



THE VIRGIN ISLANDS DEPARTMENT OF EDUCATION
GRANTS MANAGEMENT & REPORTING POLICY AND PROCEDURE

Policy/Procedure Title:	GM1.9 – Certifying Time and Effort
Purpose:	This procedure establishes guidelines for the rules governing the types of documents that must be maintained by employees who are paid with federal funds.
Definitions:	VIDE – Virgin Islands Department of Education PAR – Personal Activity Report
Policy:	1. This policy is developed consistent with the rules set out in Office of Management and Budget Circular A-87, Attachment B, paragraph 8(h), which is available at: http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html#8

Procedure:
<ol style="list-style-type: none"> 1. All employees who are paid, in full or in part, with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. These documents, known as time and effort records, must be maintained in order for VIDE to charge the costs to federal grants. 2. VIDE administers the collection and reporting of employee time and effort data by receiving the Personal Activity Report or Time Certification Manually. The data collected will support the official time and effort records submitted by employees monthly or semi-annually as applicable and in accordance with this policy. 3. Managers must ensure that VIDE time and effort policy is enforced in their department, at the state, district and school level, and that appropriate documentation exists to substantiate employee hours worked, leave time taken, and any necessary changes to time records in accordance with all VIDE policies. 4. <u>Explanation of Cost Objectives</u> <p>For the purposes of this policy, VIDE employees fall into one of two categories: (1) employees who work exclusively on a single grant activity (i.e., a single cost objective); and (2) employees who work on multiple grant activities (i.e., multiple cost objectives).</p> <p>A cost objective is defined as a particular grant award, <i>or other category of costs</i>, that requires VIDE to track specific cost information. In other words, VIDE is sometimes required to report on the amount of money it spent on a particular activity within a grant. This may occur when a grant program includes earmarks or set-asides that require VIDE to track expenditures to ensure they spend a specific amount of money for a specific purpose. These categories of cost are known as “cost objectives,” and grant programs may have more than one cost objective.</p>



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EXAMPLE: The Carl D. Perkins Career and Technical Education Act will allow VIDE to set aside up to 15% of its total grant award for state-level activities.

Employees who are paid out of this set-aside must track the amount of time they spend on state-level activities so that VIDE can demonstrate it did not exceed the 15% cap.

Determining cost objectives requires a careful reading of the programmatic provisions in the statute providing the funds. In general, an employee is considered to work on multiple cost objectives if he or she works on:

- More than one federal award;
- A federal award and a non-federal award;
- A federal award with specific earmarking or matching requirements;
- An indirect cost activity and a direct cost activity;
- Two or more indirect activities which are allocated using different allocation bases; or
- An unallowable activity and a direct or indirect cost activity.

5. Single Cost Objective Employees

An employee who works on a single cost objective must complete a **semi-annual certification** that indicates the employee worked solely on that cost objective for the period covered by the certification. The certification must be prepared at least every six months, covering the periods: October to March, and April to September. The employee and a manager with first-hand knowledge of the work performed by the employee must sign the semi-annual certification.

The certification will state the employee spent 100% of his or her time over the preceding six months working on an identified single cost objective. If an employee was originally expected to work only on a single cost objective, but was placed on a different project unrelated to the original cost objective, the employee should immediately bring this matter to the attention of his or her manager.

6. Multiple Cost Objective Employees

6.1 VIDE may only use federal funds to pay an employee's salary and benefits in proportion to the time the employee spends on the various cost objectives. For example, if any employee spends 50% of his or her time on IDEA, Part B state-level administrative activities, VIDE may only pay 50% of his or her salary with IDEA, Part B state-level administrative funds.

6.2 Employees working on multiple cost objectives must maintain Personnel Activity Reports ("PARs") that reflect the following:



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- After-the-fact record: The PAR must be created after the work has been executed. Projections of how an employee is expected to work or position descriptions are not sufficient.
- Total activity: The PAR must account for the total activity for which each employee is compensated, including part-time schedules or overtime.
- Bi-Weekly: The PAR must be prepared bi-weekly and must coincide with pay periods; and
- Signed: The employee must sign the PAR.

6.3 Employees working on multiple cost objectives are required to execute a PAR bi-weekly. These bi-weekly records will be signed by the employee on the first day or first workday of every pay period and be submitted to the Federal Grants Office to be maintained.

6.4 It is crucial that the monthly percentages recorded on this form are accurate. The employee must sign the PAR to certify that it accurately represents the employee's time and effort distribution.

7. Employee Identification

Each VIDE grant manager must review their federally funded positions to determine if an employee will work on a single or multiple cost objective. Additionally, throughout the course of the year, VIDE grant managers must determine the cost objective status of any new employee or employee whose salary allocation has been modified to be paid fully or partially from a federal grant. The grant manager must then ensure that any such change is reflected in the PAR for that particular time period and the time periods to follow.

8 Multiple Cost Objective Employee PAR Completion

8.1 VIDE grant managers must ensure the completion of a PAR on the 1st day of each pay period to cover the time period of the previous pay period. The employee must sign and date each completed PAR. A PAR that is missing any information, or does not account for 100 percent of the employee's time is considered incomplete. It is the responsibility of the grant manager to ensure accurate completion of each PAR.

8.2 In the event that an employee is absent and is unable to complete a PAR, the grant manager is responsible for completing the PAR. The grant manager must complete the PAR and note, "the employee is unavailable for signature" on the employee signature line and then initial beside the statement.

9. Semi-Annual Time and Effort Certification



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9.1 VIDE grant managers must certify the time and effort of single cost objective employees on a semi-annual basis. Certification consists of completing and signing the semi-annual certification form.

9.2 VIDE grant managers must complete semi-annual certifications on April 1st and October 1st, or the next business day. VIDE grant manager must then send, via e-mail, a PDF copy of the certification to the Office of Federal Grants within two (2) business days after the certification.

9.3 Each VIDE grant manager is responsible for obtaining a final time and effort certification prior to an employee's separation from the agency. The grant manager should coordinate this effort with VIDE Human Resources to ensure that the separating employee signs a final time and effort certification during the exit interview.

Failure to adequately document an employees' time and effort related to federal funds could result in potential repayment of disallowed costs. Furthermore, criminal charges may be brought against an individual who certifies a falsified report, per the Federal False Claims Act.

10. PAR and Certification Retention

10.1 Each VIDE grant manager is responsible for maintaining original PARs and semi-annual certifications for a minimum of five (5) fiscal years after the end of the grant period. If any litigation, audit or other action involving the records has been started before the expiration of the 5-year period, the records must be maintained until completion of the action and resolution of all issues which arise from it, or until the end of the regular 5-year period, whichever is later.

10.2 The grant manager must also maintain electronic versions of PARs and time and effort certification on the VIDE shared drive, as well as on an external drive or computer disk.