Time and Effort Basics

Finance & Administration



PRESENTERS

Dr. Arlitha Williams-Harmon

David Lyon – Controller

Kim Smith - Grant Accountant

All great things take time and effort!



The purpose of this presentation is to familiarize faculty and their administrative support staff with the University's effort reporting system, in order to comply with federal regulations and Jax State policies and procedures that govern effort on sponsored projects.





 Explain the requirements for effort reporting and certification.

 Provide guidance on effort reporting and certification.

• Walk through effort reporting training scenarios.



Effort Reporting Overview



Effort Commitments



Making a Commitment of Effort

A commitment is an obligation that Jax State must fulfill.

Commitments are specific and quantified, and they generally are expressed in terms of % of your work time over a given project period.

Commitments may be adjusted with the approval of the sponsoring agency.

A commitment is the amount of effort proposed in a grant proposal or other project application, and that the sponsor accepts – regardless of whether you request salary support for the effort.



Why do we report effort?



- <u>OMB 2 CFR 200:415</u> requires that the University document the distribution of activity to each individual sponsored project.
- The method for documenting must:
 - Reasonably reflect the activity for which an individual is paid by the University, <u>OMB 2 CFR 200:430</u>.
 - Reflect all of these activities performed by the individual.
 - Include after-the-fact confirmation to ensure that initial salary charges reasonably approximate actual effort.
 - Be performed by the individual or a responsible individual who has a "suitable means of verification that the work was performed".



Why do we report effort?



- Federal audit personnel rely on effort reporting to evaluate whether the salary paid on an award is reasonably relative to the effort expended on the award.
- Principal Investigators and the University are ultimately responsible for ensuring that all charges to an award are appropriate, *including salary charges*.



Why do we report effort?



- Federal agencies are accountable to Congress and to the public for the use of these funds.
- Salary and wages typically represent more than half of all direct costs.
- Effort reports document and account for the use of those funds.



Effort Commitments on Sponsored Projects



Often, the sponsor pays all of the costs associated with a sponsored project. But sometimes Jax State bears a portion of the costs.

- **Paid effort** is work for which the sponsor provides salary support.
- **Contributed (or cost-shared) effort** is any work on a sponsored project for which the university, rather than the sponsor, provides salary support.

Both types of effort are important in the effort certification process.



Effort Reporting and Compliance



- Extra funding for sponsored programs often times comes with strings attached
- Accepting federal funds means:
 - compliance with applicable cost principles.
 - Universities receiving sponsored research dollars should have appropriate systems, policies and procedures in place to properly document all commitments, including effort.



Effort Reporting and Compliance



Effort Reporting has come under increased scrutiny.

- Focus of Federal review and Controller's Office activity
- Several multi-million dollar False Claims Act settlements
- NSF/OIG audits (recent and ongoing)





Am I alone in the effort reporting?





When should I think about effort?



LEADERSHIP, POLICIES, TRAINING, SYSTEMS



Tracking Effort Commitments



When the proposal does not explicitly list key persons, the university defines key personnel for the purpose of effort reporting as the PI and all co- investigators. Commitments are recognized and must be tracked for:

- the Principal Investigator/Director (PI/PD)
- all co-investigators
- all persons identified as senior/key personnel in the grant proposal



Must I include effort on a grant?



- PIs have to commit at least a minimum level of effort to a sponsored project, whether it is directly or indirectly charged to the grant.
- Exceptions:
 - Equipment and instrumentation grants
 - Dissertation support, training grants or other awards intended as "student augmentation"
 - Limited-purpose awards, such as travel grants, conference support, etc.



Is there a minimum commitment (1% rule? or 0% rule)?



100% charge on a grant should be justified for individuals performing other university responsibilities (such as teaching, administration, student advising) during the report period.

- The PI or Co-PI must report a minimum of 1% per year on any active grant if no other project personnel has submitted any T&E report for any of the quarters.
- For grants with no personnel salaries (equipment grant or student support), the PI must submit the first T&E report indicating that there is no salary requests on project for the duration of the grant.
- An individual can not submit more than one T&E Report in a month— Unless there are some corrections being affected.
 - Any corrections must be certified by the employee and the immediate supervisor with a detailed explanation.





Is there a maximum commitment level?

Primary Individuals must consider academic and non-sponsored duties when committing effort.

- 100% effort is allowable over the summer for <u>faculty</u> provided that the individual cannot perform other instructional activities during that period (e.g. serving on institutional committees, writing proposals, etc.) whose costs are not allowable under federal guidelines.
- Individuals tasked as Supporting Individuals or Key Personnel will have a maximum level of total effort (policy revision in process) that can be charged cumulatively to sponsored programs.



Key Points in Effort Reporting



- Effort distributions should be reasonable estimates of activities, recognizing that research, instruction, and service activity are often intertwined and estimates will be necessary in most cases.
- The effort report form must account for all effort for which the University compensates the individual. Even where the number of hours of effort the individual expends each week substantially exceeds the "normal" workweek of 40 hours, effort percentages must be based on total effort, not hours.

Key Points in Effort Reporting Effort and payroll distributions are NOT the same thing!



- The effort reporting process is a method for certifying charges made to sponsored awards and for certifying that the effort expended is at least equal to the salary paid.
- Payroll distributions are used initially as a proxy for effort distributions and serve as a convenient reminder about activities on which the individual worked.
- Therefore, the payroll-based effort report form should be adjusted to report effort distributions that are less than the shown payroll distributions.
- Appropriate salary reallocations must be made in concert with the changed effort report.



Key Points in Effort Reporting



- Mandatory or voluntary committed cost sharing must be reported.
- Where some or all effort an individual expends on a specific sponsored research project is not funded by the project sponsor but is mandated by the sponsor or where the individual has clearly committed to uncompensated effort to the project in the application, that effort must be reported in a separate cost sharing account on the effort statement.
- This can be done before (preferably) or during the effort reporting process: communicate with the Controller's Office if cost-shared effort is not shown on the effort reporting form.

Key Points in Effort Reporting



- Principal investigators are required to complete appropriately certified effort report forms within 30 working days of the start of the effort certification period.
- Consequences of Non-Compliance:
 - 30-45-60 days and escalation of communication to administrative supervisors
 - Cost disallowances on sponsored projects and account suspension



Red Flags



- A PI reported 100% effort on a grant but when discussing his activities the PI noted that they were asked to <u>participate in department recruitment activities and, also</u> <u>served as advisor for the student club.</u>
- A PI who reported 100% research (Research Professor) on their T&E. The T&E report was signed by his immediate supervisor (Dept. Chair). However, upon reviewing the letter that the Dept. Chair wrote in support of the PI's promotion application, the <u>Chair</u> <u>noted that despite being a fulltime research faculty, the PI</u> <u>had played a major role in the Department's student</u> <u>recruitment activities during the past three years.</u>



- Effort reports are required for all individuals working on sponsored projects.
- When effort reports are made available, they include the current payroll distribution as a starting point.
- Visit the Controller's website for the University's Effort Policy.

https://public.powerdms.com/JSUAL/documents/1291300

Effort Reporting at Jax State



Why is there so much emphasis on effort reporting?



Areas of government focus in audits/ investigations related to effort reporting:

- Salary charges
- Over-commitments
- Salary cost transfers and cost sharing
- Integration with systems that report time or effort

Roles and responsibilities

- Who ensures appropriate salary is charged?
- Who ensures level of commitment is reasonable?
- Who signs the reports?
- Who independently monitors to evaluate system's effectiveness?



	Intent to Apply for a Grant
oject Participant(s) Information	
oject Director First Name:	Project Director Last Name: Project Director Email:
	Session with the Office of Sponsored Programs? " Please Select 🗸
y Personnel	
ant Title "	
Please Select 🗸	
nder Name	
If this project create a Center at JSU?	
Please Select V	
a Match Required?	
he proposed sponsored program is funded will the awa - Please Select	India be made to JSU or the JSU Foundation?
you plan to involve any human subjects in this grant p iis includes observing human participants or conductin	roject? *
al Grant Proposal Funding Request: *	
al Grant Proposal Funding Request: " extra compensation being requested by Key Personnel	, if allowed by the Grant Funder?* Please Select V
extra compensation being requested by Key Personnel ve you already submitted this grant proposal? * Ple ef Project Description include URL for call for propos	
extra compensation being requested by Key Personnel ve you already submitted this grant proposal? *[Ple	ase Select V

Intent to Apply Form

•If you intend to apply for external funding from the federal government, state government, a county government, a local government, a foundation, a private business, a non-profit organization, or a corporation, please complete the **Intent to Apply for a Grant Form** to notify Sponsored Programs and administration. In addition, you may use the form to submit subawards to JSU for initial approval.

•Include all persons identified as senior/key personnel in the grant proposal





- Direct funding pays the majority or all of the employee's salary for work on sponsored program activities.
- Extra compensation funding supports stipends of faculty and staff engaged in these sponsored program activities.
 - Through effort reporting, the university assures sponsoring agencies that the salaries charged are reasonable

Importance of accurate effort reporting at Jax State

See Sponsored Programs' After Funding Guide

GRANT/CONTRACT SALARY DISTRIBUTION FORM

Jacksonville State University Department of Human Resources

Phone: (256) 782-5007

700 Pelham Rd N., 326A Bibb Graves Hall, Jacksonville, AL 36265

Jacksonville State University.	www.jsu.edu/hr
GRANT/CONTRACT SALARY DISTRIBUTIO	N FORM
Submission Type: " Please Select	
Employee Information: Name: Position Number:	Employee " ID#: Department " Name:
SALARY DISTRIBUTION FOAP (Budget Unit #) % Time	Amount
Total Salary: *	
Start Date: * End Date: End Date: Note: Unless a change in distribution is approved the employee will be terminated on this date. Comments:	益 〕
Attach Statement of Justification/Explanation and a copy of grant/contract or sections of grant/contra- tatus change requires new Salary Distribution Change Form.	ct pertinent to salaries.
Justification for Request:	n File
Grant/Contract Officer Approval:	n File

This form **must be completed in advance** of the work.

The salary distribution form serves as a crucial purpose in managing how an employee's salary is allocated to different financial accounts or projects.

The approval process routing is:

- Principal Investigator
- Supervisor/Dept. Head
- Dean/Director
- Vice President/Vice Provost
- Grant/Contract Accountant
- Human Resources
- Payroll

Accurate and timely salary distribution forms are essential for effective financial planning and controlling expenses within the organization.



Who is responsible for accurate T&E reporting?



- Effort Reporting at Jax State is a
 SHARED responsibility.
 - Faculty Principal Investigators (PIs)
 - Dept. Administrative and Support Staff
 - Department Chairs & College
 Deans
 - Office of Sponsored Programs



Form 46 - Extra Compensation Contract

JACKSONVILLE STATE UNIVERSITY EMPLOYEE CONTRACT FOR EXTRA COMPENSATION

This form must be completed in advance of the work and attached to the internal Approval Form for Sponsored Projects (if applicable), Planned/Approved Workload for Extra Compensation form, and Absence Report (if applicable).

		2) Employee Identification # 4) 9/12 month appt; Faculty/Staff			
3) Department					
Describe work to be performed :	and how th	e project represents effort beyond Univers	ity responsibilities:		
a) Beginning date of project: c) Where will work be performed:					
d) Times/hours & days:					
Employee Signature	Date	Dept Head/Immediate Supervisor	Date		
Dean of Employee Signature	Date				
		Financial Information			
6) Source of funding:		Financial Information Federal	Other		
a) Budget account charged:		Federal	Other		
a) Budget account charged: b) Budget name:		Federal	Other		
a) Budget account charged: b) Budget name: c) Total job: \$		Federal	Other		
a) Budget account charged: b) Bodget name: c) Total job: \$ d) Budget Transfer (if appli Increase Budget #:	cable)	Federal			
a) Budget account charged: b) Budget name: c) Total job: \$	cable)	Federal Salary S: Benefits S: Total S:			
a) Budget account charged: b) Bodget name: c) Total job: \$ d) Budget Transfer (if appli Increase Budget #:	cable)	Salary S: Benefits S: Total S:			
a) Budget account charged: b) Budget name: c) Total job: \$ d) Budget Transfer (if appli Increase Budget #: Increase Budget #:	cable)	Federal Salary S: Benefits S: Total S:			

It is interstood mat the services required under this contrast retween (50) and in emptype of (50), with not interfere with the regular employment of said employee in accordance with the Alabama Ethics Law and University Policies. Any compensation under this contract will be paid in accordance with the Alabama Ethics Law and University Policies. Any compensation under this contract will be paid in accordance with the applicable Federal and State Tax Laws and regulations. It is further understood that employees abide by University Policy of EffSt02 (Extra Compensation Policy).

APPROVED:	Dean/Director	Date	
	Restricted Funds Accountant (Only for Sponsored Projects)	Date	
	Vice President	Date	
	iginal – Harran Rosources pies – Dean Director, Employee, and Badget Manager		
Form #46			(1

This form **must be completed in advance** of the work and attached to the internal Approval Form for Sponsored Projects (if applicable), Planned/Approved Workload for Extra Compensation form, and Absence Report (if applicable).

Services required under this contract between Jax State and an employee of Jax State will not interfere with the regular employment of said employee in accordance with the Alabama Ethics Law and University Policies. Any compensation under this contract will be paid in accordance with the Alabama Ethics Law and University Policies.

Any compensation under this contract will be paid in accordance with the applicable Federal and State Tax Laws and regulations. It is further understood that employees abide by University Policy # <u>II:05:02 (Extra</u> <u>Compensation Policy)</u>.

The Extra Compensation Plan Approval Form (Form 46) must be completed and approved **PRIOR** to any services being rendered. See Sponsored Programs' <u>Calculating Extra Compensation FAQ</u> for more information



JACKSONVILLE STATE UNIVERSITY EMPLOYEE CONTRACT FOR EXTRA COMPENSATION

This form must be completed in advance of the work and attached to the internal Approval Form for Sponsored Projects (if applicable), Planned/Approved Workload for Extra Compensation form, and Absence Report (if applicable).

	Project Information	
1) Name	2). Employee Identification #	
3) Department JSU Field School	4) 9/12 month appt; Faculty/Staff Staff	
 Describe work to be performed and he Ms. Fitzpatrick will be using her 30 years of of a wide range of subjects, time studing a 	by the project represents effort beyond Univers of teaching experience to teach classes for field trips and planning classes in advance, and strong classroo	ity responsibilities: This requires knowledge om management skills.
a) Beginning date of project: April 15, 2025	b) Ending date of project: April 30, 202	5
c) Where will work be performed Little Ri	ver Canyon Center	
d) Times/hours & days: 8am - 2pm / April 15, 1	April 18, and April 29	
	11/25 Clinkanton	
Employee Signature OI Date	e Dept Head/Immediate Supervisor	Date 4/12/25
Dean of Employee Signature Dat	e	
	Financial Information	
6) Source of funding:	Financial Information	Other
	Financial Information Federal	Other
 6) Source of funding:	Financial Information Federal	Other
a) Budget account charged: 30312	Financial Information Federal	Other
 a) Budget account charged: <u>30311</u> b) Budget name: <u>JSU Field Sc</u> c) Total job: \$ <u>400.00</u> d) Budget Transfer (if applicable) 	Financial Information Federal 2-32802-61050-90 hools	Other
 a) Budget account charged: 30312 b) Budget name: JSU Field Sc c) Total job: \$ 400.00 d) Budget Transfer (if applicable Increase Budget #:	Financial Information Federal 2-32802-61050-90 hools Salary \$:	
 b) Budget name: JSU Field Sc c) Total job: \$ 400.00 d) Budget Transfer (if applicable) 	Financial Information Federal 2-32802-61050-90 chools Salary \$: Benefits \$:	
 a) Budget account charged: 30312 b) Budget name: JSU Field Sc c) Total job: \$ 400.00 d) Budget Transfer (if applicable Increase Budget #:	Financial Information Federal 2-32802-61050-90 hools Salary \$:	

Form 46 Example

Effort Reporting at Jax State



There is a general presumption that the individual is paid based on their distribution of activities, but in some cases:

- Information may not have been submitted on time
- Distribution may not have been done correctly
- In many cases, work may occur differently than planned, so...

Salary adjustments may need to be made to reflect effort!

The completed effort report must represent a reasonable approximation of how effort was devoted



Form 45 - Extra Compensation Request



DEPARTMENT OF HUMAN RESOURCES

Jacksonville State University Department of Human Resources 700 Pelham Rd N., 3266 Angle Hall, Jacksonville, Al. 36265 Phone: (256) 782-5007 www.yie.edu/hr

An Equal Opportunity | Affirmative Action Employer

Extra Compensation Payment Request Form (formerly Form #45)

A Plan Approval (form 46) must be submitted and approved prior to any services being rendered. Employees should enter the percentage effort and the appropriate dollar amount for each activity/sponsored program for each month to be paid. Only submit the months of payment currently being requested; do not list previously paid months or future payments as services must be rendered before payment can be processed.

mployee Name: *				Employee ID#: *			
mployee's Base Compensation (A	Annual Salary): *					_
ktra Comp. * egin Date:	Ë	xtra Comp. nd Date:	<u>م</u>	iii			
xtra Compensation Activities:							
ame of Activity (Sponsored pro	gram):						
		1.					
Description of Assignments:							
				1.			
OAP/Budget Information:	0.000				Deserves		
Fund: *	Org: *		Acco	unt: 1	Program: *		
Month Activity Occurred:	Year	%	Amount to be paid:	Month Activity Occurred:	Year	% Amount to	be paid:
January				July			
February				August			
March				September			
April				October			
May				November			
June				December			
L							
		\$0	.00				
otal Amount (all months listed):							
mployee certification of efforts:							
		e above effo	rts have been expende	d and payment is due. * 📄			
mployee certification of efforts:		e above effo		d and payment is due. * 📄 our completed Form 46 here:	* 🗞 Attach File		
mployee certification of efforts:		e above effo			* 🗞 Attach File		
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Imployee certification of efforts: the above listed employee, here IR Review Comments:		e above effor			* Attach File		

Start the <u>Form 45</u> by entering the Name and Jax State email address of the individuals for each participant below.

Enter the assignment description, FOAP, and appropriate dollar amount to be paid monthly. Upload the Form 46 & Effort Monthly Certification Form

The approval process routing is:

- Responsible department (initiator paying the employee)
- Employee's Immediate Supervisor
- Budget Manager (of the extra compensation/sponsored program)
- Dean (for the College the activity is housed)
- Grant Accountant
- Employee Receiving Compensation
- Human Resources (must have contract on file)
- Payroll

Each approver will receive an email notification. Track the progress of the request via MyJSU - View Pending/Submitted Forms. *Please note:* The employee receiving extra compensation *should not* be initiating this form. This should be done by the department.



	EPARTMENT OF HU	ISITY	700 Pelham Rd	Department o N., 326A Angle Hall, Ja	ville State University f Human Resources icksonville, AL 36265 hone: (256) 782-5007 www.jsu.edu/hr	Form 45 E	xample
	E	ixtra Compensation Payme (formerly Form					
A Plan Approval (form 46) must t appropriate dollar amount for eac do not list previously paid month Any amount in excess of 100% o II:05:02.	ch activity/sponsored pro- ns or future payments as s	gram for each month to be services must be rendered	paid. Only submit the mont before payment can be pro	ths of payment currently cessed.	being requested;	Department Administrative Assistant	Electronically signed by
Employee Name:*			Employee ID#:*			Signature	
Employee's Base Compensation	(Annual Salary): * \$ 16,244	4.00				Immediate Supervisor of Employee Receiving Pay Signature	Electronically signed by
Extra Comp. *04/15/2025 Begin Date:	Extra Comp. End Date:	* 05/08/2025				Program Budget Manager Signature	Electronically signed by
Extra Compensation Activities: Name of Activity (Sponsored pro	gram):					Dean / VP / Cabinet	Electronically signed by
* JSU Field School Field Trip						Member Signature	,,
requires knowledge of a wide ra	nge of subjects, time study	ence to teach classes. This ying and planning classes ir	,			Grants Accountant Signature	Electronically signed by
advance and strong classroom i FOAP/Budget Information:	management skills.					Employee Receiving Extra Compensation	Electronically signed by
Fund: * 30312	Org: * 32802	Account	*61050	Program:* 90		Signature	Lieu onicary signed by
Month Activity Occurred:	Year %		Month Activity Occurred:	Year %	Amount to be paid:	Human Resources Signature	Electronic Signature Per
January			July				Electronic Circuture Day
February			August			Payroll Signature	Electronic Signature Per
March			September				
April	2025	\$ 430.61	October				
Мау	2025	\$ 645.92	November				
June			December				
Total Amount (all months listed):	\$ 1,076.53						
Employee certification of efforts: I, the above listed employee, here	eby certify the above effor						
	Please upload	your completed Form 46 he	ere: *April May Form 46				

Time & Effort Monthly Form

			JA	OFFICE OF THE C		
ne and Effort Mor	nthly Report		SI IA	JACKSONVILLE STATE UN	IIVERSITY	
			E-mailence #4		Desition #	
me:			Employee # :		Position #	
nployee Base Sala	ary Amount:		Total Approve	ed Annual Compensation*:		
ant Name:			Grant Period	of Performance:	FOAP:	
Date	Begin Time	End Time	Total Hours	Description of Wo	rk including How it Supports Grant Object	ive
					-	
			-		-	
Total Hours			0.00			
otal approved An	nual Compensation inc	ludes annual salary pl	us all extra compensa	ation . Includes but is not limited to payroll, sti	pends, supplements, extra compensation, adju	nct pay.
ining this repor jectives as set t	rt, I certify to the best forth in the terms and	of my knowledge an I conditions of the a	d belief that the abo wards. I am aware t	ove information is true, complete, and acc hat any false, fictitious, or fraudulent info	g and directly related to work under the graunt of the graunt of the payroll expenses are for the rmation or the omission of any material faction 1001 and Title 31, Sections 3729-3730 at	purposes and t may subject me to
,,,						
nployee		Date		Budget Manager	Date	



Time & Effort Monthly Example



OFFICE OF THE CONTROLLER JACKSONVILLE STATE UNIVERSITY

Time and Effort Monthly Report

Name:	Employee # :	Position #	
Employee Base Salary Amount:	Total Approved Annual Compensation*: \$ 7,706.00		
Grant Name:	Grant Period of Performance: 9/1/2024 - 8/31/2025	FOAP:	24114-36020-61050-30

Total Hours Description of Work including How it Supports Grant Objective EndTime Begin Time Date

		11:00 AM	1	Hiring committee dutues: Sat in on interviews for the same second se
April 16-18	10:00 AM			Worked with specialist onboarding: overview of project timeline spreadsheet to move project forward
9-Apr	12:00 PM	1:00 AM	1	
11-Apr	9:00 AM	10:00 AM	1	Assited in planning of events to be held
April 16-18	12:00 PM	1:00 AM	3	Assisted with creating the agenda for the second seco
April 20 20				
·				
Total Hours			6.00	

* Total approved Annual Compensation includes annual salary plus all extra compensation. Includes but is not limited to payroll, stipends, supplements, extra compensation, adjunct pay.

Uniform Guidance 2 CFR 200,415 and 2 CFR 200,430: The report provides reasonable amounts for activities contributing and directly related to work under the grant agreement. By signing this report, I certify to the best of my knowledge and belief that the above information is true, complete, and accurate, and the payroll expenses are for the purposes and objectives as set forth in the terms and conditions of the awards. I am aware that any false, fictitious, or fraudulent information or the omission of any material fact may subject me to criminal, civil, or administrative penalties f statements false claims or otherwise. (D.S. Gode Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).



Key Points in Effort Reporting



- The effort form must represent, in percentages totaling 100%, a reasonable estimate of an employee's University compensated effort for the period.
- <u>Employees must certify their</u> <u>own individual effort.</u>




OFFICE OF THE CONTROLLER

March 17, 2025

MEMORANDUM

TO: Faculty/Staff Employee

FROM: Melanie Tuck Payroll Specialist

SUBJECT: Quarterly Report of Payroll Charges – Fiscal Year 2025, Quarter 1 (FY2025, Quarter 1: 10/01/2024 – 12/31/2024)

You are receiving this memorandum since <u>all</u> or part of your base salary is paid from federal funds. Verification of time working on each federally funded program is required. To verify your time, please complete the Time Distribution Certification Quarterly Report that will be emailed to you from the Payroll Office.

Please review the form for accuracy and sign/date on the employee signature line. After you have signed and dated the form, please give it to both your Budget Manager and your Dean/Director to sign.

Return the signed form to Kim Smith, Grant Accountant, by email to krsmith@jsu.edu.

You will continue to receive a report for verification after the end of each quarter as. long as a percentage of your base salary is paid from federal funds.

Should you have any questions, please contact Kim Smith at extension 5812 or krsmith@jsu.edu.

pc: Kim Smith

Quarterly Certifications

Payroll will send employees who are paid in full or in part with federal funds (non-extra compensation) a memo to complete a quarterly certification to document the amount of time they spent on grant activities.



Thank you for Participating

ADDITIONAL GRANT INFORMATION

- Grant Finance Training
- Grant Program & Fiscal Closeout (Coming Soon)



Roles and Responsibilities



Principal Investigator Tasks



- Tasks to be performed during the certification period:
 - Review and certify your effort on the T&E forms.
 - Review and certify effort for your support staff.
 - Continue communication if effort requires further action items (e.g., cost transfers, corrections, recertification).



Principal Investigator Tasks



- Tasks to be performed throughout the year:
- Review your own effort and effort for your support staff.
- Promptly report and regularly communicate with departments and Controller's Office/Grant Accountant to ensure that salary is charged correctly (IBS).
- Promptly inform Grant Accountant if effort does not accurately reflect all activities.
- For PIs and project directors, contact Controller's Office/Grant Accountant if actual effort will be significantly reduced (i.e. 10% or more) from effort committed in proposal.
- Work with Grant Accountant to verify accuracy of cost sharing information reflected on effort.



Department Head Tasks



- Tasks to be performed during the certification period:
 - Review and certify your effort on the T&E forms.
 - Review and certify effort for your support staff.
 - Continue communication if effort requires further action items (e.g., cost transfers, corrections, recertification).



Administrative Staff Tasks



Tasks to be performed **during the** certification period:

- Assist PIs in the Review of their Effort Statements.
- Communicate with the Controller's Office regarding necessary adjustments.

Tasks to be performed **throughout the year**:

- Review appointment information as necessary.
- Communicate with the Controller's Office regarding any needed adjustments.



Department Administrator Tasks



Tasks to be performed **throughout the year** (similar to PIs...)

- Review Effort statements for your PIs/group
- Promptly report and regularly communicate with PIs and Controller's Office/Grant Accountant to ensure that salary is charged correctly
- Promptly inform the Grant Accountant if effort statement does not accurately reflect all activities

For PIs and project directors, contact the Controller's Office/Grant Accountant if actual effort will be significantly reduced (i.e. 10% or more) from effort committed in proposal

Work with the Grant Accountant to verify the accuracy of cost cost-sharing information reflected on effort.



Controller's Office



Review the effort report to:

- Ensure arithmetical accuracy.
- Ensure that payroll distributions are correctly established, reviewed regularly, and adjusted as necessary.
- Ensure that mandatory & voluntary committed salary cost sharing obligations are met.
- Assist the certifier to meet his/her commitment to the sponsor.



Top 10 Things To Remember



1. Effort is your work on an activity.

Total effort (100%) is your work on <u>all</u> of your total institutional activities.



- 2. Effort is not based on a standard 40-hour work week.
- 3. A commitment of effort on a sponsored project should be based on a *good faith* <u>estimate</u> of the amount of time you plan to devote to complete the project.



4. When you write yourself into a grant proposal, you are committing your effort to the *sponsor.*

Committed Effort = Paid Effort + Contributed (or Cost-Shared) Effort



- 5. Certifying effort is not the same as certifying payroll.
- Effort reporting and certification is not an exact science. Reliance is placed on justifiable estimates.





7. Many activities <u>cannot</u> be charged to a federally sponsored project:

- Writing a proposal
- Teaching
- Work on any other project(s)

8. Commitments are obligations, but there is flexibility.

See Pre & Post Award Training (OSP)





9. Sponsors award projects under the expectation that effort committed will be <u>expended</u> to complete the project.

Post Award & Closeout Training (OSP)





Effort must be certified by someone with the best firsthand knowledge and suitable means of verifying that the work was

performed.

10.Effort reporting is a federal requirement.





There's more to it than this, but...

These ten concepts are a strong foundation for everything else.



Case Studies and Q&A



A & Q

Question



Dr. Spruce spends the vast majority of time on research with some time spent teaching. She teaches one course in her department to graduate students. She also has three awards which take up 75% of her time and her effort is distributed evenly among the awards (25% on each). The remaining 25% of her effort covers the time spent teaching her course.

Dr. Spruce has been asked to work 4 nights a week teaching departmental courses to students. She will be spending the same amount of time on her other obligations (the three awards and the course for graduate students).



Q: Does her effort report need to change?

Answer



- YES
- Because Dr. Spruce expanded
 her time on non-sponsored
 project activities, proportionately
 her effort on sponsored research
 projects was reduced.
- Therefore, she must reduce the % effort shown on the effort report as devoted to her sponsored projects.





Question



If a PI is paid from non-federal awards and University funds, he or she is not required to complete an effort form.

Gralse



Answer



If a PI is paid from non-federal awards and University funds, he or she is not required to complete an effort form.

True



Explanation: Anytime a faculty member is paid from a sponsored project s/he is required to complete an effort form.



Q & A

Question



Only Faculty members are required to report effort expended in support of sponsored projects.

Gralse



Answer



Only Faculty members are required to report effort expended in support of sponsored projects.





Explanation: Effort forms must also be certified by all personnel – including hourly and monthly paid staff – charged to sponsored project. An administrator may help review effort and pay distributions but generally is not the appropriate person to certify effort. **Q & A**

Question



Who is the most appropriate individual to complete and certify an effort report?

The Departmental Research Administrator

The Chair of the Department

DThe Principal Investigator



Answer





Who is the most appropriate individual to complete and certify an effort report?

The Departmental Research Administrator

UThe Chair of the Department

XPrincipal Investigator

Explanation: The effort report must be completed by the individual whose effort is being reported or by a responsible person using a suitable means of verification that the work was performed. Ordinarily, the individual must sign his/her own effort form