

NEW POLICY - VOL. 9, NO. 1

TIME AND EFFORT REPORTING

As a recipient of Federal funds, the District shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Section 200.430 of the Code of Federal Regulations requires certification of effort to document salary expenses charged directly or indirectly against Federally-sponsored projects. This process is intended to verify that compensation for employment services, including salaries and wages, is allocable and properly expended, and that any 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 Compensation—fringe benefits. Costs of compensation are allowable to the extent that they satisfy the specific requirements of these regulations, and that the total compensation for individual employees:

- A. 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
- B. 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

Unless specifically authorized by the West Virginia Department of Education (WVDE) (pass-through entity) all salaries and wages charged to Federally sponsored projects must be based on records (time and effort reports) that accurately reflect the work performed by the employee. A time and effort report is required regardless of whether such time is paid by a Federally sponsored agreement, a private foundation, or is an unpaid contribution, i.e. cost share match. Committed cost sharing, either voluntary or mandatory, must be included in effort reports.

The reports:

- A. are supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated;
- B. are incorporated into the official records of the District;
- C. reasonably reflect the total activity for which the employee is compensated by the District, not exceeding 100% of the compensated activities;
- D. encompass both Federally assisted and other activities compensated by the District on an integrated basis;
- E. comply with the District's established accounting policies and practices;
- F. 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 will also follow any time and effort requirements imposed by the pass-through entity to the extent that they are more restrictive than the Federal requirements. The ~~Payroll~~-Office **OF Federal Programs** is responsible for the distribution, collection, and retention of 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. However, the District may use budget estimates for interim accounting purposes. The system used by the District to establish budget estimates produces reasonable approximations of the activity actually performed. Any significant changes in the corresponding work activity are identified by the District and entered into the District's records in a timely manner.

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.

2 C.F.R. 200.430, 200.431
West Virginia State Board of Education 1224.1
West Virginia State Board of Education 8200

ADOPTED _____

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