

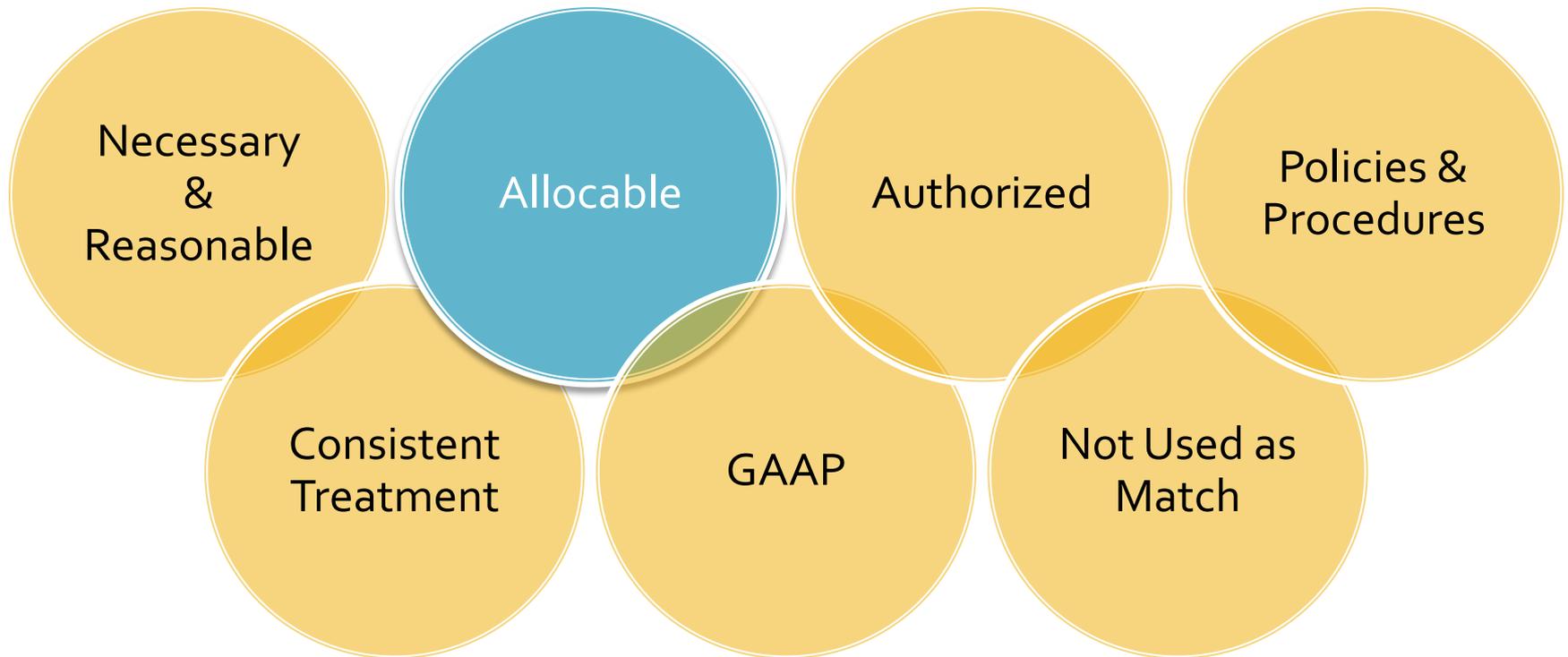
Utah State Office of Education

Special Education

Fiscal Compliance & Monitoring Training

# **Time & Effort Certification**

# Allowable Costs



# Allocable Costs

- Can be charged or assigned to a cost objective
- Cost is incurred specifically for the award
- May not be charged to other awards

# Using Federal \$\$ for Salary

- Payroll must be documented
- Charges must be approved
- Time & Effort records must be kept
- Demonstrate that employees worked on the specific program charged
- Applies to ALL employees paid with federal funds

# Who Must Participate?

- Any employee working on a federal program
  - NOT contractors
- **Every** employee paid with federal funds
- Some employees paid with non-federal funds
  - Matching (not IDEA, but may apply to other grants)

# Cost Objective

- A function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred
  - IDEA preschool
  - IDEA school age
  - Title I
  - IDEA Coordinated Early Intervening Services
  - IDEA Private School Proportionate Share
  - Corporation grant

# Using Cost Objectives

- Each purchase (including salary) must be connected to the cost objective
- If an employee works on more than one project, their payroll shows more than one cost objective
- If you have more than one cost objective, you need more documentation

# Single Cost Objective

- Title I Consolidated Administration
  - Special Education
    - State funding
    - Federal funding
- } Job is the same, can be paid by either source

# Semi-Annual Certification

- Districts and District Charters ONLY
- Signed by employee or supervisor every 6 months
- Supervisor – must have direct knowledge
- Certify that 100% of time and effort from (date) to (date) was spent on (project)

# Multiple Cost Objectives

- More than 1 Federal award
- Federal & non-Federal
- Indirect cost activity & direct cost activity
- Federal award with matching requirements
- Direct activity & unallowable activity

# Personnel Activity Report (PAR)

After the fact

Account for total activity

Signed by employee or supervisor

Prepared at least monthly

# Non-Professional Employee

- If your employee is nonexempt under the Fair Labor Standards Act, the PAR must include total hours worked per day
- Documentation of overtime pay

# Failure to Document

- 2006 Columbus \$2.3 Million
- 2008 Detroit \$49 Million
- 2009 Houston \$238 Million
- 2010 Philadelphia \$123 Million

# Making it Easier

- Use cost accounting
- Integrate PARs in your payroll system
- Semi-Annual certification for all 100% special educators, even if they're paid out of state \$
- Use time sheets
- Limit assignment to multiple cost objectives
- Provide training on the requirements of PAR
- Blanket certifications

# Time & Effort Monitoring

- Review of single audits
- Sample collected from LEAs
  - Based on reimbursement request submitted in UCA