

**Maria Montessori Academy**  
**Policy: Time and Effort Documentation Policy**  
**Adopted: October 13, 2020**



## **Purpose**

Because Maria Montessori Academy (the “School”) receives restricted federal funds, the School is obligated to properly spend and account for the expenditures of such funds. The School adopts this policy in order to ensure that charges to federal awards for salaries and wages are based on records that accurately reflect the work performed.

## **Policy**

The School will recognize and follow the *Uniform Administrative Requirements* pertaining to the *Standards for Documentation of Personnel Expenses* as contained in the Code of Federal Regulations Title 2 Part 200.430(i).

Documentation of personnel expenses will:

1. Be supported by a system of **internal controls** which provides reasonable assurance that charges are **accurate, allowable, and allocable**.
2. Be incorporated into the School’s official records.
3. Reasonably reflect the total activity for which the employee is compensated.
4. Encompass both federally assisted and all other activities compensated by the School.
5. Comply with the established accounting policies and practices of the School.
6. Support the distribution of the employee’s salary or wages among specific activities **or cost objectives**.

The School’s administration will adopt additional administrative procedures to ensure compliance with this policy and applicable law.

## **Definitions**

“Accurate” means that salaries and wages are based on records that provide an actual representation of the work performed.

“Allocable” means a cost is allocable to a Federal award or other cost objective because the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with the relative benefits received.

“Allowable” means that a cost meets the criteria (factors affecting allowability of costs) outlined in *Uniform Administrative Requirements* 2 CFR 200.403 unless otherwise authorized by statute.

“Internal Controls” mean processes implemented by a non-federal entity designed to provide reasonable assurance regarding the achievement of objectives in the following categories (2 CFR 200.61):

- a. Effectiveness and efficiency of operations
- b. Reliability of reporting for internal and external use; and
- c. Compliance with applicable laws and regulations

“Cost Objectives” means a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. (i.e., Implementation of program accounting).

Signature:

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Board President

Date

## **Administrative Procedures Time and Effort Documentation**

1. All employees paid in whole or in part with federal funds, and employees whose salaries are used to meet a matching/cost sharing requirement, are required to provide time and effort documentation that accurately/reasonably represents the work that has been performed during the period being reported on.
  - a. **Semi-Annual Certification** – This certification must be submitted by/for employees who spend 100% of their time and effort on a single federal program during the six-month period being reported on.
    - i. Semi-Annual Certifications will be submitted for the periods July 1 through December 31, and January 1 through June 30.
    - ii. Semi-Annual Certifications must be submitted after the last day of the period being reported (after the fact).
    - iii. Semi-Annual Certifications must be submitted on an approved form.
    - iv. Forms will include:
      1. Name of Employee.
      2. Title of Employee.
      3. Period being reported on.
      4. A certification statement stating the employee has spent 100% of their time on the stated program.
      5. Name of the program worked on.
      6. Whether time, effort and salary are being used for cost sharing or matching purposes. If so, for which program(s).
      7. Signature of Employee.
      8. Date Signed by Employee (Note: Cannot be dated prior to the end of the period covered by the certification).
      9. Signature and Title of Direct Supervisor.
      10. Date Signed by Supervisor (Note: Cannot be dated prior to the end of the period covered by the certification).
  - b. **Personnel Activity Report (PAR)** – This report must be submitted by/for employees that:
    - i. Meet at least one of the following criteria:
      1. Work on multiple federal awards.
      2. A federal award and a non-federal award.
      3. Employees that work on a single federal award, but are paid for indirect cost activities AND direct cost activities.
      4. Employees that work on two or more indirect cost activities that are allocated using two different allocation bases.
      5. An employee that works on a federal award but on an unallowable activity and a direct or indirect cost activity.
    - ii. PARs will be submitted on a monthly basis.
    - iii. PARs must be submitted after the last day of the month being report on (after the fact).
    - iv. PARs must be submitted using an approved form.

v. Forms will include:

1. Employees Name.
  2. Period being reported on (e.g., January 1 through January 31, 2020).
  3. A certification statement stating that the distribution of the employee's time is an accurate representation of the work performed.
  4. Whether time, effort and salary are being used for cost sharing or matching purposes. If so, for which program(s).
  5. Distribution of time (by percentage e.g., 70% Title I, 30% SpEd) by account, Function, Program, Location.
  6. Time being reported must represent but cannot exceed 100%.
  7. Must coincide with one or more pay periods.
  8. Signature of Employee.
  9. Date Signed by Employee (Note: Cannot be dated prior to the end of the period covered by the PAR).
  10. Signature and Title of Direct Supervisor
  11. Date Signed by Supervisor (Note: Cannot be dated prior to the end of the period covered by the PAR).
  12. Sick time, vacation time, etc. must be coded proportionally to the different programs.
2. Payroll records must reconcile with the time and effort documentation.
  3. A reconciliation of payroll records and time and effort documents will be done on a quarterly basis. Adjustments will be made and discussed, as necessary.
  4. If an employee's salary is being used for cost sharing/matching purposes, then this needs to be identified on the employee's time and effort certification form. Once a salary has been used for matching purposes or a portion of the salary, then the salary, or portion thereof, that has been used may not be used as matching/cost sharing funds for another program.
  5. If assignments change, it is the School's responsibility to inform the School's business administrator so that payroll records, budgets, etc. can be updated.
  6. Upon termination of employment, an employee must submit their final time and effort documentation prior to receiving their final payment.
  7. Procedures will be periodically reviewed by the administration. Updates due to changes in rules or regulations will be made in a timely manner, as necessary.
  8. Employees will receive appropriate training on time and effort documentation.
  9. The School will keep a copy of all time and effort documentation (Semi-Annual Certifications, Personnel Activity Reports, payroll reports, etc.) in accordance with the School's record retention practices or 5 years, whichever is greater (See 2 CFR 200.333).