

Policy on Time and Effort Reporting	Effective Date: July 15, 2014
Related Policies and Procedures:	

I. GENERAL STATEMENT

This Policy sets forth the requirements for ensuring that effort devoted to sponsored projects is appropriately documented and reasonably reflected on effort reports. The Policy applies to all Principal Investigators (PIs), co-PIs, and any other person with a role or responsibility in the application for, receipt of, or administration of sponsored projects.

II. DEFINITIONS

- A. Effort: Time spent on any activity by an individual, expressed as a percentage of the individual's total University Effort. Total effort cannot exceed 100%.
- B. Committed Effort: The amount of effort proposed in a grant or other project application and accepted by a sponsor, regardless of whether salary support is requested for the effort.
- C. Effort Certification: Affirmation by an individual with a suitable means of verification that the percentages of effort reported on the effort report are reasonable in relation to work performed.
- D. Effort Reporting: The process by which the University determines and documents the effort individuals expend on sponsored projects during each effort reporting period. UDC uses the after-the-fact method of effort reporting.
- E. OMB Circular A-21: The document published by the federal government's Office of Management and Budget that sets forth the governing cost principles for educational institutions.
- F. Principal Investigator: The individual designated by the University as responsible for the scientific or technical direction of the sponsored project. The Principal Investigator is also part of the University team responsible for a sponsored project's financial and administrative compliance.
- G. University Effort: The effort that the employee devotes in the aggregate to the professional activities for which he or she receives Institutional Base Salary compensation from the University.

III. PROCEDURE

A. Requirements for Time and Effort Certification

Federal regulations require recipients of Federal funds to maintain a system allowing for periodic certification of effort devoted to sponsored projects. This is a requirement of OMB Circular A-21, Section J-10 (codified at 2 CFR Part 220) (Attachment I). Recipients of sponsored projects, such as the University, must exercise due diligence in the review of periodic effort reports to ensure reasonableness in charging salary/wage costs to external sponsors and to formally document cost share commitments (Please refer to the University's Cost Sharing Policy). To accomplish those goals, the University uses the after-the-fact confirmation method of effort reporting.

B. Certifying Effort on Sponsored Projects

Each academic term an effort report form will be generated for each University employee whose compensation was charged in whole or in part to a sponsored project or who has Committed Effort to a sponsored project during the effort reporting period. The effort report will reflect the percentage distribution of activity expended by each employee on individual sponsored projects and all other University activities.

The effort report must be reviewed and certified by the employee, the PI or another responsible official with a suitable means of verification that the effort report reasonably reflects the activities for which the employee was compensated by the University during the reporting period.

OMB Circular A-21 recognizes 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.

There are three effort reporting periods at the University: summer, fall and spring. Certified effort reports are due September 1 for the summer term, January 15 for the fall term, and June 1 for the spring term.

C. Institutional Base Salary (IBS)

IBS is the annual compensation paid by the University for an employee's appointment, whether that individual's time is spent on research, teaching or other activities. The IBS does not include any compensation that an individual may be permitted to earn outside of duties for the University. IBS cannot be increased by replacing University funds with sponsored funds.

The amount of salary support requested in a sponsored project proposal should normally be determined by multiplying the person's proposed level of effort by the person's IBS.

D. Compliance with Sponsor-Imposed Salary Caps

Certain sponsors impose a limit or "cap" on the annual rate of salary reimbursement for a given amount of effort. The difference between the reimbursed salary ("capped amount") and the un-reimbursed salary is considered committed cost sharing. Where such limitations apply, the requested salary support on a sponsored project is determined by multiplying the proposed level of effort by the maximum IBS allowed under the cap. The University will pay an employee's IBS portion in excess of a salary cap using non-sponsored funds.

E. Roles and Responsibilities

Office of Sponsored Programs (OSP): The department at UDC that is responsible for oversight of the time-and-effort certification process, including the following:

- Establishing and communicating the Policy and any other effort reporting procedures within the University.
- Assisting Schools/Departments, faculty, and administrative offices and staff in understanding and implementing this Policy.
- Reviewing proposals prior to submission in order to ensure that effort commitments have been made according to University policy and Federal law.
- Providing assistance to individuals supported by sponsored activities to ensure that his/her effort report accurately captures his/her effort commitments, and that salaries charged to sponsored activities reflect the actual effort applied to the sponsored project.
- Ensuring the Office of Grant Accounting (OGA) is informed about cost shared effort applied to sponsored projects, so that total cost share contributions can be tracked.
- Maintaining after-the-fact certified effort reports consistent with the University's Record Retention Policy.

Principal Investigators/Program Directors: Individuals responsible for the following:

- Understanding the principles and policies (Federal and UDC-specific) behind reporting effort expended on sponsored project activities.
- Committing effort on sponsored projects as deemed appropriate for the scope of work at hand and as approved by the relevant Department

Head/Dean/Vice-President and verified by signatures on the OSP Proposal Routing Sheet.

- Ensuring that effort commitments (directly paid or cost shared) are met and that after-the-fact effort reports are completed for all personnel whose effort is committed to or paid by the sponsored project. Both cost shared and compensated effort must be accounted for in the context of the total effort of the individual (100%), using the effort reporting form (Form TE-1, Attachment II).
- Alerting OSP promptly if any concerns arise regarding actual or potential significant changes in PI or key personnel effort applied versus effort committed to sponsored projects or any PI or key personnel absences from sponsored projects.
- Ensuring that after-the-fact effort reports are certified by the relevant employee or someone with a suitable means of verification and are submitted to OSP prior to the due dates (September 1 for the summer term, January 15 for the fall term, and June 1 for the spring term).

Department Chairs, Division Heads, Deans, and Vice Presidents: These individuals are responsible for the following:

- Understanding this Policy and Federal requirements for certifying effort on sponsored programs.
- Ensuring that processes are in place within the unit to identify and capture effort on Federal and Federal flow-through sponsored projects.
- Reviewing effort commitments on proposals to confirm reasonableness and achievability for proposed effort.
- Providing oversight and proper and effective implementation of this Policy in their school/college/unit.

F. Failure to Comply with Time and Effort Reporting Policy

If effort reports are not completed, certified, or submitted properly and in a timely manner, OSP will take action to ensure compliance with this Policy. These actions may include, but are not limited to:

- Placing active projects/awards ‘on hold;’
- Adjusting uncertified labor distributions and the effort they represent to non-sponsored accounts as cost share; or
- Barring non-compliant individuals from serving as a PI, and non-compliant units from submitting or administering Federal sponsored projects.

IV. EMPLOYEES OF OTHER DISTRICT OF COLUMBIA AGENCIES

To the extent the foregoing Policy is relevant to employees of District of Columbia agencies over whom the University lacks personnel authority, the

University will work in good faith with those employees to effectuate adherence to the Policy.

V. CONTACTS

University Office of Sponsored Programs

VI. COMMITTEES REVIEWING/APPROVING PROCEDURE:

Sponsored Programs Policy Committee
Audit, Administration and Governance Committee of the Board of Trustees
Board of Trustees of the University of the District of Columbia

HISTORY/REVISION DATES

Last Amended Date: July 10, 2014

Next Review Date: