



Time and Effort

Requirements for Personal Services Compensation

LEA Training

Presenter(s)



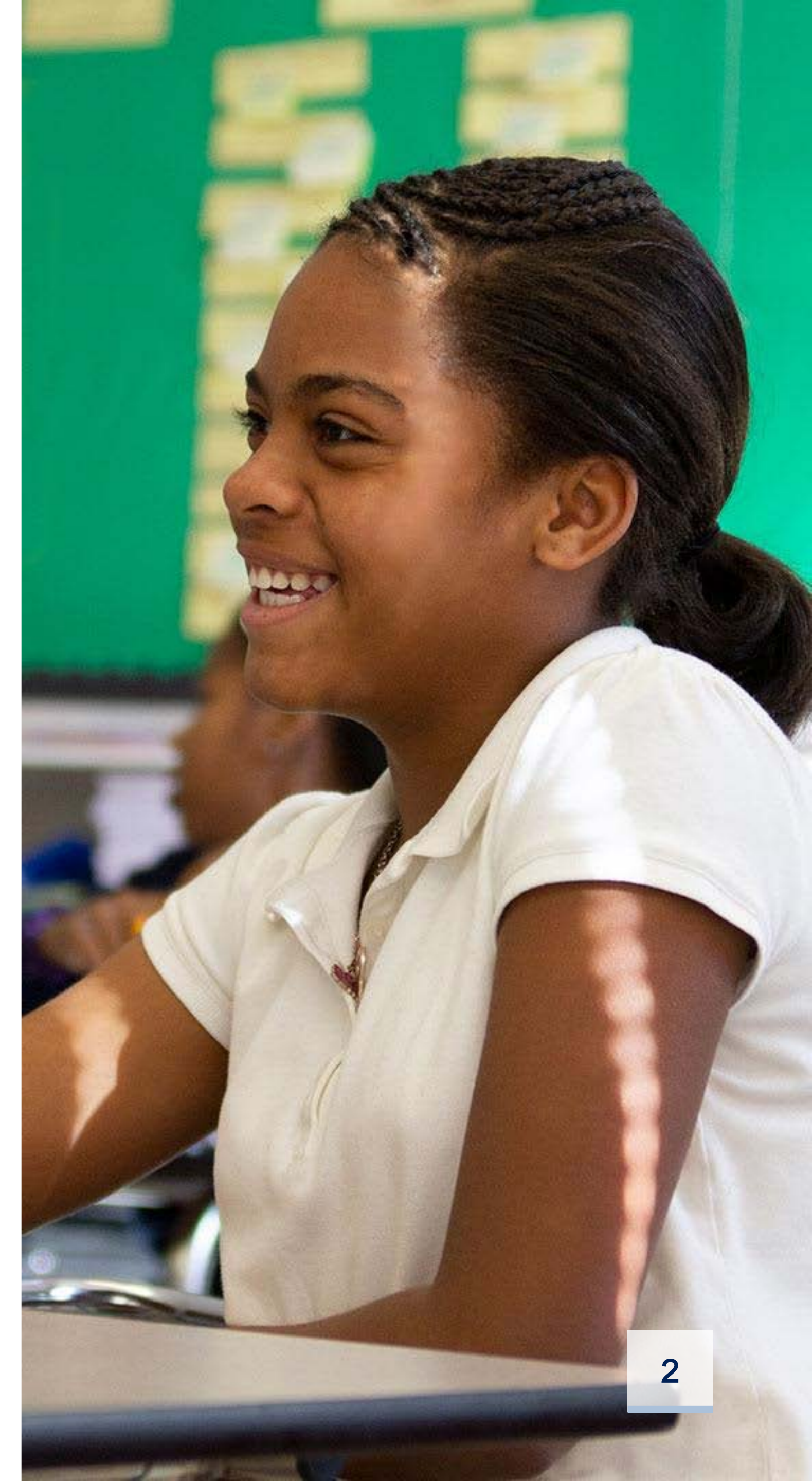
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Opportunities for WestEd Individualized Support & Coaching

- One-on-One Coaching
- Review of Policies & Procedures
- Technical Support and Guidance
- Budgeting for next year
- Potential reduction in LEA MOE
- State Compliance

Contact Mari Shikuzawa, mshikuz@wested.org; (925) 639-6274 for more information.



Session Objectives

- Understand the federal requirements related to personal services compensation
- Describe the documentation standards required to comply with federal regulations
- Identify which staff must comply with federal documentation standards
- Locate critical resources related to Time and Effort



Agenda

- Regulations Governing Time and Effort
- Factors Determining Allowability of Salary and Benefits charged to Federal Grants
- Documentation Standards
- Time and Effort Decision Tree (Apply Your Knowledge)

Question 1

Please rate your knowledge of the requirements for documenting Time and Effort.

- a. Very strong
- b. Strong
- c. Fair
- d. Weak

Acronyms

U.S.C. – United States Code

CFR – Code of Federal Regulation

IDEA – Individual with Disabilities Education Act

EDGAR – Education Department General Administrative Regulations

SWD – Students with Disabilities

LEA – Local Educational Agency

UGG – Uniform Grant Guidance

USBE – Utah State Board of Education

PAR – Personnel Activities Report

OMB – Office of Budget Management

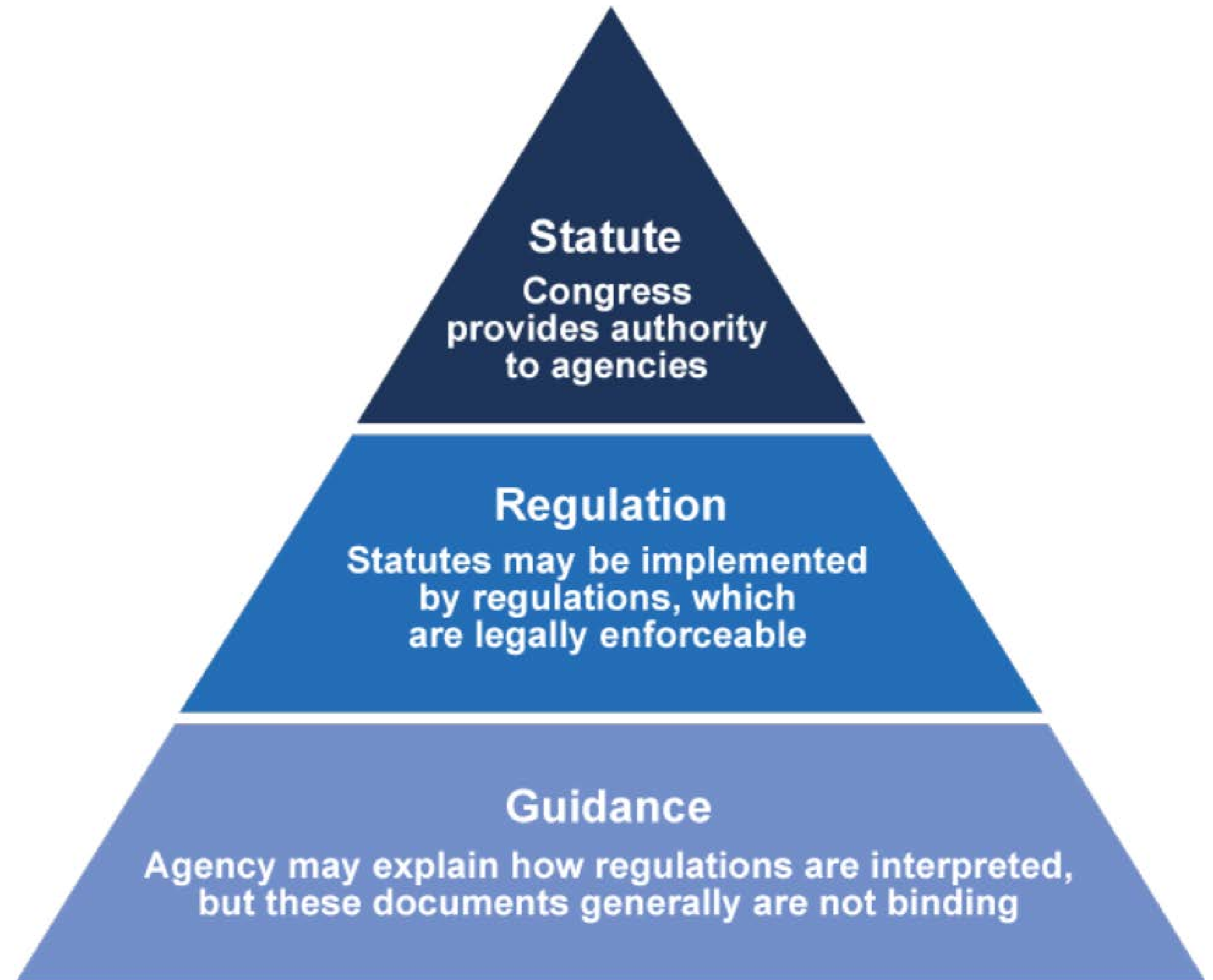
The terms personal and personnel are both used throughout this presentation. While personal is used in federal regulations for purposes of Time and Effort, personnel is used in the USBE Special Education Rules.

Introduction

Regulations Governing Time and Effort

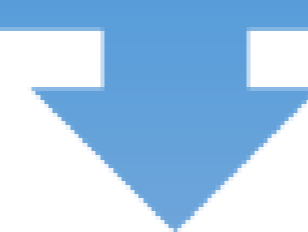
Federal Regulations

- A United States Code (U.S.C.) is a law that has been passed by the US Congress
- A Code of Federal Regulation (CFR) is the interpretation of the law by the relevant federal agency
- Non-regulatory guidance is the interpretation of the regulation by the relevant federal agency



Federal Grant Management Laws and Regulations

Title 20 USC Chapter 33 IDEA Part B



34 CFR Part 300



Education Department General Administrative Regulations (EDGAR)

Uniform Grant Guidance
2 CFR Part 200 ; Part 180 ; Part 3474 & Part 3485

State Program Administration Regulations
34 CFR Part 75-79.81.82.84.86 & 97-99



Utah Education Code

USBE Administrative Rules and Policies

Federal Grant Management Laws and Regulations cont.

Education Department General Administrative Regulations (EDGAR)

Uniform Grant Guidance

2 CFR Part 200 <https://www.ecfr.gov/cgi-bin/text-idx?SID=f080fea46490dccbb02e001a35c396ce&mc=true&node=pt2.1.200&rgn=div5> ;

Part 180 <https://www.ecfr.gov/cgi-bin/text-idx?SID=873ca4f329bb04dea67175bc0c68b8a8&node=pt2.1.180&rgn=div5> ;

Part 3474 <https://www.ecfr.gov/cgi-bin/text-idx?SID=be24d843a89f91b635618eb7a061c560&node=pt2.1.3474&rgn=div5>

& Part 3485 <https://www.ecfr.gov/cgi-bin/text-idx?SID=873ca4f329bb04dea67175bc0c68b8a8&node=pt2.1.3485&rgn=div5>

State Program Administration Regulations

34 CFR Part 75-79.81.82.84.86 & 97-99 https://www.ecfr.gov/cgi-bin/text-idx?SID=b3b062c3fe6a43af238f55767361c03f&mc=true&tpl=/ecfrbrowse/Title34/34cfrv1_02.tpl#0

Personnel Services Compensation

Factors that Determine whether Salary and Benefits are Allowable Costs

Allowable Cost Definition

2 CFR §200.403 https://www.ecfr.gov/cgi-bin/text-idx?SID=0b9b061c38129b571ed195b3009204ed&mc=true&node=se2.1.200_1403&rgn=div8

- Necessary, reasonable and allocable to the special education program
- Consistent with policies and procedures
- Consistent treatment i.e., indirect cost
- Not used to meet other cost sharing or matching requirements
- Adequately documented
- Incurred during the approved budget period

Uniform Grant
Guidance
(UGG)

Uniform Grant Guidance (UGG) cont.

Allowable Costs for Personal Services

2 CFR §200.430 https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

- Remuneration, paid currently or accrued, for services of employees rendered
- During the period of performance of a federal award
- Includes wages and salaries
- May also include benefits
- To the extent that the costs satisfy the specific requirements

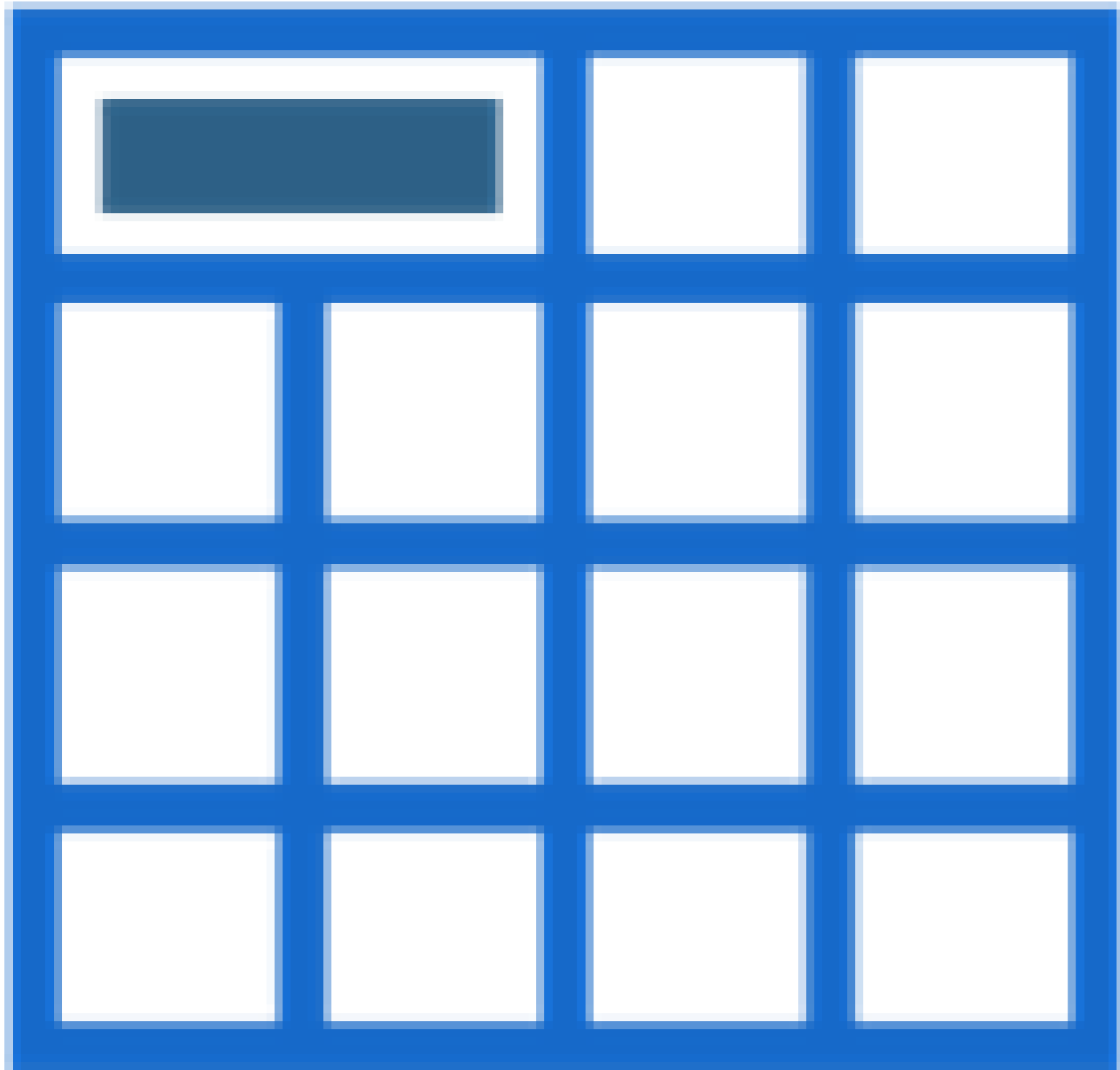
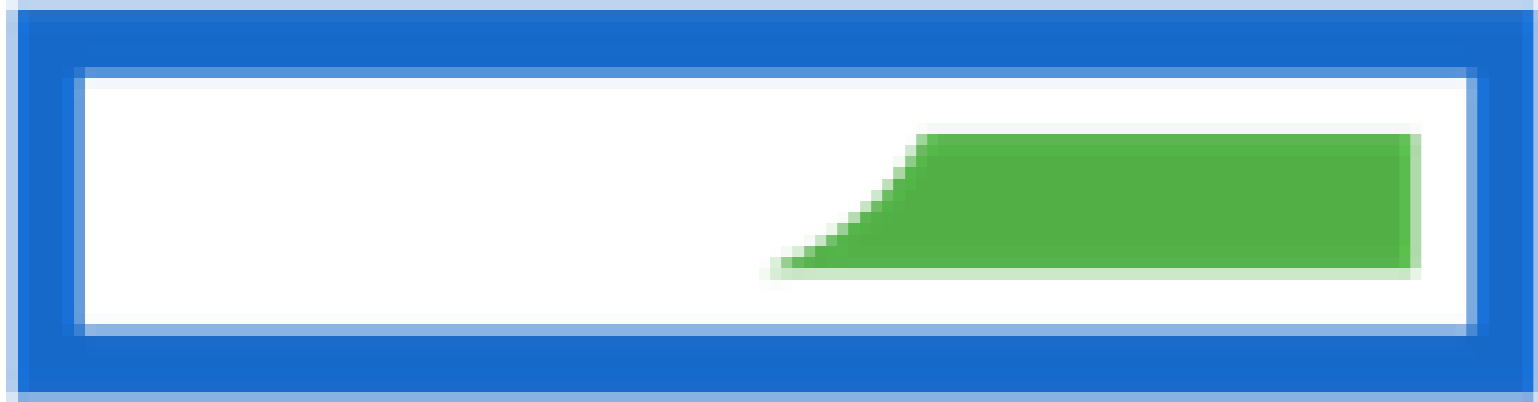
Uniform Grant Guidance (UGG) cont. 1

Allowable Costs for Personal Services

2 CFR §200.430 https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

- Reasonable for the services rendered
- Conform to the established written policy of the non-Federal entity
 - Consistently applied to both Federal and non-Federal activities
- Follow an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute

Personal Services Allowability



- Costs for personal services must meet allowability requirements just as any other cost under a federal grant
- An allowable cost must meet **all allowable cost criteria** under federal regulations

Standards for Documentation of Personal Services

Time and Effort

Personal Services Documentation Standards

2 CFR §200.430 https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

Uniform Grant Guidance (UGG) cont.2

- Supported by a system of internal controls which provides reasonable assurance that the charges are
 - Accurate
 - Allowable
 - Properly allocated
- Incorporated into official records
- Reasonably reflect the total activity for which the employee is compensated
- Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award

Personal Services Documentation Standards

2 CFR §200.430 https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

- Significant changes in the corresponding work activity are identified and entered into the records in a timely manner
- The system of internal controls includes processes to review **after-the-fact** interim charges made to a Federal award based on budget estimates
- All necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated

Uniform Grant
Guidance
(UGG) cont.3

Use of Budget Estimates

2 CFR §200.430 https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

- Budget estimates (i.e., estimates determined before the services are performed)
 - Alone do not qualify as support for charges to Federal awards
 - May be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed

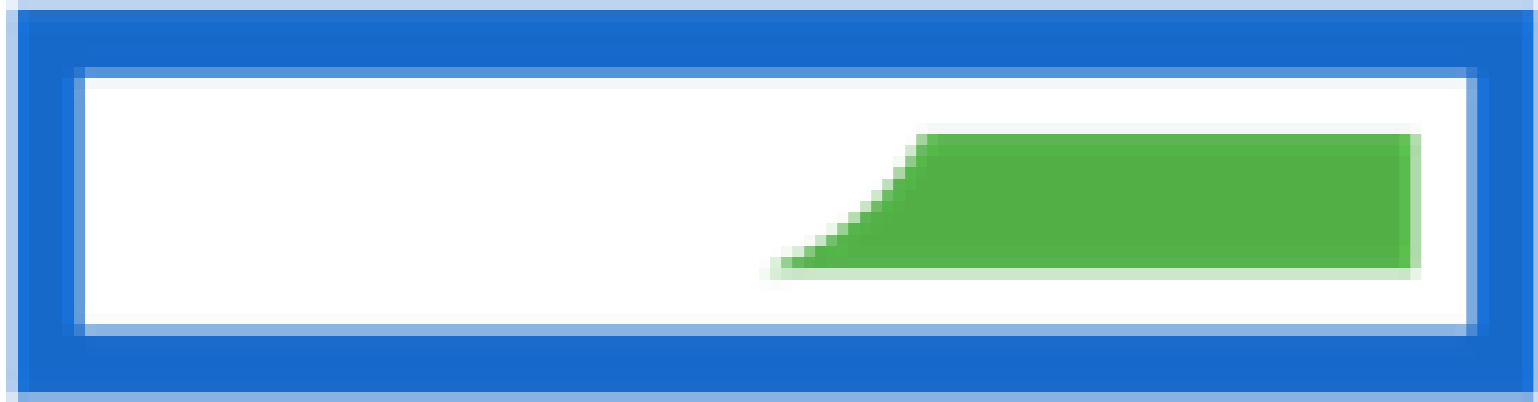
Uniform Grant
Guidance
(UGG) cont.4


USBE Special Education Rules

Section X.T. https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

DOCUMENTATION DEMONSTRATING ALLOWABLE COMPENSATION FOR PERSONNEL SERVICES

- Personnel compensation paid with State special education funds follow the same documentation requirements established in the Uniform Grant Guidance (2 CFR §200.430)
- Sufficient documentation must reasonably reflect the total activity for which the employee is compensated by the LEA



What is Time and Effort?

- Why is Time and Effort important?
- What is the intent of the regulations related to Time and Effort documentation?

Time and Effort documents the allocability of a cost to a particular program.

An allowable cost must be necessary, reasonable and **allocable** to the special education program.

Allocability of Cost



- A cost is allocable to a particular Federal award if the goods or services involved are chargeable or assignable to that Federal award in accordance with relative benefits received
- Time and Effort is an internal control mechanism to **justify** allocability of costs to a federal award
- Time and Effort effectively documents the benefits received by a particular program

Question 2

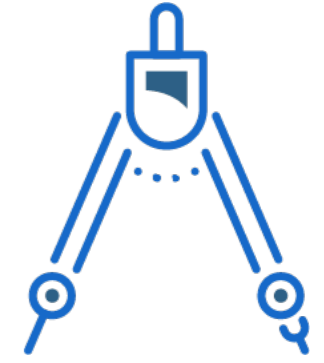
What purpose does Time and Effort documentation have for establishing allowability of costs?

- a. Ensures a cost is reasonable
- b. Ensures a cost is necessary
- c. Ensures a cost is allocable
- d. All of the above

History of Time and Effort

From OMB Circular A-87 to the uniform Grant Guidance

History of “Time and Effort”



- OMB Circular A-87 Cost Principles
- Requirement for State, Local and Indian Tribal Governments
- Established two methods for documentation Time and Effort
 - Semi-Annual Certification
 - Personnel Activity Report (PAR)

OMB Circular A-87

Semi-Annual Certification

Circular A-87 (H)(3)

https://obamawhitehouse.archives.gov/omb/circulars_a087_2004/

- Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification.
- These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

OMB Circular A-87 cont.

Personnel Activity Report (PAR)

Circular A-87 (H)(4)

https://obamawhitehouse.archives.gov/omb/circulars_a087_2004/

PAR will be required where employees work on:

- More than one 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.

OMB A-87 Time and Effort Standards



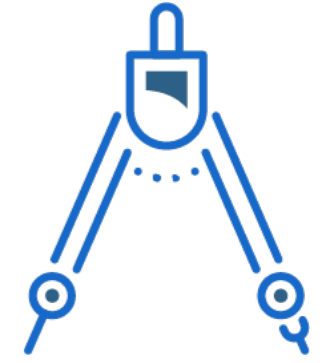
Employees paid 100% from a SINGLE program (single cost objective):

- Semi-annual certification
- Signed by employee or supervisor

Employees split between more than one federal program (multiple cost objectives):

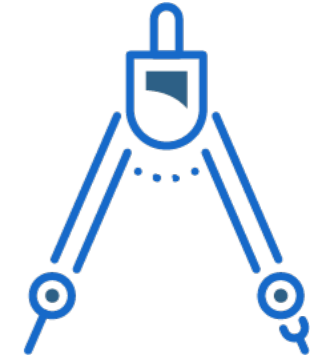
- Personnel Activity Reports (PARs): Time and Effort Monthly Log
- Report must reflect an **after-the-fact** distribution based on actual activities performed
- Signed by employee

History of “Time and Effort” cont.



- OMB Circular A-87 is no longer in effect. Superseded by the Uniform Grant Guidance in 2014
- Uniform Grant Guidance requirements are similar, but not exactly the same

Certification and PAR Discontinued?



Under the Uniform Grant Guidance, are semi-annual certification and Personnel Activity Report (PAR) no longer required?

Similar to A-87

2 CFR §200.430 https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

For a non-Federal entity where the records do not meet the standards described in this section, the Federal Government may require **personnel activity reports**, including **prescribed certifications**, or equivalent documentation that support the records.

Uniform Grant
Guidance
(UGG) cont.5

Substitute Systems

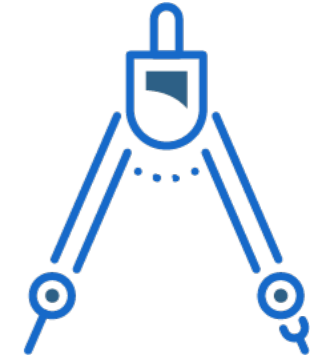
2 CFR §200.430(i)(5) https://www.ecfr.gov/cgi-bin/text-idx?SID=ed01817fbf0378abfe6f222b233ba33d&mc=true&node=se2.1.200_1430&rgn=div8

For states, local governments and Indian tribes, substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the records described in paragraph (1) if approved by the cognizant agency for indirect cost.

Such systems may include, but are not limited to, random moment sampling, “rolling” time studies, case counts, or other quantifiable measures of work performed.

Uniform Grant
Guidance
(UGG) cont.6

UGG Standards



- Uniform Grant Guidance gave more flexibilities to grant recipients to develop their own systems that can demonstrate compliance with Time and Effort.
- Effective documentation standards is still required.
- OMB A-87 Time and Effort documentation standard is always a safe option.
- Substitute systems are allowed when complying with federal standards and approved by USBE.

Question 3

Under the Uniform Grant Guidance, what documentation is acceptable for Time and Effort?

- a. Semi-annual certification
- b. Personnel Activities Report (PAR)
- c. Substitute System approved by USBE
- d. All of the above

Question 4

Which of the documentation options allowed under the UGG must be approved by USBE prior to using?

- a. Semi-annual certification
- b. Personnel Activities Report (PAR)
- c. Substitute System
- d. All of the above

Example of Time and Effort Documentation

Uniform Grant Guidance Standards

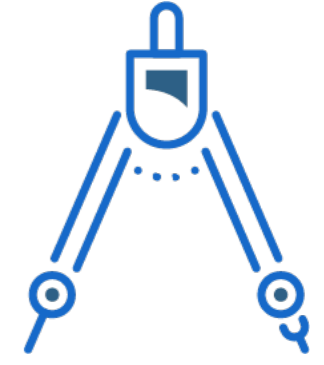
Cost Objective Definition

Uniform Grant Guidance (UGG) cont.7

2 CFR §200.1 https://www.ecfr.gov/cgi-bin/text-idx?SID=5c50d48ce0dc7c7adb733170a3778ff7&mc=true&node=se2.1.200_11&rgn=div8

- A cost objective may be a major function of the non-Federal entity, a particular service or project, a Federal award, or an indirect cost activity.

Time and Effort Standards



A-87 standards were more restrictive and meet the UGG requirements

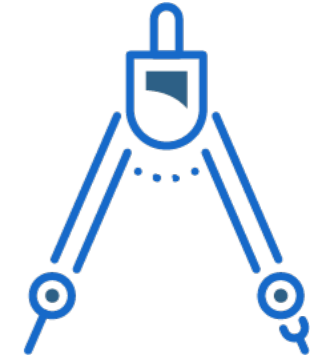
Semi - Annual Certification

- Employees working on Special Education programs and paid with a single funding source
- Employees working on Special Education programs and paid partially with a combination of IDEA or state/local funds.

Personnel Activity Report

- Employees working on multiple programs and consequently paid with multiple funding sources.
- Typically, a combination of one or more federal grants or general funds.

Semi Annual Certification



Sample Time and Effort Documentation – Semi annual

Employee _____ Position _____

Reporting Period _____

Cost Objective (Program Activity)	Grant Program	Fund Code - Function Code	Distribution of Time (Percentage or hours)
Special Education	IDEA Part B Grant	2610 -1220	60%
Special Education	General Funds	1030 - 1220	40%

Or

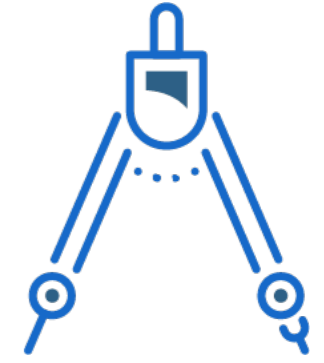
Cost Objective (Program Activity)	Grant Program	Fund Code - Function Code	Distribution of Time (Percentage or hours)
Special Education	IDEA Part B Grant	2610 - 1220	100%

Employee's Signature _____ Date _____

I hereby certify this report is an accurate representation of the total activity expended during the period indicated

Reviewed by supervisor _____ Date _____

Monthly Personnel Activity Report

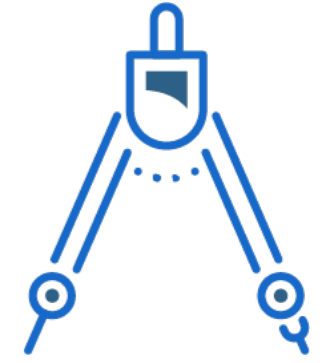


LEA Time and Effort and Personnel Activity Report (PAR)

LEA Name	<input type="text"/>	For the Month of:	<input type="text"/>
Employee:	<input type="text"/>	Year:	<input type="text"/>
Position	<input type="text"/>		
Supervisor:	<input type="text"/>		

<u>Cost Objective or Program Activity</u>		<u>Grant - Fund Code</u>		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
Special Education	IDEA Part B Schoolage - Fund 257				4.00																
Special Education	IDEA Part B Preschool - Fund 258				2.00																
Special Education	General Fund 100				2.00																
Title I - A	Fund 251																				
Leave Time																					
TOTAL				0.00	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

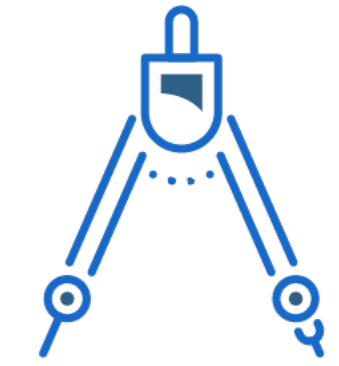
Substitute Systems



Must be approved by USBE, the cognizant agency for indirect cost and may include but are not limited to:

- Time sheet system that record employees' effort accurately reflected in the actual payroll
- PAR with work schedules officially documented that do not change throughout the school year
- Use of other statistical methods

Personnel Activity Report



Employee and Position:

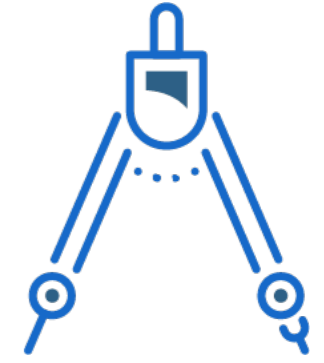
Reporting Period:

Cost Objective (program activity)	Fund Code -Program Function Code	Program	Distribution of Time (percentage or hours)
Federal Programs Director	251-500	Title I-A	41%
Special Education Director	257-500	IDEA Part B	14%
Programs Director	100-500	Non-Federal	45%
Total			100%

Employee's Signature and Date

I hereby certify this report is an accurate representation of the total activity during the period indicated.

Substitute System Example



2021-2022 SCHOOL YEAR SCHEDULE

Employee: Jane Doe

Position: Instructional Assistant

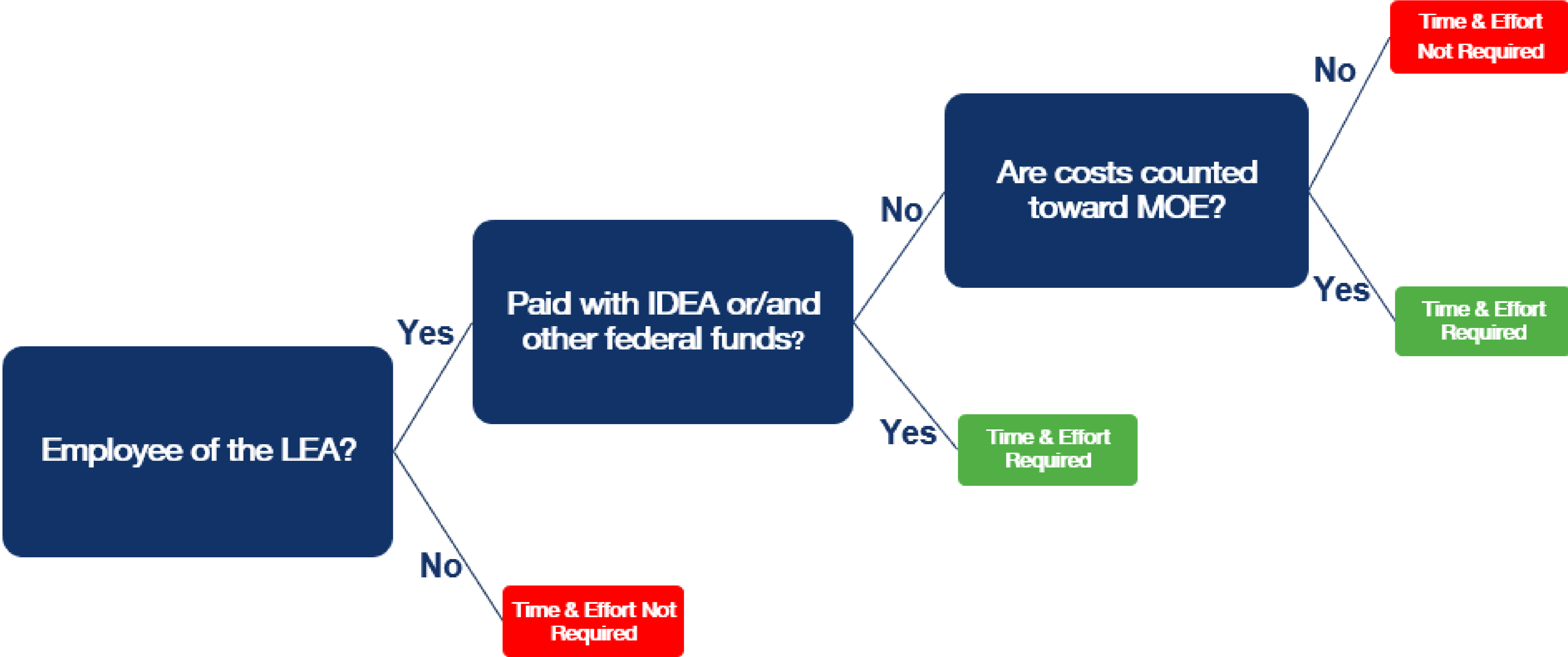
School: Lincoln Elementary

Monday	Tuesday	Wednesday	Thursday	Friday
8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum
8:30-8:45 Break	8:30-8:45 Break	8:30-8:45 Break	8:30-8:45 Break	8:30-8:45 Break
8:45-9:15 Special ed. support	8:45-9:15 Special ed. support	8:45-9:15 Special ed. support	8:45-9:15 Special ed. support	8:45-9:15 Special ed. support
9:15-10:00 Small group reading	9:15-10:00 Small group reading	9:15-10:00 Small group reading	9:15-10:00 Small group reading	9:15-10:00 Small group reading
10:00-10:30 Small group math	10:00-11:00 2 nd -grade Title I reading/math	10:00-10:30 Small group math	10:00-11:00 2 nd -grade Title I reading/math	10:00-10:30 Small group math
10:30-11:00 2 nd -grade Title I reading/math		10:30-11:00 2 nd -grade Title I reading/math		10:30-11:00 2 nd -grade Title I reading/math
11:00-11:30 Lunch Break	11:00-11:30 Lunch Break	11:00-11:30 Lunch Break	11:00-11:30 Lunch Break	11:00-11:30 Lunch Break

Time and Effort Decision Tree

Apply Your Knowledge

Time and Effort Employee Decision Tree



Question 5

For which of the following employees is a semi-annual certification or something similar most likely the best documentation?

- a. A paraprofessional working with special education and general education students
- b. A 100% special education director
- c. A 100% general education teacher
- d. All of the above

Why?

Question 6

Are employees working 80% or more on IDEA activities and 20% or less on non-IDEA activities required to document Time and Effort?

- a. Yes
- b. No
- c. It depends

Why?

Question 7

Requiring PARs to include hours allocated to each program for exempt (salaried) employees for the purpose of time and effort documentation violates Fair Labor Standard Act record keeping requirements?

- a. True
- b. False
- c. It depends

Why?

Question 8



**Special education
paraprofessional providing
special education and Title
I-A interventions**

**PAR or similar
documentation required**

Question 9



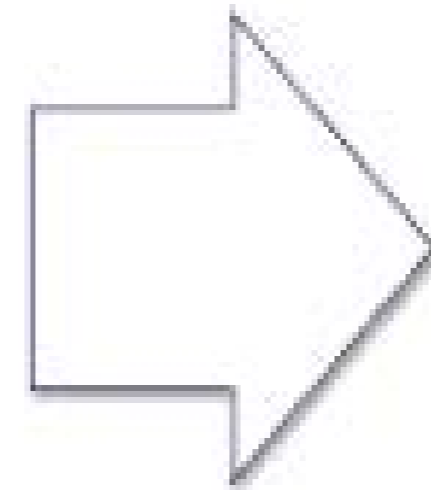
Math teacher with special education and general education math classes

PAR or similar documentation required

Question 10



**Superintendent paid
with Utah state funds**



**No Time & Effort
Required**

Question 11



**A Special Education
Secretary**



**Time and Effort may be
required if working part-time
or full-time in special
education and/or other
federal programs**

Question 12

Please rate your knowledge of Time and Effort requirements after this training.

- a. Very strong
- b. Strong
- c. Fair
- d. Weak

Resources

Title 20 USC Chapter 33

IDEA Part B - Assistance for Education of All Children with Disabilities <https://sites.ed.gov/idea/statute-chapter-33/subchapter-ii>

34 CFR Part 300

Assistance to States for the Education of Children with Disabilities https://www.ecfr.gov/cgi-bin/text-idx?SID=9b142f0a0e1a4a140bbaa624f84a6501&mc=true&tpl=/ecfrbrowse/Title34/34cfr300_main_02.tpl

2 CFR Part 200

Uniform Administrative Requirements https://www.ecfr.gov/cgi-bin/text-idx?SID=18b37e9792154cb7ea3557abe90f772e&mc=true&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

34 CFR Part 75-79

Education Department General Administrative Regulations (EDGAR) <https://www.ecfr.gov/cgi-bin/text-idx?gp=&SID=725b3f403a76c954636d22792cec80ad&mc=true&tpl=/ecfrbrowse/Title34/34subtitleA.tpl>

Opportunities for WestEd Individualized Support & Coaching cont.

- One-on-One Coaching
- Review of Policies & Procedures
- Technical Support and Guidance
- Budgeting for next year
- Potential reduction in LEA MOE
- State Compliance

Contact Mari Shikuzawa, mshikuz@wested.org; (925) 639-6274 for more information.

Thank you

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