

East Central University Time and Effort Reporting Policy

East Central University (ECU) is required under OMB Circular A-21 (Section J.10) to develop an acceptable time and effort reporting system. The mechanism shall allow for ECU to track the time and effort that investigators devote or contribute (cost-shared) to sponsored programs and research for a specific reporting period. The time and effort report is an after-the-fact confirmation of time spent on the sponsored project(s) to reflect actual costs or contribution. Salary charged to the sponsored program must not exceed the time spent or budget allowed on the project. The compensation of personal services should be consistently and reasonably applied to the work performed under the sponsored agreement. The distribution of time and effort of individuals shall be equal to one hundred percent (100%) except as defined in the University's "Performance Incentives and Supplemental Pay" policy. Non-compliance with Circular A-21 may result in a disallowance and/or termination of funding.

The Office of Sponsored Programs and Research (OSPR) will prepare and distribute time and effort reports twice a year. The Principle Investigator (PI) or Project Director (PD) will review the report to ensure that the compensation or effort for each individual listed is allowable, allocable, reasonable and accurately applied. Any change or discrepancy in the level of effort shall be corrected on the report to indicate the actual work performed by the listed individual. The PI shall submit a statement explaining the discrepancy of effort. It shall be certified by the PI/PD and by his/her supervisor, who has first-hand knowledge of the work performed. The PI/PD will also certify all professional staff working on his/her sponsored project(s).

In addition to reporting and certifying the time and effort, ECU requires that PI/PD document his/her effort and that of their employee(s) on a monthly basis. The documentation shall include at the minimum the verification of employee's time and the certification by the PI/PD and supervisor. The record shall be maintained by the PI/PD for five (5) years beyond the end of the project period.

The OSPR will maintain the original time and effort report for five (5) years beyond the end of the project period.

A. Terminology

1. Effort distribution:

The reasonable amount of time the individual spent on a particular project. The individual's salary is either allocated and charged to the sponsored grant or contributed as cost sharing. It may or may not reflect the payroll distribution.

2. Cost sharing:

The reasonable amount of time an individual contributes to a particular activity, but the individual's salary is not financially supported by the sponsored agency. The individual's institution (ECU) supports the salary.

Adopted: March 30, 2009

Last Modified: June 22, 2010

3. Allowable:

A cost is allowable if the goods or services involved are in compliance with ECU cost principles. Determination of allowability in each case should be based on the treatment provided for similar or related items of cost (OMB Circular A-21, Section J) and shall be consistently applied. For example, if the PI has committed twenty percent (20%) to a sponsored project for a particular month, he/she is not allowed to charge more than twenty percent (20%) of his/her salary for that month.

4. Allocable:

The item of cost, or a group of items of cost, is allocable if it is chargeable or assignable to a particular cost objective (for example: personnel salary and fringe benefit costs, general supplies, and F&A costs). Any costs allocable to a particular sponsor could not be transferred or charged to another sponsored agreement. For example, the PI's twenty percent (20%) effort devoted on a state sponsored project cannot be transferred and charged to a federally funded project.

5. Reasonable:

A cost is reasonable if the goods or services and the amount involved are consistent with established institutional policies and practices applicable to the work of the institution, including sponsored agreements (OMB Circular A-21). For example, one cannot charge two (2) research assistants salary for the work that can be performed by only one (1) researcher.

6. Accurately applied:

All costs incurred, for the same purpose in like circumstances, shall be consistently applied to all institutional, sponsored programs, and research grants. For example, a researcher's salary should not be applied as personnel expenses on one sponsored project while charged under administrative (F&A) costs on another, similar project for the same purpose.

B. Links to Additional References

Please refer to the Federal/State regulations listed below for more information on the aforementioned requirement:

1. [Circular A-133](#)
2. [Circular A-87 Attachment A, Section C.3 & E.2](#)
3. [Office of Management and Budget – OMB-21 \(Section J.10\)](#)

For further information or questions concerning this policy, please contact the Office of Sponsored Programs and Research.

C. Approval

Approved this 30th Day of March 2009:

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