

7.9.9 DOL Grant Time & Effort Reporting Procedure

GENERAL INFORMATION

All expenses charged to grant funds must be reasonable based on the benefit the grant received. Personnel costs must be reasonable, allowable and allocable to the grant in order to be properly charged, and supported and documented by an acceptable time and effort report. Personnel costs that are not properly supported can result in federal audit disallowances and serious financial penalties for institutions.

Effort Reporting is intended to ensure that individuals confirm their effort expended on DOL federally funded activities. The confirmation certifies they have received compensation from federal fund sources and they have expended effort on the federally funded project, at a minimum, in the same percentage they are paid.

Part 1. Procedure

A Grantee of DOL federal funds must comply with 2 CFR Part 220 - Cost Principles for Educational Institutions. Section J.10 requires certification of effort to document salary expenses charged directly or indirectly against federally-sponsored projects. Federal criminal charges may be brought against an individual certifying to falsified effort.

Employees who work 100% for a single Grant

- If an individual's time is fully chargeable to the grant it is not necessary to maintain a daily time record. A periodic certification that the employee worked solely for the grant being charged must be signed by the employee and the employee's supervisor or the grant manager, at least biannually. A job description will not suffice for the required documentation.

Employee whose position is not funded by a Grant but occasionally does Grant work

- An employee who does occasional work for a grant must complete a time & effort report for the entire pay period in which they provided services for the grant objective. Each time & effort report will coincide with the payroll system pay periods and must account for 100% of their activity for each day of the pay period.

Employees who work for more than one Grant or cost center

- Personnel costs can initially be charged to various cost centers based on budgeted time, but an after the fact review is required, and payroll charges be promptly adjusted if significant differences are indicated by the time & effort report.
- An employee whose position is funded in the payroll system to a grant based on a budgeted percentage of their time must complete a time and effort report for each day of the pay period. The time & effort report will coincide with the payroll system pay periods and must account for 100% of their activity for each day of the pay period.

Time & Effort Report Certification

The time & effort reports must be signed by the employee and either the employee's supervisor or the grant manager.

After both the employee and supervisor or grant manager approves and signs the time & effort report, it should be submitted to the grant accounting staff.

Time & Effort Report Reconciliation

Quarterly, the grant accounting staff will conduct a reconciliation of each employee's personnel costs charged to the grant and the results of the review of the time & effort reports. The grant accounting staff will calculate any required adjustments to reconcile estimated/budgeted personnel costs and the costs calculated from the review of the time & effort reports.

Employee's time that is not directly assignable to the grant or other cost objective, such as paid holidays, vacation and sick leave, shall be allocated among cost objectives on a quarterly basis. The quarterly reconciling adjustments will be processed in MnSCU accounting as a chargeback or in the payroll system.

References:

2 CFR Part 220 - Cost Principles for Educational Institutions

www.dol.gov/oasam/programs/guide4.htm

DOL's Comprehensive Financial Management Technical Assistance Guides

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Signature of College President _____

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