

Time and Effort Reporting

I. Purpose

This policy establishes institutional requirements for reporting payroll distribution activity on sponsored projects.

II. Scope

This policy applies to all individuals who have salaries or wages paid from externally- or internally-funded sponsored programs or for whom effort is committed to such programs.

III. Policy

The College is required to document effort spent on externally sponsored activity. Time and Effort reporting requirements are part of the allowable costs as defined by the U.S. Office of Management and Budgets (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) as well as other federal requirements for certifying effort expended on sponsored awards. For all college employees funded with federal grants, the College must document that the amount claimed reasonably reflects the employee’s activity achieving the objectives of the grant.

The Payroll Department will send each Principal Investigator/Director of a federally –funded project a monthly Effort Certification Report for that project to review. The Principal Investigator/Director will forward the report to the Director of Administrative Services for retention. The Payroll Department will also send the monthly Effort Certification Report to the Vice President for Finance & Administrative Services for review and approval then the approved report will be forwarded to the Director of Administrative Services for retention.

Principal Investigator/Directors or persons having firsthand knowledge of employee effort on sponsored programs must reasonably certify that effort paid from their grant funds was reasonably expended. For determining “reasonableness”, OMB Circular A-21 states “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... The payroll distribution system will ... (ii) reasonably reflect the activity for which the employee is compensated by the institution.”

IV. Compliance

All DSCC faculty and staff are responsible for the College’s compliance to the Time and Effort Reporting policy.

V. Definitions

Effort: Effort is the percentage of time spent towards particular work-related activities, such as sponsored projects, instruction, proposal preparation, or other administrative duties. Effort is not based on a 37.5-hour work week, but is calculated as a percentage based on the total hours spent on work-related duties.

Principal Investigator/director: the PI is the person who takes direct responsibility for completion of a funded project.

VI. Revision History

Policy approved by Administrative Council on November 30, 2016. Policy revised and approved by Admin Council on 1/26/23. Policy reviewed and approved by Admin Council 2/26/26.