

## REPORTING FEDERAL TIME AND EFFORT POLICY AND PROCEDURES

*(approved by the PSCS Board of Trustees 2/12/18, revised 4/16/18)*

**Purpose:** The purpose of this policy is for compliance with Federal ESEA and IDEA Rules and Regulations. As a recipient of federal funds, Pioneer Springs Community School District must comply with the Office of Management and Budget (OMB) Circular A-87, General Principles for Determining Allowable Costs. Attachment A, Paragraph C.1. requires certification of effort to document salary and wage expenses charged directly against federally-funded programs. Paragraph C.1. states, “To be allowable under federal awards, costs must...be adequately documented.” Pioneer Springs Community School time and effort reporting policies and procedures are intended to meet this requirement.

For the purposes of this policy, **Effort** is defined as the amount of time spent on a particular activity. It includes the time spent working on a sponsored project in which salary is directly charged or contributed (cost-shared effort). **Individual effort** is expressed as a percentage of the total amount of time spent on work-related activities for which the school compensates an individual. Effort reports must be performed on a regular schedule and must be certified by either the employee or employee’s direct supervisor, individuals who have first-hand knowledge of 100 percent of the employee’s compensated activities.

### **Policy Statement:**

1. Time and effort reporting shall reasonably reflect the percentage distribution of effort expended by PSCS employees involved in federally funded programs, grants and/or contracts, and shall be incorporated into the records for the school district. These records shall reasonably reflect the activity for which the employee is compensated and shall encompass all activities on an integrated basis.
2. Employees who are compensated in whole or in part from a federally funded program (Title I, II-A, III, Spec. Ed., etc.) and operate under a single cost objective are required to complete semi-annual certifications. Employees who are compensated in whole or in part from federal funds and operate under multiple cost objectives are required to complete a time and effort Personnel Activity Report for each month.
3. PSCS uses an “after-the-fact effort” reporting system. This indicates that the distribution of salaries will be supported by PARs and Semi-Annual Certification reports signed by the staff member and the direct supervisor after the completion of the report period.
4. The Business Office/ Finance Manager is responsible for the identification of, distribution, collection, and retention of all employee time and effort reports relative to federal funding.

5. The Time and Effort report must represent, in percentages totaling the agreed upon contractual amounts, the total activity for which each employee is compensated.

6. Semi-Annual Report: An employee who has a **single cost objective** has a position that is dedicated to a singular purpose. For instance, a special education teacher is considered to have a single cost objective because the teacher works only with special education. An employee who has a single cost objective will complete semi-annual certifications after the July through December pay cycle, and the January through June pay cycle. A semi-annual certification is a sign-off by the employee and the supervisor with first-hand knowledge of the employee's work after the work has been completed.

The semi-annual certification will identify:

- Employer's Name
- Employee's Name
- Federal Program
- Reporting Period
- Employee's Position
- Employee's and direct supervisor's *dated* signature

7. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports (PARS) or equivalent documentation.

8. PAR or equivalent documentation must: (1) reflect an after-the-fact distribution of the actual activity of each employee, (2) must account for the total activity for which each employee is compensated, (3) must be prepared at least monthly and must coincide with one or more pay periods, and (4) must be signed by the employee and direct supervisor. The PAR must be supported with documentation of actual effort, not estimates. Supporting documentation could be, but is not limited to, a work calendar, work project, time log, or class schedule.

The required information that must be on the PAR is:

- Employer's Name
- Employee's Name and Position
- Federal Program/ Cost Objective
- Reporting Period, including the date and month
- Number of Hours Worked per Week
- Total number of hours worked on each cost objective
- Percent allocation spent on each cost objective
- Month percent allocation/
- Effort Statement of 100% of Work Activities
- Employee's and direct supervisor's signature

**Procedures:**

1. When PSCS assigns staff to a federal program and budget, the Business Office will prepare a projected distribution of effort for the duration of the school year.
2. Based on the projected distribution of effort throughout the school year, the frequency of reporting required (semi-annual or PAR-monthly) will be determined by the ESEA/ IDEA Coordinator and School Administrator. This reporting schedule will be communicated to the Business Office.
3. Based on the predetermined frequency, the Business Office shall provide a blank time and effort report to each employee working on a federal program on the last working day of the month for which the report is required.
4. Each employee receiving this report shall complete the report with the actual percentage of effort for the given time period. S/he will sign the effort report to verify and obtain the direct supervisor's signature.
5. Supporting Evidence: Each time and effort report shall be accompanied with documentation that provides evidence of effort throughout the time period of the report (i.e. schedule of time applied toward activities and efforts throughout the month).
6. Verification: All employees must sign their own individual effort reports. In addition, the direct administrator must review, verify and sign all effort reports.
7. The time and effort reports must be returned to the Business Office by the 10th of each month.
8. Any salary reallocations or adjustments resulting from time and effort reports will be made as determined between the Business Office and the District Administrator. Immediate adjustments must be made if comparisons of actual costs to budgeted distributions exceed 10%; annual adjustments will be permitted if less than 10%.
9. Changes: Evidence of salary reallocations (Budget revisions) must accompany a modified effort report.