

## TIME AND EFFORT

Time and Effort Reporting is a process mandated by the federal government to verify that direct labor charges (salaries and wages) to federally sponsored projects are reasonable, and reflect actual work performed. As a recipient of federal funds, The Texas A&M University System is subject to financial accounting and reporting obligations designed to ensure that the charges to its federally sponsored projects are allowable and properly allocable to those projects. Time and Effort is the only way to verify the appropriateness of expenditures. OMB A-21 requires after the fact confirmation based on suitable means of verification that the work was done. Please note that some state and private sponsored projects can require Time and Effort Reporting, but is rare. The reports are generated automatically through Time and Effort and TimeTraQ systems in Single Sign On, based on payroll data from the A&M System's Budget/Payroll/Personnel (BPP) system. The report needs to be certified by either the principal investigator or the employee's manager who has verifiable knowledge of the work that was performed relating to the project. Time and Effort Course (TrainTraQ Course #2111113) will be required for some, and highly recommended for all.

## FAQs

*What is effort?*

- For Time and Effort Reporting purposes, effort is the amount of time spent on any activity for which an employee is paid.

*How are Time and Effort Reports generated?*

- If an account indicates Time and Effort certification is required, an automatic document is created through the Time and Effort and TimeTraQ systems in SSO, based on payroll data from the A&M System's Budget/Payroll/Personnel (BPP) system.

*Is Time and Effort reporting mandatory?*

- Yes: All Federally sponsored projects require Time and Effort Reporting for every employee who is either paid directly from any sponsored project or paid from non-sponsored funds to provide effort on sponsored projects (cost share efforts).
- Non-federally sponsored projects may require Time and Effort Reporting, but is less frequent. Check with Sponsored Research Services (SRS).

*What penalties can occur if Time and Effort are not reported or reported appropriately?*

- Consequences can be severe!
- Breach of agreement
- Loss of future funds
- Financial audit disallowances
- Adverse publicity
- Criminal charges may be brought against individuals who certify falsified report (Federal False Claims Act)

*Who is responsible for certifying Time and Effort?*

- Effort must be certified by someone who has direct knowledge of the employee's work activities, often the principal investigator or managing supervisor
- Certain employees can certify their own effort
- Department/Unit Administrators make determinations.

*When should Time and Effort reports be certified?*

- Immediately after they become available!
- They must be certified within 45 days per System Policy

*What should you do if you do not agree with an effort report?*

- Work with your Time and Effort Department/Unit Administrator to resolve.