

EDISON-BETHUNE CHARTER ACADEMY
TIME AND EFFORT POLICY

I. DETERMINING REQUIRED TIME AND EFFORT DOCUMENTATION

Federal regulations require employees who receive compensation from federal or state categorical programs are required to complete additional supporting documentation which confirms that all activities or work completed were indeed for the program that funded the activity. Required supporting documentation will vary depending upon the funding source(s).

Payroll time reporting must reflect actual hours worked on each program as indicated in the time and effort certification documentation.

II. EXTRA SERVICE COMPENSATION

In addition to base salaries and benefits, employees may earn supplemental pay for activities or effort in addition to their normal schedules. For example, teachers may earn extra compensation for attending a Saturday professional development workshop. If the extra-service compensation (supplemental pay) will be charged to federal funds, it must be adequately documented as allocable to the award. Accordingly, the Charter School will use sign-in/out sheets and agendas or a description of the training, that demonstrate the allowability of the extra-service compensation charged against the federal funding source.

III. COMPLETING TIME AND EFFORT CERTIFICATION FORMS

Time and effort certification documentation must be an after-the-fact certification of actual time worked and must be completed in a timely manner. Moreover, for those employees who are required to complete a Multi-Funded Time Report (“MFTR”), the entire workday must be reflected, not just the hours funded by federal and/or state categorical resources.

IV. PAYROLL ADJUSTMENTS

Timekeepers should review Multi-Funded Time Reports each month. If the actual hours worked are different than the employee’s budgeted time, adjustments must be entered into the payroll system so that actual time worked is reflected and charged to the program.

IV. RETENTION OF DOCUMENTATION

Completed paper or electronic documents should be retained with the timekeeper for five (5) years at the school site. Overtime forms should be attached to any other time and effort documentation.

The overall guiding principle is that Charter School administrators must know where the documents are kept and that the documents must be readily available for audit purposes.

V. MONITORING COMPLIANCE

1. The Charter School shall continuously verify appropriate documentation and/or reports to ensure that time and effort certifications are completed accurately and timely, reviewed, and properly approved.
2. Managers should remind affected employees that a Personnel Activity Report (“PAR”) must be completed on at least a monthly basis. The PAR must include:
 - Reflect an after-the-fact distribution of the actual activity of the employee;
 - Account for the total activity for which the employee is compensated;
 - Be prepared at least monthly and coincide with one or more pay periods; and
 - Be signed by the employee.
3. Periodic certifications should be completed and signed by the last working day of month, and monthly multi-funded time reports be completed if required. This documentation should be retained by the payroll technician at the site along with other payroll time-reporting documentation for a period of five (5) years.
4. Administrators shall remind affected employees that Semi-Annual certifications must be completed and signed by the last working day of December (but no later than January 31st), and last working day of June (but no later than July 31st), and that monthly multi-funded time reports be completed if required. The responsible supervising manager with full knowledge of the activities will sign the form. This documentation shall be retained by the time-reporter at the site along with other payroll time-reporting documentation for a period of five (5) years.
5. By January 31st and July 31st, managers should submit to the payroll technician a written assurance that they have received the appropriate documentation for each listed employee and that any necessary payroll adjustments have been made.
6. By February 15th and August 15th, the payroll technician and managers should provide a written assurance to the fiscal manager that they have received assurances from their departments that appropriate supporting documentation has been obtained and any necessary payroll adjustments have been made.

VI. EMPLOYEE TRAINING

The human resources department and the fiscal department will provide training annually to managers and federally funded employees regarding documentation of time and effort reports, personnel activity reports, semi-annual reports, and assurance documentation policies.

VII. RECONCILIATION

Payroll should review personnel activity reports each month. If the actual hours worked documented are different than the employee's budgeted time, adjustments must be entered into the payroll system so that the actual time worked is reflected and charged to the program.

VIII. PROCEDURES

The procedures for Time and Effort reported federal program funding will be as follows:

Salaries and wages paid from state restricted funds must have supporting documentation conforming to either the federal documentation method or the alternative state documented method. For the state documented method to be used, the following criteria must be met:

1. The specific costs would not occur if the program being documented were discontinued.
2. The costs must be supported by auditable documentation, including time reports and contemporaneous records of activities.
3. All parts of the product or service (e.g., a position or service contract) must be documented.

Unless stated otherwise in the guidance following, personnel whose costs are being documented under the state documented method must complete an activity worksheet. The worksheet must include, at a minimum, the following elements, but additional information may be incorporated to meet local needs:

Activity Worksheets

- Reporting frequency. An employee's activity worksheet must be completed at least monthly.
- Information to be reported. The following basic information must be recorded for each employee being documented:
 1. The Charter School's Name
 2. Employee's name
 3. Employee's position title
 4. Period covered by the worksheet
 5. Signature of the employee
 6. Signature of the employee's supervisor
 7. Work activity (e.g., the name/description of the program or cost objective)

The basic activity worksheet generally provides the minimum required documentation when an employee's assignment is in support of only one program or cost objective.

Employees who are assigned to positions that serve more than one program should also record the following:

8. Name/description of each program or cost objective
9. Dates worked
10. Hours worked

Record only actual hours worked. These hours will be used as the basis for distribution of costs to the programs or cost objectives. Include overtime hours worked, whether paid or unpaid. Exclude time off (vacation, sick leave, and any other time off) or report it as a separate line item. Report to the nearest quarter hour any time worked that is less than one hour. Substantiation of the time spent for each program is to include, at a minimum, a summary time sheet plus contemporaneous records that detail the time spent on each task.

The first week following the end of the pay period, the employee will turn in their prior monthly schedule, and time sheets for the period covered on the Personnel Activity Report (“PAR”) to their manager. The employee’s manager will review the PAR, sign it, and have the employee sign it as well.

The Fiscal Department will provide the manager with the employee’s proper allocation account codes and percentages for each code based on their PAR report submitted by the employee and reviewed by the manager.

The employee’s manager will file the documentation and keep the records for five years.

IX. AUDIT RESOLUTION

When the program is audited, the following individual(s) will responsible for complying with the audit process the Chief Business Officer will resolve audit findings and report the resolution to the Board of Directors at the next regularly scheduled board meeting.