

## Policy on Time and Effort Reporting on Sponsored Projects

Effective: 2022.08.01

### I. Purpose

As a recipient of federal funding, Universidad del Sagrado Corazón (hereafter Sagrado) must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200 or Uniform Guidance) for certifying effort expended on sponsored projects. Section 2 CFR 200.430 establishes that charges to federal awards for salaries and wages must be based on after-the-fact activity reports that accurately reflect the effort expended. Salaries and wages charged or cost-shared to federal grants should be reasonable and consistent with the work performed and be based on each employee's Institutional Base Salary (IBS). The purposes of time and effort reporting are to:

- 1) record all effort expended on grants, whether charged to the sponsoring agency or not, and
- 2) verify that the percentage of effort spent on a federal grant is not less than the percentage of salary charged to the grant.

### II. Applicability

This policy applies to all individuals working on sponsored projects granted to Sagrado.

The Principal Investigators and/or Project Directors (PI/PD) are responsible for delivering a copy of this policy to all participants of sponsored projects and ascertaining the receipt of an executed and signed Acknowledgement of Receipt and Review of this Policy before commencing work in any sponsored project.

### III. Definitions

1. **Cost-share** or match is the portion of the total project costs not contributed by the primary sponsor. Cost-share can be voluntary or mandatory and can take the form of either cash or in-kind contributions.
2. **Cost transfer** is an expense transferred from one account to another after the expense was initially recorded in the financial accounting system.
3. **Effort** is the time spent on any activity by an individual, expressed as a percentage of the individual's total university effort. These percentages are calculated by dividing the time spent on one activity by the time spent on all sponsored and non-sponsored activities. The effort percentage for sponsored programs is accounted for separately from other duties at Sagrado, such as teaching and administrative work.

4. **Effort certification** is the process of documenting and certifying that salaries and wages charged or cost-shared to a sponsored project are reasonable in relation to the work performed.
5. **Extra service pay** (or additional compensation) is compensation for any services above and beyond an individual's appointment and associated institutional base salary.
6. **Institutional Base Salary (IBS)** is the base annual compensation for an individual's appointment. IBS does not include extra service pay, bonuses, incentives, or any income that an individual earns outside their duties.
7. **Principal Investigator (PI) or Project Director (PD)** is the primary individual responsible for the administration of a sponsored project in compliance with applicable laws and regulations and institutional policies.
8. **Total University Effort** are the activities for which an individual is employed by Sagrado and receives IBS. Total university effort includes all sponsored and non-sponsored activities, including teaching, administrative duties, and other responsibilities.

#### IV. Who is Required to Complete Time and Effort Reports?

All faculty and staff whose salary is charged in whole or in part to a federal award, a sponsored project or whose efforts are used to satisfy a required or voluntary cost-sharing must complete a time and effort report.

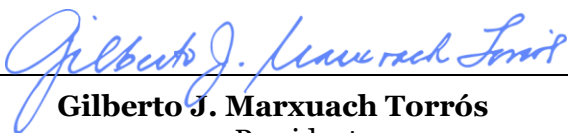
#### V. Questions About this Policy and Procedures

Questions about the scope and interpretation of this policy should be directed to the Office of Grants and External Resources Director at 787.728.1515, ext. 5804, or by email to [oger@sagrado.edu](mailto:oger@sagrado.edu).

Universidad del Sagrado Corazón reserves the right to interpret this Policy in its administration, implementation, and enforcement. If there is any ambiguity in any provision of this Policy, the University reserves the discretion to interpret it in accordance with the purpose for which it was established, the impact to the University's operations and good faith, unless otherwise provided by law.

#### VI. Reporting Violations

Violations to this Policy should be directed to the office of Compliance, Internal Audit and Institutional Integrity at [cumplimiento@sagrado.edu](mailto:cumplimiento@sagrado.edu). Any violations to this Policy will be addressed in accordance with the University's policies and procedures.

  
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**Gilberto J. Marxuach Torrós**  
President