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EMPLOYEE TIME AND EFFORT REPORTING PROCEDURE

1. PURPOSE

The purpose of this procedure is to ensure Timberlane Regional School District is in compliance with 2 CFR 200.430 related to federally funded employees. Compliance with 2 CFR 200.430 can be assured by following the procedures described herein.

2. STATUTORY REQUIREMENT

2 CFR 200.430 reads as follows;

“Any employee funded by federal grants must maintain documentation showing that their time is allocable to a federal program.” The difference between single and multiple cost objectives is determined by how an employee’s time is spent working, not how the employee is funded.

A. Single Cost Objective Employees

1. Employees whose salaries are funded under a single federal grant cost objective are required to report their time and effort through periodic (semiannual January 1-June 30 and July 1 – December 31) certifications.

a) Semiannual certifications are due 30 days from the end of the period.

i. January 1-June 30 semiannual certifications are due no later than July 30.

ii. July 1-December 31 semiannual certifications are due no later than January 30.

2. The key to determining whether an employee is working on a single cost objective is whether the employee’s salary and wages can be supported in full from the federal grant alone, or if the employee’s salary is also paid with non-federal funds. If the employee’s duties could be paid in full from the federal source, then the employee has a single cost objective.

3. The reporting requirements for the semiannual certification are as follows:

- The employer’s name
- The employee’s name and position
- The name of the federal program and cost objective under which the employee was 100% funded
- The reporting period (semiannual, at minimum)
- A statement reporting the employee worked solely on that program for the period covered by the certification

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- The dated signature of the employee and supervisor with firsthand knowledge of the employee’s activities
4. In addition, the certification must meet the following requirements:
- Must be completed once in each six-month period
 - Must be prepared after the work is performed
 - Must account for total activity performed during the reporting period

B. Multiple Cost Objective Employees

1. Employees who work on multiple activities or cost objectives are required to maintain monthly personnel activity reports (PARs) to support the distribution of their salaries or wages.
2. The key to determining whether an employee is a multiple cost objective employee is whether the employee’s salary and wages are paid by more than one federal award program, by more than one set-aside (i.e. administrative and state-level/leadership set-asides) within one federal award program, or by federal award program(s) and non-federal programs.
3. The PAR reporting requirements are as follows:
 - The employer’s name
 - The employee’s name and position
 - A certification statement certifying the distribution of time and effort is correct
 - The dated signature of the employee and supervisor with firsthand knowledge of the employee’s activities
4. In addition, the PAR must meet the following requirements:
 - Must be prepared after the work is performed
 - Must account for total activity for which the employee is compensated
 - Must be prepared to coincide with each pay period
 - Must agree with supporting documentation

3. TIME AND EFFORT REPORTING REQUIREMENTS

A. Exiting Employees

1. When an employee is preparing to exit the district or their current position in the district, the employee must submit a final signed and dated PAR, in paper, to their supervisor the day they exit.

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2. If an employee exits the district and did not complete a final PAR or semiannual certification, the supervisor with firsthand knowledge of the employees work may sign for that former employee.
3. The supervisor must maintain a final summary PAR for the exiting employee for three years. This may be in paper or electronic format (distinctly labeled).

B. Semi-Annual Certification

1. Employees that are funded by a single cost objective are required to complete, sign and date the semi-annual certification.
2. The semi-annual certification must be completed per #2. A. above.

C. Personal Activity Report (PAR)

1. The Business Office will provide a PAR excel spreadsheet to each department that has employees whom work on multiple cost objectives and paid by multiple sources.
7. If an employee is requested to work on any tasks to which they question if the activity can be attributed (is allowable) to a cost objective they are currently split into, they must obtain prior permission from the department director.
8. These spreadsheets are to be completed "after the fact" (after the work has been completed). Once an employee has entered in the required information for the pay period, the employee will sign and date the sheet and give it to their supervisor to sign and date. A supervisor's signature indicates agreement that the time documented by the employee is accurate to the best of their knowledge.
9. Once the PAR is fully executed with signatures, they are to be filed in the correct pay period folder in the shared drive.
10. The supervisor will maintain a copy of the PAR in a file that is distinctly labeled.

4. RECORD RETENTION

2 CFR 200.333 States that "financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient." Timberlane Regional School District shall retain the signed and dated PARs in a secure location for a minimum of three years from the date the grant/award ended.

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5. COMPLIANCE MONITORING

- A. A supervisor is required to review the semiannual certification or PAR reports of all their employees each pay period. If an employee is recording a 5% or greater split of time in one or more cost objectives than has been allocated to them, the supervisor must inform the Director or Administrator. The supervisor must present why this discrepancy in time and effort is occurring. It is expected that some activities will be greater in time and effort during some parts of the year than others. A discrepancy in time and effort may have a legitimate reason for occurring; however, the supervisor is expected to have knowledge of that reason.
- B. The District Directors and/or Administrators will request Summary pages in December and June each year and shall work with the Business Office to “true-up” any discrepancies in the allocations of splits.
- C. The District will periodically review the PARs to ensure they are being completed properly and on a timely basis. Should the District find that this procedure is not being properly followed, the appropriate Director/Administrator will be contacted and informed of any required corrective actions.

6. REFERENCES

- 2 CFR 200.430
- 2 CFR 200.333

7. DEFINITIONS

Matching/Cost Sharing- means a portion of the project or program costs not borne by the federal government, and therefore covered by some other source. Although the two terms are often used interchangeably, the term matching is actually a specific type of cost sharing, typically used when a sponsor requires the grantee to "match" the sponsor funding according to a specified ratio.

Cost Objective- A program, function, activity, award, organizational subdivision, contract, or work unit for which cost data is desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. A cost objective may be a major function of the non-Federal entity, a particular service or project, a Federal award, or an indirect (Facilities & Administrative (F&A) cost activity, as described in 2 CFR 200, Subpart E-Cost Principles.