SCDE
Time and Effort Reporting

Why Does Time and Effort Continue to be an Audit Problem?

- Large percent of federal education funds used for staffing.
- Staff turnover.
- Decentralized responsibilities.
- Lack of adequate communication between program and fiscal staff.
- Complexity of applying requirements to variety of situations.
- People don't like it!

Strengthen Internal Controls

Time and Effort Reporting Requirements

2 CFR Part 200.430 Compensation–personal services

(i) Standards for Documentation of Personnel Expenses

(1) Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed.

Time Tracking: What is required?

- *After the fact* determination of the actual activity of the employee
- Report on *total* activities of employees

Example of Time and Effort Reporting

% of effort paid by Federal Grant **+** % of effort paid by non-Federal Sources **=** **100%** Effort Reported

Cost Objective

a program, function, activity, award, organizational subdivision, contract, or work unit of which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc.

2 CFR Part 200.28

Types of Records

- Semi-annual certification — employee with 100% time on one federal grant
- Blanket semi-annual certification — more than one employee at 100% of time on same single federal grant
- Personnel Activity Report (PAR) — employee with time on more than one federal grant or federal and non-federal funds.

Semi-annual Certification

Employee with work funded 100% by single cost objective or federal grant award.

<u>Must</u>

- be completed at least every 6 months (2x/year)
- be signed by employee (or supervisor with direct knowledge of work being performed)
- be after-the-fact distribution of actual activity
- account for 100% of employee's activity.

Personnel Activity Report (PAR)

Employee is funded partially on one (1) or more grant cost objective(s)

<u>Must</u>

- be completed monthly and coincide with pay periods (track time every two weeks)
- be supported by records (desk calendars, written records of activity for each day/week)
- be signed by employee
- be after-the-fact distribution of actual activity
- account for 100% of employee’s activity.

New Guidance

- Time and Effort Standards
- Time and Effort Procedures
- Reconciliation Procedures

Time and Effort Standards

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
- Encompass both federally-assisted and all other activities compensated by the agency on an integrated basis;
- Comply with the established accounting policies and practices of the agency; and
- Support the distribution of the employee’s salary or wages among specific activities or cost objectives.

Time and Effort Procedures

From Payroll Report to Certification

- All employees whose work is funded fully (100%) by a single cost objective or grant award must complete a semi-annual certification. The semi-annual certification must be:
- Completed at least every six (6) months (twice a year);
- Be signed by the employee or the supervisor with direct knowledge of the work being performed;
- Reflect an after-the-fact distribution of the actual activity; and
- Account for the total activity for which each employee is compensated

Time and Effort Procedures

From Payroll Report to Certification

- All employees who work on multiple cost objectives must complete PARs that support the distribution of their salaries/wages that meet the following standards:
- Reflect an after-the-fact distribution of the actual activity, not a budget estimate;
- Account for the total work activity for which each employee is compensated;
- Be prepared at least monthly (a separate PAR for each month) and coincide with one (1) or more pay periods; and
- Be signed by the employee.

Reconciliation Procedures

- Payroll charges to match the actual distribution of time recorded on the monthly certification documents.
- Federal program office must have a system of internal controls to review after-the-fact interim charges made to a federal award based on budget estimates.
- All necessary adjustments must be made such that the final amount charged to the federal award is accurate, allowable, and properly allocated.

Reconciliation Procedures

- Reconcile actual costs to budgeted distributions
- Conduct semi-annual reconciliations of Semi-Annual Certification forms and quarterly reconciliations of PAR forms with budgeted distributions.
- This will include review of form ratios versus budgeted distributions after each review.

What Form?

- Payroll Report (1018 Report)
- Blanket Certification
- Single Certification
- PAR

Employee Group Text	OrgUnit Name	Position Title	Cost Center	Fund	Functional Are	Grant	Percentag
NON-EMPLOYEE	Teacher Advancement Program (TAP)	PROGRAM MANAGER II-NON EE					0
NON-EMPLOYEE	FIRST STEPS/FINANCE AND OPERATIONS -B	FISCAL TECHNICIAN I					0
CLASSIFIED FTE	School Improvement and Choice	EDUCATION ASSOCIATE	H630VC0010	50550000	H630_K215	H63010003715	100
CLASSIFIED FTE	ASSESSMENT	EDUCATION ASSOCIATE	H630VB0010	50380000	H630_0626	H63010006114	100
TEMPORARY	ASSESSMENT	EDUCATION ASSOCIATE - DUAL	H630VB0010	50550000	H630_0619	H63010006617	100
TEMPORARY	ASSESSMENT TEST DEVELOPMENT	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006617	100
CLASSIFIED FTE	ASSESSMENT TEST ADMINISTRATION	PROGRAM COORDINATOR II	H630VB0010	50550000	H630_0619	H63010006618	25
CLASSIFIED FTE	ASSESSMENT TEST ADMINISTRATION	Education Associate	H630VB0010	50550000	H630_0619	H63010006618	50
CLASSIFIED FTE	ASSESSMENT TEST ADMINISTRATION	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	50
CLASSIFIED FTE	ASSESSMENT PSYCHOMETRIC	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	50
CLASSIFIED FTE	ASSESSMENT PSYCHOMETRIC	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	50
CLASSIFIED FTE	ASSESSMENT PSYCHOMETRIC	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	50
CLASSIFIED FTE	ASSESSMENT TEST DEVELOPMENT	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	60
CLASSIFIED FTE	ASSESSMENT TEST ADMINISTRATION	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	70
CLASSIFIED FTE	ASSESSMENT TEST ADMINISTRATION	ADMINISTRATIVE SPECIALIST II	H630VB0010	50550000	H630_0619	H63010006618	100
CLASSIFIED FTE	ASSESSMENT TEST DEVELOPMENT	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	100
CLASSIFIED FTE	ASSESSMENT TEST DEVELOPMENT	EDUCATION ASSOCIATE	H630VB0010	50550000	H630_0619	H63010006618	100
TEMPORARY GRANT	DATA STORAGE	FO SYSTEMS/BUSINESS ANALYS	H630VD0010	50550000	H630_0619	H63010006618	100
TEMPORARY GRANT	DATA STORAGE	DATABASE ADMINISTRATOR II	H630VD0010	50550000	H630_0619	H63010006618	100
TEMPORARY GRANT	DATA STORAGE	DATABASE ADMINISTRATOR II	H630VD0010	50550000	H630_0619	H63010006618	100
CLASSIFIED FTE	FEDERAL & STATE ACCOUNTABILITY TITLE I B	EDUCATION ASSOCIATE	H630VA0010	50550000	H630_0618	H63010006717	50
CLASSIFIED FTE	FINANCE GRANTS ACCOUNTING	ACCOUNTANT/FISCAL ANALYST II	H630LA0010	50550000	H630_0034	H63010006816	50

Payroll Report (1018 Report)

Blanket Certification

South Carolina Department of Education
Division of Innovation and Effectiveness
Office of Special Education Services

Semi-Annual Certification for Salaries & Wages Charged to Federal Grants

Grant Title:	Special Education–Grants to States
Grant Number:	H63010100918
Funding Source:	U.S. Department of Education
Supervisor:	Rebecca Davis

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. (2 C.F.R. § 200.430(i)(1)) Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed.

I understand that the positions(s) filled by the following employees are supported entirely by funds from the federal award listed above. I certify that 100% of the job duties of the employee(s) were related to activities in compliance with this grant award during the period from January 1, 2018, through June 30, 2018.

The information recorded on this form is true and correct to the best of my knowledge.

Employee Name	Position Title	Funding %

Supervisor Signature* Date

*Must be signed by a supervisor official having firsthand knowledge of the work performed by the employee.

Single Certification

South Carolina Department of Education
Division of College and Career Readiness
Office of Special Education Services

Semi-Annual Certification for Salaries & Wages Charged to Grants

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. (2 C.F.R. § 200.430(i)(1)) Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed.

This is to certify that ____ has worked 100% of his/her time for the period of January 1, 2018, to June 30, 2018, on the Special Education–Grants to States grant program.

The information recorded on this form is true and correct to the best of my knowledge.

____
Signature of Employee

____
Printed Name of Employee

____
Date

____
Signature of Supervisor

____
Printed Name of Supervisor

____
Date

Sample PAR

Holly Hadden | **Title** Office of General Counsel | **Month** July | **Year** 2018

Name First/Last

Signature | **Supervisor's Initial**

DIRECT TIME	**Account for all time worked per day.**																	**(Minimum of 1/4 hour increments)**															**TOTAL**	**TOTAL**
PROGRAM NAME	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	**HOURS**	**%**
IDEA Title I Funded		2.0	2.0		0.0	2.0			0.0	4.0	1.5	0.0	0.0			7.0	7.0	7.5	6.5	0.0			3.0	3.0	3.5	1.5	0.0			2.0	0.0	52.5	33.33%
																																	0.00%
Insert other funding																																	0.00%
source(s) below:																																	0.00%
General Funds		5.5	5.5		7.5	5.5			7.5	3.5	6.0	7.5	7.5			0.5	0.5	0.0	1.0	7.5			4.5	4.5	4.0	6.0	7.5			5.5	7.5	105.0	66.67%
																																0.0	0.00%
																																	0.00%
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																																	0.00%
																																	0.00%
																																	0.00%
SUBTOTAL	0.0	7.5	7.5	0.0	7.5	7.5	0.0	0.0	7.5	7.5	7.5	7.5	7.5	0.0	0.0	7.5	7.5	7.5	7.5	7.5	0.0	0.0	7.5	7.5	7.5	7.5	7.5	0.0	0.0	7.5	7.5	157.5	100.00%
INDIRECT TIME																																	
Sick Leave																																0.0	#DIV/0!
Holiday																																0.0	#DIV/0!
Annual Leave																																0.0	#DIV/0!
Prof. Development																																0.0	#DIV/0!
Other (Describe)																																0.0	#DIV/0!
SUBTOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00%
GRAND TOTALS	0.0	7.5	7.5	0.0	7.5	7.5	0.0	0.0	7.5	7.5	7.5	7.5	7.5	0.0	0.0	7.5	7.5	7.5	7.5	7.5	0.0	0.0	7.5	7.5	7.5	7.5	7.5	0.0	0.0	7.5	7.5	157.5	100.00%

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. (2 CFR 200.430-431)

Time must be documented in hours, not percent.

This form is to be completed only by staff that are "split-funded": partially funded through a federal grant award and partially funded through another funding source (such as general funds, another federal grant such as special education funds or Title III, etc.)

Don’t do this

DIRECT TIME						Account for all time worked per day.													(Minimum of 1/4 hour increments)													TOTAL	TOTAL
PROGRAM NAME	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	HOURS	%
Title I Funded	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	62.0	26.67%
																																	0.00%
Insert other funding																																	0.00%
source(s) below:																																	0.00%
General Funds	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	93.0	40.00%
Special Education	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	15.5	6.67%
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																																	0.00%
																																	0.00%
																																	0.00%
SUBTOTAL	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	170.5	73.33%
INDIRECT TIME																																	
Sick Leave	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	62.0	100.00%
Holiday																																	0.00%
Annual Leave																																	0.00%
Prof. Development																																	0.00%
Other (Describe)																																	0.00%
SUBTOTAL	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	62.0	26.67%
GRAND TOTALS	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	232.5	100.00%

Dates to Remember

- Time and Effort Collection Periods
  - January through June, due to Finance by 7/31
  - July through December, due to Finance by 1/31

- Time and Effort Materials and Guidance

https://ed.sc.gov/finance/grants-accounting/

Questions?