

Effort Reports with K Awards

This Job Aid describes effort reporting issues and solutions when K Awards are involved.

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K Award Features

Career Development awards, or K awards, are an NIH mechanism to develop career researchers. These are usually awarded to junior faculty, often as a transition step between fellowship (F) awards and full research (R) awards.

K awards features that complicate effort reporting may include:

- ◆ **K Award-specific Salary Cap:** maximum amount of direct salary for the career researcher
- ◆ **Minimum level of required effort by the K award recipient:** with agency approval, the minimum effort requirement can decrease in the last two years of the award period
- ◆ **Concurrent effort (scientific overlap) with other sponsored awards:** because of the career development focus, recipients of K Awards are encouraged to build their research portfolio; to this end, the K Award recipient can be allowed to share some of their K Award effort with other non-federal projects when the goals of the project match the goals of the K Award.
 - the K Award recipient requests funding from a private agency for a project that falls within the aims of the K Award; s/he commits effort, but does not ask for funding for that effort; s/he requests funding for supplies and payroll for staff.
 - The K Award recipient donates effort to another person's private agency project (the project must fall within the aims of the K Award)
This, in fact, is cost sharing from the K Award to the non-federal award and requires set up of a cost sharing program code within the K Award to charge the salary percent representing the donated effort on the non-federal award.

(Note: Specific minimum effort, salary cap, and effort concurrency requirements vary depending on the specific type of K award and the specific institute within NIH.)

K Award Key Issues

The K Award features noted above present two issues to the certification process in general, and to ERS specifically. These issues can occur within the same Effort Report:

1. **Minimum Effort under a K Award Salary Cap issue.** Due to the K award-specific salary cap, the required effort may be greater than the % salary paid calculated by ERS as an estimation of effort
2. **Concurrent effort (scientific overlap) issue.** A K Award recipient is allowed by NIH to donate some effort toward a private contract or grant when the goals of the contract or grant match the goals of the K Award itself. This situation can cause total effort to exceed 100% (not allowed by ERS)

When a K Award recipient is granted agency approval to reduce their effort on their K award to enable them to devote effort to an R award as a PI (or co-PI, or subproject PI on a multi-project award) the situation should be briefly explained in the Effort Report Comment field.

ERS Solutions for Effort Report Certification of K Awards

Issue 1 – Minimum Effort Under a K Award Salary Cap

When the capped salary is less than the minimum effort level multiplied by the career researcher's pay rate, ERS will report *less effort than required by the K Award*. For example, assume the following:

- ◆ K award requires a minimum effort level of 75%.
- ◆ K award direct salary is capped at \$75,000.
- ◆ The career researcher's pay rate is \$115,385.

In this example, 75% of \$115,385 = \$86,538, which is over the K award's salary cap. However, the effort report should certify 75% effort on the K award.

ERS will generate an Effort Report similar to the one below (33445-XXXXXX represents the K Award). In this case, the Total Effort % shows as 65% due to the cap on the K Award direct salary.

	Original Payroll %	Adjusted Payroll %	Not In Use	Cost Sharing %	Original Payroll %	Total Effort %
33445-XXXXXX A101### Correlating Genotypes with Phenotypes in Pancreatic Cancer	65%	65 %		0 %	65%	65%
ADD ADDITIONAL SPONSORED PROJECT						
Total Sponsored Projects requiring certification	65%	65%		0%	65%	65%
<i>Other Sponsored Projects</i>	20%	20 %		+ 0 %	20%	20%
<i>Non-Sponsored Activities</i>	15%	15 %		- 0 %	15%	15%
Total Other Activities	35%	35%		0%	35%	35%
Grand Total	100%	100%		0%	100%	100%

The effort should be modified using the cost sharing column of the effort report, taking effort from the Non-Sponsored Activities group (in rare cases you may be able to cost share from the Other Sponsored Projects group, but it is up to your private sponsors to approve this use of their funding).

See next page for adjusted Effort Report.

The adjusted Effort Report will look like this:

	Original Payroll %	Adjusted Payroll %	Not In Use	Cost Sharing %	Original Payroll %	Total Effort %
33445-XXXXXX A101### Correlating Genotypes with Phenotypes in Pancreatic Cancer	65%	<input type="text" value="65"/> %		<input type="text" value="10"/> %	65%	75%
ADD ADDITIONAL SPONSORED PROJECT						
Total Sponsored Projects <i>requiring certification</i>	65%	65%		10%	65%	75%
<i>Other Sponsored Projects</i>	20%	<input type="text" value="20"/> %		+ <input type="text" value="0"/> %	20%	20%
<i>Non-Sponsored Activities</i>	15%	<input type="text" value="15"/> %		- <input type="text" value="10"/> %	15%	5%
Total Other Activities	35%	35%		-10%	35%	25%
Grand Total	100%	100%		0%	100%	100%
UPDATE CALCULATION						
Report options:	<input type="checkbox"/> Report requires multiple certifications. <input type="checkbox"/> Report allows for Cost Sharing from Other Sponsored Projects.					
Add a comment:	<div style="border: 1px solid red; padding: 5px;"> Salary Cap on K Award (33445-XXXXXX) requires use of uncommitted cost sharing to reflect the 75% actual effort devoted to the K Award. </div>					
Comments can be up to 255 characters long. (Total characters: 134)						
VIEW PAYROLL DETAILS				REVERT	SAVE	CERTIFY EFFORT REPORT

It is important to understand that this use of the cost sharing column is considered "uncommitted" cost sharing and will be reported only on the effort report. There is no requirement that the department file cost sharing paperwork with EMF, no need for EMF to set up a cost sharing program code, and no need to specifically charge part of the salary to a designated cost sharing program code. A Payroll Expense Transfer (PET) is not needed for this situation.

In this case, before certifying the Effort Report, a comment must be added to the Effort Report explaining why Cost Sharing was used. The comment text should read: "Salary Cap on K Award (33445-XXXXXX) requires use of uncommitted cost sharing to reflect the 75% actual effort devoted to the K Award."

Issue 2 – Concurrent Effort (scientific overlap) with Other Sponsored Projects

When a K award recipient has been approved for sharing K Award effort with another sponsored project, the department should have set up the appropriate Program Code within the K Award's Fund-DPA and charged a percentage of the recipient's salary to that Program Code to demonstrate the shared effort between the K Award and the other sponsored project. See the Cost Sharing website for an explanation of cost sharing: <http://www.finance2.ucsf.edu/costsharing.html>

Because ERS does not track certified effort for other sponsored projects, the Reviewer (or PI) for the K Award should:

- review the payroll entries by clicking on the Original Payroll % for K Award to see that payroll is in fact shared with the other sponsored project
- enter the details of the effort sharing in the Comments section of the Effort Report using language such as:

"Concurrent Effort (scientific overlap):
K Award (33455-XXXXXX) shows 100% effort
20% of this effort is concurrent with an AHA grant (85703-XXXXXX)"

In this example, 33455-XXXXXX is the K Award:

	Original Payroll %	Adjusted Payroll %	Not In Use	Cost Sharing %	Original Payroll %	Total Effort %
33455-XXXXXX A101### Health implications of elevated heart rate due to caffeinated beverages	100%	100 %		0 %	100%	100%
ADD ADDITIONAL SPONSORED PROJECT						
Total Sponsored Projects requiring certification	100%	100%		0%	100%	100%
Other Sponsored Projects	0%	0 %		+ 0 %	0%	0%
Non-Sponsored Activities	0%	0 %		- 0 %	0%	0%
Total Other Activities	0%	0%		0%	0%	0%
Grand Total	100%	100%		0%	100%	100%
UPDATE CALCULATION						
Report options:	<input type="checkbox"/> Report requires multiple certifications. <input type="checkbox"/> Report allows for Cost Sharing from Other Sponsored Projects.					
Add a comment:	<div style="border: 1px solid red; padding: 5px;"> Concurrent effort (scientific overlap): K Award (33455-XXXXXX) shows 100% effort 20% of this effort is concurrent with an AHA grant (85703-XXXXXX) </div> <p>Comments can be up to 255 characters long. (Total characters: 146)</p>					
VIEW PAYROLL DETAILS		REVERT		SAVE		CERTIFY EFFORT REPORT