



# Time and Effort Reporting and Certification for Sponsored Research Programs

*Issuing Department:*  
**Office of Research**  
**Policy Number: 3.8**

*Effective Date:* September 1, 2020  
*Last Updated:* September 1, 2020

## I. Policy Summary & Purpose

As a recipient of federal grants and contracts, NJIT is obligated to be in compliance with the federal regulations and requirements as described in the [Uniform Guidance Subpart E §200.430](#) for internal protocols for certifying time and efforts expended on sponsored projects. NJIT utilizes an after-the-fact effort reporting system to certify that salaries charged, or cost shared to sponsored awards, are reasonable and consistent with the work performed. Actual effort expended on each project is certified by the responsible person, generally the principal investigator, through appropriate means of verification that the work was performed at the end of specified reporting periods. The effort certification should be a reasonable estimate of how time was expended. Section [§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.”

Section [§200.430 \(h\)](#) of the Uniform Guidance specifically addresses requirements for institutions of higher education.

## II. Policy Scope and Applicability

This Policy applies to all Sponsored Research Projects conducted at or under the auspices of NJIT. While significant attention is placed upon transfers directed to federally-funded Sponsored Projects, this Policy will be administered consistently across all funds and project accounts managed within the Office of Research.

## III. Definitions

- A. “NJIT” means New Jersey Institute of Technology.
- B. “Principal Investigator” or “PI” means NJIT’s principal investigator on the Sponsored Project.
- C. “Time and Effort Report” is the document used to confirm that salaries and wages charged to the grant are reasonable in relation to the work performed as part of the funded project. The report provides detail on each employee’s percentage of effort based on actual payroll charged to their grant during the certification period. This percentage is calculated based on the employee’s total salary distribution by funding source during this period.

**D. “Time and Effort Certification”** represents the assertion by a PI or designee, key personnel or other full time grant funded individual that the salaries charged to sponsored projects as direct charges or cost sharing reasonably reflect the effort expended and work performed during the period of work performed/reporting period. The PI must certify their own time and effort certification.

**E. “Designee”** means a person delegated approval authority and fiduciary responsibility by the Principal Investigator in writing over his/her sponsored program.

**F. “Fiduciary Responsibility(ies)”** refers to the obligation of an authorized person to effectively manage their commitment in accordance with all applicable policies, procedures, and related regulations and in the best interest of NJIT. Please see *Fiduciary Responsibilities Policy* on the Finance Division Website.

**G. “OR”** means NJIT’s Office of Research.

**H. “Sponsor”** means a federal, state or local government agency, foundation, or other private organization that is providing financial support for a Sponsored Project. For purposes of this Policy, Sponsor refers solely to NJIT’s direct source of the funding for a Sponsored Project.

**I. “Sponsored Project”** means an externally funded activity conducted at or under the auspices of NJIT that is governed by specific terms and conditions. Separate budgets and accounts are typically established for Sponsored Projects. Sponsored Projects may include projects funded through grants, contracts, and cooperative agreements for research, training, education, and other NJIT purposes.

#### **IV. Policy Statement**

**A. Requirement:** The Federal government requires recipients of grants to maintain time and effort reports that reflect effort levels by employees on grants. These records must be maintained for all employees whose salaries are paid in whole or in part with federal funds, used to meet a match/cost share requirement, and does not include contractors.

University PI, key personnel or other full time grant funded individuals who have effort charged to federal awards must certify their salary including academic-year and/or supplemental/summer salary for the certification period. If the grant funded positions are for part-time, students, or other non-full time employees, the PI will receive these certifications for review and approval.

**B. Reporting Period:** The Post Award Management unit in the Office of Research provides effort reports to PI and/or grant funded personnel three times per year (at the close of each academic semester and the end of the summer) which must be certified by the appropriate employee and returned to the post award management unit as instructed each period.

Effort reports should be completed and certified within 90 days following the end of each reporting period. When time and effort certifications are sent out, a timeline will be provided for due date to the post award unit. All certifications should be completed within 30 calendar days of the date they receive the report from the post award unit.

The post award unit will coordinate with the PI if there are any adjustments that are needed to correct the time and effort certification but must be submitted timely upon review of the certification.

**C. Responsible Parties.** University PI, key personnel or other full time grant funded individuals are required to review their certifications and determine whether the percentages reasonably reflect the committed effort expended and the work performed on each sponsored award and the aggregate effort associated with “all other activities” displayed on the certification. Variances of up to and including 5% of total salary, for each award listed, are allowable and do not require an adjustment or recertification. Variances over 5% for each award should be corrected, in compliance with the Cost Transfer Policy, prior to final approval of the certification.

**D. Designees:** *All PIs are required to certify their own Effort Certification(s).* For certification of *other* grant funded personnel, the PI can delegate, in writing, this responsibility to another individual with first-hand knowledge over his or her sponsored award(s). The individual who signs the effort certifications must attest that the salaries charged, and effort expended reasonably reflect work performed on the project and that the signer has sufficient technical knowledge and/or is in a position that provides for appropriate means of verification that the work was performed. Delegation does not reduce the PI’s responsibility to ensure that the effort charged to their Sponsored Projects is accurate and reflects no more than the work actually performed.

**E. Proxies:** *All University PIs are required to sign their own annual effort certifications.* Requests for proxies for these individuals will only be granted by the respective deans and the Office of Research in extenuating circumstances.

**F. Effort Thresholds:** Time and effort reported on external grants must be consistent with the approved budget and federal, agency and university regulations for the period of performance including the academic year and summer.

## **V. Effort Reporting Policy Guidance**

### **A. Calculating Effort.**

1. The basis used to propose or commit Effort should be the same as the basis used to calculate, report and certify Effort.
2. Total Effort consists of all work-related activities performed on behalf of NJIT. There is no set number of hours that constitute total Effort; rather total Effort equals 100% of the activities performed for NJIT. The activities performed and the total amount of time to accomplish them will likely be different for each faculty member and may vary during the year.
3. For faculty, the components of total Effort are determined by their NJIT appointment agreement. Teaching, research, and administrative activities are all services that may be performed on behalf of NJIT. In addition, services paid for through the NJIT payroll system and provided to NJIT and all its auspices for administrative, supervisory, research and teaching services, are components of NJIT total effort.
4. It is expected that the proposed Effort committed and budgeted in a grant application will be provided to the Sponsored Project. If there is a change from the initial proposed budget, there

must be subsequent and appropriate documentation to support the change (e.g. budget transfer, sponsor approval if required, revised award letter, etc.)

5. Faculty are expected to apply some level of Effort to Sponsored Projects on which they are listed as the Principal Investigator or as key personnel.
6. It is recognized that a precise apportionment of Effort across the activities performed on behalf of an academic setting is not always feasible. Research, teaching, and administration are often inextricably intermingled. Therefore, reliance is placed on estimates in which a degree of tolerance is expected.

## **B. Cost Sharing**

1. Based on the Institutional Base Salary, the reported Effort charged to the Sponsored Projects and the DHHS Salary Cap, the Office of Research personnel identify those Sponsored Projects subject to Cost Sharing. The amounts identified for Cost Sharing are reviewed with the responsible PI, department/college leadership and, as necessary, with Office of Research senior leadership.
2. Effort applied to a Sponsored Project that is not compensated by the Sponsor should also be reported. This is considered Cost Sharing. These effort allocations are captured by charging these directly to the cost share accounts.

**C. Documenting Effort.** The Principal Investigator is responsible for implementing a system to substantiate the Effort expended by each person charged to the Sponsored Projects for which they have responsibility. Such a system may include the use of activity logs or other suitable means necessary to document the actual Effort expended on each Sponsored Project.

## **D. Certifying Effort**

1. PIs are required to certify their own Effort reports and ensure that the Effort reported by other personnel directly charged to their Sponsored Projects is accurate and reflects the work actually performed during the reporting period. In addition the Principal Investigator must support through personal knowledge or through other verification that the Effort reported by others on their Sponsored Projects is fair and reasonable.
2. Faculty and professional staff paid from Sponsored Project funds and/or who apply Effort to Sponsored Projects, must report and certify their own Effort.
3. Certification of Effort for non-professional staff must be made by the Principal Investigator or another person designated in writing by the PI, who has first-hand knowledge of their activities, and based upon appropriate documentation.

## **E. Changes in Status and / or Effort**

1. It is the PI's responsibility to comply with federal and other sponsoring agency prior notification requirements related to changes in personnel status and/or Effort for all key personnel on their Sponsored Projects. Federal agencies require prior notification of significant changes in personnel status and/or Effort on the Sponsored Projects that they sponsor.

2. Federal agencies define changes in status as withdrawal from a Sponsored Project, absence from the Sponsored Project for any continuous period of three (3) months or more, or twenty-five percent (25%) or greater reduction in the time devoted to the project (over the budget year) from the level approved at the time of award. Other sponsoring agencies may have their own status and/or Effort change notification requirements. The Office of Research must be notified prior to any of these changes to determine if sponsor approval may be required.
3. Unless otherwise communicated to the Sponsor, the Effort commitment percentage during a no-cost extension period is assumed to be consistent with the commitment for the immediately preceding budget period. The Sponsor must be notified at the time of a no-cost extension request if the Effort to be expended is 25% or less than the level approved at the time of the NJIT Award. If there is an expected increase in effort, the Office of Research must be notified prior to any changes in effort to determine if sponsor approval may be required.

## **VI. Roles & Responsibilities**

- A. Principal Investigator** – The Principal Investigator ensures that all costs charged to their Sponsored Projects are appropriate based on the established policies of NJIT and conform to the requirements of the Sponsor. Furthermore, for personal service costs, the Principal Investigator must ensure that their reported Effort and the Effort reported by other personnel directly charged to their Sponsored Projects is accurate and reflects the work actually performed on the Sponsored Projects during the reporting period. The PI is also responsible for submitting their certifications to the post award unit within the required timeline.
- B. Department Chair/College Dean** - The department chair or college dean ensures that the principal investigators in their department comply with this Policy by accurately reporting and certifying Effort on a timely basis.
- C. Post Award Management** – The post award unit prepares and distributes the time and effort reports to grant funded personnel and PI accordingly and collects and maintains all effort reporting records. Delinquent submissions on time and effort certifications will be escalated to the Senior Vice Provost for Research.
- D. Senior Vice Provost (SVP) for Research** – Any delinquent submissions over 90 days will be escalated to the Department Chair or College Dean of the PI's home department. The SVP for Research will work closely with the Chairs, Deans, and other leadership, to ensure that this Policy is effectively implemented. In addition, in the event of non-compliance with this Policy, the SVP for Research will review and approve adjustments in cases of delinquent Effort reports and for enforcing other discipline as deemed appropriate.

## **VII. Authority and Responsibility**

The Office of Research has institutional authority for the matters addressed in this policy. Questions related to this policy are to be directed to the executive director, sponsored research programs administration.