

**EFFORT REPORTING POLICY**  
**11-20-13**

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**I. Introduction**

This policy establishes guidelines for reporting and certifying effort expended on sponsored projects at Chico State Enterprises (CSE).

**II. Purpose**

Sponsored projects at CSE are funded by federal and state agencies, private foundations and other nonprofit and for profit organizations. CSE's effort reporting and certification process provides verification of the work performed as well as the associated salaries and wages charged to these projects.

**III. Authority**

Institutions receiving federal funds on sponsored agreements are required to comply with 2 CFR Part 220 (formerly known as OMB A-21) which describes how employee compensation for personal services rendered under sponsored agreements should be charged and subsequently documented.

**IV. Terms and Definitions**

- A. Sponsored Projects:* refers to programs sponsored in whole or in part by external sources for which the sponsor expects performance, deliverables or outcomes. Gifts are not included in sponsored programs.
- B. Project Director/Principal Investigator:* the individual primarily responsible for the technical or programmatic conduct and management of the project to assure that the terms and conditions of the award are met.
- C. Total Effort:* includes an individual's efforts on behalf of the University and sponsored projects awarded to CSE.
- D. Compensated Effort:* represents actual payroll charges expressed as a percentage of effort during the specified time period.
- E. Effort Report:* a signed statement by the employee or responsible official on the sponsored project that attests to the accuracy and completeness of the report.

- F. *Cost Sharing*: the portion of the project costs that is contributed by the recipient. Cost sharing can be required by the sponsor (mandatory) or voluntary on the part of the recipient.
- G. *Voluntary Uncommitted Effort*: effort that is over and above that which is committed and budgeted for in a sponsored agreement. Voluntary uncommitted effort does not require documentation and is not included in the effort report.
- H. *Institutional Base Salary*: the annual compensation paid for an individual's University appointment.
- I. *Additional Employment*: time worked above and beyond an exempt employee's primary assignment where the work is of a substantially different nature from the employee's primary assignment or, for faculty, where the work is paid for by other than CSU general fund dollars, or is the result of part-time employment on more than one campus. Additional employment is allowed up to a maximum of 125% of time (not salary) for all campus activities paid through any campus entity, including work performed on grants and contracts.

## V. **Process**

Effort reports are compiled, distributed and certified as follows:

- A. For faculty with academic year (AY) appointments
  - Fall semester
  - Spring semester
  - Winter intercession
  - Summer
- B. For faculty with 12 month appointments or for university staff
  - July –December 31
  - January – June 30

The effort report includes all effort – state position appointments, state special pay, any reimbursed time or cost share on a grant or contract, and any additional compensation paid by Chico State Enterprises. For employees paid solely through CSE semi-monthly timecards serve as the effort report. Effort reports do not include amounts paid to the University from annual fund accounts to off-set general fund salary support.

By signing the report, CSU Chico faculty and staff certify that the distribution of effort indicated is a reasonable estimate of work performed during the period covered by the report. If the percentages of effort do not reflect how the individual spent his or her time, the employee should indicate the correct effort percentages on the form prior to signature. If an employee is unavailable to certify an effort report, someone who has direct knowledge of the work performed or can demonstrate suitable means of verification of the employee's effort may certify on the employee's behalf.

Principal investigators (PIs) and other project personnel are required to return their effort reports to Chico State Enterprises by the deadline stated in the instructions accompanying the report. Effort reports not

returned by the deadline will be brought to the attention of the Principal Investigator. Continued noncompliance will be referred to the respective Dean or AVP/VP.

CSE will adjust salary charges accordingly where the certified time and effort differs from the payroll distribution by 5% or more of an individual's total effort. If adjustment to the salary charges for a previously certified effort period is necessary, documentation must include an explanation of the need for the adjustment and subsequent recertification. This documentation must be approved by the PI.

2 CFR Part 215.25( c)(3) requires prior approval from the federal awarding agency if there is an "absence for more than 3 months, or a 25% reduction in time devoted to the project, by the approved project director or principal investigator." Any deviations of 25% or more between the proposed and actual effort which may result in the need for federal agency approval will be referred to the PI for additional assessment.

## **Oversight and Responsibilities**

- A.** CSE is responsible for gathering data on employee effort and producing and distributing the effort reports, monitoring completion of the forms, comparing effort data against budgeted commitments and maintaining the certified reports.
- B.** Each individual receiving an effort report is responsible for reviewing it for accuracy and signing and returning the report to CSE by the deadline.
- C.** The PI is responsible for insuring the timely completion and return of effort reports on their project. Each PI (or designee) will approve effort corrections in excess of 5% for any individual working on their project(s) as well as any recertification of previously reported effort. When their effort is reduced by 25% or greater, the PI will work with CSE to notify the federal sponsor.
- D.** Department Chairs and College Deans (or AVP/VP, if applicable) are responsible for approving faculty/staff release time on grants and contracts and for ensuring compliance with effort reporting by PIs and other project personnel under their supervision.
- E.** Faculty Affairs is responsible for monitoring faculty additional employment; university staff human resources will monitor additional employment by university personnel other than faculty.

## **VI. Related Documents**

2 CFR, Part 220

2 CFR, Part 215

ICSUAM Policy Number 11000.003.006

CSU Executive Order No. 890

CSU HR 2002-05

DHHS memo regarding overload approval