

# 8 Time and Effort Policy and Procedure

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## *Institutional Policy*

Title:	Time and Effort Policy and Procedure
Responsible Officer:	Manager Research Finance; Grant Accountant; Vice President Research Administration
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Approved By:	<i>Kathryn Tasker</i>

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### **1 Purpose**

The purpose of this policy is to ensure the correct procedure is followed throughout the time and effort cycle and that HSL is following the federal requirements for time and effort reporting.

## 2 Scope

This policy applies to research administration, and PIs. .

## 3 Definitions

**Committed Effort** – Amount or percentage of time an individual has communicated to the sponsor that he/she will work on a specific sponsored project over a specified period of time. Commitments are made in the award proposal and may be documented by the sponsor in award documents.

**Time and Effort (T&E) Reporting** – The mechanism used to provide assurance to federal or other external sponsors that salaries charged or cost shared to sponsored awards are reasonable in relation to the work performed. Effort reports are also referred to as “certifications” or “statements.”

**Principal Investigators (PI)** - A principal investigator is the lead scientist or engineer for a particular well-defined science or research project.

## 4 Policy Statement

The T&E report certifies the percent effort of employees working on specific grants. This cost center driven report will need to be certified by the authorized signatory or PI and will be reconciled by the Grant Accountant on a monthly basis. Any changes to individual’s effort distribution identified in writing by an authorized signatory or PI will be processed in a timely manner in accordance with the cost transfer policy. Please reference the cost transfer policy in the related policies section

## 5 Procedures

### 5.1 Monthly Reconciliation Procedure Section

Grant Accountant will reconcile institutional salary report from ADP, general ledger (GL), and T&E report on a monthly basis.

### 5.2 Yearly Audit Procedure

The yearly audit procedure follows the monthly process but on a yearly basis.

### 5.3 Salary Cap Review Procedure

Each year, the federal government establishes salary limitations on grants and this amount may change annually. Each quarter, the salary of employees who are above and close to the cap will need to be reviewed in order to ensure they do not exceed the salary cap for

federal grants. Please reference the current salary cap guidelines link which can be found in the related policies section.

#### 5.4 T&E Certification Procedure Section

1. T&E Reports:
  - a. Are required for all employees (exempt and non-exempt) whose compensation costs are directly charged to federal awards, in whole or in part.
  - b. Must reflect an after-the-fact determination of the actual activity.
  - c. Are required to account for 100% of the employee's time.
  - d. Must be signed by the PI.
  - e. Are required to be prepared and certified monthly.
  - f. Require that documentation of the number of hours worked each day must be maintained for all employees.
2. Dept of Medicine(DOM) T&E Reports
  - a. DOM T&E reports will need to be signed by the individual and DOM admin or Chief of Medicine certifying research efforts for all employees with primary employment in DOM who have % of their salary charged to a Marcus Institute research account.
    - i. DOM coding (10.00.807xx).
  - b. The T&E report should show all employee allocations based on committed effort.

#### 5.5 T&E: Trainees on a Training Grant Procedure

1. The T&E should be signed by both the mentor and the mentee confirming effort on the grant.
  - a. If the mentee is getting additional support for extra work (not supplementation), then the T&E needs to show that the trainee worked 100% effort on the T32 and then the additional effort on the other account.

#### 6 Reference Materials

Current Salary Cap Guidelines [http://grants.nih.gov/grants/policy/salcap\\_summary.htm](http://grants.nih.gov/grants/policy/salcap_summary.htm)  
Cost Transfer Policy