

TIME AND EFFORT REPORTING

The District shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Pursuant to 2 C.F.R. §200.430, the District must require certification of effort to document salary expenses charged directly or indirectly against federally sponsored projects. This policy is designed to ensure that compensation for employment services, including salaries and wages, is allocable and properly expended, and that variances from the budget are reconciled.

Compensation for employment services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the federal award, including, but not necessarily limited to, wages and salaries. Compensation for personal services may also include fringe benefits, which are addressed in 2 C.F.R. §200.431. Costs of compensation are allowable to the extent that they satisfy the specific requirements of this policy, and that the total compensation for individual employees:

1. Is reasonable for the services rendered, conforms to the District's established written policy, and is consistently applied to both federal and non-federal activities; and
2. Follows an appointment made in accordance with the District's written policies and meets the requirements of federal statute, where applicable.

Time and Effort Reports

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. Those records must:

1. Be supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated;
2. Be incorporated into the official records of the District;
3. Reasonably reflect the total activity for which the employee is compensated by the District, not exceeding 100% of the compensated activities;
4. Encompass both federally assisted and other activities compensated by the District on an integrated basis;
5. Comply with the District's established accounting policies and practices;
6. Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one (1) federal award, a federal award and non-federal award, an indirect cost activity and a direct cost activity, two (2) or more indirect activities which are allocated using different allocation bases, or an unallowable activity and a direct or indirect cost activity.

The District shall follow time and effort requirements imposed by the pass-through entity to the extent that they are more restrictive than the federal requirements. The Treasurer's office is responsible for all employee effort reports. Individually reported data will be made available only to authorized auditors.

Reconciliations

Budget estimates are not used as support for charges to federal awards, but may be used for interim accounting purposes provided that: (a) the system used by the District to establish budget estimates produces reasonable approximations of the activity actually performed; (b) any significant changes in the corresponding work activity are identified by the District and entered into the District's records in a timely manner; and (c) the District's internal controls include a process to review after-the-fact interim charges made to a federal award based on budget estimates and ensure that all necessary adjustments are made so that the final amount charged to the federal award is accurate, allowable, and properly allocated.

LEGAL REFS.: 2 C.F.R. §§200.430, 200.431

Adopted: December 14, 2016