



## Compensated Effort Policy

Revised: July 2018

### Background

This document is designed to substantiate time spent by employees whose compensation is charged or cost shared to federally funded projects. Compensated effort is tracked via the Common Financial System (CFS). Regulations related to compensated effort are primarily located in section 2 CFR 200.430.

### PROCEDURE:

#### Calculating Effort

Charges for work performed on Federal awards by employees during the academic year are allowable at the Institutional Base Salary (IBS) rate. IBS is the annual compensation paid by the University for an employee's full-time appointment. All applicable regulations and rules regarding total allowable employment must be considered when calculating effort required of a specific individual. It should be noted that individuals cannot charge or commit, through any combination of their effort, more than 100% of their time on federal awards.

#### Pay for Additional Employment

Additional employment is allowable for unit 3 faculty under Article 36 of the CFA. -Faculty members must obtain approvals for additional compensation via a Faculty Appointment/Additional Compensation Form, which lists the budgeted effort. The form is submitted to ORSP staff who will then submit the information to Academic Affairs to confirm the additional employment is allowable within but does not exceed a 125% workload. Academic Affairs will review the request and ensure it is in compliance with the CSU Additional Employment Policy. Academic Affairs' confirmation would then initiate the payment process. The information is added to a spreadsheet that is used to document the budgeted effort for faculty additional employment.

CSUEB requires that all pay to faculty unit employees (faculty members) are processed using the appropriate job codes, including pay from sponsored programs administered by ORSP. Compensated effort is tracked for each payment, measured as timebase at a fraction of one hundredth (0.00). Accounting provides a monthly labor cost report (generated by the Labor Cost Distribution dashboard in CFS) to each PI for their specific grant fund for their review. PI's are responsible for notifying ORSP if they have questions or find discrepancies regarding any charges. These reports represent the actual compensated effort report for additional employment.

#### Release Time Paid from the Grant

Faculty members must obtain approvals for release time via a Faculty Release Time Form to ensure the effort is budgeted, approved, and is related to a specific project. The form is submitted to ORSP who will maintain a listing of the budgeted release time paid from grants administered by ORSP. Reimbursement of this effort to the appropriate fund and department are initiated by ORSP, and processed by Accounting in the form of transfers or other mechanisms executed in CFS.

### **Certification**

ORSP will prepare semi-annual effort reports on federal awards (in January and July) for the PI who will report discrepancies and certify effort in writing. Academic Affairs will also provide semi-annual reports (January and July) to ORSP certifying the total effort for faculty with reimbursed time, cost share or additional employment compensation from any federally sponsored programs does not exceed 125% for the previous six months.

### **Cost Sharing**

Refer to the CSUEB Cost-Sharing policy for procedures on documentation of cost-shared effort on federally funded projects.

### **ROLES & RESPONSIBILITIES:**

#### **ORSP**

- a) Additional Employment – Ensure that all payments for sponsored programs are allowable and applicable to the funding source requirements, process additional employment requests from information provided by PI and approved by Academic Affairs, convert additional employment into effort, review budgeted versus actual reports and coordinate allowable adjustments with faculty and/or Accounting.
- b) Release Time – Ensure that all payments for sponsored programs are allowable and applicable to the funding source requirements, process requested release time reimbursements to colleges from information provided by PI and confirmed by Academic Affairs, convert release time into effort, review budgeted versus actual reports and coordinate allowable adjustments with faculty and/or Accounting.
- c) Faculty Time on Federal Grants – Maintain records of faculty time on federal grants, and ensure that total effort does not exceed full-time timebase (1.0).
- d) Effort Certification – Prepare a semi-annual report (January and July) detailing effort for federally sponsored programs, during the previous six months, for review and certification by the PI.

#### **Principal Investigator**

- a) Additional Employment - Submit and certify all requests for additional pay to ORSP, considering the combination of this effort with all CSU employment (at CSUEB or otherwise) cannot be in excess of 125% total effort.
- b) Release Time - Provide Director of Grant Administration with information related to release time funded by a sponsored program, considering all current CSU appointments.
- c) Effort Certification – Review semi-annual effort report from ORSP and either report discrepancies or certify effort in writing.

#### **CSUEB Human Resources and Payroll**

- a) Additional Employment – Ensure that pay for additional employment is paid using HR/Payroll procedures and systems.

#### **CSUEB Accounting**

- a) Faculty Release Time Reimbursement – Ensure that the appropriate fund and department receives reimbursement for relevant release time (verified as charged through CFS) in a timely fashion.
- b) Non-Faculty Payments – Ensures that non-faculty payments are charged to the correct fund.

**CSUEB Office of Academic Affairs**

Ensure faculty do not exceed 125% effort and maintain overall record of all faculty activities by doing the following:

- a) Additional Employment – ensure faculty do not exceed 125% effort by reviewing requests for additional employment and ensure it is in compliance with the CSU Additional Employment Policy. Academic Affairs will provide semi-annual reports (January and July) to ORSP, certifying that effort for faculty paid from federally sponsored programs do not exceed 125% for the previous six months.
- b) Release Time - Academic Affairs will provide semi-annual reports (January and July) to ORSP, certifying the total effort for faculty, including reimbursed time from any federally sponsored program.

**Regulations:**

- Code of Federal Regulations 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- CSU - Systemwide
- ICSUAM 11003.06
- Board of Trustees Executive Order No. 1000