

Time and Effort Documentation Policy

Adopted: December 17, 2020

Revised: 03.19.2025



Purpose

Because Wallace Stegner Academy (the “School”) receives restricted 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 or other state restricted programs, as required, for salaries and wages are based on records that accurately reflect the work performed.

Definitions

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

“Allocable” means, in accordance with 2 CFR § 200.405, a cost is allocable to a Federal award or other cost objective if the cost is assignable to that Federal award or other cost objective in accordance with the relative benefits received.

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

“Internal Control” means, as described in 2 CFR § 200.1, processes designed and implemented by a non-federal entity to provide reasonable assurance regarding the achievement of objectives in the following categories:

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

“Cost Objective” means, as described in 2 CFR § 200.1, 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, and capital projects (*i.e.*, implementation of program accounting).

Policy

Time and Effort Standards

The School shall recognize and follow the *Uniform Administrative Requirements* pertaining to the *Standards for Documentation of Personnel Expenses* as contained in 2 CFR § 200.430(g). Accordingly, all School employees who are paid in full or in part with federal funds shall keep specific documents to demonstrate the amount of time they spent working on the federal program (2 CFR § 200.430(g)(1)). In addition, all School

employees who are paid with state and local funds, but whose salaries and wages are used for cost sharing or matching in a federal program, shall also keep time and effort documentation (2 CFR § 200.430(g)(4)). Moreover, all School employees who are paid in full or in part with state restricted funds shall keep specific documents to demonstrate the amount of time they spent working on the state restricted program.

Charges to restricted funds for salaries and wages must be based on records that accurately reflect the work performed. In accordance with 2 CFR § 200.430(g)(1), these records must:

1. Be supported by a system of **internal control** that 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 by the School, not exceeding 100% of the compensated activities.
4. Encompass federally-assisted and all other activities compensated by the School on an integrated basis.
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**.

Semi-Annual Certifications and Personnel Activity Reports

To meet the above requirements, all School employees who are required to keep time and effort documentation must submit either a Semi-Annual Certification or a Personnel Activity Report ("PAR") as described below. Whether an employee must submit a Semi-Annual Certification or a PAR depends on the number of cost objectives that an employee works on.

The School's administration shall ensure that employees who work solely on a single cost objective complete a Semi-Annual Certification consistent with 2 C.F.R. § 200.430 and applicable state law and rule.

The School's administration shall ensure that employees who work on multiple cost objectives document their time and effort on a PAR consistent with 2 C.F.R. § 200.430 and applicable state law and rule.

Procedures

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