Summary

The University is required by Federal Regulations 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, also known as the Uniform Guidance, to assure effort expended on sponsored activities justifies the salaries charged to them. We provide this assurance by requiring certifications for grant-funded employees whose salary is charged or matched to one or more grants or contracts during the effort reporting period. These effort reports indicate calculated percentages of the individual’s total effort that are dedicated to the grants or contracts as well as to other college activities, and require a certification attesting to the fact that these effort percentages represent actual effort put towards grant activities.

Any individual involved in overseeing, administering, or participating in any portion of an externally sponsored award should have knowledge of this policy. This includes, but is not limited to Principal Investigators (PIs), Department Grant Administrators, Deans, Department Heads, and representatives from administration, including the Office of Sponsored Programs, Controller’s Office, Sponsored Programs Accounting and Human Resources.

Effort Reporting System Overview and Responsibilities

All faculty and staff who are involved in allocating salaries and wages to sponsored awards, managing sponsored awards, or completing effort reports are required to understand how salary charges are distributed and to verify that his/her salary distribution reasonably reflects the actual effort devoted to the projects being charged. In addition, PIs are expected to provide reasonable estimates of the percent of effort necessary to carry out each proposed project, including effort related to cost sharing commitments, and to obtain appropriate prior approvals for significant changes as required by sponsor awards and regulations.

Reported effort is the proportion of time expended to accomplish the individual’s University’s activities, regardless of the actual number of hours expended on those activities. Total reported effort for an individual must equal 100%. 100% effort is not defined as a single, standard number of hours or days per week. The number of hours implicit in an employee’s “100%” must be reasonable and supportable to department, university and external reviewers, if requested. In most circumstances, a minimum of 40 hours (assuming a full-time schedule) and a maximum of 80 hours would be considered a reasonable
average work week. Effort does not include effort resulting in compensation from sources other than the University, such as individual consulting fee compensation.

**Time and Effort Recording**

The University uses the after-the-fact activity records approach to certify the effort of all salaries and wages paid to faculty, professional and non-professional employees.

Exempt and professional staff time is charged on the basis of information on the most recent approved Personnel Status Form (PSF) or Electronic Personnel Action Form (EPAF). This creates the initial distribution of effort to be certified on the semi-annual effort report or modified as necessary to present an accurate record of how the time charged is spent.

- Prospective modifications can be made via PSF or EPAF.
- Retroactive changes can be made via PSF or EPAF.

Non-exempt personnel report their effort on a bi-weekly basis using time sheets.

**Effort Certification System and Procedures**

Exempt employees (faculty and professionals) who have devoted effort to sponsored awards, in part or in full, certify their effort semi-annually via the Online Employee Distributions Report (effort report). These reports include pre-populated effort percentages based on payroll distributions. These percentages and amounts paid are used as a starting point for reviewing and certifying effort. The effort reports are produced twice a year and must be reviewed, adjusted as necessary, and certified electronically. Reports should be certified within ten business days after receipt.

- July 1 through December 31 - sent late January
- January 1 through June 30 - sent late July

Effort reports for each employee having devoted time on a sponsored award are generated in the Banner Effort System. He/she is responsible for ensuring the reports are reviewed, changed if necessary, and certified electronically.

All effort reports should be certified by the employee or a responsible person with suitable means of verification that the work was performed.

Non-exempt employees (undergraduate and graduate students, and non-exempt staff), who are paid bi-weekly, report their hours worked on time sheet approved by the employee and the employee’s supervisor. Certification of effort for these employees will be done when the time reports are completed and reviewed for submission to Human Resources.

**Effort Distribution Adjustments**

Effort distribution adjustments (payroll reallocations) are required when there are changes in effort of five percent (5%) or more between sponsored awards. All changes must be certified by either the
employee or other responsible person who has suitable means to verify the effort expended or work performed. Any changes in labor distribution must be made and submitted in a timely manner to reduce the number of payroll reallocations to be made on effort reports (exempt) and to have the correct position number on time sheets (non-exempt). After effort reports have been certified no additional changes can be made to the labor distribution for that six-month period.

Retroactive Adjustments:

1. Sponsored Programs Accounting will receive notification that an effort report needs a retroactive change.
2. The Department will complete a Change in Personnel Status Form (PSF) or Electronic Personnel Action Form (EPAF).
3. Human Resources will enter the adjustment(s) between sponsored awards in the Banner Human Resources System.

Sponsored Programs Accounting is responsible for administering the University's Effort Reporting System. Questions about the Effort Reporting System and procedures should be addressed to:

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