

University Policy 4111: Time and Effort Reporting

Category: Academic Affairs

Subcategory: Research

Covered Individuals: All Employees Supported by Sponsored Awards

Responsible Executive: Vice President for Finance and Administrative Services

Policy Custodian: Sponsored Programs Accounting, Executive Director

Last Revised: 2026/01/16

Previous USU Policy Number: 582 & 4101

Note: In January 2026, Policy 4101 was repurposed for the Sponsored Programs policy

4111.1 PURPOSE AND SCOPE

Utah State University (USU) is responsible for maintaining compliance with regulations governing personnel compensation charged to sponsored projects. Time and Effort Reporting is a means of confirming that both the effort paid for by the sponsor and the effort expended in support of a project, including cost sharing, has been performed as agreed with the sponsor. All USU researchers who engage in sponsored projects are required to follow USU policies, procedures and guidelines, as well as sponsoring agency regulations regarding the proposing, charging, and reporting of effort on sponsored projects.

4111.2 POLICY

2.1 Requirement for Effort Certification

To comply with the Uniform Guidance 2 CFR §200.430, which contains the federal regulatory requirements for internal controls over personnel compensation expended on sponsored projects, USU's time and effort certifications meet the Uniform Guidance standards for documentation of personnel services. USU uses the plan confirmation and after-the-fact review methods to charge salaries in a reasonable allocation to sponsored awards or cost share indexes and ensure those salaries are consistent with the work performed.

USU requires effort certification from exempt and non-exempt employees annually based on the University's fiscal year (July 1 through June 30). Certifications must be completed within 90 days following the end of the fiscal year being reported. Individuals certifying effort as required in this policy include effort on externally funded projects only to the degree it reflects charges that are allowable by the sponsor and allocable to the projects.

Payroll distributions and Time and Effort are not the same thing. Payroll distributions allocate an individual's salary. Time and Effort allocates an individual's effort. Payroll distribution and effort may not be the same month to month, but by the end of the fiscal year (the certification period) they must be in alignment within 5 percent or less.

Certification of annual Time and Effort is not required of employees for extra service or incidental work. However, information regarding extra service compensation is separately identified and documented within the University's financial systems in accordance with [Utah State University \(USU\) Policy 3201](#), Extra-Service Compensation and 2 CFR § 200.430(h)(4).

All individuals verifying and certifying effort for university employees should be knowledgeable of sponsor allowability and allocability criteria. Guidance and training are available through the Office of Sponsored Programs (SPO) and the Sponsored Programs Accounting (SPA) Office.

Failure to accurately report Time and Effort on sponsored projects can result in serious penalties for the University and/or the individual certifying effort. These penalties may include disallowance of costs, debarment from further funding, and in cases involving fraud, criminal charges may be brought against an individual. Salary expenditures are at high-risk for audit because of their potential for fraud and abuse by grantees.

2.2 Certification Period

USU requires effort certification from employees annually based on the University's fiscal year (July 1 through June 30). Certification must be completed within 90 days after the end of the fiscal year being reported.

2.3 Type of Appointment

The type of appointment reflects the base period during which an individual's Base Salary Rate is calculated. However, all employees working on sponsored projects, regardless of appointment type, certify time and effort based on USU's fiscal year.

2.4 Compensation for Non-appointment Period

USU allows exempt employees with appointments of less than 12 months to receive compensation from USU at their Institutional Base Salary Rate for periods up to a total of 12 months per fiscal year to conduct research, teaching, or other sponsored activities that are consistent with federal and USU policy and that do not conflict with the faculty member's primary work assignment.

Non-appointment salary payments shall be made through the university's payroll distribution system at an Institutional Payout Rate that reflect the individual's Institutional Base Salary Rate. This salary is tracked using a unique account code, and, if applicable based on the individual's receipt of external funding during that fiscal year, shall be subject to effort reporting and certification.

2.5 Allowability of Payment for External Incidental Work

This Policy shall not limit an employee's opportunity to receive compensation for incidental work that is disclosed to the employee's supervisor and is approved in accordance with appropriate University policies including USU Policy 3201 (Extra Service Compensation), USU Policy 3202 (Consulting Service), and USU Policy 2301 (Individual Conflicts of Interest)

2.6 Cost Sharing

Cost Sharing is a portion of total project or program costs related to a sponsored award that is contributed by someone other than the sponsor. Effort for committed cost sharing, whether mandatory or voluntary, is a part of the total effort rendered on sponsored projects.

Different types of Cost Sharing are:

- (a) Mandatory Committed Cost Sharing is a contribution to a sponsored project or program required by the sponsor as a condition of obtaining the award. Such contributions are binding commitments and must be accounted for and tracked in a consistent manner in accordance with the [Division of Sponsored Programs Cost Share Policy](#).
- (b) Voluntary Committed Cost Sharing is any quantified contribution reflected in the proposal narrative, budget, and/or budget justification not required by the sponsor. These are also binding commitments and must be accounted for and tracked in a consistent manner. It is USU's

policy not to provide voluntary committed cost sharing on sponsored projects.

On occasions where no PI salary is provided by a project sponsor, the PI shall seek approval for USU Voluntary Committed Cost Share of the university's paid salary to meet the effort requirements outlined in 2 CFR §200.306 as outlined in Procedure 4111-PR. These commitments must be accounted for and tracked in any resulting award in accordance with this policy.

- (c) Voluntary Uncommitted Cost Sharing is a contribution to a sponsored project or program offered by the Principal Investigator not included in the proposal narrative, budget, and/or budget justification and not required by the sponsor as a condition of obtaining the award. Per 2 CFR §200.306(k) and OMB memorandum M-01-06, dated January 5, 2001, this type of cost sharing is not separately budgeted or documented under this policy.

4111.3 RESPONSIBILITIES

3.1 Principal Investigators

Principal Investigators (PIs) are responsible for reviewing and certifying that salaries charged, or cost shared to sponsored awards are allocable, allowable, and consistent with the work performed.

3.2 Controller's Office/Sponsored Programs Accounting (SPA)

The Controller's Office/Sponsored Programs Accounting are responsible for reviewing Time and Effort certifications for completeness.

4111.4 REFERENCES

- 2 CFR §200.430 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Compensation – Personal Services
- 2 CFR §200.306 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Cost Sharing or Matching
- OMB memorandum M-01-06: Clarification of OMB A-21 Treatment of Voluntary Uncommitted Cost Sharing and Tuition Remission Costs

4111.5 RELATED USU POLICIES

- [USU Policy 3201: Extra-Service Compensation](#)
- [USU Policy 3202: Consulting Service](#)
- [USU Policy 2301: Individual Conflicts of Interest](#)

4111.6 DEFINITIONS

6.1 Allocable

The cost has a direct benefit to the project being charged. Purchases benefiting multiple projects should be allocated amongst all projects proportionate to the benefit received

6.2 Allowable

The cost is allowed by federal regulations, sponsor terms and conditions, including program specific requirements and university policy and is necessary for the performance of the award.

6.3 Certification

The assertion by the person who completes the Time and Effort Certification that the salaries charged to the sponsored awards as direct charges or cost sharing reasonably reflect the effort expended and work

performed during the reporting period.

6.4 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. Commitments are made in the project proposal to the sponsor and sponsor approval may be required to change the level of committed effort.

6.5 Cost Sharing

Any project costs that are not reimbursed by the sponsor. Cost sharing of effort is the personnel time and related fringe benefits that were committed and provided in support of the project but are paid for by other funding sources.

6.6 Extra Service

Extra Service is defined in [USU Policy 3201, Extra-Service Compensation](#).

6.7 Full Workload

Full Workload for an employee is that workload for which an employee is compensated by the University, exclusive of compensation for incidental work. For exempt employees, it is that workload specified in the primary work assignment for a given period.

6.8 Incidental Work

Incidental work is that work which is accomplished by an individual in excess of their full workload. Incidental work that is carried out within the institution and paid for as extra-service compensation must be documented in the University's financial management systems, although it is not reported or certified in the University's Time and Effort reporting system. Incidental work that is carried out within the institution but is provided without compensation must be reported to the immediate supervisor to avoid conflicts of interest, including conflicts of commitment. Incidental work performed outside the university is neither reported in the time & effort or payroll systems, nor documented in the University's financial management systems; however, documentation of consulting leave is required as set forth in [USU Policy 3202, Consulting Services](#).

6.9 Institutional Base Salary

Institutional Base Salary (IBS) is the salary paid by the institution for the performance of the full workload by a given employee. It may be based on appointments of differing lengths, such as the academic year, eleven months or twelve months. IBS is calculated in accordance with Budget Office Guidelines, "Salary Definitions." The IBS may change based on significant, nontemporary changes in the Primary Work Assignment or because of salary increases approved by the University.

6.10 Institutional Base Salary Earning Rate

The Institutional Base Salary Earning Rate is calculated based on the compensation level at which an employee is paid for his/her appointment term, divided by the number of months of that term. An employee shall not earn compensation from USU sources in excess of the base salary rate in any given month, except as allowed under [USU Policy 3201, Extra-Service Compensation](#) or through a specially approved administration one-time payment.

6.11 Institutional Payout Rate

The Institutional Base Salary Earning Rate may differ from the amount of compensation actually paid to an employee during a given month, because salary for an appointment of less than 12 months is

distributed across 12 months in the payroll system. For details concerning distribution of pay over a period different from the appointment term, contact the Controller's Office.

6.12 Payroll Distribution Methods

USU utilizes the following payroll distribution methods to compensate employees. These methods are not specifically prescribed by federal regulations and may be adjusted from time to time to meet USU's need for accurate accounting of personnel services.

- a. *Plan-Confirmation*. Each USU department prepares and reviews an Annual Budget Plan for their salaried employees, which is submitted through the Banner Salary Planner module to the USU Budget and Planning Office for processing. The Plan Confirmation method must be adjusted whenever effort commitments change enough to require a change in salary distribution.
- b. *After-the-Fact Activity Records*. Some departments have chosen to use a monthly process based on the current month's activity. At the end of each month an allocation sheet is prepared and entered into the payroll system.
- c. *Daily Timekeeping Method*. For each hourly employee, semi-monthly electronic time sheets are completed in Aggietime and are approved for payment each pay period.
- d. *Extra Service Compensation*. Compensation to USU employees for incidental work performed outside their primary roles ([USU Policy 3201](#)).

6.13 Primary Work Assignment

The primary work assignment is the basis upon which the University sets its expectations of an employee's duties and allocation of effort. USU utilizes the following methods to establish the primary work assignment:

- a. *For Faculty*: The primary work assignment is derived from the Role Statement and/or Role Assignment, as defined in [USU Policy 4004.6.1 and 4004.11.1, Tenured and Term Appointments: Evaluation, Promotion and Retention](#).
- b. *For Non-Faculty Exempt Employees*: The primary work assignment is derived from the Office of Human Resources official position description for that employee, which documents the responsibilities, functions, and requirements of each job. Expectations for the allocation of effort are also reflected in USU's annual Budget Process/Salary Planner process.

Information below is not included as part of the contents of the official policy. It is provided only as a convenience for readers/users and may be changed at any time by persons authorized by the president.

RESOURCES

Contacts

- [Sponsored Programs Accounting](#)

POLICY HISTORY

Original issue date: 2007/04/20

Last review date: 2026/01/16

Next scheduled review date: 2027/06/01

Previous revision dates: 2014/04/30; 2024/06/28