



TIME AND EFFORT REPORTING POLICIES AND PROCEDURES

Purpose:

The purpose of this policy is to ensure that the percent effort spent on all sponsored programs is an accurate reflection of what is reported and that all federal and state guidelines are strictly enforced. This policy will guide D'Youville College in aligning personnel percent effort with mandates set forth by federal laws and regulations. This policy will also ensure equitable distributions of charges for employee's activities (sponsored projects, instruction and other services). Percent effort misappropriations or misreporting can lead to severe financial penalties for both the individual and the College.

What Is Effort and Effort Reporting?

Effort is defined as the amount of time spent on a particular activity. It includes the time spent working on a sponsored project in which salary is directly charged or contributed (cost-shared effort). Individual effort is expressed as a percentage of the total amount of time spent on work-related activities (instruction, sponsored research, departmental administration, and public service and other institutional activities) for which the College compensates an individual. Effort reporting is the mandated method of certifying to the federal granting agency(ies) that the effort charged or contributed to each award has actually been completed.

Effort reports are not based on hours; they are based on percentage on sponsored programs regardless of hours worked. As an example, 10% effort = 4 hours for a 40-hour week; 6 hours for a 60-hour week. Salary and Effort are not the same. Salary distributions distribute salary costs based on budgeted amounts; effort reporting confirms budgeted salary. Salary distributions do not necessarily reflect actual effort spent; you can expend effort without salary.

What Is Contributed or Cost-Shared Effort?

Cost sharing represents that portion of the total project costs of a sponsored agreement that are not borne by the sponsor or sponsors of the project. These costs are borne by the College or other non-federal third parties rather than by the sponsor. Since faculty salaries at the College are, in most part, paid for by the individual's academic department, cost sharing of effort represents a redirection of departmental resources from teaching or other departmental activities to support sponsored agreements. Certain federal agencies require that institutions cost share salaries that are above a "salary cap." A salary cap is defined as the amount of salary paid to an individual above which an agency will not reimburse an institution. The National Institutes of Health impose a salary cap on awards to the College.

Overview:

Regular and routine effort reporting is a requirement for D'Youville College recipients of federal and federal sub-recipient awards as a means of attesting to the appropriateness of salaries and wages charged to the sponsored programs. Funding agencies require reasonable assurances that labor costs charged to a sponsored project reflect the actual effort expended on the project.

EFFORT REPORTING POLICY

Applicable Regulations:

The applicable regulation(s) for this policy is the Office of Management and Budget (OMB) Uniform Guidance: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The OMB Uniform Guidance establishes principles for determining costs applicable to federal grants, contracts, and other agreements with educational institutions. The OMB Uniform Guidance requires that the allocation of salaries will be accomplished by a method which will be in accordance with

the criteria in the Uniform Guidance, will produce an equitable distribution of charges for employee's activities, and distinguishes employees' direct activities from their facilities and administrative activities.

Guiding Principles:

The D'Youville College time and effort policy is guided by the following principles:

- The system utilizes the principle of after-the-fact confirmation or determination that costs distributed represent actual costs. This is a requirement of the OMB Uniform Guidance.
- The system accurately reflects the activity for which the employee is compensated, including sponsored and non-sponsored activities.

Employees Subject to Personnel Effort Reporting:

D'Youville College employees who meet the following criteria are covered by the personnel effort reporting system:

- Employees with any portion of their salary charged directly to a sponsored program. While the OMB Uniform Guidance is the authoritative source regarding federal grants, non-federal agencies refer to the OMB Uniform Guidance as well. Hence, employees expending effort on any sponsored project, federal or non-federal, will be included.

Procedures:

- Faculty and all employees paid from sponsored funds are required to report their effort on a monthly basis.
- The employee, Principal Investigator, or responsible individual will report percent effort using suitable means of verification.
- Principal Investigators are responsible for certification of time and effort for personnel associated with their sponsored programs.
- If the Principal Investigator is the employee completing the effort report, a department chair or dean must certify the percent effort level. If the Principal Investigator is a chair, the dean must certify the effort report.
- In the instance where either the President of the College or the VP for Academic Affairs serves as Principal Investigator, the Project Director shall certify the percent effort level.

Requirements:

- Total effort cannot exceed 100% and should include only those activities for which the individual receives regular compensation from the institution and regardless of the employee's total percentage Full Time Equivalency. No faculty, while working on a sponsored project, shall receive compensation in excess of their Institutional Base Salary (IBS) during their contract period.

- Negotiated awards should accurately represent the amount of time that key personnel are committing to the project.
- The percent effort of all persons on a grant or other sponsored project shall be in concert with the percent effort that is officially reported as faculty load.
- If the actual percent effort on a sponsored project changes during the academic year, this shall be reported to the Office of Grants Administration/Office of Academic Affairs and the individual's college/unit no later than one month after that change.

Non-Compliance:

Effort reporting is considered a high-risk area for many institutions. Failure to verify time and effort within the certification period or improper allocation of employee's time according to a contractual agreement can lead to breach of contractual agreement, loss of current and future awards, and adverse public image and fines for D'Youville College. Criminal charges may be brought against an individual who certifies a falsified report (Federal False Claims Act). Failure to follow the provisions of the College's time and effort reporting policies and procedures may subject the individuals and departments responsible for the violation(s) to administrative and/or disciplinary action. Specifically, and without limitation:

- The Department Chair and Dean will be notified of non-compliance.
- The Office of Grants Administration may suspend submission of any new proposals on behalf of a non-compliant Principal Investigator (or inclusion of a non-compliant researcher in proposals) until effort reports are up-to-date and properly completed and certified; or
- All payroll expenditure transactions may be reversed for the period not certified.
- The Principal Investigator's spending authority may be suspended.