

Notes: New

Recommendation: Accept as written

TIME AND EFFORT REPORTING PROCEDURES

Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages must be supported by semi-annual certifications that the employees worked solely on that program for the period covered by the certification. These semi-annual certifications must be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.

Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation unless a statistical sampling system or other substitute system has been approved by the Federal agency granting the funds. Such documentary support is required where employees work on:

- More than one federal award,
- A federal award and a non-federal award,
- An indirect cost activity and a direct cost activity
- Two or more indirect activities which are allocated using different allocation bases, or
- An unallowable activity and a direct or indirect cost activity.

Personnel activity reports (PAR) or equivalent documentation must meet the following standards:

- Reflect an after-the-fact distribution of the actual activity of each employee,
- Account for the total activity for which each employee is compensated,
- Be prepared at least monthly and must coincide with one or more pay periods, and
- Be signed by the employee.

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 following is met:

- The system utilized for establishing the estimate produces reasonable approximations of the activity actually performed;
- At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and

- The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

Time and effort documentation must be maintained for stipends, supplemental contracts, and/or extra duty hours. Such documentation may include:

- Sign-in/attendance logs for extra hour pay related to a single cost objective.
- A signed supplemental contract that stipulates a specific single cost objective duty/assignment.
- A stipend for performing a specific single cost objective responsibility, so long as the employee signs either the stipend or an after-the-fact certification of performance.
- Multiple cost objective supplemental contracts/stipends must be supported by time and effort reports documenting actual time spent on each objective.

DEFINITIONS

Documentation

Timesheets and any other documentation that supports the transaction.

Effort

Actual amount of time spent by an employee on a sponsored project. Effort is expressed as a percentage of the total amount of time spent on work-related activities for which the employee is compensated. It is not defined as percentage of a 40-hour workweek or any other standard workweek since the number of hours each week may vary. All effort must equal 100%.

Effort Reporting

The method of certifying to the granting agencies that the effort required as a condition of the award has actually been completed and that salaries and wages charged to each sponsored agreement are reasonable in relation to the actual work performed.

OMB Circular

A circular published by the federal Office of Management and Budget (OMB).

Personnel Activity Reports (PAR) or Equivalent Documentation

Documentation that meets specific federal standards.

Sponsored Program/Project

An externally-funded activity that is separately budgeted and accounted for and governed by specific terms and conditions of the sponsoring organization. A sponsored program may be in the form of grants, contracts, or cooperative agreements for research, instruction, and public service activities.

Single Cost Objective

A single work activity may be funded by one or more funding sources. Single cost objectives include a single federal grant award or a combination of federal special education and state special education program funds.



LEGAL REFERENCE:

OMB A-21 Revised 05/10/04, Cost Principles for Educational Institutions

http://www.whitehouse.gov/omb/circulars_a021_2004

OMB A-87 Revised, Cost Principles for State, Local, and Indian Tribal Governments

http://www.whitehouse.gov/omb/circulars_a087_2004/

Time and Effort Reporting Frequently Asked Questions, Idaho State Department of Education

http://www.sde.idaho.gov/site/nclb/program_monitoring_docs/TimeEffortFAQs.pdf

ADOPTED:

AMENDED:

**Language in text set forth in italics is optional.*