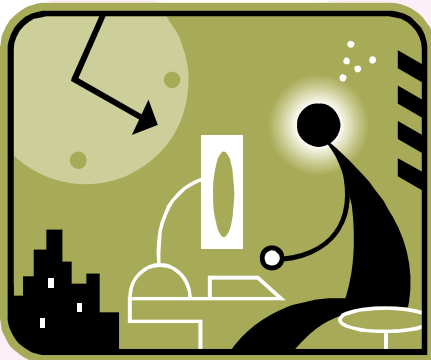




Public Schools of North Carolina

Time and Effort Reporting



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In General -

- Time and Effort documentation is required by OMB Circular A-87, Attachment B, Item 8 (h).
- These requirements regarding time distribution are in addition to the standards for payroll documentation.
- Any salary costs used to meet a matching requirement must also be documented in accordance with the A-87 standards.



Federal Monitoring

- The US Department of Education monitored NC's Title I program in June, 2008.
- There were concerns about LEAs documentation of time and effort.



Federal Monitoring

So, what did the Feds have to say about time and effort?

Good question!



Review of Time & Effort Requirements

Who must complete time and effort documentation?

All employees who are paid from federal funds, or whose salaries are used to match federal funds, must document their time and effort.



Review of Time & Effort Requirements

What is the purpose of time and effort documentation?

Time and effort documentation serves as a “receipt” for payroll expenditures.



Review of Time & Effort Requirements

Do all employees complete the same type of documentation?

There are two types of participating employees:

- Employees who work solely on a *single* federal cost objective complete semi-annual certifications.
- Employees who work on *more than one* cost objective complete monthly Personnel Activity Reports.



Single Cost Objective

What type of documentation is required for employees who work solely on a single cost objective?

Employees must have at least semi-annual certifications that they worked solely on that program.



Single Cost Objective

Who signs the semi-annual certification?

Certifications must be signed by the employee or the supervisor who has *first-hand knowledge* of the work performed.



Single Cost Objective

What are these “blanket” certifications that I’ve heard about?

On a “blanket” certification, the supervisor with first-hand knowledge of the work done (i.e., principal) certifies the time and effort of all federally-funded employees in the school, by individual program.



What is a Single Cost Objective?

- 100% from a single funding source
- 100% with a single type of student/class which may be funded from federal, state, and/or local funds (ex. Voc Ed, IDEA, ELL)
- Per Montana Compact, federally-funded extra-duty time beyond the full-time day (such as 21st CCLC)



Does “single fund source” =
“single cost objective”?

It’s not always possible to tell by looking at funding only whether an employee is single or multiple cost objective.

“Single Cost Objective” will be determined by the employee’s **activities**, not solely by the employee’s funding.

For example—Title I employee who works on two different Title I set-asides is a **multiple** cost objective person.



What does a semi-annual certification look like?

For an individual, this can be a simple statement like this:

I, Stephanie English, certify that I spent 100% of my time for the period of January 1, 2008, through June 30, 2008, on Title I Activities.

Signature/Date



What does a “blanket” certification look like?

A “blanket” certification might look like this:

I certify that the employees listed below spent 100% of their time for the period of January 1, 2008, through June 15, 2008, on Title I Schoolwide Activities.

Signed/Date: _____ (Principal)

(List of Employees)



What about Schoolwide Schools?

In a Title I Schoolwide School, all funds lose their identity.

Employees in a Schoolwide School may be paid from any fund source, or any combination of funding sources, and their effort statement would state “100% Title I Schoolwide Activities”, making a certification statement the appropriate documentation.

HOWEVER – Reading First funds may not be combined in a Schoolwide School.



The statement you gave shows “100%”. What if an employee only works part-time?

Don't be confused by an employee's full-time/part-time status!

If employee works only 3 days a week, for example, then 60% employed **is** 100% of the employee's time.



Multiple Cost Objective Employees

What is a “multiple cost objective” employee?

Multiple cost objective employees are *usually* employees paid from more than one federal grant or by a federal grant and a non-federal award.



Multiple Cost Objective Employees

What time and effort documentation is required for a multiple cost objective employee?

Multiple cost objective employees must support their salaries and wages by completing monthly personnel activity reports (PAR forms) unless a substitute system has been approved.



What information does a “PAR” form contain?

PAR forms must contain certain information:

- An “effort statement” that accounts for 100% of the employee’s effort
- The number of hours worked (*No “X” entries*)
- The time worked on all cost objectives
- The specific federal cost objective (not just “federal”)



What does
a PAR form
look like?

A PAR form
might look like
this:

PERSONNEL ACTIVITY REPORT					
Month:	May 2008	Position Number:	045	Employee:	Ted D. Behr
Effort:	Employee time and effort is allocated 50% to Language Acquisition (PRC 104) and 50% to state-funded activities.				
Week 1:	May 1-3			Supervisor's Initials:	
Column A COST OBJECTIVE Cost objectives upon which time was spent this week	Column B TIME - Cost Objective Total hours this week spent on each cost objective	Column C TIME - Total Total hours worked this week	Column D PERCENT ALLOCATION Percentage of time this week spent on each cost objective (Column B / Column C x 100%)		
Language Acquisition	8	16	50.0%		
State-Funded	8		50.0%		
Week 2:	May 4-10			Supervisor's Initials:	
COST OBJECTIVE	TIME - Cost Objective	TIME - Total	PERCENT ALLOCATION		
Language Acquisition	24	40	60.0%		
State-Funded	16		40.0%		
Week 3:	May 11-17			Supervisor's Initials:	
COST OBJECTIVE	TIME - Cost Objective	TIME - Total	PERCENT ALLOCATION		
Language Acquisition	22	40	55.0%		
State-Funded	18		45.0%		
Week 4:	May 18-24			Supervisor's Initials:	
COST OBJECTIVE	TIME - Cost Objective	TIME - Total	PERCENT ALLOCATION		
Language Acquisition	16	36	44.4%		
State-Funded	20		55.6%		
Week 5:	May 25-31			Supervisor's Initials:	
COST OBJECTIVE	TIME - Cost Objective	TIME - Total	PERCENT ALLOCATION		
Language Acquisition	14	32	43.8%		
State-Funded	18		56.3%		
Monthly Percent Allocation	84/164 = 51.2% Language Acquisition				
	80/164 = 48.8% State-Funded				
I hereby certify that the information contained in this Time and Effort Report accurately reflects actual time and effort distribution for the month reported.					
	<i>Ted D. Behr</i>				6/2/08
	Employee's Signature				Date
	<i>Joe Johnson</i>				6/3/08
	Supervisor's Signature and Title				Date



Are there specific criteria for PAR forms?

A PAR form must:

- Reflect an after-the-fact distribution of the actual activity of each employee;
- Account for the total activity for which each employee is compensated;
- Be prepared at least monthly and must coincide with one or more pay periods; and
- Be signed by the employee.



What are the things you find that make you go “Hmmm...”?

- Multiple cost objective personnel whose actual effort exactly equals budgeted effort every month.
- Personnel paid entirely from federal funds (say, 4 different programs) yet responsible for additional federal programs.



What is this “Reconciliation”
that I’ve heard you talk about?

Comparisons of actual
costs (based on
monthly PAR reports)
to budgeted
distributions must be
made at least
quarterly.



Didn't I hear that as long as the actual effort is within 10% of the budgeted effort, I'm okay?

“Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent.”

- OMB Circular A-87



I've heard about substitute systems. What is that?

Substitute systems for allocating salaries and wages to federal grants may be used only if approved by the cognizant agency.

DPI is the cognizant agency for LEAs/Charter Schools.



So what are these substitute systems all about?

- Each substitute system starts with the writing of a handbook and training LEA employees on the new system.
- Each substitute system specifies the months that PAR forms will be completed.
- At end of each reporting year, calculation of average deviation will determine number of reporting months the following year.
- Substitute systems use the same PAR forms and semi-annual certifications as LEAs without substitute systems.



What LEAs currently have approved substitute systems?

UPDATE:		
DPI Approved Substitute Time Reporting Systems for LEAs		
As of December 1, 2007, the following LEAs have approved substitute time reporting systems under OMB Circular A-87:		
Anson County	Granville County	Richmond County
Avery County	Haywood County	Rockingham County
Bladen County	Halifax County	Rutherford County
Brunswick County	Jackson County	Elkin City
Buncombe County	Charlotte-Mecklenburg Schools	Swain County
Cumberland County	Mitchell County	Transylvania County
Davie County	Moore County	Wake County
Durham County	Nash-Rocky Mount Schools	Yancey County
Graham County	Pender County	
<p>Only those school systems that have submitted documentation for their substitute system and have received official notification from DPI have been approved to implement their substitute systems. All other school systems should be complying with A-87 requirements for time and effort reporting.</p>		
<p>If you have any questions, please contact the Monitoring and Compliance Section at (919) 807-3686.</p>		



I wrote the handbook for my substitute system in 1997. Has anything changed?

Well, yes...

- PAR form has changed since 1997
- Description of reconciliation process must be included in handbook
- Updated handbook must be submitted to DPI (Monitoring & Compliance Section) for approval



The LEA where I work has an approved substitute system, but we don't use it. What should I do to let you know that?

- Notify DPI in writing, and we will remove your LEA from the list of substitute systems.
- Then be sure to follow the requirements of A-87 for documenting time and effort.

