

EVCC2400P: TIME AND EFFORT PROCEDURE

Original Date: January 14, 2025

Policy Contact: Vice President of Finance

Background & Purpose

Time & effort reports are after-the-fact records that reflect how employees (faculty, staff, and students) spent the time for which they were compensated by the educational institution. Other terms used to identify time and effort reports include personnel activity reports (PAR) and effort certifications (EC). These terms are often used interchangeably but are not necessarily synonymous.

The purpose of federally mandated time and effort reporting is to provide documentation to substantiate payroll charges. For example, if 25% of an employee's work time was charged to a federal grant, time and effort reports must substantiate that the individual spent at least 25% of their time working on activities to support that federal grant. Each time & effort report must be a single, certified document that reflects 100% of an employee's time worked in a given period.

Proper time & effort reporting includes accounting for salary, wages, and benefits and certifying actual time charges for:

1. Each federal grant program.
2. Cost-sharing, matching funds, or leveraged funds required for federal grants.
3. All other activity not funded by a grant (time spent working on grant activities and non-grant activities) for which the individual staff are compensated.

PROCEDURE

Overview

Time & Effort reporting is required for all employees and other individuals paid in full or in part by a federal grant or federal pass-through. Time & effort reporting is the responsibility of the grant's budget manager to collect. Overtime eligible employees must complete a time & effort form monthly while faculty and overtime exempt employees complete theirs quarterly. Everett Community College uses an after-the-fact reporting (classified) and plan confirmation system (exempt/faculty).

It is the budget manager's responsibility to ensure the forms are completed correctly and submitted to the finance office. The finance office performs an independent and periodic review of the forms for accuracy. Failure to complete or compile accurate time & effort forms as outlined in this procedure, or as otherwise reasonably requested, may constitute a dereliction of duties for which an employee and/or their supervisor may be held accountable. Accurate recording of time & effort for employees paid in full or in part from a grant is a condition of their employment with the College.

In general, the minimum amount of time/effort charged to a grant should be 25%. When an employee is charged with a grant, the supervisor and grant authority must review and if necessary revise, that employee's job description in collaboration with HR.

Contributed or Cost-Shared Effort

Cost sharing represents that portion of the total grant project costs (outlined in the grant agreement) that are not reimbursable by the federal government. The College or another non-federal third party pays these costs. Cost-sharing is frequently referred to as matching. The grantor may require cost-sharing (matching), or the College may volunteer to cover a portion of the program costs. Regardless, any commitment of effort or matching referenced in the project

proposal or the award document must be honored, reported to the grantor, and captured in the time & effort reporting system.

Non-Faculty Time & Effort Forms

1. The college records initial personnel estimates (payroll and benefits) in an accounting system by individual federal grant agreement(s), individual match/cost-sharing funding source(s), and/or all "other" funding.
2. The budget manager has classified staff complete the monthly time & effort form showing 100% of their work for the month. They will review the form for accuracy, monitor the activity, and adjust the individual's work plan when necessary.
3. When the personnel costs vary more than 5% from the activity performed, the budget manager will submit a payroll/finance transfer request to the grants accountant in finance to have costs corrected in the grant. Transfer requests should happen within a timely manner but no later than 30 days after the month being reported has ended. The grants accountant will notify the budget office and HR of coding corrections if needed. (Personnel costs charged to the grant are adjusted, if greater than a 5% variance, at least as often as the fiscal year and/or the end of the grant period. Grants that span more than one fiscal year must be adjusted, if necessary, at the end of the fiscal year and at the end of the grant period.)
4. The form must contain a certification statement. A sample statement is: "I/we certify to the best of my/our knowledge that the above allocation of time expended performing federal, state, and other program duties is true and accurate."
5. The form is signed and dated in a timely manner by the employee and another responsible individual with direct knowledge of the employee's work activity.
6. The grants accountants perform an audit of submitted time & effort forms monthly.

Faculty Time & Effort Forms

1. The college records initial personnel estimates (payroll and benefits) in an accounting system by individual federal grant agreement(s), individual match/cost-sharing funding source(s), and/or all "other" funding.
2. The budget manager will work with the grant accountant to ensure they have the right budgeted figures reflected in the quarterly time & effort form. The budget manager will have the faculty employees complete a quarterly time & effort form showing 100% of their work effort for the quarter. They will review the form for accuracy, monitor the activity and adjust the individual's work plan when necessary. Employee's time is expressed as percentages of total compensated activity. Percentages reflect reasonable estimates.
3. When the personnel costs vary more than 5% from the activity performed, the budget manager will submit a payroll/finance transfer request to the grants accountant in finance to have costs corrected in the grant. Transfer requests should happen within a timely manner but no later than 30 days after the month being reported has ended. The grants accountant will notify the budget office and HR of coding corrections if needed. (Personnel costs charged to the grant are adjusted, if greater than a 5% variance, at least as often as the fiscal year and/or the end of the grant period. Grants that span more than one fiscal year must be adjusted, if necessary, at the end of the fiscal year and at the end of the grant period.)
4. The form must contain a certification statement. A sample statement is: "I/we certify to the best of my/our knowledge and belief that the salary percentage distribution for the grant projects shown above is reasonable in relation to the work performed."
5. The form is signed and dated in a timely manner by the employee and another responsible individual with direct knowledge of the employee's work activity.

Separated Employees

Supervisors are expected to ensure that all employees, required to complete time & effort forms, complete any outstanding forms prior to their last day of employment with the College. If an employee has separated employment from Everett Community College, outstanding time & effort forms will be completed by the separated employee's supervisor or another employee with direct knowledge of their work using reasonable efforts.

RESOURCES

[SBCTC Time & Effort Guidelines](#)

[Classified Monthly Time & Form](#)

Exempt/Faculty Quarterly Form: Contact your budget manager or grants accountant

RELEVANT LAWS AND OTHER RESOURCES

[Federal Uniform Guidance 2 CFR 200.430 -- Compensation—personal services.](#)

REVISION HISTORY

Original Date: January 14, 2025

Revised date: October 15, 2025

APPROVED BY

Executive Leadership Team