Effort Reporting

Policy Objective:
The following procedure describes the process by which the Office of Research & Sponsored Programs (ORSP) complies with ICSUAM 11003.06 and 2 CFR 200.430. These regulations outline how to govern time and effort reporting and how to verify salary distributions for federally funded awards.

Process:

A. Overview

1. Although actual effort will inevitably vary from pay period to pay period, the amount charged to sponsored projects should reflect the average of time worked throughout each academic term. Effort certification is the endorsement by an employee (or another knowledgeable party) with suitable means of verification that the labor charges incurred and reported in the Effort Report reasonably reflect the effort expended during the time period being reported.

2. An Effort Report (ER) is created to account for all components of university and/or Research Foundation paid salary. The report includes a breakdown of contribution of effort into four categories (Instruction and Other Non-sponsored Time, Cost Sharing, Sponsored Project Reimbursed Time and Additional Employment Time) on a 100% basis. For example, a faculty member who is paid 100% of his or her base salary from the University for Instruction and Other Activities and an additional 25% of his or her base salary for participation on a research grant would have an Effort Report statement displaying 80% effort in the Instruction and Other category and 20% effort devoted to the research grant.

3. ORSP will be responsible for gathering and entering the appropriate information into an employee’s Effort Report in order to create uniformly accurate recordkeeping. ORSP will produce these Effort Reports twice annually for the following periods: January through June and July through December.

4. Principal Investigators and Employees with effort devoted to a federally sponsored project (paid directly or cost shared) are required to certify that the actual effort has been committed before any payments are made to an individual. This includes, but is not limited to, direct pay, cost share, and additional employment. ORSP will collect the Effort Report data from appropriate payroll systems and generate a cumulative Effort Report. These reports represent the cumulative effort for time devoted towards a federally funded project based on certification prior to payments being made to any individual.
5. Effort for Research Foundation hourly-paid employees is certified each pay period on their time cards. Effort for exempted Research Foundation staff is certified on the Salaried Employee Effort & Absence Report submitted each pay period which shows the percentage of effort spent on each project. As part of the certification process, the Research Foundation Payroll staff will compare the level of effort reported with the salary distribution for each pay period.

6. ORSP will adjust salary charges accordingly where the Effort Report differs from the payroll distribution by 5% or more of an individual’s total effort. If adjustment to the salary charges for a previous Effort Report period is necessary, journal entry documentation must include an explanation of the need for the adjustment and subsequent recertification.

7. Federal regulation 2 CFR Part 215.25( c)(3) requires prior approval from the federal awarding agency if there is an “absence for more than 3 months, or a 25% reduction in time devoted to the project, by the approved project director or principal investigator.” Any deviations of 25% or more between the proposed and actual effort which may result in the need for federal agency approval will be referred to the PI for additional assessment.

B. Components of Effort Report

The Effort Report divides each employee’s effort into two sections: University Compensated Effort and Research Foundation Compensated Effort. The University Compensated Effort section has three categories: 1) Instruction, Departmental Research, and Other Non-sponsored Activities (UA); 2) Reimbursed Time (RT); 3) Assigned Time/Cost Sharing (CS). The Research Foundation Compensated Effort section is for recording Additional Employment (AE). Effort Reports reflect 100% of a university employee’s compensation from the university and the Research Foundation.

C. Distribution of Effort

The Effort Report takes the effort paid for each of the categories and divides by total effort paid (including Additional Employment) to compute the percentage of effort on a 100% basis.

Roles and Responsibilities

ORSP

- Develop and maintain the Effort Reporting System and all related policies and procedures.
- Provide adequate education and training about the effort reporting process to the affected employees on campus.
- Distribute all Faculty Reimbursed Payroll forms that involve sponsored project accounts to the Grants & Contracts Administrators for allowability approval.
- Compile the appropriate information, as described in Section B “Components of Effort Report.”
- Initiate corrections to ER charges as appropriate.
- Generate Effort Reports for appropriate employees.
- Maintain Effort Report records.

**University**

- **Human Resources**
  - Provide university salary and appointment information for all university employees, upon request of ORSP.

**College**

- **Principal Investigator**
  - Understand the effort reporting process and request training from ORSP if desired.
  - Ensure that he or she and all employees working on his or her sponsored agreement are being charged with reasonable accuracy and that any changes to effort charges are made timely.
  - Monitor CSU Additional Employment policy compliance.

- **College ASM/Dean/Associate Dean/College URAC Representative**
  - Monitor CSU Additional Employment policy compliance.
  - Assist ORSP if a PI is not compliant with accurate completion of the effort reporting process for employees working on his or her project.

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