

Wheaton College

Policy and Procedures for Time and Effort Reporting

1. Policy

In accordance with Office of Management and Budget (OMB) Circular A-21, Cost Principles for Educational Institutions, this policy establishes the requirement and procedure for confirming employee time and effort that result in compensation costs being charged to externally sponsored projects.

The college employs an after-the-fact effort reporting system for salaries and wages directly charged to grants and contracts. The college requires certification for all federally funded and most other externally sponsored projects. Each department and principal investigator has primary responsibility to ensure compliance with this policy.

2. Reason/Purpose for Policy

Effort reporting is designed to verify that sponsored projects bear their fair share of costs and that direct salary and wage charges are reasonable and reflect actual work performed. Failure to comply with required effort reporting requirements can result in serious penalties, including the loss of awarded funds.

3. Procedure

Within 30-60 days of the end of each semester and the end of the summer break, the Budget Office will prepare Personnel Activity Reports for each individual faculty and staff payroll record that requires certification. The reports will list the employee's payroll distribution in percentages for the relevant period. The reports need to be reviewed, corrected if necessary, certified, and returned to the Budget Office to be filed in the college's central records.

Total effort must be reported in terms of 100%, regardless of the number of hours worked in the given period. The information obtained by the reports is used to substantiate and document effort on grants and contracts. Accuracy is important, as Federal regulations allow criminal charges to be brought against an individual who knowingly certifies a falsified report.

It is preferred that the form be signed by the named individual, if a regular employee. However, it can be signed by a responsible official who is knowledgeable about the work performed by the named individual, such as the person's supervisor or the project's Principal Investigator, depending on circumstances. Subordinates of the named individual cannot certify.

Questions about this policy and procedure should be directed to David Nerenberg, Budget Manager, at extension 3432.

Wheaton College

PERSONNEL ACTIVITY REPORT

Employee's Name _____

Time Period _____

<u>Activity</u>	<u>Pay Period</u>	<u>Distribution of Time</u>
		%
		%
		<u> </u> %
		100 %

*[Note for reports covering summer months:]
The above distribution does not include summer payroll related to academic year salary (i.e., nine month salary paid over a 12 month period).*

I certify that, to the best of my knowledge, the above distribution of effort reasonably reflects the named employee's actual effort expended during the stated period.

Employee's (or other certifying official's) signature _____

Printed name of signatory _____ **Date** _____

Additional Instructions

- OMB Circular A-21 notes that "a degree of tolerance is appropriate" in measuring distribution of effort.
- Any distribution that needs to be revised will require a journal entry to reallocate salary expense. Please be in touch with the Budget Office immediately if such a need arises.
- See Wheaton College's Policy and Procedures for Time and Effort Reporting for more information.
- **Return completed form to David Nerenberg, Budget Office.**