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| Personnel Compensation (Time and Effort) Reporting Procedure | Procedure Number | 11.6.2.5P |
| | Effective Date | November 28, 2017 |

1.0 PURPOSE

In accordance with Laramie County Community College’s Management and Oversight Authority Policy 11.1 and LCCC’s Sponsored Awards Policy 11.6, the purpose of this document is to provide procedures on time and effort reporting for personnel compensation through LCCC sponsored awards.

For all personnel costs charged to sponsored awards:

- A. Charges for salaries must be based on records that accurately reflect the work performed.
- B. Charges must be supported by a system of internal controls that provides reasonable assurance charges are accurate, allowable and properly allocated, thereby accurately reflecting work done.
- C. Be incorporated into official records.
- D. Support distribution of employee’s time if the employee works on more than one activity (federal and non-federal) not to exceed 100%.
- E. Comply with established accounting policies and practices of LCCC.
- F. Support distribution among specific activities or cost objectives.

2.0 REVISION HISTORY

Adopted on: 11/28/17

3.0 PERSONS AFFECTED

Persons whose salaries are charged (in whole or part) to a sponsored award and persons who manage or oversee sponsored awards on behalf of Laramie County Community College.

4.0 DEFINITIONS

- A. *Budget* – A *budget* identifies the types of costs and the estimated amounts needed to complete the project. The budget must be approved by the funding agency and College. The budget will be the basis for authorizing any expenditure on the project and the basis for seeking payment from the funding agency. Any variances from the approved budget (beyond those permitted by regulation) must be authorized by the funder and reviewed by LCCC.
- B. *Cost Objective* – Refers to 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.
- C. *Cost Sharing* – This refers to necessary/required project costs that the funding agency does not pay. These costs are generally borne by the College, and must be approved by the supervising budget manager. In some cases, a third party may provide cost sharing support.

- D. *Federal Award* – Federal funding can be provided to LCCC through a variety of funding mechanisms including grants, contracts, or cooperative agreements, directly from a federal agency or through a flow-through entity.
- E. *Non-Federal Entity* – 2 C.F.R. Part 200.69 defines non-federal entity as a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a federal award as a recipient or sub-recipient.
- F. *Personnel Compensation/Salary* – Salaries and wages charged to sponsored awards are paid for services of college employees rendered to the project during the period of performance of the particular agreement. All such payments must be made through college payroll procedures. Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are charged to sponsored projects as part of the normal charge for salaries and wages.
- G. *Project Budget Manager* – Individual designated by LCCC to manage the budget for the project (may be the same individual as the Project Manager/Principal Investigator).
- H. *Project Manager/Principal Investigator* – Individual designated by LCCC to manage the sponsored award project.
- I. *Sponsored Award* – A sponsored award is the transfer of money or property from an external funder that requires performance of specific duties. The funding relationship usually reflects a joint partnership in setting/meeting project goals. Most governmental funding will be for the purpose of conducting a sponsored award. The funding mechanisms used to meet this purpose can include memoranda of understanding, grants, contracts, cooperative agreements, and other legally binding means of transfer.


5.0 PROCEDURES

- A. Time and Effort Reporting
 - 1) Compensation for employee services is material to many projects and is often the biggest single line item in a project budget. Therefore, adequate documentation (time and effort reporting) on compensation is an essential component of financial reporting.
 - 2) Time and Effort reports must be maintained for all employees (except for contractors) whose salaries are either:
 - a. paid in whole or in part with sponsor funds, or
 - b. used to meet a match/cost sharing requirement.
 - 3) LCCC employees compensated through a sponsored award are required to provide a time and effort report to the Accounting Compliance Supervisor.
 - 4) For employees compensated through federal funding (directly or through a non-federal entity) the following are mandatory:
 - a. Semi-annual Certifications
 - Full-time employees who are 100% compensated by ONE source of federal funding and work on one single cost objective must complete a semi-annual certification. The certification:
 - i. must be signed after the fact
 - ii. must account for the total activity
 - iii. must be signed by the employee and employee's supervisor to certify hours worked.
 - iv. must be submitted every six months or at least twice a year

b. Personnel Activity Report (PAR)

Employees who work on multiple cost objectives and are paid by multiple sources (i.e., 50% paid by federal funds and 50% by current fund) or work on multiple cost objectives and paid by one federal source must submit a PAR. The PAR:

- i. must be signed after the fact
 - ii. must account for the total activity
 - iii. records may reflect categories of activities expressed either in hours or as a percentage of distribution of total activities (i.e., case management 25%; administration 75%)
 - iv. must be signed by the employee and employee’s supervisor to certify hours worked.
 - v. must be submitted at least monthly and coincide with one or more pay periods.
- 5) The Accounting Compliance Supervisor will request payroll history reports and timesheets to compare to time and effort reports submitted by sponsor-funded employees. If a discrepancy occurs, this will be brought the project manager/principal investigator’s attention to clarify or rectify.
- 6) The Accounting Compliance Supervisor will submit the time and effort report to each sponsoring agency as stipulated in the award documentation.

| REQUIRED APPROVALS | NAME/SIGNATURE | DATE |
|-----------------------------------|-------------------------------------------------------------------------------------|----------|
| Originator(s) Name(s) | Sabrina Lane, Accounting Compliance Supervisor | 10/27/17 |
| Approval by President's Cabinet | | 11/21/17 |
| Ratified by College Council | Sabrina Lane, College Council Co-Chair | 11/28/17 |
| Approval by President (Signature) |  | 11/28/17 |