

# EFFORT REPORTING FOR RESEARCH AND SPONSORED PROGRAMS - St. Cloud State University



## I. PURPOSE

As recipients of federal research funds, St. Cloud State University is required to certify through time and effort reporting to ensure charges to federally sponsored projects are reasonable in relation to the effort expended. Most federally funded grants should have some level of committed faculty, staff or student effort, paid or unpaid by federal funds. The university implements time and effort reporting in compliance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200.

## II. DEFINITIONS

- **Annual Reporting Periods** - shall be distributed upon the conclusion of the fiscal year and defined as July through June. Effort reports will be generated prior to fiscal year accounting close.
- **Base Salary** - includes salaries and wages paid to an employee from any university source as payment for services provided under their standard employment agreement. Base salary does not include supplemental compensation such as overload, distance learning, extra duty pay, etc.
- **Certifier of Effort Report** - ensures the effort reported is consistent, reasonable and accurately reflected on any time and effort certified. Certifier possesses first-hand knowledge to verify sufficient work was devoted to the project to justify the salary charged and effort commitments have been met.
- **Committed Cost Sharing** - represents dedicated services to the project which are not paid by the federal funding agency. Cost sharing will be approved by the appropriate university officials prior to the submission of the grant and disclosed in the budget to the funding agency as committed cash or in-kind.
- **De Minimus** - activities performed on an infrequent or irregular basis which are not considered a normal part of an employee's base salary and, therefore, will not be included in the effort calculations. Proposal writing cannot be de minimus.
- **Level of Precision** - Federal regulations clearly acknowledge precise determinations are not expected and reasonable estimates are acceptable. To quote directly from OMB Circular A-21, "...it is recognized that, in an academic setting, teaching, research, service and administration are often inextricably intermingled. A precise assessment of factors that contribute to costs is not always feasible, nor is it expected. Reliance, therefore, is placed on estimates in which a degree of tolerance is appropriate." St. Cloud State University defines this "degree of tolerance" as five

- (5) percent of an employee's total university compensated effort.
- **Salary Limitations** – For NSF proposals submitted before 1/5/09, summer salary for faculty members on academic year appointments are limited to no more than two-ninths of their regular academic year salary. For NSF proposals submitted on or after 1/5/09, salary compensation is limited to two months or less of their regular salary in any one year. For NIH, if the annual salary exceeds the established salary cap, the amount of salary chargeable to the NIH grant will be limited. (For example, 10% effort to be paid by NIH grant but determination of the 10% will be based on the NIH salary cap vs. the employee's actual salary if actual salary exceeds the NIH salary cap)
  - **Significant Change** – In most cases, direct charges of payroll to sponsored agreements will be processed on the basis of estimates made before the services are performed, in compliance with procedures which require encumbrance of funds prior to the service being rendered. Significant changes in the corresponding work activity will be identified and entered into the payroll system. St. Cloud State University defines a significant change as five (5) percent or more of an employee's total university compensated effort. The federal regulations specifically acknowledge that short term fluctuations (such as one or two months) need not be considered as long as the distribution is reasonable over the longer term, such as a six month cycle.
  - **Total Effort** - includes only those professional activities included as part of an employee's normal base salary and sponsored activities for which an individual is compensated by or provided as in-kind contributions by the university regardless of when (daytime, evening, weekends) or where (on campus, at home, while traveling, etc.) the activities take place. For example, if an employee averages 60 hours per week during the six-month reporting period and spends on average of 15 hours per week on a sponsored project, the employee records 25% and 75% effort on the sponsored project and normal job duties, respectively.
  - **Voluntary Uncommitted Cost Sharing** - effort expended on behalf of the university which is over and above the committed and budgeted effort outlined in a sponsored agreement.

### III. INVESTIGATOR RESPONSIBILITIES

- Periodic review of your federally funded project and notify the compliance director of any change in effort paid by the funding agency or committed cost sharing
- Ensure the proposed level of effort is reasonable and appropriate for the research involved in the sponsored project
- Maintain appropriate documentation to support reported effort (calendar, project reports, time tracking, etc.)
- Ensure your other activities will not conflict with the proposed effort committed on federal grants, contracts or subawards

#### **IV. CERTIFIERS RESPONSIBILITIES**

Ideally, employees certify their own effort reports. However, effort may be certified by the PI, the employee's supervisor or another responsible official. The certifier must have firsthand knowledge of the work performed and the amount of effort expended on the project.

- Ensure the effort reported is consistent, reasonable and accurately reflected on any time and effort report certified
- Review, sign and return time and effort reports within 30 days of receipt

#### **V. UNIVERSITY RESPONSIBILITIES**

- Generate time and effort reports based upon salary information extracted from official university records and grant budgets as approved by the funding agencies and any changes reported by the principal investigators
- Develop and implement time and effort reporting requirements across the university on all federally funded projects with effort paid by federal sponsor or university committed cost sharing
- Adhere to time and effort reporting timelines defined in the policy and monitor certifier adherence to such timelines