

**University of Washington**  
**Faculty Effort and Cost Share Certification**  
**Guidelines for Determining and Adjusting**  
**Salary Cap Cost Sharing for UW/VA Appointed Faculty**

**Overview:**

After careful consideration, including consultation with the National Institutes of Health (NIH) and peer institutions, the University of Washington (UW) will no longer require faculty with salary paid directly by Veteran's Administration (VA) to prorate their UW Institutional Base Salary (IBS) for determining if they exceed the NIH salary cap provided they have a fulltime appointment at the University. Faculty having less than a fulltime appointment with the UW, will be required to prorate their University IBS to determine if they exceed the salary cap.

The change recognizes that the fulltime rate of compensation reflected in the University's payroll system (HEPPS) for UW/VA faculty includes both the UW and VA salary components. The NIH has clearly indicated that universities are not required to include the VA component for jointly appointed faculty and that their VA salary is not part of their University Institutional Base Salary. See GIM 35 for more information on IBS.

For purposes of University of Washington Faculty Effort Certification (FEC), this document summarizes the way in which faculty effort is recorded, and salary cap cost share is calculated, for faculty with a VA paid direct (PDR) salary component.

**Definitions:**

**Base Salary:** The sum of X + Y at 1.0 FTE. Base Salary represents a fixed sum that does not change. Base salary is a component of Total Compensation.

X = UW salary component. X includes all base salary funding reported in the UW Payroll System including: hospital (University of Washington Medical Center (UWMC), Harborview Medical Center (HMC), Seattle Cancer Care Alliance (SCCA)), and certain outside funding sources for which the School exercises control in setting and tracking the salaries, such as the Veteran's Administration (VA). Outside funding sources appear on the X with an earn type of Paid Direct (PDR).

A/B = A/B is a subcomponent of X and is the sum of a faculty member's tenure level and other grant and contract funding.

Y = Practice plan salary component (University of Washington Physicians (UWP) and Children's University Medical Group (CUMG))

**Fulltime Appointment FTE:** 1.0 (100.00%) employment FTE which includes UW and PDR components as reflected in Appointment FTE in HEPPS/OPUS (see 'A' in screen print below).

**Institutional Base Salary:** Institutional base salary represents specific compensation components paid by the UW and UWP/CUMG for an employee's appointment, whether that individual's time is spent on research, instruction, administration, service or clinical activity. Institutional base salary excludes any income that an individual is permitted to earn outside of their duties for the UW as well as incidental UW compensation such as Excess Compensation and Temporary Supplements. See GIM 35 "Effort Reporting Policy for Sponsored Agreements" for the detailed salary sources and components that are considered as part of the IBS.

**Examples:**

The following steps are intended to assist departments in determining the correct salary cap cost share amount for faculty with UW/VA appointments and making the necessary adjustments on the Faculty Effort Certification (FEC) report. Faculty affected by these guidelines are those with a fulltime rate in OPUS that includes both UW and VA components.

**STEPS:**

1. Identify UW/VA faculty. Note, faculty with both UW and VA salary components in the OPUS fulltime rate will always reflect an FTE of less than 100% **on their FEC.** (see 'B' in bullet 2.)

Job Title	Grade	Step	Job Entry Dte	Employment Type	Appt #	Status						
0111 Professor Without Tenure			03-01-1999	Academic Personnel	4	Active						
Start Date	End Date	Appt Department	PUC	F-T Pay Rte	% FTE	Actual Pay Rate	Actual %FTE	Salary Effective				
03-01-1999	99-99-9999			19800.000	100.00	19800.000	58.70	07-01-2009				
Distributions												
#	Start Date	End Date	Budget	PUC	Dist. Amt	% FTE	Earn Typ	Postn	Object	Task	Opt	Proj
7	07-01-2010	99-99-9999	07-				PDR		0111			
6	07-01-2011	02-28-2014	61-		3385.800	17.10	REG		0111			
4	08-01-2011	06-30-2012	66-	A	2829.420	14.29	REG		0111			
1	02-01-2012	03-29-2012	66-		415.800	2.10	REG		0111			
2	01-01-2012	02-29-2012	63-		831.600	4.20	REG		0111			
3	01-01-2012	02-29-2012	66-		4159.980	21.01	REG		0111			
5	01-01-2012	01-31-2012	66-		415.800	2.10	REG		0111			

- Review the online FEC report to determine if the total "Compensation Dist." dollars exceed the salary cap for the FEC cycle. Since the FEC is for 6 months this will be 1/2 of the annual salary cap amount.

Reporting Period: 07/01/2011 - 12/31/2011 Status: **Not Certified**  
 Complete By: 03/27/2012  
 Avg. Paid FTE: 58.7%

**Comments**   
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[How to Certify](#)  
[Cost Share Key Terms/Instructions](#)

Salary Source(s)		Compensation Dist.		Salary Cap		Cost Share		Total
Description	K	Salary	Dist.	Amount	Effort	Amount	Effort	Effort
<b>Subtotal</b>	<b>Sponsored Programs</b>	<b>\$69,736</b>	<b>100.0%</b>	<b>\$13,235</b>	<b>19.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>119.0%</b>
61-		\$20,315	29.1%	\$3,855	5.5%	\$0	0.0%	34.7%
62-		\$333	0.5%	\$63	0.1%	\$0	0.0%	0.6%
66-		\$16,644	23.9%	\$3,159	4.5%	\$0	0.0%	28.4%
66-		\$4,990	7.2%	\$947	1.4%	\$0	0.0%	8.5%
66-		\$4,990	7.2%	\$947	1.4%	\$0	0.0%	8.5%
66-		\$14,981	21.5%	\$2,843	4.1%	\$0	0.0%	25.6%
66-		\$7,484	10.7%	\$1,420	2.0%	\$0	0.0%	12.8%
<b>Subtotal</b>	<b>Other Salary Sources</b>	<b>\$0</b>	<b>0.0%</b>		<b>-19.0%</b>		<b>0.0%</b>	<b>-19.0%</b>
<b>Totals:</b>		<b>\$69,736</b>	<b>100%</b>					<b>100%</b>

- If the total is **LESS** than the salary cap amount there is **NO SALARY CAP COST SHARING** therefore all salary cap cost sharing reflected on the FEC should be removed. To do this click on the "Adjust/View Cost Share" button that will take you to the "Adjust or View Cost Share" screen.

**Adjust or View Cost Share**

Reporting Period: 07/01/2011 - 12/31/2011

[View Cost Share Adjustments History](#)  
[Cost Share Key Terms/Instructions](#)

Budget	Description	Cost Share Type	Committed Effort	Actual Effort	Actions
61-		Salary Cap (C)	5.5 %	0.0 %	
62-		Salary Cap (C)	0.1 %	0.0 %	
66-		Salary Cap (C)	4.5 %	0.0 %	
66-		Salary Cap (C)	1.4 %	0.0 %	
66-		Salary Cap (C)	1.4 %	0.0 %	
66-		Salary Cap (C)	4.1 %	0.0 %	
66-		Salary Cap (C)	2.0 %	0.0 %	

- Reverse the cost share by entering 0.0 in the "Actual Effort" box(es) then click on the "Save" button.

5. This will return you to the online FEC which will now reflect \$0 "Amount" and 0.0% "Effort" for "Salary Cap". Note, the "Avg. Paid FTE" percent should remain unchanged.

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How to Certify  
 Cost Share Key Terms/Instructions

Salary Source(s)		Compensation Dist.		Salary Cap		Cost Share		Total
Description	K	Salary	Dist.	Amount	Effort	Amount	Effort	Effort
<b>Subtotal</b>	<b>Sponsored Programs</b>	<b>\$69,736</b>	<b>100.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>100.0%</b>
61-		\$20,315	29.1%	\$0	0.0%	\$0	0.0%	29.1%
62-		\$333	0.5%	\$0	0.0%	\$0	0.0%	0.5%
66-		\$16,644	23.9%	\$0	0.0%	\$0	0.0%	23.9%
66-		\$4,990	7.2%	\$0	0.0%	\$0	0.0%	7.2%
66-		\$4,990	7.2%	\$0	0.0%	\$0	0.0%	7.2%
66-		\$14,981	21.5%	\$0	0.0%	\$0	0.0%	21.5%
66-		\$7,484	10.7%	\$0	0.0%	\$0	0.0%	10.7%
<b>Subtotal</b>	<b>Other Salary Sources</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Totals:</b>		<b>\$69,736</b>	<b>100%</b>					<b>100%</b>

6. **If the total "Compensation Dist." EXCEEDS the salary cap** for the FEC cycle **SALARY CAP COST SHARING IS REQUIRED** however the amounts reflected will need to be adjusted given eFECs determined the amounts based on a fulltime rate that includes the VA salary component.

https://prp.admin.washington.edu/opus/securid/summary.asp?empid-... tsource=detail&genno=0 - Windows Internet Explorer

University of Washington **OPUS EMPLOYEE OVERVIEW** USERProject

Employee Info | Appointments | Prior Actions | Check History | Funding History | Faculty Bio Info

Appointments Hide All Distributions

Job Title	Grade	Step	Job Entry Dte	Employment Type	Appt #	Status
0112 Assoc Professor Without Tenure			07-01-2005	Academic Personnel	3	Inactive
0112 Assoc Professor Without Tenure			07-01-2005	Academic Personnel	2, 4	Active

Start Date	End Date	Appt Department	PUC	F-T Pay Rte	% FTE	Actual Pay Rate	Actual %FTE	Salary Effective
07-01-2005	99-99-9999			31212.000	100.00	31212.000		29.89 02-01-2011

Apt. Dist	Start Date	End Date	Budget	PUC	Dist. Amt	% FTE	Earn Typ	Postn	Object	Task	Opt	Proj
2, 5	06-01-2006	99-99-9999					PDR	0991C	0111			
2, 6	06-01-2006	99-99-9999					WOS		0111			
2, 1	01-01-2012	06-30-2013			3068.139	9.83	REG		0111			
2, 4	08-01-2011	06-30-2013			830.239	2.66	REG		0111			
4, 4	06-16-2012	12-31-2012			3929.590	12.59	REG		0111			
2, 2	03-01-2012	12-31-2012			1501.297	4.81	REG		0111			
4, 2	06-01-2012	06-15-2012			1569.963	5.03	REG		0111			

- To determine the adjustment go to the MAA website, "Faculty Effort Certification", "Calculator Tools", "Salary Cap Calculator - for Adjusting FECs" (<http://f2.washington.edu/fm/maa/fec/fectools>). This will take you to an Excel spreadsheet for determining the correct salary cap cost share amount. **Note, when determining the correct salary cap it is necessary to recognize there are two salary cap amounts presently in effect as a result of the recent DHHS announcement of a reduced salary cap (\$179,700) applicable to funds issued on or after 12/23/2011.**
- Enter the "Budget Number", "\$ Paid on Budget" (from the online FEC), the "Avg. Paid FTE", the "Salary Cap Level" and "% Effort from FEC" for DHHS grant(s) subject to the salary cap as reflected on the online FEC.

Reporting Period: 07/01/2011 - 12/31/2011 Status: **Not Certified**  
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 Avg. Paid FTE: 32.4%

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[How to Certify Cost Share Key Terms/Instructions](#)

Salary Source(s)		Compensation Dist.		Salary Cap		Cost Share		Total
Description	K	Salary	Dist.	Amount	Effort	Amount	Effort	Effort
Subtotal	Sponsored Programs	\$52,212	86.6%	\$45,020	74.7%	\$0	0.0%	161.3%
61-		\$52,212	86.6%	\$45,020	74.7%	\$0	0.0%	161.3%
Subtotal	Other Salary Sources	\$8,050	13.4%		-74.7%		0.0%	-61.3%
31-		\$3,068	5.1%					
31-		\$4,983	8.3%					
<b>Totals:</b>		<b>\$60,262</b>	<b>100%</b>					<b>100%</b>

Salary Cap Detail: How salary cap amount and % effort are derived

- Using the above FEC the following information would be entered into the spreadsheet.

Shaded Fields Require Input	Salary Cap Level	Annual Cap	Applicable Salary Cap / 2	Avg. Paid FTE
Formulas - Do Not Change	Executive Level I	199,700.00	99,850.00	100.0%
	Executive Level II	179,700.00	89,850.00	100.0%
	Other		-	100.0%

If a Salary Cap other than those reflected above is to be applied enter the annual amount in cell E5 and Executive Level I in Column B below

A	B	C	D	E	F	G
Budget Number	Salary Cap Level	\$ Paid on Budget (Compensation Dist.)	Applicable Salary Cap / 2	Salary as % of Cap	% Effort from FEC (Compensation Dist)	Min Cost Share Required (if <0.0% no salary cap cost share is req'd)
62-xxxx	Executive Level I	52,212.00	99,850.00	52.3%	86.6%	-34.3%
62-xxxx	Executive Level II		89,850.00	0.0%		0.0%
62-xxxx	Executive Level I		99,850.00	0.0%		0.0%
62-xxxx	Executive Level II		89,850.00	0.0%		0.0%

10. The result is the salary cap cost sharing for each of the budgets needs to be adjusted (reduced) from 2.3% to 1.7% to reflect the true salary cap cost sharing determined using only the UW compensation and salary components. This is done in the same manner as above, i.e., using the eFECs "Adjust or View Cost Share" screen (steps 3-5).

**Adjust or View Cost Share**

EID:  
Dept: 3040117, OTOLARYNG-HD&NECK SURG  
Reporting Period: 07/01/2011 - 12/31/2011

[View Cost Share Adjustments History](#)  
[Cost Share Key Terms/Instructions](#)

Budget	Description	Cost Share Type	Committed Effort	Actual Effort	Actions
61-		Salary Cap (C)	74.7 %	0.0 %	<a href="#">+Add Item</a>

From Salary Cap Calculator spreadsheet

**Comments**

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Salary Source(s)		Compensation Dist.		Salary Cap		Cost Share		Total		
Description	K	Salary	Dist.	Amount	Effort	Amount	Effort	Effort		
<b>Subtotal</b>		<b>Sponsored Programs</b>		<b>\$52,212</b>	<b>86.6%</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>86.6%</b>
<input type="checkbox"/> 61-				\$52,212	86.6%	\$0	0.0%	\$0	0.0%	86.6%
<b>Subtotal</b>		<b>Other Salary Sources</b>		<b>\$8,050</b>	<b>13.4%</b>		<b>0.0%</b>		<b>0.0%</b>	<b>13.4%</b>
<input type="checkbox"/> 31-				\$3,068	5.1%					
<input type="checkbox"/> 31-				\$4,983	8.3%					
<b>Totals:</b>				<b>\$60,262</b>	<b>100%</b>					<b>100%</b>

**Salary Cap Detail:** How salary cap amount and % effort are derived

Current as of Tuesday, 06/26/2012, at 10:27 AM

In all cases where a cost share adjustment is required as a direct result of the UW/VA click on the "Edit Comments" box on the FEC

**Comments**

All comments become part of the certified effort report

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[How to Certify Cost Share Key Terms/Instructions](#)

Salary Source(s)		Compensation Dist.		Salary Cap		Cost Share		Total		
Description	K	Salary	Dist.	Amount	Effort	Amount	Effort	Effort		
<b>Subtotal</b>		<b>Sponsored Programs</b>		<b>\$52,212</b>	<b>86.6%</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>86.6%</b>
<input type="checkbox"/> 61-				\$52,212	86.6%	\$0	0.0%	\$0	0.0%	86.6%
<b>Subtotal</b>		<b>Other Salary Sources</b>		<b>\$8,050</b>	<b>13.4%</b>		<b>0.0%</b>		<b>0.0%</b>	<b>13.4%</b>
<input type="checkbox"/> 31-				\$3,068	5.1%					
<input type="checkbox"/> 31-				\$4,983	8.3%					
<b>Totals:</b>				<b>\$60,262</b>	<b>100%</b>					<b>100%</b>

**Salary Cap Detail:** How salary cap amount and % effort are derived

Select the comment “VA/UW appointment, faculty does not owe salary cap, however, average paid FTE will continue to reflect less than 100% FTE.” Then click on “Save”

**All comments become part of the certified FEC**

Please select comments as necessary:

- Another sponsored project will cover the K Award effort gap. Sponsor approval has been obtained
- K Award effort was performed at a different percentage over the budget period
- K Award budget not active during entire cycle
- K Award required effort negotiated at a different % or reduced from 75%
- Non-federal grant(s) approved to be used for cost share. Contributing budget(s) with percent contribution reflected in "Additional Comm
- Specific salary cap required per sponsor agreement
- Department chooses not to re-budget with new salary cap (applies only when the salary cap is increased)
- Multiple salary caps applicable on a single budget for the FEC period
- VA/UW appointment, faculty does not owe salary cap, however, average paid FTE will continue to reflect less than 100% FTE
- Faculty with 9 month appointment - summer cost share is committed

Additional Comments:  
 Allowed characters are: letters, numbers, period, comma, colon, hyphen, spaces, percent symbol, dollar sign, question mark, and forward slash.

**Save**    **Cancel**

Doing this will document on the FEC why the cost share adjustments were made.

Reporting Period: 07/01/2011 - 12/31/2011    Status: **Not Certified**  
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 Avg. Paid FTE: 32.4%

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VA/UW appointment, faculty does not owe salary cap, however, average paid FTE will continue to reflect less than 100% FTE

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[Adjust/View Cost Share](#)

Salary Source(s)		Compensation Dist.		Salary Cap		Cost Share		Total
Description	K	Salary	Dist.	Amount	Effort	Amount	Effort	Effort
<b>Subtotal</b>	<b>Sponsored Programs</b>	\$52,212	86.6%	\$0	0.0%	\$0	0.0%	86.6%
61-		\$52,212	86.6%	\$0	0.0%	\$0	0.0%	86.6%
<b>Subtotal</b>	<b>Other Salary Sources</b>	\$8,050	13.4%		0.0%		0.0%	13.4%
31-		\$3,068	5.1%					
31-		\$4,983	8.3%					
<b>Totals:</b>		\$60,262	100%					100%

**Salary Cap Detail:** How salary cap amount and % effort are derived.

Examples are provided for assistance in determining the correct adjustment calculation to make. On rare occasions a faculty member may have an appointment that is less than 1.0 which will require additional calculations. Please contact [efecs@uw.edu](mailto:efecs@uw.edu) should you encounter such a situation.