CSUEB Effort Reporting

Effort is reflection of time a PI, Co-PI or any senior key personnel has recorded and charged to a sponsored agreement or any other university funds. Effort reporting is a process required by the federal government to verify that direct labor charges to sponsored agreements, or cost shared on a sponsored projects, are allowable as defined by OMB-A-21 standards (now replaced by Uniform Guidance). CSUEB is required to measure and report the level of effort directly tied to the work of sponsored agreement(s) being charged in the form of percentage(s) which reflects the total professional activity for which an individual is compensated in relation to their institutional based salary. If effort benefits two or more projects or activities then the effort must be allocated to the projects based on the proportional benefit. This is a requirement for all federal, federal flow-through and committed cost sharing funds.

Effort Reporting is intended to ensure that individuals verify effort expended on federally funded activities. The “after-the-fact” confirmation certifies they have received compensation from federal fund(s) and they have expended effort on the federally funded project, at a minimum, in the same percentage they are paid.

Government sponsors expect to pay only for those portions of employee effort that are actually devoted to their projects. Periodically, government and internal auditors review payroll charges to enforce this expectation. In conducting these audits, they are assessing whether the salary charged to awards is for effort that appropriately benefited those projects over the reporting period.

Auditors review the accuracy of payroll charges by verifying that the percentage of the employee’s salary charged to sponsored project reasonably approximates the actual portion of the employee’s FTE effort devoted to that project. To document the effort certification ORSP requires PIs to certify effort every six months beginning with January 1 of each year. Effort Reporting must be completed and certified every six months on a regular basis and consistent with Uniform Guidance requirements. Failure to meet these requirements puts the University at risk for audit disallowances resulting in significant financial penalties.

Prior to proposal submission PIs must provide ORSP with the following:
Salaries should be charged in accordance with the sponsor’s guidelines using percentages. Effort budgeted must directly benefit the technical scope of the work being proposed. PIs are also required to ensure their availability of effort when submitting proposals to ensure their collective effort charged to project(s) does not exceed the sponsors allowable effort or the CSUs 125% overload threshold.

During the award stage:
Certifying effort is done using the Time and Effort Certification form and is to be submitted to ORSP semi-annually by the faculty. Faculty generally have the responsibility for non-sponsored activities that generally preclude them from devoting 100% effort to sponsored activities. Proposal preparation for new and competing renewals would also preclude from devoting 100% time to research. Accordingly, faculty, department administrators, and department chairs should assure each reporting period, including summer for those on a quarterly reporting period, that there are no other activities required of the faculty member that would reduce the effort available for sponsored activities during the reporting period.

Change in level of Effort: Uniform Guidance (2 CFR 200.308c) requires grantees to obtain sponsoring agency’s approval in writing if the PI or key personnel specifically named in the Grant Award Notice/ Notice of Grant Award will:

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• Withdraw from the project entirely;
• Be absent from the project during any continuous period of 3 months or more; or
• Reduce time devoted to the project, by 25 percent or more, from the level approved at the time of the award.

This rule applies to all federal grants unless waived in writing by the sponsor. The sponsoring agency must approve in advance any alternative arrangements proposed by the grantee, including any replacement of the PI or key personnel.

**Reporting:**
Effort should be reported to the sponsor as actually devoted and charged. Effort percentages as reported on annual reports to sponsors should match the way the effort was charged through the university’s payroll system. Salaries charged should be appropriate in relation to work performed, allowing for some averaging of effort within an academic quarter. Variances should be corrected through expense transfers.

**Important Dates:**
- Effort must be certified for the period of July 1st through December 31st of each year by January 31st of the subsequent year.
- Effort must be certified for the period of January 1st through June 30th of each year by July 31st of the current year.

**Update 2016:** CSUEB has chosen to continue this process as this process has meets the requirements set forth in the Uniform Guidance 2 CFR 200. For additional information regarding Federal requirements related Compensation and Cost Sharing CSUEF requires adherence to 2 CFR 200.430 Compensation – Personal Services and 2 CFR 200.29 respectively.