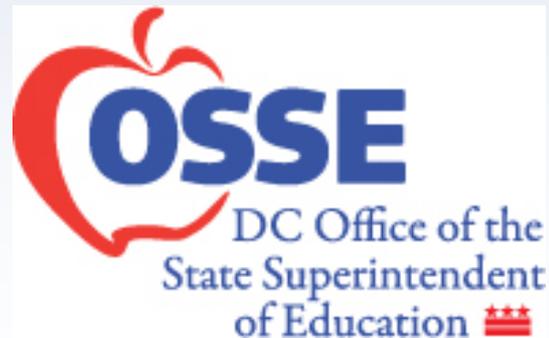


# Time and Effort:

How Not to Waste Time Getting it Right

OSSE Technical Assistance

March 9 and 17, 2010



# Welcome and Introductions

- Facilitator Introductions:
  - Natalie Mitchell, Federal Grants Reform Program Analyst, Teaching and Learning (TAL) Division
- Participant Introductions:
  - Polls

# Essential Question

What are the time and effort reporting requirements for employees paid with federal funds?



# Objectives

After today's technical assistance session, subgrantees will be able to:

- Understand and define the types of time and effort records and the rules governing personnel expenditures
- Understand how to document supplemental contracts, stipends, bonuses and overtime
- Understand time and effort requirements in all types of Schoolwide programs
- Identify time and effort requirements for varying employee types

# Who are we talking about here?

- Time and effort is governed by the rules set forth in OMB Circular A-87, Attachment B, Paragraph 8 and EDGAR, parts 74-99
- ALL employees whose compensation is paid with federal funds are subject to these requirements.
  - Compensation: any amount paid to an employee for services rendered during the award period.
    - Salaries
    - Stipends
    - Bonuses
    - Payments made under supplemental contracts.
    - Certain fringe benefits including: annual & sick leave, employer contributions for insurance (including health, unemployment and worker's comp).
    - Note: Fringe benefits for pension plans, post-retirement health benefits and severance pay are governed by special rules and may not be charged to federal programs with out OSSE's written permission.

# The Basics...

- As a general rule, federal funds may be used to pay salaries and wages as long as appropriate time distribution records are maintained that **accurately document time spent working on federal cost objectives**
  - Programmatically allowable
  - Necessary
  - Reasonable
  - Allocable
- Employee compensation must also be consistent with a subgrantee's established policies.

# T&E Basics cont'd

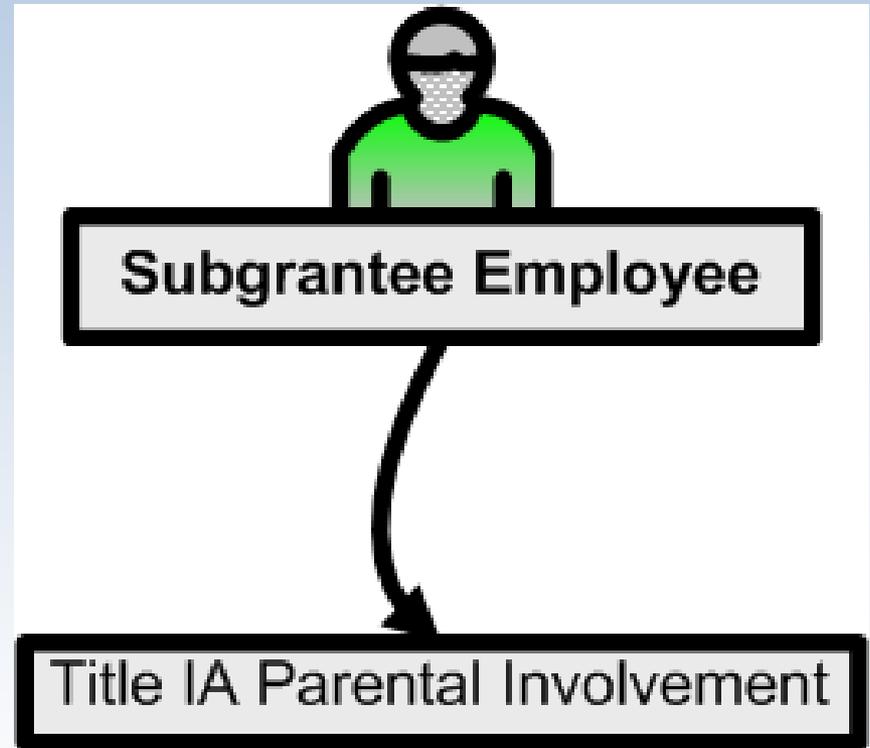
- Time and effort (T&E) reports describe how each federally funded employee spent his or her compensated time and certify that the compensation is allocable
- Reports must indicate the proportion of an employee's time spent working on each cost-objective worked.
  - Semi-Annual Certification
  - Personnel Activity Report

# Key Definitions:

- Personnel Activity Report: (PAR) documentation required on a monthly basis from employees who are paid with federal grant funds and who work on **multiple** cost objectives
- Semi-annual Certification: (SAC) documentation required semi-annually (every six months) from employees who are paid with federal grant funds and who work solely (**100%**) on a single cost objective
- Cost Objective: a particular grant award, set-aside or any other activity or category of costs that requires the subgrantee to track specific cost information

# Single Cost Objective

- Employees who work solely on a single cost objective are required to file **Semi-Annual Certifications**

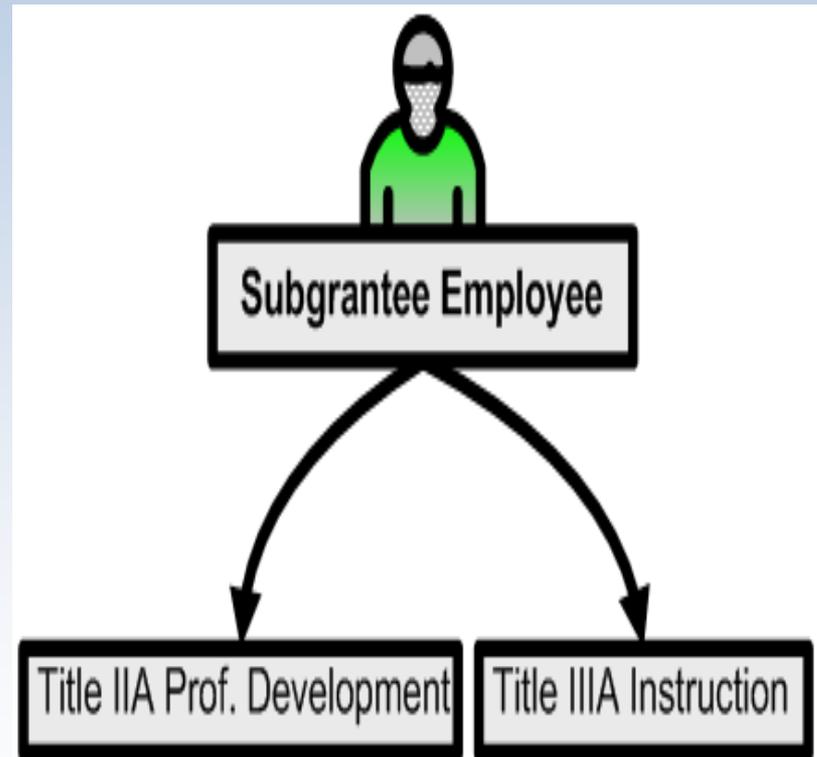


# A few useful notes: SACs...

- Form certifies the employee dedicates 100% of his/her time and effort solely to activities supported by the single cost objective identified
- Form must be completed twice yearly (after the fact) and signed by employee or supervisor with knowledge of the work performed
- If multiple employees work 100 percent of their time on the same cost objective, a supervisor with knowledge of the work may complete a 'blanket semi-annual certification form'

# Multiple Cost Objectives

- Employees who work on multiple cost objectives are required to file **Personnel Activity Reports (PARs)**



# A few useful notes: PARs

- A PAR must be completed after the fact by any employee whose work
  - Includes more than one federal award, activity, set-aside or matching agreement;
  - Is a combination of federal award(s) and nonfederal award(s);
  - Consists of an indirect cost activity and a direct cost activity; two or more indirect activities that are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
- The PAR must account for the employee's **total activity** (100 percent of his or her time) including part-time schedules and overtime.
- The PAR must be prepared at least monthly, coincide with one or more pay periods and be signed and dated by the **employee**

# Estimating T&E

- Estimates of T&E are acceptable as *initial* assignments based on budget determined before the services are performed...however:
  - At the end of the fiscal year, final accounting records must reflect costs of the **actual time worked** and reported by staff for each federal cost objective.
  - Adjustments must be made at least quarterly in the case of **differences of 10 percent or greater**.
    - Estimated T&E distributions for the following quarter must be changed to match actual distributions from the previous (altered) quarter to minimize future differences.
  - Even if quarterly differences between estimated and actual time never exceed 10 percent, a year-end adjustment **must** be performed to reconcile any differences incurred.

# Objectives

After today's technical assistance session, subgrantees will be able to:



- Understand and define the types of time and effort records and the rules governing their use
- Understand how to document supplemental contracts, stipends, bonuses and overtime
- Understand time and effort requirements in all types of Schoolwide programs
- Identify time and effort requirements for varying employee types

# Non-primary Positions

- Remember, T&E records must account for how 100% of an employee's time is spent.
- Supplemental Contracts
  - Two (or more) **distinct positions**: separate SACs
  - Supplemental contracts that don't constitute a 'position': PARs
- Stipends/Bonuses/Overtime
  - Paid from same cost objective(s) already recorded: same documentation
  - Paid from different cost objective: PAR

# Objectives

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- Understand how to document supplemental contracts, stipends, bonuses and overtime
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# Schoolwide Programs

- All funds consolidated in the schoolwide pool are considered a single cost objective
- T&E requirements vary based on circumstance
  - Full consolidation
  - Consolidation of federal funds only
  - Non consolidation (Title IA funds on a schoolwide-basis only)

# Objectives

After today's technical assistance session, subgrantees will be able to:



- Understand and define the types of time and effort records and the rules governing their use



- Understand how to document supplemental contracts, stipends, bonuses and overtime



- Understand time and effort requirements in all types of Schoolwide programs
- Identify time and effort requirements for varying employee types

# Employee Types



# 100% Non-Consolidated Funds

<p><b><u>Employee works in a:</u></b></p> <ul style="list-style-type: none"> <li>•TAS or Central Office;</li> <li>•SWP where funds are not consolidated;</li> <li>•SWP where some or all funds are consolidated but employee works <b>only on non-consolidated cost-objectives</b></li> <li>•Subgrantee organization wherein funds may not be consolidated;</li> </ul>	
<b>Report:</b>	%tge time and effort worked for each cost-objective
<b>Records:</b>	<p><b><u>Single Cost-Objective:</u></b></p> <p>Semi-Annual Certifications</p>
	<p><b><u>Multiple Cost-Objectives:</u></b></p> <p>Personnel Activity Reports</p>

# Examples:

## **Employee works in a TAS on Titles IIIA and IVA**

Employee works and Reports:	90% Title IIIA, 10% Title IVA
Employee Files:	Personnel Activity Report

## **Employee works in an LEA Central Office on Title IA and locally-funded initiatives**

Employee works and Reports:	70% local funding, 30% Title IA
Employee Files:	Personnel Activity Report

## **Employee works in a SWP where Title IA funds are used on a school-wide basis**

Employee works and Reports:	100% on SWP
Employee Files:	Semi-Annual Certification

## **Employee works in a SWP but only on non-consolidated cost-objectives**

Employee works and Reports:	50% local funding, 30% Title IA Admin set-aside, 20% Title IIIA
Employee Files:	Personnel Activity Report

## **Employee works at a non-LEA org that receives Title IVB**

Employee works and Reports:	50% local funding, 50% Title IVB
Employee Files:	Personnel Activity Report

# SWP School Employees – Mixed Funding

<p><b>Employee works in:</b></p> <ul style="list-style-type: none"><li>•SWP that consolidates (any) funds</li></ul> <p><b>AND;</b></p> <ul style="list-style-type: none"><li>• Works on both the consolidated SWP and one or more non-consolidated cost-objectives</li></ul>	
<b>Report:</b>	<p>%tge time and effort worked for SWP</p> <p>%tge each additional cost-objective</p>
<b>Records:</b>	<p><u>Multiple Cost-Objectives:</u></p> <p>Personnel Activity Reports</p>

# Examples:

**Employee works in a SWP that consolidates **all funding for** Titles IA, IIA and also works on non-consolidated Title IIIA**

Employee works:	80% SWP, 20% Title IIIA
Employee Files:	Personnel Activity Report
T&E Reported:	80% SWP, 20% Title IIIA

**Employee works in a SWP that consolidates **some portion** of funding from Titles IA, IIA and IVA and also works on a locally-funded reading initiative**

Employee works:	60% SWP, 40% local funding
Employee Files:	Personnel Activity Report
T&E Reported:	60% SWP, 40% local funding

**Employee works in a SWP that consolidates **some portion** of funding from Titles IA, and IVA and also works as the parent coordinator for the non-consolidated parental involvement set-aside**

Employee works:	75% SWP, 25% Title IA (non-consolidated portion)
Employee Files:	Personnel Activity Report
T&E Reported:	75% SWP, 25% local funding

# 100% Consolidated Funds under SWP

## Employee works in a:

- SWP where consolidated funds include local funding;
- SWP where consolidated funds *do not* include local funding;

•In either case, the SWP may consolidate *all* or *just a portion* of available funds

**AND**

- The employee works *solely* on the SWP

## Report:

Consolidation *with* local funds: Nothing

Consolidation that *does not* include local funds: 100% SWP

## Records:

### Consolidation *with* local funds:

File nothing; no distinction between employees paid from federal or local funds

### Consolidation *does not include* local funds:

Single Cost-Objective:

Semi-Annual Certifications

# Examples:

<b>Employee works in a SWP that consolidates <b>all</b> Title IA, Title IIA and local funds</b>	
Employee works:	100% SWP
Employee Files:	Nothing
T&E Reported:	None; no distinction between federal and local funds

<b>Employee works in a SWP that consolidates <b>a portion</b> of Title IA and local funds and <b>all Title IVA funds</b></b>	
Employee works:	100% SWP
Employee Files:	Nothing
T&E Reported:	None; no distinction between federal and local funds

<b>Employee works in a SWP that consolidates Titles IA, IIA, IIIA, IVA</b>	
Employee works:	100% SWP
Employee Files:	Semi-Annual Certification
T&E Reported:	100% SWP

# Objectives

After today's technical assistance session, subgrantees will be able to:

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# POP QUIZ!!!



*Example 1:* A teacher only works on providing special education services to IDEA eligible students. The teacher's entire salary is paid with IDEA, Part B funds.

*Required Time and Effort Record: Semi-annual certification*

*Explanation:* The teacher spends 100% of his/her time on a single cost objective (special education services).

*Example 2:* A teacher only works on providing special education services to IDEA eligible students. The teacher's salary is paid partially with IDEA, Part B funds and partially with local funds.

*Required Time and Effort Record: Semi-annual certification*

*Explanation:* Although the teacher's salary is allocated to two different funding sources, the teacher still works on a single cost objective (special education services that may be interchangeably allocated). Time and effort is measured by how many cost objectives an employee *works* on, not how many funding sources support the employee's salary.

*Example 3:* An employee co-teaches in classrooms filled with both special education and non-special education students. The employee's salary is paid with a combination of IDEA, Part B Section 611 funds, IDEA, Part B Section 619 funds, and state and local funds.

*Required Time and Effort Record: Personnel Activity Report*

*Explanation:* The employee works on activities related to separate cost objectives – implementing individualized education plans in the least restrictive environment and teaching non-special education students.

*Example 4:* An employee works in a targeted assistance program school to provide academic tutoring to Title I, Part A eligible students and to provide violence prevention education to all students in the school. The employee's salary is paid partially with Title I, Part A funds and partially with Title IV, Part A funds.

*Required Time and Effort Record: Personnel activity report*

*Explanation:* The employee works on activities related to two separate cost objectives – academic counseling, which is allowable under Title I, Part A, and violence prevention education, which is allowable under Title IV, Part A.

*Example 5:* A classroom teacher provides general instruction to students in a targeted assistance school. The teacher's entire salary is paid with state or local funds. The teacher receives a stipend to attend a professional development program on effective instructional strategies, methods, and skills. The stipend is paid with Title II, Part A funds.

*Required Time and Effort Record: Personnel activity report*

*Explanation:* The employee works on activities related to two separate cost objectives.

*Example 6:* A classroom teacher provides general instruction to students in a Schoolwide program school. The teacher's entire salary is paid with funds from that the Schoolwide pool which consists of several consolidated federal funds.

*Required Time and Effort Record: Semi-Annual Certification*

*Explanation:* The employee works solely on the Schoolwide program which is a single cost objective.

*Example 7:* A reading specialist provides reading remediation instruction to students in a Schoolwide program school that is part of an LEA in improvement that must set-aside funds for professional development. As a function of the LEA's professional development initiative, the specialist also provides high quality professional development to teachers in the school.

*Required Time and Effort Record: Personnel activity report*

*Explanation:* The employee works on activities related to two separate cost objectives and it should be noted that LEA-level set-asides may not be consolidated under a SWP. Time spent instructing teachers in high-quality literacy practices is not only a separate activity from the instruction of students, but must be tracked separately to ensure the LEA has met its minimum spending requirement for the set-aside.

*Example 8:* A teacher provides general instruction to students in a bilingual Schoolwide program school that consolidates only federal funds. As a function of a statewide early reading intervention initiative, the teacher also sees small groups of students for reading remediation using the state's mandated program and materials.

*Required Time and Effort Record: Personnel activity report*

*Explanation:* The employee works on activities related to two separate cost objectives.

# Questions?



# Thank you!

Please click this link to take a short survey to let us know how useful this training was to your organization's needs and your work:

<http://www.surveymonkey.com/s/H567WWJ>

# Resources

- 2 CFR Part 225 (OMB Circular A-87), (Attachment B)
- A-133 Compliance Supplement (OMB), (Part 4)
- EDGAR (34 CFR Parts 74 - 99)
- GEPA
- Title I Fiscal Issues (ED) (Question E-17)

**This presentation is intended to be used as a guidance document and does not constitute legal advice. Always consult applicable federal regulations, including those cited for further information**