



Florida Agricultural & Mechanical University
Division of Research
Office of Contracts and Grants

INTERNAL OPERATING MEMORANDUM

Memorandum No. 16A.006

Subject:	Effort Reporting	
Authority:	Board of Trustees Policy 2005-12	Date: 03/16/2012 Revised: 01/11/2016
Related References	Office of Management and Budget Circular Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”)	
Purpose	To establish procedures for documenting and reporting effort based on the federal requirements.	
Signature of Approving Authority		

I. Purpose

To establish procedures for documenting and reporting effort based on federal requirements.

II. Definitions

- A. **Effort:** Effort is the amount of time spent on an activity and is expressed as a percentage of time.
- B. **Effort Reporting:** Effort reporting is a purpose mandated by the federal government to verify that direct labor charges to federally approved projects/agreements are reasonable and reflect actual work performed.

III. General Information

- A. According to the Uniform Guidance
1. The payroll distribution system will be incorporated into the official records of the institution.
 2. Reasonably reflect the activity for which the employee is compensated by the institution.
 3. Encompass both sponsored and other activities on an integrated basis, but may include the use of subsidiary records. The method of allocating payroll costs must recognize the principle of the After-the-Fact confirmation or determination so that costs distributed represent actual costs.
- B. Reporting cycles are as follows:
1. Spring – January 1st to May 7th
 2. Summer – May 8th to August 7th
 3. Fall – August 8th to December 31st

- C. The effort reports are generated after the end of each semester.
- D. The effort report forms are to be returned to the Office of Contracts and Grants.

IV. General Procedure

- A. A payroll report is obtained electronically for each pay period with detail by employee from the Information Technology office.
- B. The payroll report is reviewed to ensure that 100% of an employee's effort is represented.
- C. The payroll report is then submitted to the Grants Specialist in the Office of Sponsored Programs to generate the effort report forms.
- D. The effort report forms are returned to the Contracts and Grants Office for distribution
- E. A control list of effort report forms are generated by Office of Contracts and Grants.
- F. The effort reports are delivered to the Deans offices of each college or school for distribution to the Principal Investigator or individual who has direct knowledge of the effort spent on activities for certification.
- G. The PI or individual with direct knowledge of effort will verify and sign the report, certifying that the employees actually performed the work on indicated grant projects.
- H. Certified and reviewed reports are returned to the Office of Contracts and Grants to be placed in official files.
- I. If payroll distribution corrections to effort report forms are necessary, the corrections should be documented on the form in the appropriate section. The PI should then initiate the processing of the correction by performing the following:
 - 1) Revise the employment form and AOR.
 - 2) Follow the Cost Transfer procedure, Processing Cost Transfers for payroll changes.
 - 3) Notify the Office of Contracts and Grants of the changes.
 - 4) Adjustments will be made in the Irratler system.

V. Records

The Office of Contracts and Grants will maintain records in accordance with applicable regulations. The appropriate record retention guidelines should be followed for retention and disposition of documents.