California State University Channel Islands  
Time and Effort Reporting Procedure

California State University Channel Islands (CI) requires that all salaries and wages charged to sponsored projects are certified consistent with federal requirements. As a condition to receiving federal funding, CI is required to maintain and certify the percentage of time that employees devote to federally funded sponsored projects.

Sponsored projects at CI are funded by federal agencies, state agencies, private foundations, organizations, and other sponsors. CI’s time and effort certification process provides verification of salaries, wages, as well as the time and effort charged to these projects. Adherence to this procedure is necessary to prevent cost disallowances and penalties by the federal government and other sponsoring agencies.

SCOPE

OMB Circular A-21, *Principles for Determining Costs Applicable to Grants, Contracts, and Other Agreements with Educational Institutions* outlines the regulations governing time and effort reporting and the verification of salary distributions. Specifically, OMB Circular A-21, Section (J)(10)(c)(2)(b) requires Time and Effort Reports to be completed to provide after the fact verification of the salary charged to sponsored projects: “[effort] report[s] will reflect after the fact reporting of the percentage distribution of activity of employees.” OMB Circular A-21 requires that this verification be completed for all “professorial and professional” staff. At CI, professorial staff includes all faculty members and professional staff includes all salaried staff and hourly employees.

A. Professorial (Faculty) and Professional (Staff) Time and Effort Certification

- Faculty and staff will certify Time and Effort Reports every six months for the periods of January 1 to June 30 and July 1 to December 31.

B. Time and Effort Reports

- Each Time and Effort report indicates the distribution of the employee’s total compensation for the certification period across all CI functions, including work on sponsored and non-sponsored projects, instruction, administration, committee work, etc. The functions are represented by individual funds (sponsored projects, general fund, etc.).
- Individual sponsored projects are itemized and other categories (e.g. teaching, administration, etc.) are grouped as “CI - Operating” for the purposes of time and effort reporting.
- Employees with dual appointments in a given time period will certify professional time and effort based on each individual appointment.
- All Time and Effort Reports will account for 100% time and effort.
- **All individuals will certify their own Time and Effort Reports.** The PI also certifies the Time and Effort Reports for all professorial and professional staff working on the sponsored projects. The PI’s supervisor will certify the PI’s report.
- If an individual is no longer employed at CI or otherwise unavailable for signature at the time the reports are distributed signature, the employee’s supervisor will certify the employee’s Time and Effort Reports using suitable means of verification, which includes but is not limited to: first-hand observations of the work being performed, written
confirmation from the individual, physically verifiable information, notebooks, and/or sign-in sheets.

- The signature on the Time and Effort Report is an endorsement by the employee that, to the best of their knowledge, the salary charges accurately reflect the effort distribution across all activities for the timer period indicated.

C. Distribution
At the end of each reporting period, the University Budget Office prepares Time and Effort Reports for all individuals required to certify time and effort at CI. The following table provides the estimated distribution schedule for each certification period:

<table>
<thead>
<tr>
<th>Time and Effort Period</th>
<th>Distribution*</th>
<th>Collection **</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1 thru June 30</td>
<td>Approx. Aug. 15</td>
<td>Approx. Sept. 15</td>
</tr>
<tr>
<td>July 1 thru December 31</td>
<td>Approx. Feb. 15</td>
<td>Approx. March 15</td>
</tr>
</tbody>
</table>

- Time and Effort Reports should be distributed approximately 45 days following each period.
- Time and Effort Reports should be collected within 30 days following distribution.

D. Changes to Time and Effort Reports during Certification
- If the payroll distribution reflected on a Time and Effort Report does not accurately display how the employee spent his or her time within a level of tolerance of +/- 5%, the employee must contact the Financial Analyst at extension 3175 immediately.
- The University Budget Office will adjust salary charges accordingly where the certified time and effort differs from the payroll distribution.
- Salary charged to a sponsored project must never exceed the amount of actual time and effort devoted to that project.
- If a change in time and effort indicated on the Time and Effort Report requires approval by the sponsor based on the terms and conditions of the agreement, the University Budget Office will contact the PI.
- If there are no changes or when any additional actions are complete, the Time and Effort Report is filed.

E. Certification
- PI’s return the Time and Effort Report forms to University Budget Office by the posted deadline.
- Once a Time and Effort Report form has been signed and certified, no further changes will be allowed.
- CI may impose corrective action such as suspension of sponsored project accounts in the event of consistent failure to complete Time and Effort Reports.
- The University Budget Office processes Time and Effort Report forms and follows up as necessary with the PI’s and department administrators to ensure 100% completion.

ROLES AND RESPONSIBILITIES
The Research and Sponsored Programs office (RSP)
- Ensures that cost-shared labor commitments are identified in the proposal budget.
University Budget Office
- Prepares and distributes all Time and Effort Report forms.
- Processes any personnel cost transfers resulting from discrepancies between certified time and effort and payroll distribution.
- Contacts PI’s/sponsored project personnel to follow-up with Time and Effort Report forms that are not returned in a timely manner.
- Reviews Time and Effort Report forms when they are returned to University Budget Office for signature and identifies any necessary follow-up.
- Tracks the receipt of Time and Effort Report forms to ensure 100% completion.
- Files the completed Time and Effort Report in the University Budget Office files.
- Communicates progress and/or issues related to Time and Effort Reporting related to sponsored projects with RSP.

Academic Department

Professional staff & professorial staff who are not the PI
- Certifies that the time and effort is accurately documented on the Time and Effort Report.
- Returns the Time and Effort Report to the PI for signature.

Principal Investigator
- Certifies that the time and effort is accurately documented on the Time and Effort Report.
- Certifies that the time and effort for all professorial and professional staff that worked on his or her projects during the applicable time period is accurate.
- Certifies all labor-related cost-sharing.
- Reviews and certifies Time and Effort Reports for employees who are no longer employed, faculty who are on sabbatical, or who are otherwise unavailable for signature.

Department Chair or VP of Division
- Reviews and certifies the PI’s effort report.
- Ensures timely completion of all required Time and Effort Reports for sponsored projects within their department or division.

RELATED DOCUMENTS
- OMB Circular A-21, “Cost Principles for Educational Institutions”
- OMB Circular A-110, “Uniform Administrative Requirements for Grants and Agreements with Higher Education, Hospitals and Other Non-Profit Organizations”
- OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”
- CI Additional Employment Guidelines
- California State University Policies and Procedures