

The Time and Effort Certification form prints the percentage of appointment workload distribution from specific accounts for the reporting period. In some cases, these percentages may not reflect the individual's actual effort to the project attributable to the account. Since the percentages are generated from the appointment data within the PeopleSoft (PS) HRMS payroll system, they are after-the-fact projections of the level of effort the individual was expected to expend. If this percentage paid does not substantially (five percent or more) correspond to the effort actually expended by the individual on those projects during the report period, the Time and Effort Certification form must be completed to reflect actual effort expended. Payroll redistributions must be processed if actual effort percentages vary from the percentage paid by a project as averaged over a four month period. A payroll reallocation must be created (PER-3) to change the actual payroll distribution in the HRMS system to match the actual effort reported on the Time and Effort Certification form.

Decision factors when the monthly salary is five (5) percent or more different from the actual percentage of effort

- The difference is expected to remain constant throughout the individual's appointment, thus a change in the percentage is required. Process a payroll form to reflect the revised percentage effort for the period of change.
- The grant will end before the 5% or more difference is planned to be made up. Process a payroll form to redistribute charges for that effort that will not be made up.
- The grant has ended and the review of the project indicates that the effort expended is less than actual pay by 5% or more. Process a payroll form to redistribute charges to the proper accounts.

If none of the above criteria applies, then it should follow that:

- The 5% or more difference is a one-time only change and will not result in a 5% or more difference over the period of the grant or contract.
- The 5% or more difference is planned to be made up before the grant or contract ends. The made-up effort should be expended within 4 months.

If either of the above applies a payroll form need not be processed to reflect pay redistribution.

A certification clause is provided and must be signed by the employee or a supervisor who has first-hand knowledge of the employee's effort on listed account. (Normally, this is the principal investigator.)

In no circumstances may the effort percentages reported on the Time and Effort Certification form be *based on any consideration other than the actual effort expended by the individual during the report period.*

Allocation of Effort among Related Activities

The Time and Effort Certification form provides for six effort categories: instruction (including sponsored training and department funded research), sponsored research, sponsored clinical trials, other sponsored agreements, other institutional activity; and department administration.

Instruction, Sponsored Training and Department Funded Research means the teaching and training activities of the institution. Instruction includes time spent in the following activities: (1) didactic teaching, (2) supervision of undergraduate students, graduate students, medical students, pre-doctoral students, postdoctoral students, residents, and fellows, and (3) other specific activities as defined by your individual Department. Departmental Research means research development and scholarly activities that are: (1) funded by the Department from Departmental accounts, (2) that are accounted for within the Department, and (3) that are not related to a sponsored project.

Sponsored Research means all research and development activities that are: (1) separately budgeted and accounted for, (2) sponsored by external Federal or non-Federal sources, (3) supported from state legislatively designated funds for research, (4) university funded research and (5) cost sharing related to sponsored research activities.

Sponsored Clinical Trial Agreements means clinical activities related to a sponsored project

Other Sponsored Agreements means public service or non-research activities related to a sponsored project.

Other Institutional Activity includes public service and clinical and patient activities that are specifically defined by each department but does not include clinical activities related to a sponsored research project.

Department Administration means activities that benefit common or joint departmental activities or objectives in academic deans' offices, academic departments and divisions, and sponsored research units. Sponsored research units include such units as institutes, study centers, and research centers.

These categories should be followed to the extent possible in completing the Time and Effort Certification form. In some circumstances, however, the appropriate category for a given activity is not obvious. The federal regulations on Time and Effort Certification recognize that in an academic setting, teaching, research, service, and administration are often inextricably intermingled. A Time and Effort Certification system must, therefore, rely on reasonable estimates and allocations of effort among closely related activities.

For example, effort relating to a sponsored clinical trial might be considered either sponsored research or clinical activity. Since the clinical activity is funded as a sponsored project, however, the effort should be reported as such. Often, effort expended on research benefits more than one sponsored project and thus could properly be allocated among all benefited projects. There is no single precise answer to the question of how effort allocations should be made in these circumstances. Any such allocations, however, should equitably allocate effort in reasonable proportion to the benefit derived from the effort. In addition, the approach taken to such allocations should be reasonably consistent.

For example, if a faculty member allocates effort among closely related sponsored projects in one budget period, it would normally be inappropriate to assign all effort to only one of the sponsored projects during the next budget period.

Time and Effort Certification of Individuals Subject to the NIH Salary Cap

A National Institutes of Health (NIH) rule imposing a cap on reimbursement of salaries creates a special problem in completing Time and Effort Certifications for highly compensated faculty and staff. By law, NIH may not reimburse salaries under NIH awards at an annual rate that exceeds the salary cap for that period. However, effort percentages for all NIH sponsored research must reflect the total effort on such research, rather than just the percentage of salary reimbursed by NIH. **The difference should be accounted for as Cost Sharing.**

Reporting Unfunded Activity, (Cost Sharing)

Where some or all of an individual's effort is expended on a specific sponsored research project, but is not funded by the project sponsor, that cost-sharing effort must be reported on the Time and Effort Certification form (See Cost Sharing Policy).

This applies only to cost sharing effort expended on sponsored research, rather than departmental research. Departmental research is any research, development, or other scholarly activity that is distinct from any sponsored research project. While this research may or may not be separately budgeted, accounting of the funds to an outside entity is not required.

For example, if a faculty member has committed (identified in project budget or narrative specifically) to expend effort on a sponsored research project, but does not charge the project for all (or any) of his or her salary for that effort, the salary portion NOT charged to the project is committed cost sharing and must be recorded in the Time and Effort Certification form. If the faculty member expends 75% of his or her total effort on a sponsored project, while the sponsor is charged for only 50% of his or her salary, the faculty member must report 75% effort on the Time and Effort Certification form in order to reflect actual effort expended on the project. The faculty member's cost sharing is the difference or 25%. It is important to understand that this rule applies only to effort specifically expended on a sponsored project.

Effort Percentages Must Total 100%

As the Time and Effort Certification form itself makes clear, effort percentages on the form must total to 100% -- neither more nor less. All LSUHSC compensated effort must be accounted for; and, obviously, the sum of the individual effort categories cannot be greater than 100%. Again, just because an individual may work more than a normal 35 or 40 hour week does not alter this rule. For example, an individual who spends 40 hours a week on sponsored research and 40 hours a week on clinical activity would report an effort percentage of 50 percent for each category, totaling 100 percent for the report period. In order to total all column activity to 100%, when cost share

activity is certified the funding program must be identified and the cost share percentage deducted from the funding program percentage on the report.

Responsibility for Accurate Time and Effort Certifications

To ensure the Time and Effort Certification system reasonably reflects actual effort expended in the various categories during the report period, the Time and Effort Certification form must be completed and confirmed by the individual whose effort is being reported or by a responsible person with access to reliable information or how the individual's effort has been expended, i.e. a responsible person who knows how the work was actually performed.

It is incumbent on this individual to ensure that the representations of effort contained in the Time and Effort Certification form are accurate. Careful review is especially important when someone completes the form other than the individual whose effort is reported on the form. In such cases, it is advisable to review the completed form with the individual before submitting it.

Although the rules applicable to Time and Effort Certification do not require that the forms be completed or signed by the individual whose effort is reported, this does not mean that faculty members or staff need not be concerned about the accuracy of the reports. Any individual who has reason to believe that his or her effort is not being accurately reported has an obligation to bring the matter to the attention of personnel responsible for completing the Time and Effort Certification forms.

The Effort Reporting system reports the percentage of an individual's salary as distributed by account for each reporting period. A misperception among some faculty and staff completing Time and Effort Certification forms is that the percentage of effort certified must equal the percentage of an individual's salary. To the contrary, one principal purpose of the Time and Effort Certification process is to determine whether the percentages of an individual's salary are correct and captures any necessary changes to the percentages to provide a reasonable estimate of actual effort,

LSUHSC Time and Effort Certification Process

Time and Effort Certifications are mailed to departments quarterly for non-faculty employees and twice a year for faculty. Forms are to be signed and returned to the Sponsored Programs Office no later than forty-five days from receipt.

Directions Sample Time & Effort Form

- 1) 111-10065-10105 will be 1%. Part of the effort charged to this chartstring represents cost sharing (10%), and part of the effort should be assigned as a direct cost to a project (5%). Thus, cross out 16% and mark it with 1%. Then indicate the 1% in Column (1) Instruction and Dept Research. See 3 and 4 below.
- 2) 111-00001-10105 at 27% is for time spent teaching and is correct. The 27% effort would be indicated in Column (1) Instruction and Dept Research.
- 3) Project 144000093A is listed as 20%. In actuality Professor Johnson's effort on this project was 25% and there are grant funds to cover this effort. Thus, you would change the 20% to 25% and enter 25% in Column (2) Sponsored Research. A per 3 would need to be prepared to move the 5% from 111-10065-10105 to project 144000093A.
- 4) Project 144000095A is listed as 22%. On the grant application Professor Johnson's effort was listed as 22 % charged directly to the project and 10% cost shared. Here you would indicate the 22% direct charged under Column (2). You would then enter the 10% to the cost sharing section in Column (2) and write in 144000095A, to indicate it relates to that project. The cost sharing portion comes from 111-10065-10105.
- 5) Project 144000096A is correct at 5%. It's Program is 20001 this indicates public service and the project number begins with 1, thus it will be entered as Other Sponsored in Column (4)
- 6) Project 144000097A is correct at 10%. This project is a clinical trial. As such, it would be listed under Column (3). Sponsored Clinical Trial Agreements.
- 7) Now add up column totals and cross foot the last row to make sure the grant total is 100%. Then the form should be signed and dated.

EMPLID	NAME	DEPARTMENT	PROJECT	ACCOUNT	FUND	PROGRAM	CLASS	DEPTID	EARNINGS	%
9994259	Johnson, Michael	Midocondry		501000	111	10065	10105	1440000	28,000.00	16%
9994259	Johnson, Michael	Midocondry		501000	111	00001	10105	1440000	47,250.00	27%
9994259	Johnson, Michael	Midocondry	144000093A	501000	113	10001	20200	1440000	35,000.00	20%
9994259	Johnson, Michael	Midocondry	144000095A	501000	113	10001	20200	1440000	38,500.00	22%
9994259	Johnson, Michael	Midocondry	144000096A	501000	113	20001	25200	1440000	8,750.00	5%
9994259	Johnson, Michael	Midocondry	144000097A	501000	113	10001	35200	1440000	17,500.00	10%
									175,000.00	100%

PROGRAM NO. 777-947
 RUN DATE

Name: Rodney Alan
 Employee ID: 994252
 Employer Dept. NO: 1440000 Center of Microbiology
 Job Code & Desc: 287 Professor

LSU HEALTH SCIENCES - NEW ORLEANS
 TIME AND EFFORT CERTIFICATION
 FROM: 1/1/2008 TO: 8/31/2008

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Directions Sample Time & Effort Form
NIH Salary Cap Example

- 1) This individual's annual salary is \$223,000, this is over the current NIH Salary Cap of \$199,700. The NIH Salary Cap for 1/2 the year is \$99,850.
- 2) The effort on this grant is suppose to be 50%. The salary amount over the cap is \$5,825 or 5% of the individuals total salary. The amount charged to the grant is \$49,925 or 45%.
- 3) On the Time and Effort form you will document 45% under column (2) Sponsored Research for project 144000094A.
- 4) The 5% representing the effort over the NIH Cap, will be listed as cost sharing. You will indicate in the cost sharing section 5%, under Column (2) Sponsored Research. Then write in project 144000094A.
- 5) You will then need to deduct the 5% cost sharing from another source of funding. In this case there are two chartstrings remaining for the individual's Teaching and Department Research. Since this is related to research you should deduct it from the state appropriation for program 10001. The remaining effort would be identified to Column (1) Instruction and Department Research.
- 6) Finally, you will total the rows and columns.

EMPLID	NAME	DEPARTMENT	PROJECT	ACCOUNT	FUND PROGRAM	CLASS DEPTID	EARNINGS	%
9994259	Rodney, Allan	Midocondry		501000	111 00021	10105 1440000	11,575.00	10%
9994259	Rodney, Allan	Midocondry		501000	111 10001	10105 1440000	50,000.00	45%
9994259	Rodney, Allan	Midocondry	144000094A	501000	113 10001	20200 1440000	49,925.00	45%
							111,500.00	100%

①

	<u>Annual</u>	<u>Bi-Annual</u>
Actual Salary	223,000.00	111,500.00
Salary Cap	199,700.00	99,850.00
Difference	23,300.00	11,650.00

②

<u>%</u>	
50%	55,750.00
50%	49,925.00
5%	5,825.00

PROGRAM ID ZZPY047
RUN DATE

LSU HEALTH SCIENCES - NEW ORLEANS
TIME AND EFFORT CERTIFICATION
FROM: 11/03/11/05 TO: 03/05

PAGE

Name: Rodney, Allan
Employee ID: 9994259
Employee Dept: NO1140000 Center of Midcoandry
Job Code & Desc: 987 Professor

Project	Account	Fund	Program	Class	Department	Distribution	Appointm Workload	Department Funded	Grant Related Sponsored Research	Sponsored Clinical Trial Agreements	Other Sponsored Agreements	Other Institutional Activities	Department Administration and Support Duties Benefiting All Functions	Total
144000094A	501000	111 00021	10105	10105	1440000	10%	X	X	X	X	X	X	X	10
	501000	111 10001	10105	10105	1440000	45%	X	X	X	X	X	X	X	40
	501000	113 10001	20200	20200	1440000	45%	X	X	X	X	X	X	X	45

COST SHARING

Total

100% X

50 %

50 %

%

100 %

4

Project #
144000094A

5

6

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40
45
100

PLEASE REVIEW THIS REPORT OF SALARIED PERSONNEL'S APPOINTMENT WORKLOAD DISTRIBUTION FOR THE PERIOD INDICATED AND RETURN TO THE OFFICE OF SPONSORED PROJECTS, NO LATER THAN 15 DAYS AFTER RECEIPT. THE APPOINTMENT WORKLOAD DISTRIBUTION IS THE PERCENTAGE OF TIME ASSIGNED TO EACH PROJECT ON THE EMPLOYEES PERSONNEL ACTION FORM FOR THE PERIOD COVERED. THE ACTUAL PERCENTAGE OF TIME IS YOUR ESTIMATE OF ACTUAL TIME EXPENDED. PLEASE FILL IN THE ACTUAL TIME EXPENDED, ALSO ADD ANY PROJECTS IN WHICH ACTUAL TIME WAS EXPENDED BUT NO AMOUNT WAS ASSIGNED. IF THE TIME ADDED SHOULD BE CHARGED TO THE PROJECT, PLEASE PREPARE A PER-3 TO MOVE THE EXPENDITURES. IF THE TIME EXPENDED WAS COST SHARED, ADD TO THE COST SHARED SECTION.

- A) SPONSORED MEANS FUNDED BY AN OUTSIDE AGENCY. SPONSORED PROJECTS INCLUDES: PROJECTS WITH A FUND CODE OF 113 OR 114 AND PROJECT # BEGINNING WITH A 1 OR 4.
- B) COLUMN 1 INCLUDES: SPONSORED PROJECTS WITH A PROGRAM # BEGINNING WITH 0 OR 7.
- C) COLUMN 2 INCLUDES: SPONSORED PROJECTS WITH A PROGRAM # BEGINNING WITH 1.
- D) COLUMN 3 INCLUDES: SPONSORED PROJECTS WITH A PROGRAM # BEGINNING WITH 1.
- E) COLUMN 4 INCLUDES: SPONSORED PROJECTS BEGINNING WITH ANY OTHER PROGRAM #
- F) COLUMN 5 INCLUDES: INCLUDES NON-SPONSORED HOSPITAL AND PATIENT CARE DUTIES WHICH ARE PART OF THE EMPLOYEES WORKLOAD ASSIGNMENT.
- G) COLUMN 6 INCLUDES: ADMINISTRATIVE DUTIES WHICH BENEFIT ALL FUNCTIONS.
- H) TIME EXPENDED FOR COST SHARING APPLIES TO SPONSORED, INSTRUCTION, TRAINING, RESEARCH, CLINICAL TRIALS, AND OTHER SPONSORED PROJECTS. PLEASE DEDUCT THE APPROPRIATE PERCENTAGE FROM A NON-SPONSORED PROJECT AND ADD THE SPONSORED PROJECT NUMBER AND PERCENTAGE IN THE APPROPRIATE COLUMN.

I CERTIFY THAT THIS DISTRIBUTION OF EFFORT REPRESENTS A REASONABLE ESTIMATE OF THE EFFORT EXPENDED DURING THE PERIOD COVERED BY THIS REPORT

SIGNATURE OF EMPLOYEE OR
RESPONSIBLE OFFICIAL HAVING FIRST
HAND KNOWLEDGE OF WORK PERFORMED

DATE