

EFFORT REPORTING POLICY

Under the Uniform Guidance ([2CFR200](#)), Institutes of Higher Education (IHE) is required to prepare effort reports to confirm, on an after-the-fact basis, any effort that has been compensated or contributed as cost share under a sponsored award. These effort reports are only prepared for exempt employees whose salaries are charged to restricted funds. The effort of non-exempt employees is tracked through timesheets.

Effort is defined as the amount of time spent on a particular activity. It includes the time spent working on a sponsored project in which salary is directly charged or contributed through cost share. Individual effort is expressed as a percentage of the total amount of time spent on work related activities (such as instruction, research, or administration) for which the College compensates an individual. Effort reporting is the method required under federal regulations for certifying to sponsoring agencies that the effort charged, or cost shared to each award actually has been expended.

The nature of academic work precludes absolute accuracy in accounting for the time devoted to a particular project. Therefore the regulation acknowledges that

“It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to Federal awards for IHE, a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected. Reliance, therefore, is placed on estimates in which a degree of tolerance is appropriate.”

The proper basis for determining effort percentages is the total activity or effort for which the College compensates an individual, including administrative activities such as serving on a College committee. As exempt employees, faculty members are not compensated for their duties on the basis of a thirty-five hour workweek. Instead, the workweek for faculty members is based on the actual number of hours spent on job related activities. Accordingly, an effort commitment of 50% for a faculty member working 70-hour weeks is twice as great (35 hours) in terms of hours as a 50% effort commitment by a faculty member working 35-hour weeks. However, the total percentage of compensated effort must never exceed 100%.

The Uniform Guidance regulations contain specific guidelines for situations in which individuals perform similar work under more than one sponsored award. Effort for similar work under two or more awards can be allocated by using either a proportional method or any other reasonable basis, as follows:

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost should be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions

that cannot be determined because of the interrelationship of the work involved, then... the costs may be allocated or transferred to benefited projects on any reasonable basis.

Estimated effort versus actual effort Initial estimates can differ, to one degree or another, from the amount of work actually performed on sponsored awards. Under the Uniform Guidance regulations, short-term discrepancies between the estimated and actual effort are considered inconsequential if the long-term distribution of salaries is reasonable, as follows:

Significant changes in the corresponding work activity (as defined by the non-Federal entity's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuations between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term.

Effort reports must be signed by the principal investigator and be completed annually.