Introduction/Overview

Purpose
The purpose of this policy is to provide clarification on Federal policies with respect to effort reporting and to help ensure that all effort certifications are accurate and in accordance with sponsor requirements. The Office of Management and Budget (OMB), in its Circular OMB A-21, provides principles for determining the costs applicable to grants, contracts, and other agreements with educational institutions. (Under the “terms of acceptance” of grants from the federal government, the college or university agrees to comply with the provisions of such OMB circulars.) The Office of Management and Budget has assigned the Department of Health and Human Services (DHHS) as our federal cognizant agency for costing and financial management issues.

The Department of Health and Human Services follows the cost principles set forth in OMB A-21 in establishing the acceptability of charges to grants and contracts. Section J.10 of the document provides several examples of how the payroll distribution can be supported such as, an after-the-fact Personnel Activity Reporting System, a Monitored Workload System or other methods that follow the criteria in this section. The University complies with this section by requiring periodic after-the-fact certification of effort by each individual whose salary is charged to a sponsored fund and/or cost sharing account during an effort reporting period.

Audience
This policy applies to all University employees who conduct or assist with the administration of sponsored project activities and all School of Medicine Faculty members regardless of their involvement with sponsored funds.

Policies

Requirements
OMB Circular A-21 requires the grantee to confirm that the payroll costs charged to the project are reasonable in relation to the actual work performed during the period. It is, therefore, the University’s policy that all faculty and non-faculty (other academics, staff and students) involved in allocating salaries and wages to sponsored funds and completing effort reports are responsible for understanding the principles of timely and accurate effort reporting.
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Effort
Effort is defined as the proportion of time spent on any activity expressed as a percentage of the total institutional activities for which an individual is compensated by the University, regardless of part-time or full-time status and/or number of hours worked. Accordingly, Total Effort is always 100% whether a person is employed on a full-time basis by the University (Full-Time Equivalent or FTE of 1.00) or on a part-time basis (FTE less than 1.00). Compensation is based on an individual’s total Institutional Base Salary (IBS), as denoted in the University’s payroll system (i.e., HRMS) – see section below for more detailed information.

For University’s faculty, total institutional effort/activity (100%) is not defined as a single, standard number of hours or days per week, since it will likely be different for each individual during the year. The number of hours in an individual faculty member’s “100%” must be reasonable and supportable to department, school, university and external reviewers, if requested.

When proposals submitted by the University identify a quantifiable portion of effort for an employee, that effort is considered to be a commitment to the project. The percent of time committed to a project must be reasonable in relation to the other total institutional activities for which an individual is compensated by the University.

The effort commitment percentage of key personnel during a no-cost extension period is assumed to be consistent with the commitment for the immediately preceding budget period, unless otherwise communicated to the sponsor. If the effort commitment for key personnel is anticipated to change, prior approval requirements established by the sponsor would still apply (see section below entitled “Reduction of effort on a project;” for additional detail).

Federal granting agencies (and some non-federal sponsors) expect the Principal Investigator (PI) of any sponsored fund to devote some level of effort (>0%) towards his/her project. Certain types of awards such as equipment, instrumentation and training (T32) grants are normally excluded from this requirement. Additional information on the University’s cost sharing policy can be found at: http://spa.wustl.edu/adminpol/costshare_0707v1.pdf.

Effort Reporting
Effort reporting is the process by which the University confirms and documents that the salaries charged are reasonable in relation to the actual effort expended on sponsored projects during each effort reporting period. The methodology used by the University is an “after the fact” certification process based upon an individual’s institutional base salary.

Faculty and non-faculty are required to review, adjust as necessary and certify their effort via the electronic Personnel Activity Reporting System (ePARS), see http://epars.wustl.edu. The ePAR documents the proportion of effort devoted to sponsored projects, instruction/teaching, department administration, patient care, and other activities, expressed as a percentage of Total Effort.

When an employee certifies his or her effort for a reporting period, they are creating a legal document that states that the effort certified for the period is a reasonable approximation (see Level of Tolerance section below) of the effort actually spent on the projects/activities during the period.
**Institutional Base Salary**

Salaries and wages charged to sponsored funds are allowable at the Institutional Base Salary (IBS) rate. IBS is the annual compensation paid by the University for an employee’s appointment, whether that individual’s time is spent on research, teaching, patient care or other activities. The IBS does not include bonuses or other miscellaneous pay. An employee’s IBS may not be increased as a result of replacing University salary funds with sponsored project funds.

For WU faculty, IBS is established by each School via his/her annual appointment which includes regular salary associated with their academic appointment(s). IBS would also include secondary administrative appointments such as chair of a department, as applicable. The IBS would not include items such as:

- Honorarium payments or patient care incentives/bonuses
- Salaries and wages paid directly to an individual by another organization including but not limited to the Veterans Administration Hospital or the Howard Hughes Medical Institute
- Income that an individual is permitted to earn outside of their University responsibilities such as consulting fees

In some programs/departments, stipend payments are made to individuals to provide for their living expenses during the training period of a fellowship or training program. These amounts are not salaries/wages for work performed, thus they are excluded from the effort reporting process.

**Effort Categories and University Activities**

Faculty and non-faculty perform a number of activities associated with their respective jobs or appointments. OMB Circular A-21 requires the University to maintain specific activity classifications within its effort reporting system. Accordingly, a general description of these effort categories is provided below.

**Organized Research:** Research and development activities that are sponsored by federal agencies, non-federal/private organizations and industry. Includes activities such as:

- Activities related to the scope, goals and/or objectives of sponsored project (e.g., grants, cooperative agreements, subagreements, contracts and other agreements)
- Writing progress reports for existing projects
- Holding a meeting with lab staff to discuss direction and progress of sponsored projects
- Attending a scientific conference held by an outside professional society to present research results
- Training of individuals/trainees in research techniques, commonly call research training (e.g., NIH T-32 & F-32 projects)

**Department Research:** General research support, including start-up funding and bridge funding that is not project oriented. Typically, department research support is paid from a pool of internal funds and is not identified by project.

**Instruction (Teaching):** All teaching, course development and training activities (lecturing, tutoring, supervising independent study or laboratory course work, preparing for scheduled teaching, grading papers, preparing for future courses, devising new instructional techniques, revising manuals, tapes, slides...)

- Offered for credit towards a degree/certificate or on a non-credit basis
- Offered through regular academic departments or separate divisions
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- Excludes – supervision of residents enrolled in an ACGME accredited program (see Graduate Medical Education category below)

**Department Administration:** Administrative and supporting services which benefit two or more departmental activities or objectives. Includes activities such as:
- Preparation of competitive grant proposals.
- Participation in school/department committees
- Review of department accounts and financial statements.
- Selection/training of *general* staff
- Selection/recruitment of faculty
- Planning for building projects or renovations
- The activity cannot be directly identified with an organized research project, instruction, patient care, or hospital administration activity...

**Other Sponsored Activities:** Programs and projects sponsored by Federal and non-Federal agencies and organizations which involve the performance of work other than instruction and organized research. Examples of such programs and projects are health service projects, and community service programs.

**Patient Care:**
- Clinical services - rendered to individual patients that are normally eligible to be billed to patients or third parties. Includes professional, technical and support staff services.
- Clinical trial activities - testing of drugs, therapies and medical devices using human subjects (industry-sponsored).

**Graduate Medical Education:** Supervision of residents - activities related to the supervision of persons enrolled in ACGME accredited intern and residency programs.
- Teaching of clinical procedures. Normally, the *extra time required* for any procedure or other patient interaction due to the supervision of the resident(s).
- Grand rounds
- Teaching conferences

**Management of Hospital Services:** Relates to the affiliation agreements and contracts with a specifically named hospital. The University is providing faculty to supervise hospital services, serve on hospital committees and provide other administrative and general patient services.

The effort/activity categories noted above have been assigned specific budget and object codes within the University’s chart of accounts. The information is maintained at [http://fishelp.wustl.edu/documentation/Documents/Num_exp.pdf](http://fishelp.wustl.edu/documentation/Documents/Num_exp.pdf).

**Summer Research Salary**
Faculty with academic year appointments (typically nine month appointments) may expend additional summer effort on one or more sponsored projects in the months not covered by their academic year appointment and earn additional compensation for that work. The additional compensation provided to the individual is called Summer Research (SR) salary and it is charged to sponsored funds during the months of June, July and August. A faculty member’s SR rate of pay may not exceed his or her monthly
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base salary amount (rate of pay) for their academic appointment. For example, a faculty member with a nine month appointment and an academic year salary of $90,000 may not receive SR at a rate in excess of $10,000 per month. The SR should be distributed to the appropriate sponsored funds based upon the expected effort on those projects. Effort related to the receipt of SR must be performed within the summer period (June, July & August); effort performed during the academic year prior to or after the summer does not count toward summer period effort commitments. For the purposes of expending and certifying effort, and charging the related additional salary for activity outside the appointment period, the expectation for activity in a summer research period is consistent with the expectation for activity in a commensurate academic period.

If non-sponsored activities related to the faculty member’s appointment are performed outside of the appointment period, they should not interfere with or reduce the faculty member’s ability to expend summer effort on sponsored projects for which he/she is earning SR. If the effort associated with any such non-sponsored activities could not reasonably be conducted along with sponsored activities, the faculty member has an obligation to limit and/or adjust, and likely decrease, summer salary on sponsored projects.

While reasonable personal time off may be taken during the summer, it is not appropriate to concentrate significant time off during a period for which the faculty member is receiving SR. For example, taking a three-week vacation during July when the faculty member is 100% funded by a sponsored project/fund would not be considered appropriate.

All Summer Research salary payments must be processed in accordance with the sponsoring agency guidelines and/or individual award terms and conditions. For example, the National Science Foundation (NSF) limits the salary of senior project personnel (typically faculty) to a maximum of two months of their regular salary in any one year (July through June). These two months of effort may be expended either during the academic year, during the summer period, or split between the academic year and the summer. This limitation is the aggregate of salary compensation received from all NSF-funds grants (includes both direct and subawards primed by NSF). If anticipated, any compensation for such senior project personnel in excess of two months must be disclosed in the proposal budget, justified in the budget justification, and must be specifically approved by NSF in the award notice.

Faculty with academic appointments who receive SR from projects funded by the National Institutes of Health (NIH) can only charge salary based on the applicable NIH cap amount. The balance of the summer salary should be funded, as cost sharing, from non-sponsored sources. Detailed information on the NIH Salary Cap may be found in the NIH Salary Cap Policy document, see http://www.spa.wustl.edu/policies.htm.

Secondary Administrative Appointments
In some instances, faculty may have a secondary administrative appointment and responsibilities (e.g., department chairs). The compensation associated with this administrative appointment is considered part of the individual’s institutional base salary and it will be included in the ePAR.

Special care should be given to summer effort and pay for faculty members who have secondary administrative appointments. If the faculty member’s administrative appointment is a year-round (12-month) obligation, then he/she cannot commit summer effort associated with their administrative
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responsibilities to sponsored projects, nor can he/she request reimbursement from or charge sponsors for pay associated with their administrative appointments.

Procedures

Sourcing
The salaries of faculty, staff and students working on a sponsored project should be sourced/charged to the corresponding account/fund and/or related cost sharing allocation. The PI or their designee should initiate prospective and retro-active salary sourcing modifications due to significant and on-going changes in work activity (e.g., receipt of a new award and start of that work, shifts in personnel or work assignments). Updates and revisions to sourcing should be documented, as necessary, per HR guidelines and/or department requirements. Annual review of sources by the Principal Investigator is also required and is outlined in the University’s Principal Investigator Salary Authorization Policy.

Within the University’s payroll system (HRMS), sourcing, charging and retroactive changes of salaries and wages on sponsored funds should utilize the appropriate IBS salary rate, earnings codes (see Appendix A & B) and departmental/school approval processes. Additionally, specific guidance regarding sourcing in HRMS is available at http://spa.wustl.edu/adminpol/HRMS_Sourcing_v9%200.pdf.

Frequency
All faculty, staff and students whose salary is charged, in whole or part, to sponsored funds (including cost sharing allocations) are required to certify their effort. In addition, all School of Medicine Faculty members are required to certify even if they do not meet the aforementioned criteria. The University has three reporting period frequencies: semi-annual, quarterly, and semester. The frequency that an individual is assigned is based on his/her job code and campus/school affiliation. These groups can generally be categorized as follows: Medical School and Engineering faculty members are required to certify semiannually, Danforth faculty members (non-Engineering) must certify every semester and non-faculty must certify on a quarterly basis.

<table>
<thead>
<tr>
<th>Employee</th>
<th>Frequency</th>
<th>Reporting Periods</th>
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<tbody>
<tr>
<td>Med. School Faculty</td>
<td>Semi-annual</td>
<td>Jan.-June, July-Dec.</td>
</tr>
<tr>
<td>Danforth (Eng.) Faculty</td>
<td>Semi-annual</td>
<td>Jan.-June, July-Dec.</td>
</tr>
<tr>
<td>Danforth Faculty</td>
<td>Semester</td>
<td>Jan.-May, June-Aug., Sept.-Dec.</td>
</tr>
</tbody>
</table>

Timing
In accordance with the University’s agreement with the Department of Health and Human Services, the certification period is 30 days. All certifiers should certify within 30 days of the start of the certification period in order to be in compliance with this agreement.

Certification
The University supports the effort reporting requirements through the online certification of an electronic Personnel Activity Report (ePAR). Certification is completed through the electronic Personnel Activity Reporting System (ePARS). Certifiers will be notified via an e-mail when the certification period
has begun. The ePAR displays the individual’s salary distribution accounts and the corresponding salary percentage for each account as it relates to the total institutional base salary for all months in the reporting period.

For more information on the ePARS System and how to certify please visit: http://epars.wustl.edu.

**Suitable Means of Verification**

It is the University’s policy that each individual complete his or her own effort certification. If an individual is no longer with the University or is unavailable at the time of the certification period, a Proxy who has suitable means of verification may certify on his or her behalf. The Proxy certification requires the documented review by an appropriate individual, such as the Principal Investigator, project manager, or supervisor, or an employee who has first-hand knowledge that the work was performed.

**Level of Tolerance (Precision)**

Federal guidelines recognize that research, instruction, patient care and department administration activities within an academic / medical center environment are often “inextricably intermingled”, therefore, a precise assessment of the corresponding effort percentages may not be feasible. Accordingly, faculty and non-faculty/staff are required to review, modify as necessary, and certify that the effort percentages on the ePAR are a reasonable estimate of the actual work performed. The University has deemed this level of tolerance to be +/- five percentage points.

If the actual effort performed on a sponsored project differs (positively or negatively) from the percentage noted on the ePAR by:

- 0 to 5%, no adjustment to the ePAR is necessary. The effort percentage is deemed to be a reasonable estimate that is within the University’s level of tolerance.

  Note: If the original figure is manually revised (between 0 to 5%) by the employee, a Payroll Cost Transfer (PCT) form must be submitted to Payroll Services so that the distribution is modified to match the certified effort.

- >5%, the PAR should be adjusted manually to reflect the correct effort percentage. A Payroll Cost Transfer (PCT) form must be submitted to Payroll Services so that the distribution is modified to match the certified effort.

**Significant change/Retroactive Changes**

**Reduction of effort on a project:** Many sponsors require prior approval for significant reductions of effort by the PI and/or other key personnel. It is the PI’s responsibility to be familiar with terms and conditions contained in the award and/or sponsor’s policies. Sponsored Projects Accounting and the Office of Sponsored Research Services can assist with any questions concerning prior approval requirements.

For most federal awards, prior approval from the sponsoring agency must be obtained when a 25% or more reduction in effort devoted to the project by the approved project director (PD) or principal investigator (PI) is expected for a substantial time period. Noted below are the specific guidelines for the University’s two primary federal funding agencies. Please refer to the applicable financial management guidelines for other federal agencies, as necessary.
National Institutes of Health: The University (grantee) is required to notify the Grants Management
Official (GMO) in writing if the PI or key personnel specifically named in the Notice of Grant Award
(NoA) will:

- Reduce effort on the project by 25% or more from the level that was approved at the time
  of the initial competing year award
- Withdraw from the project entirely
- Be absent from the project during any continuous period of 3 months or more.

NIH must approve any alternate arrangement proposed by the grantee, including any replacement
of the PI or key personnel named in the notice of award. Prior approval requests must be co-signed
by the PI and the Office of Sponsored Research Services (OSRS).

National Science Foundation: If the PI/PD or co-PI/co-PD will devote substantially less time to the
project than anticipated in the proposal, (defined in the Research Terms and Conditions (RTC) and
NSF Grant Conditions (GC-1) as a reduction of 25% or more in time) he/she should consult with OSRS
and with the NSF Program Officer. If either determines that the reduction of effort will substantially
impair the successful execution of the project, the Program Officer will consult the NSF Grants and
Agreements Officer. The NSF Grants and Agreements Officer may:

- Request the University to nominate a replacement PI/PD or co-PI/co-PD acceptable to the
  NSF Program Officer;
- Initiate the award termination procedures; or
- Negotiate an appropriate modification to the grant.

Retroactive Changes: Changes in salary distribution (workload) involving sponsored projects may not
normally be made for any prior pay period after the effort has been certified. Accordingly, it is very
important that the ePAR data is carefully reviewed prior to certification. In the exceptional situation in
which it is found that the original certification was not correct, retroactive changes may be made. When
the payroll cost transfers are submitted they should contain a detailed explanation and include how the
error occurred and when it was discovered. The revised salary distribution may also require
recertification of the effort (see below). For more information please see the PCT Guidelines at
http://spa.wustl.edu/adminpol/PCTGuidelines_0211.pdf

Recertification: All changes that require recertification will be completed through the ePARs system for
any distribution occurring on or after 01/01/2007. The revised ePAR should be certified within 30 days
following the receipt of the automatically generated system e-mail. Such retroactive changes on
sponsored funds are also subject to the concurrence of Sponsored Projects Accounting.

Training
Training on effort reporting is required for faculty, and strongly recommended for other University
personnel, who work on sponsored funds. The University has developed effort reporting training videos
and other reference materials that are available at http://www.spa.wustl.edu/effortreporting.htm. This
data will be updated and expanded as necessary to ensure compliance.
Additionally, ePARS training for certifiers and effort coordinators is available but not required at the ePARS website: http://epars.wustl.edu. This site contains educational videos, slides, Quick Guides, FAQs, and other materials.
Roles and Responsibilities

Washington University is committed to the objective, ethical, and responsible conduct of research. A Roles and Responsibilities document is maintained to provide comprehensive descriptions of the duties of key individuals and organizational units that design, conduct, report, and/or support research activities at Washington University. This detailed set of information is available at [http://research.wustl.edu/Resources/Roles/Pages/default.aspx](http://research.wustl.edu/Resources/Roles/Pages/default.aspx). For the purposes of this document, the roles and responsibilities for the primary positions associated with effort reporting is also provided below.

**Principal Investigator**
- Reviews, adjusts, and legally certifies the accuracy of personal activity reports (ePARs) for unavailable personnel within deadlines and in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Certifies the ePAR in a timely manner, in accordance with University policy.
- Assures that all key personnel involved in effort reporting have met training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Supports and endorses cooperation with the University’s compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.

**Department Effort Coordinator**
- Assists Principal Investigator to review, adjust, and certify personnel activity reports (ePARs) for all applicable personnel.
- Cooperates with the University’s compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.
- Primary contact for answering questions from department certifiers and coordinating with SPA.

**Department Administrator**
- Assists Principal Investigator to review, adjust, and certify personnel activity reports (ePARs) for all applicable personnel.
- Certifies the ePAR in a timely manner, in accordance with University policy.
- Assists Principal Investigator to assure that all key personnel involved in effort reporting have met training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Cooperates with the University’s compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.

**Department Chair**
- Provides direction, resources, and oversight to help ensure that accurate reporting of effort.
- Requires that faculty and staff involved in the reporting of effort to complete and comply with required education and meet annual training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.
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- Supports and endorses cooperation with the University’s compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.

Dean
- Provides direction, resources, and oversight to help ensure the accurate reporting of effort in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Requires that all faculty and key personnel involved in the reporting of effort complete and comply with the required education and meet annual training requirements in accordance with Federal regulations and University and sponsoring agency policies and procedures.
- Supports and endorses cooperation with the University’s compliance and monitoring efforts related to effort reporting and reports instances of noncompliance to the appropriate compliance offices.

This information, as well as other policies and procedures related to sponsored projects, will be posted on SPA’s web page http://www.spa.wustl.edu/policies.htm.

If you have any questions regarding the information presented in this document, please contact me at 314-935-7089 or jgindhart@wustl.edu.
Appendix A: Earnings Code Guidance - Institutional Base Salary (IBS)

<table>
<thead>
<tr>
<th>Earnings Code</th>
<th>Description</th>
<th>Included in IBS</th>
<th>Earnings Code</th>
<th>Description</th>
<th>Not included in IBS</th>
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<tbody>
<tr>
<td>ACA</td>
<td>Academic Pay Adjustment</td>
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<td>ADV</td>
<td>Advisor Pay</td>
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<tr>
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<td>Adjunct Pay</td>
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<td>ANN</td>
<td>Univ Contribution Paid as Wage</td>
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<td>CRG</td>
<td>Regular Pay -- Academic Year</td>
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<td>BNP</td>
<td>Productivity Bonus</td>
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<td>Double Time</td>
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<td>BON</td>
<td>Bonus/Incentive</td>
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<td>LUM</td>
<td>Lump Sum in Lieu of Raise</td>
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<td>CON</td>
<td>Consultant Fees</td>
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<td>MIS</td>
<td>Miscellaneous Other (In PARS)</td>
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<td>ENP</td>
<td>Earned Not Paid -Academic Year</td>
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<td>Overtime at Time &amp; a Half</td>
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<td>Healthcare Prem Severance Agmt</td>
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<td>HON</td>
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<td>Incidental Other (Not In PARS)</td>
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<td>MOO</td>
<td>Moonlighting</td>
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<td>Summer School</td>
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<td>OLD</td>
<td>Overload Pay</td>
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<td>On-Call/Beeper Pay</td>
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<td>Prize/Award- Txbl Val- No Pay</td>
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<td>Severance Pay (Non Ben Elig)</td>
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<td>Reduce FICA Taxable</td>
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<td>Payment in Lieu of Notice</td>
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<td>Univ Contribution Nonwage-Txbl</td>
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<td>Z51</td>
<td>Stipend for Living Expenses</td>
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## Appendix B: Earnings Code Guidance - Additional Pay

<table>
<thead>
<tr>
<th>Earnings Code</th>
<th>Description</th>
<th>Comments</th>
<th>Faculty (allowable on Sponsored Funds)</th>
<th>Staff (allowable on Sponsored Funds)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACA Academic Pay Adjustment</td>
<td>Contract Pay Adjustment - must contact Payroll when using</td>
<td>Yes</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>ADJ Adjunct Pay</td>
<td>Payment for part time affiliation with the University</td>
<td>Yes</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>ADV Advisor Pay</td>
<td>Used for employees who serve as student advisors outside of their normal jobs</td>
<td>No</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>ANN Univ Contribution Paid as Wage</td>
<td>Payment for University 403(b) contribution prior to two years of employment, must be outlined in new hire agreement</td>
<td>Yes*</td>
<td>Yes*</td>
<td></td>
</tr>
<tr>
<td>BNP Productivity Bonus</td>
<td>Can only be used on Additional Pay and requires HR approval</td>
<td>No*</td>
<td>No*</td>
<td></td>
</tr>
<tr>
<td>BON Bonus/Incentive</td>
<td>Can only be used on Additional Pay and requires HR approval</td>
<td>No*</td>
<td>No*</td>
<td></td>
</tr>
<tr>
<td>CON Consultant Fees</td>
<td>Should only used when a person is truly functioning in a consulting position</td>
<td>No*</td>
<td>No*</td>
<td></td>
</tr>
<tr>
<td>CRG Regular Pay -- Academic Year</td>
<td></td>
<td>Yes</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>HON Honorarium</td>
<td>Payment made for guest speakers</td>
<td>No*</td>
<td>No*</td>
<td></td>
</tr>
<tr>
<td>INC Incidental Other (not in PARS)</td>
<td>Contact Payroll or HR for guidance before using, can only be used on Additional Pay</td>
<td>No</td>
<td>No*</td>
<td></td>
</tr>
<tr>
<td>LEC Lecture Fees</td>
<td>Payment made to a visiting lecturer or for a faculty member giving lectures</td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>LUM Lump Sum in Lieu of Raise</td>
<td>Payment made in lieu of a merit increase. Can only be used on Additional Pay and requires HR approval.</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>MIS Miscellaneous Other</td>
<td>Contact Payroll or HR for guidance before using, can only be used on Additional Pay</td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>MOO Moonlighting</td>
<td>Used for Clinical Fellows when Fellow is being paid wages for work above and beyond their Clinical Fellow duties or when a Clinical Fellow is being paid for services performed.</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>OLD Overload Pay</td>
<td>Payment for teaching additional courses</td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>ONC On-Call/Beeper Pay</td>
<td>Payment for responding to a call outside of normal work hours</td>
<td>Yes*</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>OVT Overtime at Time &amp; a Half</td>
<td>One and one half times normal hourly rate paid to non-exempt employees for all hours worked in excess of 40 in any workweek</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>PRI Prize/Award - Cash Payment</td>
<td>Payment for a one time award or cash gift</td>
<td>No*</td>
<td>Yes*</td>
<td></td>
</tr>
<tr>
<td>PRO Project Pay</td>
<td>Payment made to an employee for completing a project, not an ongoing payment. Payment stops when project is complete.</td>
<td>Yes*</td>
<td>Yes*</td>
<td></td>
</tr>
<tr>
<td>REG Regular</td>
<td>Payment for work performed as outlined in new hire agreement</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>RES Research Incidental</td>
<td>Research performed outside of normal work duties</td>
<td>No*</td>
<td>No*</td>
<td></td>
</tr>
<tr>
<td>RGA Regular Additional</td>
<td>Payment for additional duties/responsibilities for a limited time period</td>
<td>NA</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>SEV Severance Pay (Non Ben Elig)</td>
<td></td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>SHA Stipend for Health Allowance</td>
<td>Can only be used for a non-employee</td>
<td>NA</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>SLE Stipend for Living Expenses</td>
<td>Can only be used for a non-employee</td>
<td>NA</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>SLT Stipend for LTD</td>
<td>Can only be used for a non-employee</td>
<td>NA</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>SRR Summer Research</td>
<td>Payment for conducting research outside of the academic year</td>
<td>Yes</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>SRS Summer School</td>
<td>Payment for teaching during the summer months</td>
<td>No</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>TCS Treatment Center Shift</td>
<td>Shift premium pay</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>TEM Temp Pay Adjustment</td>
<td>Used to deduct for work comp payments and any other one time adjustment</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>UCO Univ. College Annuity Only</td>
<td>Payment made for teaching at University College during the summer months</td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>UNC University College</td>
<td>Payment made for teaching at University College during the academic year</td>
<td>No</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>VAP Vacation Payout on Termination</td>
<td>Payment of unused vacation balance due at termination or FTE reduction</td>
<td>NA</td>
<td>Yes*</td>
<td></td>
</tr>
<tr>
<td>VCA Vacation Accrual Transfer</td>
<td>To move the unused vacation balance between departments when an employee transfers</td>
<td>NA</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

*See additional guidelines
Earnings Code Guidance – Additional Pay

Below you will find some general guidelines for which HRMS earnings codes should be used for additional pay payments to faculty/staff on sponsored funds. Only the most frequently used additional pay earnings codes have been listed below, and in instances where a department would prefer to use an alternate earnings code, SPA should be consulted. As stated in OMB A-21 J.10.d.(1) “Charges for work performed on sponsored agreements by faculty members during the academic year will be based on the individual faculty member’s regular compensation for the continuous period which, under the policy of the institution concerned, constitutes the basis of his salary.” Accordingly most payments to individuals working on sponsored funds should be made using regular pay earnings codes such as REG or CRG. Exceptions may be made for payments utilizing additional pay earnings codes provided that there is specific written agency approval or some other mitigating circumstance. All additional pay payments should follow University and funding agency guidelines.

- **ANN** payments are typically additional annuity payments, agreed upon by the department and employee during the hiring process, that are paid out as a wage. ANN may be charged to sponsored funds so long as the sourcing for the ANN corresponds with the sourcing for the regular wages for the same distribution period. The distribution should also proportionally charge the cost share allocation for the NIH Salary cap, as applicable.

- **BON/BNP** Bonus payments are incentives or contractual obligations paid to employees who go above and beyond their regular duties. Bonuses may not be paid from federal funds. In some highly unusual circumstances, where a non-federal agency has given permission or it has been elsewhere noted in the NoA, such payments may be allowed.

- **CON** The consultant earnings code should only be used for University employees when the work they are performing is in an area of expertise that falls outside of their regular University appointment. All payments should follow the University’s consulting policy [http://spa.wustl.edu/adminpol/consult_86_3-19-09.pdf](http://spa.wustl.edu/adminpol/consult_86_3-19-09.pdf)

- **HON** Honorarium payments are typically made to faculty for educational activities (lectures, symposium...). For sponsored projects, these educational activities are considered part of faculty member’s regular academic appointment, therefore, additional compensation should not be provided. In some unusual circumstances or with written agency approval, exceptions may be made. SPA should be contacted prior to the use of this earnings code on sponsored funds.

- **ONC** On call beeper should be used for payment for responding to a call outside of normal work hours. The code should only be used on sponsored funds with proper justification for the specific project it is to be charged to.

- **PRI** Prize payments are for a one time award or cash gift. This code should not be used on most sponsored funds, but may be allowable on some non-federal awards where guidance has been specifically provided.
**PRO** Project pay should be used for a payment made to an employee for completing a specific project, not an ongoing payment. Payment stops when project is complete. Faculty should typically not receive project pay from sponsored funds. Per OMB Circular A-21 J 10d(1) guidance for faculty, “*intra university consulting is assumed to be undertaken as a university obligation requiring no compensation in addition to full time base salary...however in unusual cases...any charges for such work representing extra compensation above the base salary are allowable provided that such consulting arrangements are specifically provided for in the agreement or approved in writing by the sponsoring agency.*” Project pay for non-faculty may be allowable with proper justification and when the payment goes above and beyond their regular duties.

**RES** Research incidental relates to research activity performed outside of normal work hours. This earnings code should not be used on sponsored funds.

**VAP** Vacation payout on termination is allowable on sponsored funds provided that the time was accrued on the project it is being charged to and should follow all University guidelines.