WRITTEN TIME AND EFFORT PROCEDURES

EXAMPLE

UNIFORM GRANT GUIDANCE (UGG) 2 CFR 200.430(i)

Standard for Documentation of Personnel Expenses

# Time and Effort Requirements/Standards

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with state or local funds but is used to meet a required “match” in a federal program. This also includes full and part-time employees, stipends for employees administering federal programs, and substitute teachers. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. According to 2 CFR 200.430(i)(1), these records must:

1. Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
2. This includes verification through (electronic) signatures and documentation from individuals with first-hand knowledge incorporated into official records;
   1. This required Time & Effort Policies & Procedures as required under ED’s Cost Allocation Guide
      1. Completion of time and attendance reporting
      2. Required approval cycle (for example, bi-weekly approval through payroll processing)
      3. Charging of personnel expenditure to federal awards
      4. Internal review process to ensure effective controls
3. Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
   1. Budgeted estimates do not qualify but may be used for interim accounting purposes if the estimates are reasonable, identified to related work in a timely manner, and after-the-fact review procedures are in place
4. Encompass both federally assisted and all other activities compensated by the LEA on an integrated basis; as Time & Effort reporting is “looking back” process, reported hours need to cover 100% of the employee’s time, regardless of full-time vs. part-time work status
5. Comply with the established accounting policies and practices of the LEA and
6. Support the distribution of the employee’s salary or wages among specific activities or costs objectives.
   1. According to 2 CFR 200.1 a cost objective is a program, function, or activity for which cost data are desired, for example administrative costs.
   2. Costs should be allocated to the projects based on proportional benefit, if costs benefit two or more projects

## All necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated (2 CFR 200.430(i)(1)(viii)(C).

## Example of Written Time and Effort Procedures for an LEA

All charges to payroll for personnel who work on one or more federal programs or cost objectives are based on one of the following, depending on the circumstances:

1. **Semi-annual certification:** (single cost objective 100%)
2. **Personnel Activity Reports (PARs):** (multiple cost objectives)
3. **Substitute system:** (multiple cost objectives with a predetermined, set schedule.)

### Semi-annual certification - applies to employees who do one of the following:

* Work 100% of their time on a single grant program and/or single cost objective.
* Work 100% of their time in administering one program such as a Federal Programs Director who administers only one program.
* Work 100% of their time under a single cost objective funded from eligible multiple funding sources.

These employees are not required to maintain time-and-effort records if their job description clearly shows that the employee is assigned 100% to the program or single cost objective. Each employee must certify in writing, at least semi-annually, that he/she worked solely on the program or single cost objective for the period covered by the certification. The certification is signed by the employee or by the supervisor having first-hand knowledge. Charges to the grant must be supported by these semi-annual certifications. The semi-annual certification is executed after the work has been completed, and not before. The semi-annual certifications are maintained by the Human Resources Department of the LEA.

### Examples of the LEA employees who work on a “single cost objective”

An LEA supports an elementary school teacher with local funds but pays her with Title I, Part A funds to provide after-school tutoring for low-achieving students. Although the teacher could not be paid with Title I, Part A funds to provide elementary education in general, the portion of her time spent on after-school tutoring is easily separated from her teaching position by her schedule. Accordingly, the teacher’s after-school tutoring is a single cost objective and she need only file a semiannual certification for the time she works in the after-school program supported by Title I, Part A funds.

### Personnel Activity Reports (PAR) - Time and effort report apply to employees who do one of the following:

* Do not work 100% of their time on a single grant program and/or single cost objective
* Work under multiple grant programs or multiple cost objectives

These employees are required to maintain time-and-effort records or) to account for their time under a substitute system. Employees must prepare time-and-effort summary reports monthly (recommended) to coincide with pay periods. Such reports must reflect an after-the-fact distribution of the actual time spent on each activity and must be signed by the employee. These reports are submitted monthly (recommended) to the LEA’s Payroll Department.

### Substitute System (multiple cost objectives with fixed schedule)

Only eligible employees participate in the substitute system. To qualify for this substitute system in lieu of traditional PARs, the employee must work on multiple activities or cost objectives (i.e., more than one federal grant award) based on a **predetermined, set schedule**. Most likely it is applicable to classroom teachers or instructional aides. The certification is signed by the employee or by the supervisor having first-hand knowledge. Documented employee work schedule must include sufficient controls to ensure that the schedules are accurate.

To be eligible to document time and effort under the substitute system, employees must:

* Currently, working on a schedule that includes multiple activities
* Work on specific activities or cost objectives based on a predetermined schedule; and
* Not work on multiple activities or cost objectives at the exact same time on their schedule

Employee schedules must:

* Indicate the specific activity or cost objective
* Account for the total hours
* Be certified at least semiannually and signed by the employee or a
* Any significant revisions to an employee’s established schedule must be documented
* The effective dates of any changes must be clearly indicated in the documentation provided

Federal rules require LEAs to submit a management certification form to the SDE before eligible employees participate in the substitute system. C.F.R 200.430 (5)(i). The form is included in this document.

## Reconciliation and Closeout Procedures

It is critical for payroll charges to match the actual distribution of time recorded on the monthly certification documents. Grantees may initially charge payroll costs based on budget estimates. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards, but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed.

If using budget estimates, the LEA will periodically, at least quarterly, reconcile payroll charges to the actual time and effort reflected in the employees’ time-and-effort records.

* If the difference between the actual and budgeted amounts is 10% or greater:

The LEA will adjust its accounting records at least quarterly

* If the reconciled difference is less than 10%:

The LEA will adjust the accounting records at least annually

But in both cases, the accounting records will be adjusted to reflect actual time-and-effort records.

## Employee Exits

For an employee that is separating his or her services with the LEA. The employee will complete the required paperwork and submit his or her final certification or time-and-effort report to the Human Resources Department. The HR department will verify the final paperwork as complete and notify the Business Office of completion prior to the issuance of the final paycheck.

**Examples: Time and Effort Documentation**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Type of certification (Semi-Annual) SAMPLE**  **\_X\_ Semi-annual** *(single cost objective 100%)*  **\_\_\_Personal Activity Report (PAR)** *(multiple cost objectives)*  **\_\_\_Substitute System** *(multiple cost objectives with predetermined, set schedule)*  Type of Schedule:  \_\_\_ Daily  \_\_\_Weekly  \_\_\_ Biweekly  \_\_ Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Employee and Position:  Reporting Period:   |  |  |  |  | | --- | --- | --- | --- | | **Cost Objective (program activity)** | **Fund Code -Program Function Code** | **Program** | **Distribution of Time (percentage or hours)** | | Elementary School Teacher | 251-500 | Title I-A | 100% | |  |  |  |  | |  |  |  |  |   Employee’s Signature and Date  I hereby certify this report is an accurate representation of the total activity during the period indicated.  Reviewed by supervisor: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Type of certification Personnel Activity Report (PAR) EXAMPLE**  **\_\_\_ Semi-annual** *(single cost objective 100%)*  **\_X\_ Personnel Activity Report (PAR)** *(multiple cost objectives)*  **\_\_\_Substitute System** *(multiple cost objectives with predetermined, set schedule)*  Type of Schedule:  \_\_\_Daily  \_\_\_Weekly  \_\_\_ Biweekly  \_\_\_ Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Employee and Position:  Reporting Period:   |  |  |  |  | | --- | --- | --- | --- | | **Cost Objective (program activity)** | **Fund Code -Program Function Code** | **Program** | **Distribution of Time (percentage or hours)** | | Federal Programs Director | 251-500 | Title I-A | 41% | | Federal Programs Director | 257-500 | IDEA Part B | 14% | | Programs Director | 100-500 | Non-Federal | 45% | | Total |  |  | 100% |   Employee’s Signature and Date  I hereby certify this report is an accurate representation of the total activity during the period indicated.  Reviewed by supervisor: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date |

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| **Type of certification Personnel Activity Report (Substitute) EXAMPLE**  **\_\_\_ Semi-annual** *(single cost objective 100%)*  **\_\_\_ Personnel Activity Report (PAR)** *(multiple cost objectives)*  **\_X\_\_ Substitute System** *(multiple cost objectives with predetermined, set schedule)*  Type of Schedule:  \_\_\_ Daily  \_\_\_Weekly  \_\_\_ Biweekly  \_\_ Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Employee and Position:  Reporting Period:   |  |  |  |  | | --- | --- | --- | --- | | **Cost Objective (program activity)** | **Fund Code -Program Function Code** | **Program** | **Distribution of Time (percentage or hours)** | | Instructional Assistant | 251-500 | Title I-A | 50% | | Instructional Assistant | 257-500 | IDEA Part B | 25% | | Instructional Assistant | 100-500 | Non-Federal | 25% | | Total |  |  | 100% |   Employee’s Signature and Date  I hereby certify this report is an accurate representation of the total activity during the period indicated.  Reviewed by supervisor: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date |

### Attachments (for substitute systems only)

EXAMPLE

**2021-2022 SCHOOL YEAR SCHEDULE**

Employee: Jane Doe

Position: Instructional Assistant

School: Lincoln Elementary

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Monday** | **Tuesday** | **Wednesday** | **Thursday** | **Friday** |
| *8:00-8:30*  Consult with staff regarding Title I students/curriculum | *8:00-8:30*  Consult with staff regarding Title I students/curriculum | *8:00-8:30*  Consult with staff regarding Title I students/curriculum | *8:00-8:30*  Consult with staff regarding Title I students/curriculum | *8:00-8:30*  Consult with staff regarding Title I students/curriculum |
| *8:30-8:45*  Break | *8:30-8:45*  Break | *8:30-8:45*  Break | *8:30-8:45*  Break | *8:30-8:45*  Break |
| *8:45-9:15*  Special ed. support | *8:45-9:15*  Special ed. support | *8:45-9:15*  Special ed. support | *8:45-9:15*  Special ed. support | *8:45-9:15*  Special ed. support |
| *9:15-10:00*  Small group reading | *9:15-10:00*  Small group reading | *9:15-10:00*  Small group reading | *9:15-10:00*  Small group reading | *9:15-10:00*  Small group reading |
| *10:00-10:30*  Small group math | *10:00-11:00*  2nd-grade Title I reading/math | *10:00-10:30*  Small group math | *10:00-11:00*  2nd-grade Title I reading/math | *10:00-10:30*  Small group math |
| *10:30-11:00*  2nd-grade Title I reading/math | *10:30-11:00*  2nd-grade Title I reading/math | *10:30-11:00*  2nd-grade Title I reading/math |
| *11:00-11:30*  Lunch Break | *11:00-11:30*  Lunch Break | *11:00-11:30*  Lunch Break | *11:00-11:30*  Lunch Break | *11:00-11:30*  Lunch Break |
| *11:30-11:45*  Individual special ed. student catch-up | *11:30-11:45*  Individual special ed. student catch-up | *11:30-11:45*  Individual special ed. student catch-up | *11:30-11:45*  Individual special ed. student catch-up | *11:30-11:45*  Individual special ed. student catch-up |
| *11:45-12:35*  Small group math | *11:45-12:35*  Small group math | *11:45-12:35*  Small group math | *11:45-12:35*  Small group math | *11:45-12:35*  Small group math |
| *12:35-1:05*  Small group writing | *12:35-1:05*  Small group writing | *12:35-1:05*  Small group writing | *12:35-1:05*  Small group writing | *12:35-1:05*  Small group writing |
| *1:05-1:20*  Break | *1:05-1:20*  Break | *1:05-1:20*  Break | *1:05-1:20*  Break | *1:05-1:20*  Break |
| *1:20-1:40*  Title I prep | *1:20-1:40*  Title I prep | *1:20-1:40*  Title I prep | *1:20-1:40*  Title I prep | *1:20-1:40*  Title I prep |
| *1:40-2:30*  First-grade Title I reading/math | *1:40-2:30*  First-grade Title I reading/math | *1:40-2:30*  First-grade Title I reading/math | *1:40-2:30*  First-grade Title I reading/math | *1:40-2:30*  First-grade Title I reading/math |
| *2:30-3:30*  Title I lesson planning and student learning plan follow-up | *2:30-3:00*  Title I lesson planning | *2:30-3:30*  Title I lesson planning and student learning plan follow-up | *2:30-3:00*  Title I lesson planning | *2:30-3:30*  Title I lesson planning and student learning plan follow-up |
| *3:00-3:30*  Bus duty | *3:00-3:30*  Bus duty |

| Example: LEA MANAGEMENT CERTIFICATION (for substitute system) LEA Name & #:  State educational agencies (SEAs) are authorized to approve local educational agencies (LEAs) to use a substitute system for time-and-effort reporting in accordance with the following guidelines. In permitting an LEA to use the substitute system, the SEA must obtain from the LEA a management certification certifying that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate. Complete the form below and email this form to ESSAandSPED@sde.idaho.gov.  System Guidelines   1. To be eligible to document time and effort under the substitute system, employees must:    1. Currently, working on a schedule that includes multiple activities or cost objectives that must be supported by monthly personnel activity reports;    2. Work on specific activities or cost objectives based on a predetermined schedule; and    3. Not work on multiple activities or cost objectives at the exact same time on their schedule. 2. Under the substitute system, **in lieu of personnel activity reports**, eligible employees may support the distribution of their salaries and wages through documentation of an established work schedule that meets the standards under section (3). An acceptable work schedule may be in a style and format already used by an LEA. 3. Employee schedules must: 4. Indicate the specific activity or cost objective that the employee worked on for each segment of the employee’s schedule; 5. Account for the total hours for which each employee is compensated during the period reflected on the employee’s schedule; and 6. Be certified at least semiannually and signed by the employee and a supervisory official having firsthand knowledge of the work performed by the employee. 7. Any revisions to an employee’s established schedule that continue for a prolonged period must be documented and certified in accordance with the requirements in section (3). The effective dates of any changes must be clearly indicated in the documentation provided. 8. Any significant deviations from an employee’s established schedule, that require the employee to work on multiple activities or cost objectives at the exact same time, including but not limited to lengthy, unanticipated schedule changes, must be documented by the employee using a personnel activity report that covers the period during which the deviations occurred.   The LEA discloses the following known deficiencies with the system or known challenges with implementing the substitute system (if applicable):  I certify that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate.  Superintendent/Authorized Signature and Date:  Printed Name:  Applicable School Year: |
| --- |