

Federal Funding: Effort Reporting

FY20

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Agenda

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- The Process
 - Most Common Misconceptions
 - Time & Effort / Single Objective
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Time and Effort Reporting

CSI Background



CSI Effort Reporting History

Prior to FY 2016-17 CSI did not require effort reporting as part of required back-up documentation for reimbursement requests.

As a result;

- The majority of CSI schools were NOT keeping effort reporting
- Many CSI schools did not know what effort reporting was and/or its importance



The CSI solution;

- Require time and effort reporting as required backup documentation.



Why Do I Have to do This?

- CFR 200.230 states that you are required to keep accurate record of effort distribution
- Provides an internal check and balance
- Failure to do so jeopardizes future opportunities
- Failure to do so may result in an audit finding and repayment of previous reimbursed salaries



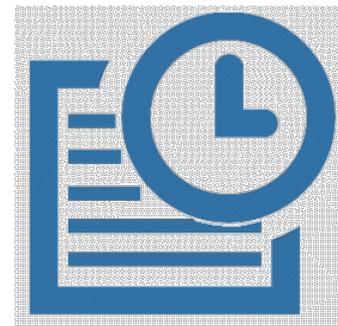
Speaking of Audits.....

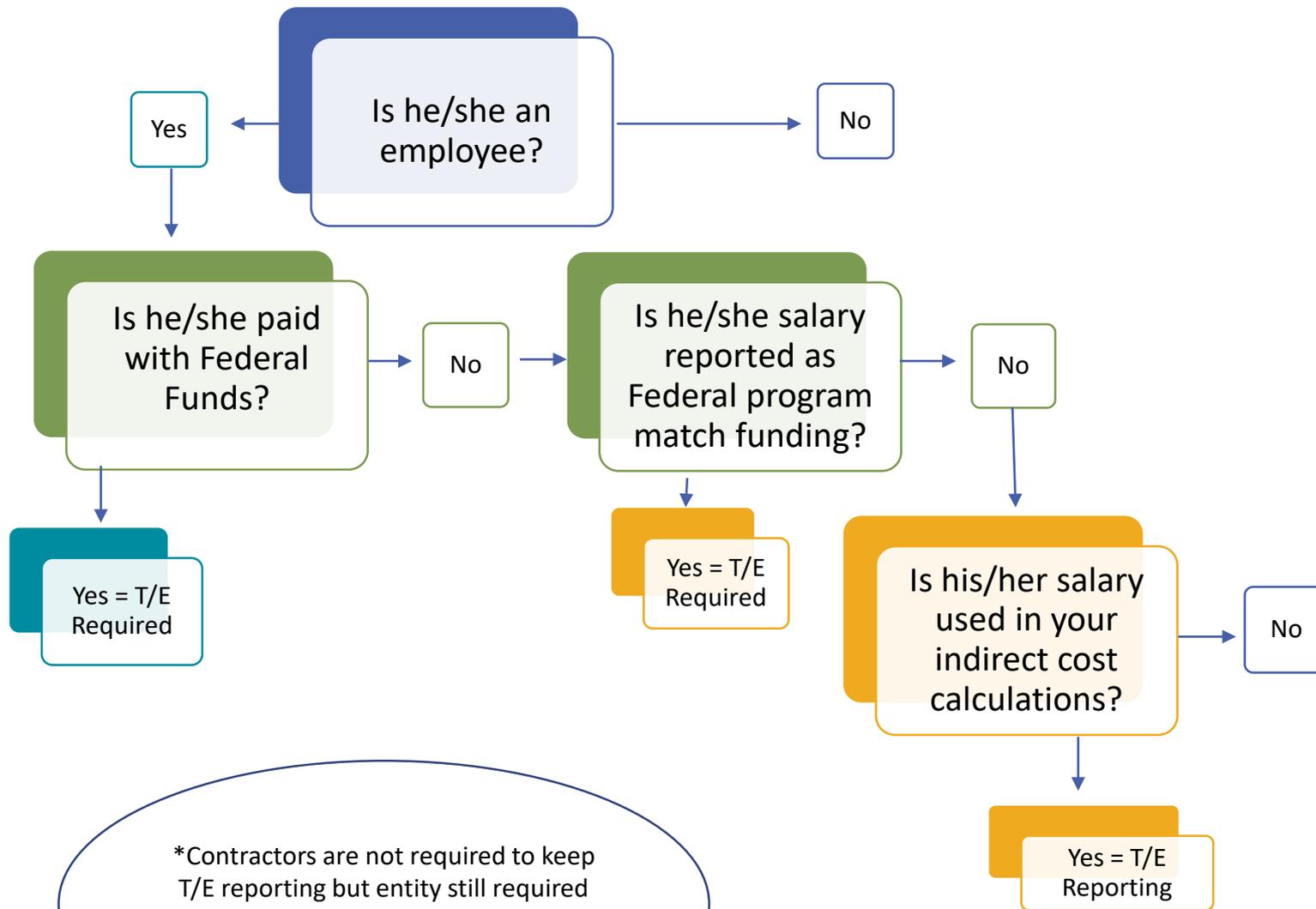
SINGLE AUDIT MOST COMMON FEDERAL AWARD FINDINGS in School Districts, CESAs and Independent Charter Schools is insufficient effort documentation



What is Effort Reporting?

- If federal funds are used for salaries, then time distribution records are required CFR 200.430(i)
 - Must be maintained for all employees whose salaries are:
 - Paid in whole or in part with federal funds
 - Used to meet a match/cost share requirement
 - Also for individuals included in indirect rate calculations
- How staff demonstrate allocability
 - If employee paid with federal funds, then effort reporting must show that the employee worked on that specific federal program cost objective 200.403(a)
 - An official certification confirming that the effort put forth on a project is accurately reflected by supporting documents





*Contractors are not required to keep T/E reporting but entity still required to confirm receipt of services



Most Common Misconceptions



What isn't Effort Reporting?

Most common misconceptions

- **Paying employees based on budgets, not effort**
- **Developing position descriptions or budgets based on funding source**
- **Not understanding cost objectives** – Effort must be recorded towards specific cost objectives, not just to a specific grant. For example, a single grant may have three different cost objectives.
- **Relying on esoteric percentages**
- **Managers not taking the process seriously** – Managers should make sure that employees record the actual time they spent on different cost objectives.
- **Executing certifications prior to the end of any funding period** – Certifying of time needs to occur after the end of the period that is being certified. For example, time for August cannot be certified on August 28th.
- **100% means 100%**



Paying employees based on budgets, not effort

Federal grant rules require employees to be reimbursed based upon actual recorded effort on grants not merely budgeted amounts.

Guessing effort without any true-ups 

Allocating time and effort based on budget or allocation 

The exact same percentages reported for the full year with no variances 

Estimating effort and true-up quarterly against actual effort 

Correcting any discrepancies in excess of 10% immediately 

Completing a final true-up at the end of the year with required adjusted entries 

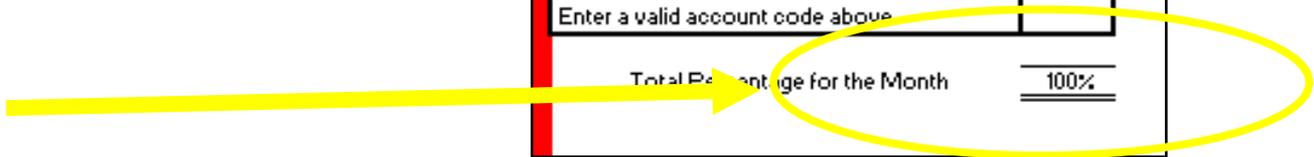


100% means 100%

The total of time charges must always equal 100% of your time. You cannot charge time exceeding 100% of your time. Even if you work overtime you could not say that you spent 80% of your time on one particular federal project and 40% of your time on a privately funded project.

Report every objective that you have worked on, even those that are not being reimbursed through Federal or State funds.

What I worked on during the month	Enter Percent of Time Worked for the Month
Cost objective/funding source #1 Title IA DACA4010	25%
Cost objective/funding source #2 Title IIIA DACA4365	5%
Cost objective/funding source #3 IDEA DACA4027	10%
Cost objective/funding source #4 Admin DACA18A	60%
Cost objective/funding source #5 Enter a valid account code above	
Total Percentage for the Month	<u>100%</u>





CSI Effort Reporting Example

Monthly Employee Time and Effort Report
August 2017

Jackson, Marcie Employee Name **997115433** Employee ID Number

Enter Percent of Time Worked for the Month

Amount of time I worked during the month What I worked on during the month

Day	Date	Enter Time Worked	FLSA Total	Leave Tracking						Daily Totals	Cost objective/funding source #1	Percent
				HOL	VAC	SICKS	SICKF	PERS	OTHER			
S	29								0.00	Title IA DACA4010	25%	
S	30								0.00			
M	31								0.00	Cost objective/funding source #2		
T	1	8.00							8.00	Title IIIA DACA4365	5%	
W	2	8.00							8.00			
TH	3					8.00			8.00			
F	4	8.00	24.00						8.00			
S	5								0.00	Cost objective/funding source #3		
S	6								0.00	IDEA DACA4027	10%	
M	7	8.00							8.00			
T	8	8.00							8.00			
W	9	8.00							8.00			
TH	10	8.00							8.00	Admin DACA18A	60%	
F	11	4.00	96.00	4.00					8.00			
S	12								0.00			
S	13								0.00			
M	14	3.00			5.00				8.00	Cost objective/funding source #5		
T	15	8.00							8.00	Enter a valid account code above		
W	16	8.00							8.00			
TH	17	8.00							8.00			
F	18	8.00	55.00						8.00			
S	19								0.00			
S	20								0.00			
M	21	8.00							8.00			
T	22	8.00							8.00			
W	23	8.00							8.00			
TH	24	8.00							8.00			
F	25	8.00	40.00						8.00			
S	26								0.00			
S	27								0.00			
M	28	8.00							8.00			
T	29	0.00				8.00			8.00			
W	30	8.00							8.00			
TH	31	8.00							8.00			
F	1		24.00						0.00			
S	2								0.00			
S	3								0.00			
			153.00	0.00	3.00	16.00	0.00	0.00	0.00	Total number of hours worked and leave taken =	184.00	

Total Percentage for the Month: 100%

If you entered time under "OTHER" please enter a description of leave below:

I certify that the time reported above is a complete and accurate after-the-fact representation of my time and effort worked on each cost objective/funding source for the month. I understand that cost objectives/funding sources are not interchangeable and that misrepresenting this information could result in corrective action or termination.

Employee Signature & Date: _____ Supervisor Signature & Date: _____

DUEDATE: This form must be turned into your Human Resources Manager by the 5th (or failing business day) of every month.

Leave Tracking Key: HOL = Holiday, VAC = Vacation or Annual, SICKS = Sick Self, SICKF = Sick Family, PERS = Personal leave for at will employees only, OTHER = Other leave includes administrative, bereavement, and jury duty. If you record leave time under OTHER please add a description of leave.

Step 1 – Reasonably estimated the average amount of time spent on each objective

Employee Activity Tracking-April 2019

Robidart, Marcie Employee Name Employee ID Number

Day	Date	Grant Activity Tracking							Total
		CSI Admin DACA18A	IDEA DACA4027	Title IA DACA4010	Title IIA DACA 4367	Title IIIA DACA 4365	Perkins DACA 4048	NLA DACA6282	
M	1	3.00		1.00	0.50	0.50		3.00	8.00
T	2	3.00		1.00			1.00	3.00	8.00
W	3	1.00		2.00			2.00	3.00	8.00
TH	4	4.00						4.00	8.00
F	5			8.00					8.00
S	6								
S	7								
M	8	3.00							3.00
T	9	5.00						3.00	8.00
W	10	4.00		2.00			1.00	1.00	8.00
TH	11							8.00	8.00
F	12	2.50	1.00	0.50			2.50	1.50	8.00
S	13								
S	14								
M	15								4.00
T	16								0.00
W	17								0.00
TH	18								0.00
F	19								0.00
S	20								
S	21								
M	22								0.00
T	23								0.00
W	24								0.00
TH	25								0.00
F	26								0.00
S	27								
S	28								
M	29								0.00
T	30								0.00
Totals		25.50	1.00	14.50	0.50	0.50	10.50	26.50	79.00

Step 2 – Keep a daily breakdown of hours for true-up purposes.



Managers Not Taking the Process Seriously

Managers should make sure that employees record the actual time they spent on different cost objectives.





Monthly Reports vs Annual Single Objective



Who Gets Classified What?

The Appendix to 2 C.F.R. Part 225 (formerly OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*) requires an employee whose salary and wages are supported, in whole or in part, with Federal funds to document his/her time spent working on Federal programs in order to ensure that charges to each Federal program reflect an accurate account of the employee's time and effort devoted to that program.

The Appendix addresses two types of documentation:

1. Semiannual certifications
2. Personnel activity reports





Semiannual Certifications

Definition of “cost objective”

A single function, organizational subdivision, contract, or other activity for which cost data are needed and for which costs are incurred.

A “single cost objective,” therefore, can be, for example, a single function or a single grant or a single activity. It is possible to work on a single cost objective even if an employee works on more than one Federal award or on a Federal award and a non-Federal award. The key is to determine whether an employee’s salary and wages can be supported *in full* from each of the Federal awards on which the employee is working, or from the Federal award alone if the employee’s salary is also paid with non-Federal funds.

Federal Program Employee Certification Form	
FUNDING CERTIFICATION FORM	
Instructions: Employees working entirely on a single cost objective during the report period are required to complete this certification form prior to reimbursement. This certification must be signed by the employee and a supervisor. The form must be made available to state and federal auditors upon request.	
Purpose of Form: OMB Circular A-87 requires employees who are compensated by federal grant dollars and work solely on a single award or cost objective to submit a <u>certification</u> that the employee worked solely on that program for the period covered by the certification.	

Location:	Contact Person:
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Time Reporting Period:	Beginning:
	Ending:

I certify that 100% of my work time during this time period was spent on the federally funded program listed below:		
Employee Name	Position	Cost Objective Funded by
_____ Employee Signature	_____ Supervisor's Signature	
_____ Printed Name	_____ Printed Name	
_____ Date	_____ Date	



Personnel activity reports

Monthly Time and Effort Reporting

Reports must meet the following standards:

- (a) The reports must reflect a final after-the-fact determination of the actual activity of each employee. Back-up formula documentation is required to support interim percentages.
- (b) Each report must account for the total activity for which employees are compensated and which is required in fulfillment of their obligations to the organization.
- (c) The reports must be signed by the individual employee and by a responsible supervisory official having first hand knowledge of the activities performed by the employee.
- (d) The reports must be prepared at least monthly and must coincide with one or more pay periods.
- (e) The final reports must be incorporated into the official school documentation and available upon request.
- (f) The individual school process for effort reporting **MUST** be included in the Financial Policies and Procedures



CSI Backup Documentation Requirements



CSI Requirement School Record Retention

Documentation	Require by...
Single Cost Objective Form	CSI in RFF Submission School Record Retention
Time and Effort Percentage Totals	CSI in RFF Submission School Record Retention
Methodology for Percentage Calculation	School Record Retention
Actual calculated hours	CSI/Schools on Financial Monitoring School Record Retention
Salary True-up Adjustments	CSI Annual Summary School Record Retention
Effort Reporting Process in Policy and Procedures	CSI/Schools on Financial Monitoring School Record Retention



Effort Reporting: Expert Level





Q&A

Direct technical questions to: MarcieRobidart@csi.state.co.us
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