

Time and Effort Reporting Policy



Policy Number: 700-001
Effective Date: July 1, 2023
Last Updated: June 14, 2025
Issuing Authority: Vice President for Research
Responsible Office: Office of Sponsored Programs/Pre-Award

Scope:

It is the policy of Howard University (herein referred to as “Howard” or “University”) to have in place written policies and procedures (“Policies and Procedures”) to govern the methods of general management, internal operations, and organization of its entities.

All Policies and Procedures of the University will govern all entities, affiliates, and subsidiaries that are required to report results to Federal Government and/or other external funding unless specifically stated otherwise, including all thirteen colleges and schools of Howard University; Howard University Hospital, WHUR (Radio Station); WHUT (Television Station); and other entities and/or affiliates.

This policy governs the periodic effort certification process governing the recording and reporting of direct labor charges to grants, contracts and other sponsored awards.

The University must maintain a strong accounting system capable of accurately recording the financial activity of the business. Therefore, financial reports must accurately reflect account information for determining salaries and wages that are recorded in the general ledger; and allocated to federal grants or awards and other sponsored programs.

Policy:

Federal requirements for internal controls over certifying time expended on sponsored projects is defined by the [Uniform Guidance at 2 CFR § 200-430: Compensation for Personnel Services](#). Howard University uses an after-the-fact effort reporting system to confirm salaries charged to sponsored awards or reported as cost share are reasonable and consistent with the work performed.

Effort certification is the process by which the university documents employees’ level of effort allocated to sponsored grant awards. Employees who are compensated in whole – or in part – on a sponsored project and/or whose compensation is cost-shared in connection with a sponsored project must confirm their effort distribution twice a year to provide reasonable

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assurance of its accuracy.

The effort certification must be a reasonable estimate of how time was expended. Section [2 CFR §200.430\(c\)](#) states, “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 IHEs [Institutions of Higher Education] a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected.”

Effort reporting is conducted on a bi-annual basis and covers the reporting periods July 1st – December 31st and January 1st – June 30th. Effort certificates are issued after all payroll entries associate with the reporting period are posted.

An effort certificate is required for each salaried employee who worked on a sponsored research award during the reporting period. The effort certificate must confirm the approximate level of effort allocated between each sponsored, non- sponsored, and cost-share activity.

Upon receiving their certificate, employees are expected to certify their own time & effort. However, if an employee is no longer at Howard University or is otherwise unable to access Workday, the certificate may be reassigned to an authorized designee to certify on behalf of the employee. The authorized designee must have suitable means to verify the work was performed.

After the employee certifies their effort, the Cost Center Manager, project PI, department chair, college dean, or an authorized designee must review and approve the effort certificate. The project PI is ultimately responsible for the accuracy and timeliness of all effort certificates for employees funded by their grant.

Roles and Responsibilities:

Sponsored Projects Office (SPO)

SPO is responsible for notifying the sponsor of significant changes in effort commitments of key personnel and for obtaining sponsor approval of such changes when required. The Sponsored Programs Office is responsible for reviewing revisions to effort certificates and processing earnings cost transfers if necessary. SPO is also responsible for recommending corrective actions for individuals who demonstrate a consistent failure to complete effort certificates in a timely manner.

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Principal Investigator/Project Director (PI/PD)

Each PI/PD receives a listing of individuals who had effort charged to their sponsored awards. The PI/PD is responsible for notifying SPO of any changes to the committed level of effort for any individuals listed as key personnel on sponsored projects. The PI is responsible for the accuracy and timeliness of all effort certificates required for employee salaries charged to their sponsored projects and/or reported as cost- share.

Grant funded employee

A grant funded employee is a salaried employee who received compensation under a sponsored award. The employee is responsible for confirming effort is accurately reflected; submitting corrections to the certificate, consulting with supervisors and PIs regarding their effort; and for submitting the certificate in a timely manner, defined as within 15 business days of receipt.

Authorized Designee

An Authorized Designee is an employee authorized to certify or approve an effort certificate on behalf of another employee. Certificates must be reassigned to a designee when an employee is no longer at the University, or the employee is otherwise unable to access the Workday. The authorized designee must have a suitable means to verify the work was performed.

Hourly Wage Employees

Hourly staff report their time and effort in Workday via timesheets, which must be submitted bi-weekly for payroll. Timesheets meet the after- the-fact compliance requirement per [2 CFR §200.430](#) , so effort certificates are not required for Hourly Wage Employees.

Cost Center Manager, Department Chair, College Dean, Senior Vice President for Research

The designated academic leader is responsible for ensuring all grant employees reporting up to them submit their effort certificate in a timely manner. The designated leader is also responsible for following up with relevant employees upon receiving escalation notifications from the Effort Certification Team.

Implementation Guidelines:

Effort Certification

Task in Workday for employees or an authorized designee to confirm effort allocated to Cost-Share, Sponsored, and Non-Sponsored activities during the reporting period. Per the [Uniform Guidance 2 CFR §200.430](#) after-the-fact reporting is required to confirm salary charged to sponsored projects as either direct costs or cost-share reasonably reflect the effort expended and work performed during the reporting period.

Effort Corrections

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Employees may use their effort certificate to submit minor corrections to their earnings allocations. Holiday and leave earnings should be distributed per the costing allocation, if not, the employee must submit a correction. If a grant appears that the employee did NOT work on, then the employee must correct the certificate to remove all earnings charged to the grant. The employee must also notify their Cost Center Manager and HR Representative so they can review and update the employee's cost allocations.

For major corrections such as missing grants over multiple pay periods, it is recommended the employee submit the certificate with comment (provided other grant allocations are correct). The employee must notify the Cost Center Manager, HR Representative, and PI to ensure all cost allocations are accurate and up to date. A cost transfer form must be submitted to SPO in order to process an earnings adjustment. Once the earnings are corrected in the system, a new certificate will be issued to the employee as part of the recertification process. This procedure must be followed to ensure existing grant earnings are supported by a certificate until a replacement certificate is generated.

Effort Reporting Period

The effort reporting period is the six-month period reported during the bi-annual effort certification process. The approximate effort reporting periods are July 1 – December 31st; and January 1 through June 30th (exact dates are defined by pay- period start and end dates). An employee compensated under a federal award at any point within the effort reporting period must submit an effort certificate. An effort certificate is required regardless of whether the effort was allocated for one day, or the entire reporting period. Employees who begin or end their employment within the reporting period will receive a certificate for the entire period, but the detail will only reflect the period in which they were employed.

Recertify Effort Certifications

Cost allocations that are not submitted in a timely manner require an adjustment to ensure employee earnings are correctly allocated to grants as the employee's certified effort certificate will no longer match their earnings allocation per the system. Therefore, a retro-active salary adjustment may be posted after the employee has certified their time and effort. In such cases, SPO will run the "Recertify Effort Certifications" task in Workday on a monthly basis, starting on the third month following the end of the reporting period (September or March). This process compares the certified time and effort against the current allocation in Workday and generates a new effort certificate for any employee with a discrepancy. Once the new certificate is issued to the employee, the existing certificate is automatically cancelled.

Prior to issuing new certificates to employees, SPO reviews them to determine whether the changes warrant recertification. Differences may be relatively minor, for example if an adjustment corrects a fund code, or reallocates a few days of a pay-period due to funding start or

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end dates. Employees must recertify only if a grant is added or removed from their certificate, or if effort allocated to a given activity on the certificate summary page changes by more than 5%. If overall effort activity adjustments are less than 5%, then the existing certificate reasonably reflects the employee's time and effort.

Authorized Designee / Proxy

An Authorized Designee/Proxy is an employee who is authorized to certify effort on behalf of another employee or to approve effort on behalf of the PI. Certificates may be reassigned when an employee is no longer at the University or is otherwise unable to access the certificate. The authorized designee must have a suitable means to verify the work was performed. Certificates will be reassigned to employee managers or the Cost Center Manager if the employee has not submitted their certificate within 45 days of the end of the reporting period.

Employee Cost Allocation

This is a task in Workday to allocate employee earnings on a percentage basis among department, project, and cost-share activities. Efforts allocated to sponsored awards must be approved by the PI and SPO.

Costing allocations are prepared based on an employee's position. Employees with multiple positions may require multiple cost-allocations (only if earnings must be allocated across multiple positions). In such cases, PIs, Cost Center Managers, and HR Representatives must adjust the cost allocation to meet the overall effort required by the award agreement.

Committed Effort

The percentage of time the University has committed an employee will work on sponsored award activities. Commitments are made in the award proposal and may be explicitly required by the sponsor in the award agreement. Changes to committed effort require sponsor approval.

Cost Sharing

Any project costs paid by Howard University which are not passed on to the sponsor are considered cost sharing. Cost sharing of effort is the provision of faculty and/or staff time and related fringe benefits that were committed and provided in support of a project but are paid for by other sources of funding.

Institutional Base Salary (IBS)

IBS is the annual compensation for an employee's appointment, whether for research, teaching, service, clinical activity, administration, or other activities. It includes the basis for an employee's overall effort at the University. IBS does not include bonuses, one-time payments, or incentive pay such as the at-risk portion of compensation under the Faculty Practice Plan. Additionally, IBS does not include payments from other organizations or income individuals earn outside of their

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university responsibilities. The annualized IBS must be used as the base salary for all grant proposals. If the sponsoring agency has a Salary Cap, then the annualized portion of salary in excess of the cap is considered unallowable. The unallowable portion of the salary must be charged to a project cost-share account (regardless of whether the project includes a cost share requirement).

PI/Faculty Effort

This is the proportion of time spent by an academic appointee on any University activity expressed as a percentage of time. 100% effort is the total time spent on university work within the scope of their academic appointment period (9 or 12 months), regardless of how many or how few hours an individual worked in the reporting period. The total effort reported for a PI/faculty member will always equal 100%.

Total academic period effort includes sponsored projects and non-sponsored activities that are funded by the University, including work performed outside of normal work hours and work performed off-campus.

Salary Cap

Congress has limited the salary that an individual may receive under certain federal awards. Annualized earnings charged to federal programs must not exceed the salary cap. If an employee's annual salary exceeds the salary cap, the portion of earnings above the cap is considered an unallowable salary. To ensure the University meets its effort commitments, the unallowable portion of the employee's salary must be allocated to a project cost-share account. PIs are responsible for ensuring that no annualized salary in excess of the cap is charged to their project and is recorded as project cost-share.

Voluntary Uncommitted Cost Sharing (VUCS)

Employee effort that is over and above that which is committed and budgeted for in a sponsored agreement. This differs from mandatory or voluntary committed cost sharing that is cost sharing specifically pledged in the proposal's budget or award. Effort relating to VUCS does not require certification.

Escalation:

Employee certification more than 30 days past due is escalated by AVP, Post Award & UARC Operations to the Controller and the Dean.

Employee certification more than 60 days past due is escalated by AVP, Post Award & UARC Operations to the Controller, the Dean, and the Provost.

Distribution:

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Policies and Procedures are maintained by the Office of Research and distributed as necessary. Routine distribution of this policy will consist of the following finance and accounting roles:

- Provost & Chief Academic Officer
- AVP, Controller and Chief Accounting Officer
- Vice President and Chief Human Resources Officer
- AVP, Post Award & UARC Operations

Forms and Links:

- Howard University Employee Handbook Faculty Handbook
- NIH Salary Cap
- [2 CFR § 200-430 Compensation – Personal Services](#)
- [Office of Research Ticketing System](#)