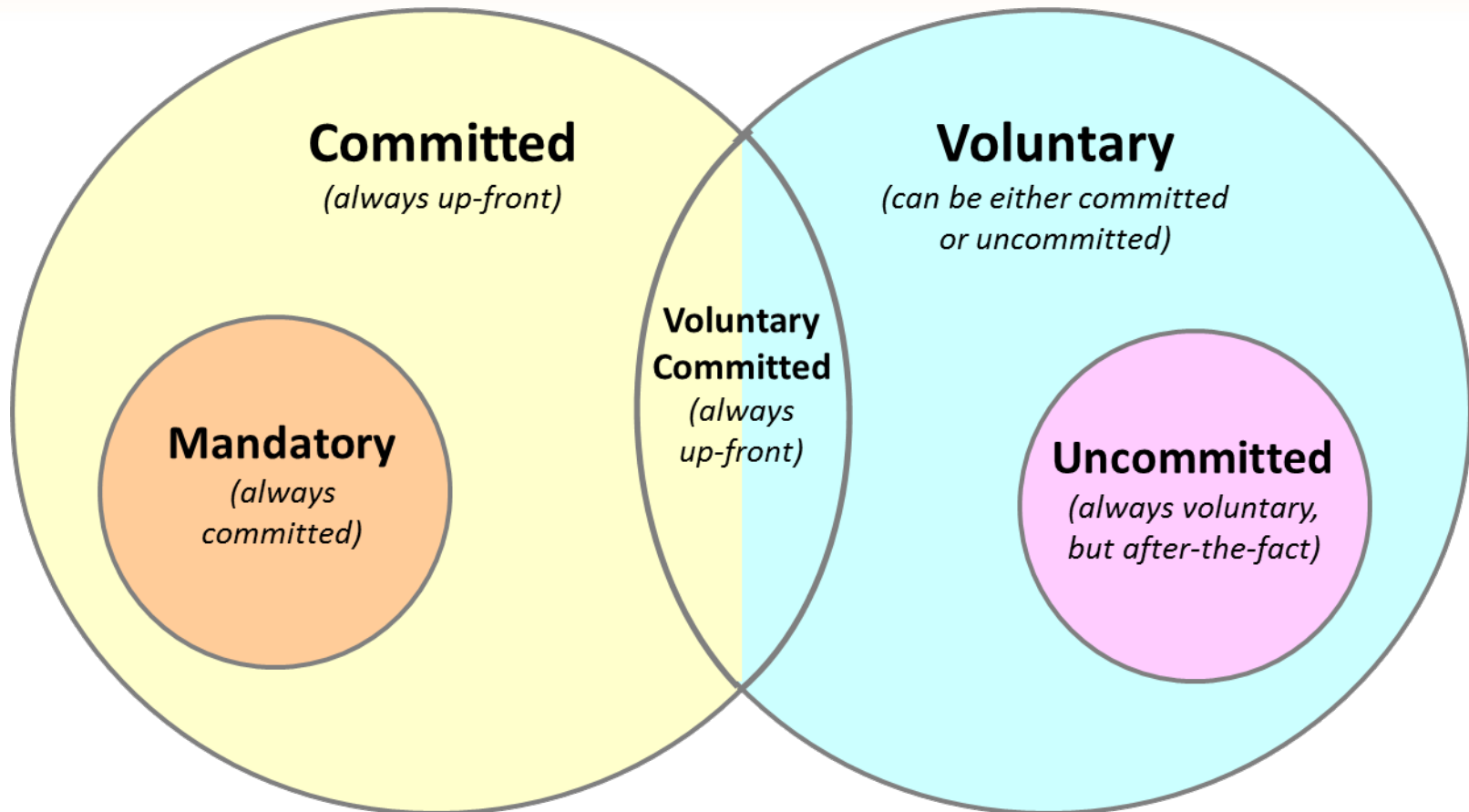
Other

Other

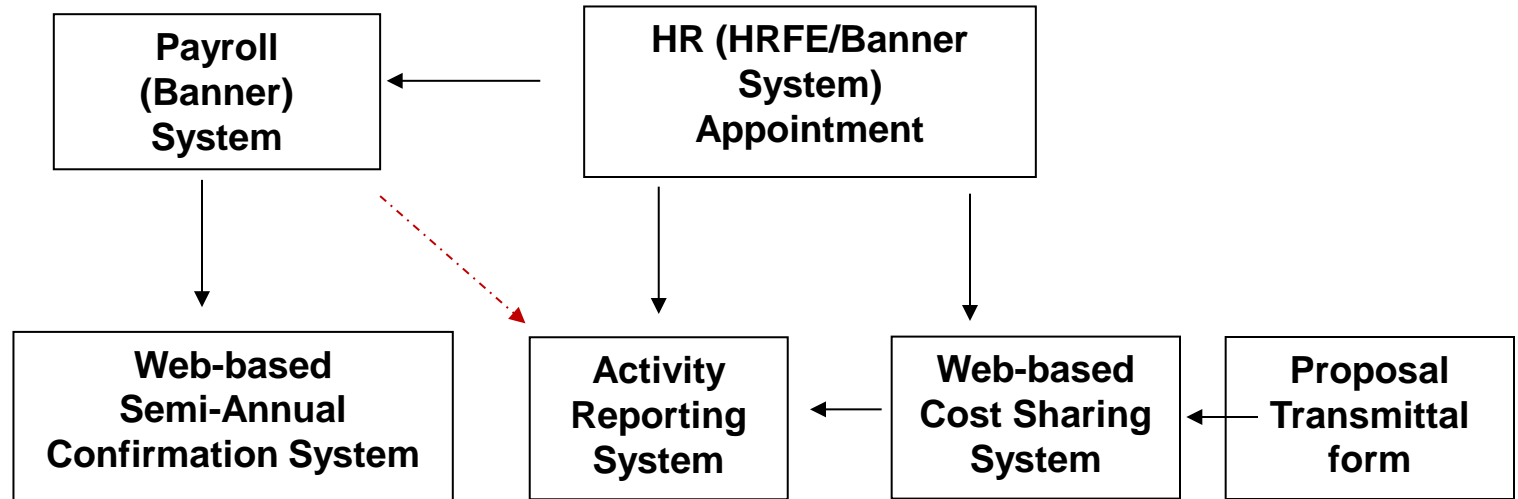
*Cost sharing of any effort must be reported in 1

Effort Reporting and Institutional Base Salary

Cost sharing effort - Types and relationships



Effort Reporting and Institutional Base Salary



Division of Management Information
University of Illinois at Urbana-Champaign

Activity Reporting System - Data Entry Page -- FY10 Data

[Instructions/Help](#) | [ARS Authorization Form](#) | [Frequently Asked Questions](#) | [Log out](#)

Smith John Employee Group: A Last updated: 7/15/2009
UIN: 65-1234567 Department: 1-933 By: **netid**

[View appointments for current year](#)
[Salary summary, appts for all years](#)
[View sections, update section SOF for this instructor](#)

[Select another employee](#) | [Select another department](#)
[Previous Employee](#) | [Next Employee](#)
[View/Return to Dept Error report](#)

SOF	Fund	Acct	Program (NACUBO)	Annualized FTE	YTD Pay	Obligated Pay	Activity Percents - click here for a grid of permissible activities									
							Instruction					Dept. Res	Orgnzd Resrch	Admn Library Tech	Paid Leave	Ex
							Class room	Ind Study	Online	Thesis	In-direct					
S	100010	211100	933001 (1000)	62.15	\$37,167	\$103,055	<input type="text" value="35"/>	<input type="text" value="5"/>	<input type="text" value="0"/>	<input type="text" value="20"/>	<input type="text" value="15"/>	<input type="text" value="25"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
O	611084	211100	191100 (1100)	0.00	\$2,500	\$4,979	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

Payment & Labor Distribution information from payroll/Banner HR

Activity Percentages entered by the unit.

Helpful Links

- ARS Authorization - <https://www-s.dmi.illinois.edu/ars/authlist.asp>
- Activity Definitions - <https://www-s.dmi.illinois.edu/ars/aepdef.asp>
- Activity Reporting - <https://www-s.dmi.illinois.edu/ars/appropactivity.asp>
- Frequently Asked Questions - <https://www-s.dmi.illinois.edu/ars/arsdoc.asp>

Questions

Mary Sappenfield or Elizabeth Stern of DMI (333-3551)

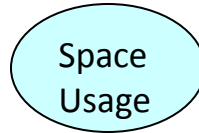
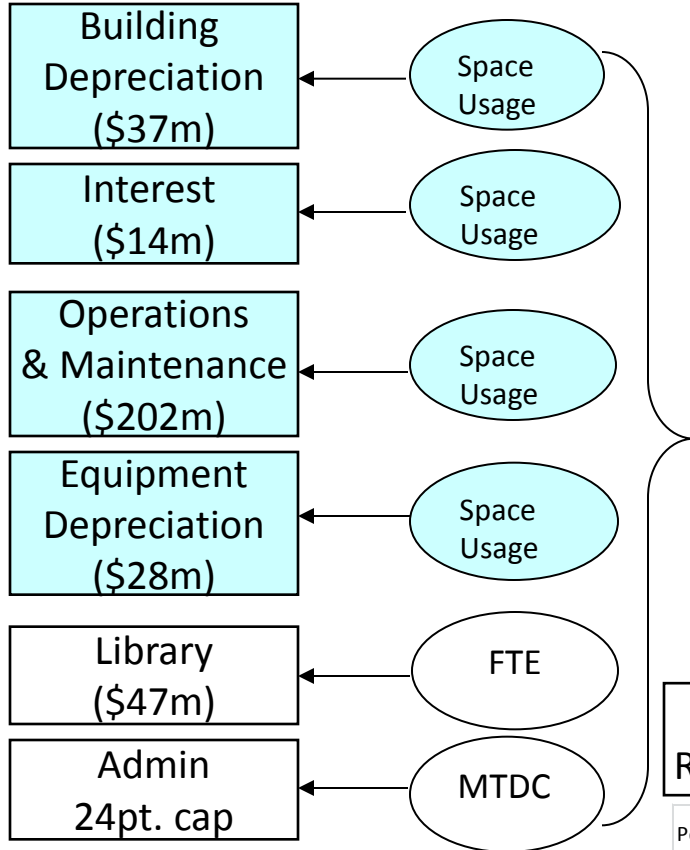
ARS/FTE Impact on F&A Rate (FY12 Recovered F&A = \$100m)

NUMERATOR

Facility Pools
(MTDC Basis)

Allocation Methods

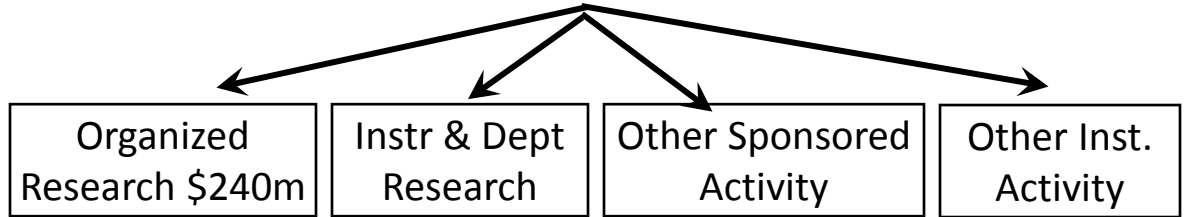
Required by A-21



Archibus provides square footage per room, building, department assigned (11m net assignable sq ft)
ARS provides the **FTE** data needed to assign space square footage by dept by building
ARS provides data used for **Cost Shared Effort** adjustment in the F&A study

DENOMINATOR

(MTDC Basis)



Pool	Allocated Amount	Points in OR Rate
Bldg Depr	11.6m	4.9
Interest	5.6m	2.3
O&M	44.8m	20.4
Equip	6.5m	2.7
Library	10.3m	4.3
Admin		24
		58.6

CASE DISCUSSION

QUESTIONS/ANSWERS

SUMMARY COMMENTS