

Personnel Compensation (Time and Effort) Reporting Procedure	Procedure Number	11.2.2.5P
	Effective Date	November 28, 2017

1.0 PURPOSE

In accordance with Management and Oversight Authority Policy 11.1, Sponsored Awards Policy 11.2, and Uniform Guidance 2 CFR §200.430 - Compensation - Personal Services, the purpose of this document is to provide procedures on time and effort reporting for personnel compensation through federally funded sponsored awards.

All personnel costs charged to sponsored awards:

- A. Must be based on records that accurately reflect the work performed.
- B. Must be supported by a system of internal controls that provides reasonable assurance that charges are accurate, allowable and properly allocated, thereby accurately reflecting work done.
- C. Must be incorporated into official records.
- D. Must support distribution of employee's time if the employee works on more than one activity (federal and non-federal) not to exceed 100%.
- E. Must comply with established accounting policies and practices of the College.
- F. Must support distribution among specific activities or cost objectives.

2.0 REVISION HISTORY

Adopted on: 11/28/17

Revised on: 03/03/22, 08/04/26

3.0 DEFINITIONS

- A. *Budget* – A budget identifies the types of costs and the estimated amounts needed to complete the project. The budget must be approved by the funding agency and College. The budget will be the basis for authorizing any expenditure on the project and the basis for seeking payment from the funding agency. Any variances from the approved budget (beyond those permitted by regulation) must be authorized by the funder and reviewed by the College.
- B. *Cost Objective* – Refers to a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc.
- C. *Cost Sharing* – Refers to necessary/required project costs that the funding agency does not pay. These costs are generally borne by the College and must be approved by the supervising budget manager. In some cases, a third party may provide cost sharing support.
- D. *Effort* – The proportion of time spent on any activity expressed as a percentage of an individual's Total College Effort. The sum of all of an individual's effort percentages must equal 100%.
- E. *Federal Award* – A sponsored award with funding from the federal government. Federal funding can be provided to the College through a variety of funding mechanisms including grants, contracts, or cooperative agreements, directly from a federal agency or through a flow-through entity.

- F. *Non-Federal Entity* – As defined in 2 CFR 200.69, a state, local government, Indian Tribe, institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient.
- G. *Personnel Compensation/Salary* – Salaries and wages charged to sponsored awards are paid for services of college employees rendered to the project during the period of performance of the particular agreement. All such payments must be made through college payroll procedures. vacation, holiday, sick leave and other paid absences are included in salaries and wages and are charged to sponsored projects as part of the normal charge for salaries and wages.
- H. *Project Budget Manager* – Individual designated by the College to manage the budget for the project (may be the same individual as the Project Manager/Principal Investigator).
- I. *Project Manager/Principal Investigator* – Individual designated by the College to manage the sponsored award.
- J. *Sponsored Award* – A sponsored award is the transfer of money or property from an external funder that requires performance of specific duties. The funding relationship usually reflects a joint partnership in setting/meeting project goals. Most governmental funding will be for the purpose of conducting a sponsored award. The funding mechanisms used to meet this purpose can include memoranda of understanding, grants, contracts, cooperative agreements, and other legally binding means of transfer.
- K. *Total College Effort* – All professional activity for which an individual is compensated by the College including: sponsored activities, teaching, administrative duties, and others. Total effort includes all of these activities, regardless of when or where they take place.
- L. *Add-to-pay/Stipend* – Amounts paid to employees in addition to their regular base pay for activities/services performed on top of their specified duties. These activities are considered “above and beyond” an individual’s normal job description and as such the extra compensation is not included in effort calculations.

4.0 PROCEDURES

- A. Time and Effort Reporting
 - 1) Time and Effort reports must be maintained for all employees whose salaries are either:
 - a. paid in whole or in part with federal funds (directly or through a non-federal entity), or
 - b. used to meet a match/cost share requirement on a federally funded award (directly or through a non-federal entity).
 - 2) Part-time employees use the Time Clock Plus system to track hours. As this system allows employees to clock in under appropriate cost objectives, effort is adequately tracked and additional reports are not required.
 - 3) Effort reports for full-time employees are created by the Sponsored Awards Services Office based on actual payroll (reporting cannot be based on budgeted projections). The Institutional Research office provides the initial payroll data and reports are then created with effort percentages based on labor ledger totals that have been charged to each cost objective.
 - 4) Effort reports are created on a semi-annual basis. The effort reporting periods for each fiscal year are July-December and January-June.
 - 5) Effort reports must account for the employee’s total college effort, not to exceed 100%.
 - a. Add-to-pay/stipends are not included in effort calculations, therefore if the only federal/sub-federal pay an employee receives is an add-to-pay, an effort report will not be generated.

- 6) The Sponsored Awards Services Office will send the reports to the employee or the employee's supervisor for review and certification/signature. The signature will verify that the distribution of costs charged to each cost objective reasonably reflect the employee's effort for that period.
- 7) If corrections are required, the employee or supervisor will alert the Sponsored Awards Services Office. Payroll corrections will then be made and a new report created.
- 8) Signed effort reports are due 90 days after the end of the semi-annual reporting period.
- 9) Completed reports will be kept on file according to Records Retention Policy 9.5, Records Retention Procedure 9.5P, and any applicable sponsor requirements. If retention requirements differ, the most restrictive retention requirement shall apply. Reports may also be provided to sponsors upon request, with all personally identifiable information redacted.