Welcome!

ORSP Staff

Alison Sanders
Compliance Officer
Definition

**Time and Effort Report:**
An effort report is an after-the-fact certification of the proportion of work time devoted to sponsored projects, teaching, administration and other activities expressed as a percentage of total professional effort.
Regulations

**OMB Circular A-21, Principles for Determining Costs Applicable to Grants, Contracts, and Other Agreements with Educational Institutions** outlines the regulations governing effort reporting and the verification of salary distributions.

*OMB Circular A-21, Section (J)(10)(c)(2)(b)* requires effort reports to be completed to provide after the fact verification of the salary charged to sponsored projects:

“[effort] report[s] will reflect after the fact reporting of the percentage distribution of activity of employees.”
Regulations

- **OMB Circular A-21** requires that this verification be completed for all “professorial and professional” staff

- Professorial staff = faculty and non-faculty PIs

- Professional staff = salaried employees, hourly employees
As a condition to receiving Federal funding, SFSU is required to maintain and certify the percentage of time that employees devote to Federally sponsored projects.

State agencies, private foundations, organizations, and other sponsors provide SFSU funding to conduct research, public service, and training projects.

SFSU’s effort certification process provides verification that salaries and wages charged to these projects have been performed as promised.
Why is Time and Effort Report Certification Important?

- Federal regulation
- Used to develop the F&A rate agreement
- Used in a number of management reports
- Documentation of labor cost-sharing on sponsored projects
Time and Effort Certification

Adherence to this procedure is necessary to prevent cost disallowances and penalties by the Federal government and other sponsoring agencies.
Effort Reporting Periods

**Faculty:**
- Fall Semester (Academic)
- Spring Semester
- Winter Intersession
- Spring Break
- Summer

**Staff:**
- July - December (6 month period)
- January - June
The Effort Reporting Process

Pre-Award

- Proposal Preparation
- Budget Preparation

Effort is proposed, commitment is made to the sponsor

Post-Award

- Award Management/Charging salary
- Certifying Effort

Salary is charged to the project or cost-shared
Effort is certified, after the activity has occurred
Key Principles in Effort Reporting

- Defining 100% Effort
- Institutional Base Salary
- Salary vs. Effort
- Cost-sharing
Key Principles in Effort Reporting

Defining 100% Effort

Effort required to meet the obligations of a faculty member (i.e. teaching, research, service, administration)

Full time workload = 15 WTU (Weighted Teaching Units)

3 WTU Committee Work (20%)
12 WTU Teaching, Research, Assigned Time (80%)

*Release from 1 class is usually 3 WTU (20%)
Key Principles in Effort Reporting

Institutional Base Salary:

Annual compensation paid by SFSU for an individual's appointment, whether that individual's time is spent on research, teaching, or other activities. Base salary excludes any income that an individual may be permitted to earn outside of the duties to SFSU.
Key Principles in Effort Reporting

- **Salary vs. Effort**
  - In proposals, determine the effort required to complete the goals of the project.
  - Request the corresponding salary or RRT.
  - If effort commitment is greater than the salary requested, then it is considered cost-share.

- **Remember that effort commitments without salary requests are still effort commitments and should be included as part of 100% effort.**
Who must fill out an effort report?

**Faculty**
- RRT
- Overload
- Additional Pay (Summer, Winter Intersession, Spring Break)

**Salaried Staff**
- Salary charged to grant
  
  **Special Consultants and hourly staff certify effort through time sheets**
Jane Smith received RRT for 20% of her time (3 units of teaching /15 units full time)

College matched (cost/shared) another 20%

She earned $30,000 in the Fall semester

$6000 was charged to the grant as RRT

$6000 was cost-shared (in-kind) by the College

40% of Jane’s effort should have been allocated to her project

60% of her effort should have been allocated to “other SFSU” functions

Total Effort = 100%
Time and Effort Report Form

Jane Smith received Winter Intersession Additional Pay

Salary was directly charged to the project

No other SFSU functions

Total Effort = 100%

**Since faculty are not paid during intersession, 100% of salary earned is charged to the grant**

<table>
<thead>
<tr>
<th>Faculty Information</th>
<th>Effort Information</th>
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</thead>
<tbody>
<tr>
<td>Faculty Name: Jane Smith</td>
<td></td>
</tr>
<tr>
<td>College: Science and Engineering</td>
<td></td>
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<tr>
<td>Department: Mathematics</td>
<td></td>
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<tr>
<td>Effort Reporting Period: Winter 2006</td>
<td></td>
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<tr>
<td>Compensation for Period: $4,317.00</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Sponsored Projects Details:</th>
</tr>
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<tbody>
<tr>
<td>Project Information</td>
</tr>
<tr>
<td>Project Title: Mathematics for Everyone</td>
</tr>
<tr>
<td>Project ID: 12345678</td>
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<tr>
<td>Salary Charged: $4,317.00</td>
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<tr>
<td>% Salary: 100.0%</td>
</tr>
<tr>
<td>Actual Effort: 100%</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Non-Sponsored Details:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other SFSU Functions:</td>
</tr>
<tr>
<td>Salary Charged: $0.00</td>
</tr>
<tr>
<td>% Salary: 0.0%</td>
</tr>
</tbody>
</table>

Total Distribution: $4,317.00 100% 100%

I certify to the best of my knowledge that this accurately represents my work effort during the Winter 2006 period.

Employee Signature __________________________ Date ___________

Supervisor Signature __________________________ Date ___________

Total salary charged to the grant for Intersession Salary

Other SFSU Functions: All other faculty responsibilities to SFSU (i.e., administrative time, teaching, mentoring). For intersession, this is 0%, as faculty are not paid by SFSU during this time.

Compensation for Period = Total amount of salary earned by faculty member during this time period.
Faculty Overload

**Example:** an employee works full time (1.0 time base) teaching and is approved for a 25% overload to work on Grant A (0.25 time base), the effort distribution would appear as follows:

*Based on a 1.25 time base

- Grant A - 20% (=0.25/1.25)
- Other SFSU Functions - 80% (=1.0/1.25)
- Additional Pay (Summer, Winter Intersession, Spring Break)

Total Effort - 100%
John Taylor is a staff member paid from grant funds.

Salary was directly charged to the project.

No other SFSU functions.

Total Effort = 100%
Distribution Process

- Effort Reports are distributed directly to faculty, effort reports for staff are sent to PI/supervisor.
- Faculty/Staff** review and certify effort reports.
  **Staff reports require supervisor signature.
- Signed reports are returned to ORSP.
Summary

- Time and Effort Reporting is an important process
- Monitors cost-sharing contributions
- Ensures that faculty are not over-committed
- Assures the funder (Federal or other) that effort commitment to the project has been met
- Provides another level of review to ensure that funds were expended appropriately
The End

Thank You

Alison Sanders
Compliance Officer