

## **TIME AND EFFORT REPORTS**

Employees that are paid with federal funds from single or multiple funding sources are required to document their time and effort by maintaining Time and Effort Reports at the time services are performed.

- I. Total compensation must be reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities; *2 CFR Part 200.430(a)(1)*
- II. Personnel expenses must be based on records that accurately reflect the work performed and be supported with verifiable documentation. *2 CFR Part 200.430*
- III. Standards for Documentation of Personnel Expenses:
  - 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 the non-Federal entity;
  - iii. Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;
  - iv. Include both federally funded and all other activities paid by the LEA on an integrated basis, but may also comprise of supplemental records as defined in the LEA's written policy.
  - v. Comply with the established accounting policies and practices of the LEA.
  - vi. Support the distribution of all salary/wages among specific activities or cost objectives regardless of work in any combination of Federal/non-Federal award or direct/indirect cost activity.
  - vii. Recognize that while budget estimates may be used for accounting purposes, they do not qualify as support for reimbursements of federal funds.
  - viii. Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards. *2 CFR Part 200.430(i)(1)*

### **Types of Time and Effort Reports**

All Local Educational Agencies (LEAs) receiving federal funds under ANY federal program are responsible for ensuring that all staff members maintain accurate time and effort reports. All documentation must be signed by the employee and supervisor evidencing first-hand knowledge of the work performed under the federal program. A description and samples of the documentation required, based on the type of position/duties and reporting periods are listed below.

**Cost objective** means a program, function, activity, award, organizational subdivision, contract, or work unit for 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*

### Single Cost Objective

- Completed for employees who work solely on a single Federal award or cost objective
- Certifies that the employee worked solely on that program for the period covered by the certification
- Meets the standards for documentation outlined in *2 CFR Part 200.430(i)(1)* unless other substitute system has been approved by the cognizant Federal agency
- Will be prepared **semi-annually**
- Will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee

### Multiple Cost Objective

- Completed for employees who work on multiple activities or cost objectives such as:
  - 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. *2 CFR Part 200.430(i)(1)(vii)*
- Personnel Activity Reports:
  - meet the standards for documentation outlined in *2 CFR Part 200.430(i)(1)* unless other substitute system has been approved by the cognizant Federal agency
  - must reflect an after-the-fact distribution of the actual activity of each employee
  - must account for the total activity for which each employee is compensated
  - must be prepared **at least monthly** and must coincide with one or more pay periods and
  - must be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee