

Internal Policies and Procedures of the Utah State Board of Education
Policy # 03-03
Subject: Time and Effort Reporting
Effective Date: 06/8/2019 Revision Date(s):
Purpose: To provide guidance to Utah State Board of Education (USBE) staff so that rules and regulations pertaining to time and effort reporting are understood and consistently applied. To establish policies and procedures that will help provide a reasonable assurance that personnel charges are accurate, allowable, and properly allocated.
Policy: Time and effort records are required to be kept and reported for all employees whose salaries are: <ol style="list-style-type: none"> 1. Paid in whole or in part with federal funds 2 CFR 200.430(g); and/or 2. Used to meet matching or cost sharing requirements on federal awards 2 CFR 200.430(g)(4)
References: Code of Federal Regulations Title 2 Subtitle A Chapter II Part 200 Subpart A §200.430(i)(1) Code of Federal Regulations Title 2 Subtitle A Chapter II Part 200 Subpart A §200.430(i)(4) Code of Federal Regulations Title 2 Subtitle A Chapter II Part 200 Subpart A §200.336 Office of Management and Budget Circular A-21 Office of Management and Budget Circular A-87

Guidance, Procedures, and Definitions

I. Previous vs. Current Guidance Related to Time and Effort Reporting

- a.** The Office of Management and Budget (OMB) Circulars A-21 and A-87 provided guidance on time and effort reporting prior to the passage of Uniform Grant Guidance (UGG). In several ways, the OMB Circulars were more prescriptive than the UGG. They specified what reports were required (Semi-Annual Certifications, Personnel Activity Reports), how often reports were to be submitted (Semi-Annually, Monthly), and who should review and sign the documentation (Employee, Principal Investigator/Project Director), etc. In essence, previous guidance stated what needed to be done, and how it should be done in order to comply with time and effort reporting requirements.

- b.** The new UGG provides more flexibility in terms of how time and effort is reported. It outlines that the USBE will define and develop sound internal controls that, once implemented, will allow the USBE to state it has a reasonable level of assurance that personnel costs are accurate, allowable, and properly allocated. Elements of the previous guidance can still be used to meet current requirements and to help with

the creation and demonstration of a sound system of internal control. For example, just because Personnel Activity Reports (PARs) are not defined or required in the UGG, it doesn't mean that USBE cannot use or require PARs, or elements of previously required PARs, to document personnel expenses if it is deemed a necessary control activity in USBE's system of internal control.

II. Uniform Grant Guidance Requirements

- a. Charges to federal awards for salaries and wages **MUST be based on records that accurately reflect the work performed - *Standards for Documentation of Personnel Expenses* 2 CFR 200.430(g)(1)**. These records **MUST**:
 - i. Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
 - ii. Be incorporated into the official records of USBE;
 - iii. Reasonably reflect the **total activity** for which the employee is compensated, not exceeding 100% of compensated activities;
 - iv. Encompass **both** federally assisted, and all other activities compensated by the USBE;
 - v. Comply with the established accounting policies and practices of the USBE;
 - vi. Support the distribution of the employee's salary or wages among specific activities or program codes;
 1. If the employee works on more than one federal award; a federal award and 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.
 - vii. Not be based on budget estimates alone.
- b. Time and effort must be documented for employees only. **Contractors do not need to document time and effort.** See [Appendix 1](#) for additional guidance.

III. USBE Requirements

- a. **Semi-Annual Certifications**
 - i. Will be completed by USBE employees at least every six months if one or more of the following apply:
 1. Employee works 100% of their time on a single federal grant program and/or single program code; or
 2. Employee works 100% of their time administering one program (i.e., Federal Programs Director who administers only one program); or
 3. Employee works 100% of their time under a single program code funded from multiple eligible funding sources.

- ii. The attached (or similar) semi-annual certification form must be used. *See Appendix 1.* The form used should be used agency-wide for consistency and comparability.
- iii. The certification must be signed by the employee and their supervisor, having first-hand knowledge of their work and responsibilities.
- iv. The semi-annual certification is executed after the work has been completed, and not before.
- v. The semi-annual certification must be filled out, signed, and submitted to Financial Operations staff no later than 15 days after the end of the six-month period.
- vi. The semi-annual certifications will be maintained by Financial Operations staff in accordance with approved record retention requirements. Access to records will be granted in accordance to [2CFR 200.336](#).

b. Semi-Monthly Time and Effort Reporting

- i. Semi-Monthly reporting will apply to employees that work on multiple federal grant programs or whose work is tied to multiple program codes.
- ii. The USBE time keeping system, ESS, will be used to track time and effort for these employees. Employees will code time to program codes based on actual hours worked on each program during the period.
- iii. The time and effort must be certified electronically by the employee and their supervisor, having first-hand knowledge of their work and responsibilities.
- iv. The time and effort must be reported and certified after the work has been completed, and not before.
- v. The recording of semi-monthly time and effort must account for 100% of the activity for which the employee is compensated.
- vi. Semi-monthly time and effort reporting will coincide with one or more pay periods.
- vii. Reporting and timekeeping must agree with any supporting documentation.
- viii. The semi-monthly time and effort reporting must be certified no later than 10 days after the end of the pay period.
- ix. The semi-monthly certifications will be maintained in ESS and will be accessible to the Financial Operations staff. Records must be kept in accordance with approved record retention requirements. Access to records will be granted in accordance with [2CFR 200.336](#).

IV. For non-exempt employees compensated with grant funds (state or federal), overtime is not allowed without prior authorization.

V. Reconciliation and Review of Payroll and Time-Effort Reports

- a. It is critical for payroll charges to match the actual distribution of time recorded on the time and effort documents. USBE personnel will review time and effort documentation and reporting and compare it to payroll reports on a quarterly basis.

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- b. Program Managers and/or Supervisors should review budgets, including salaries and benefits of staff, to ensure programs and staff are not exceeding their budgets.
- c. If time and effort needs to be adjusted, then it is the responsibility of the employee to inform their supervisor. If the supervisor agrees that time and effort needs to be adjusted to accurately reflect how time is actually being spent, then it is the supervisors responsibility to inform the budget officer for the program so that necessary budget adjustments can be made.
- d. Program Managers and/or Supervisors should regularly review budgets, including salaries and benefits of staff, to ensure programs and staff are not exceeding their budgets.

VI. Change in Employee Assignment and Responsibilities

- a. If an employee's assignment or responsibilities change, leading to a change in their payroll funding source(s), then the employee's supervisor must document, approve, and then report the change to USBE Financial Operations staff as soon as the change is effective.

VII. Employee Separation from USBE

- a. When an employee is separating his or her services with the USBE, the employee will complete the required paperwork and submit their final certification or semi-monthly time and effort report to the USBE Payroll Department. Financial Operations Staff will review and verify the final paperwork and reporting prior to the issuance of the final payment.

APPENDIX 1

Determining if Personnel Are Employees or Contractors

Is he/she an employee?		
Yes		No
Is he/she paid with federal funds?		I don't Know
		No T&E* Required
Yes	No	Ask Payroll
T&E Required	Salary used for Match?	
	No	Yes
	No T&E Required	T&E Required

*** T&E = Time and Effort**

APPENDIX 2

Semi-Annual Time Certification

Period Start Date: 7/1/2019 Period End Date: 12/31/2019 FY: 20

Employee Name: Jane Doe Agency: USB E

Employee Number: _____ Dept: 1234

Supervisor Name: John Doe

Major Program (CFDA): 84.027 Charge Percentage: 100%

Grant Name: IDEA-School Age Cost Object: XXXXXXXX

I certify that 100% of my time was spent working on the above grant program or cost objective.

Employee Signature: _____ Date: 12/30/2019

Error: Can't be before
Period End Date

Supervisor Signature: _____ Date: 12/31/2019

OK

Comments: