



---

## Time and Effort Policy

### Purpose

Because Pacific Heritage Academy (the “School”) receives restricted funds, the School is obligated to properly spend and account for the expenditures of such funds. The School’s purpose in adopting this policy is 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.

### Policy

#### Time and Effort Standards

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

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

- a) Be supported by a system of internal controls which provides reasonable assurance that charges are accurate, allowable, and properly allocated;
- b) Be incorporated into the official records of the School;
- c) Reasonably reflect the total activity for which the employee is compensated by the School, not exceeding 100% of compensated activities;
- d) Encompass both federally-assisted and all other activities compensated by the School on an integrated basis;
- e) Comply with the established accounting policies and practices of the School; and
- f) 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 must 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. A “cost objective” is 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. (2 CFR § 200.28).



---

The Director and Business Office 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 Director and Business Office 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. Each PAR shall be signed by a supervisor and staff member who has direct knowledge of the assigned jobs. The employee must also certify their time by signing the PAR unless their employment has been terminated, are on extended leave, or otherwise unavailable to sign the document.

Hourly employees shall complete timesheets to accurately represent their time worked. The Director shall cause that hourly employees paid with restricted program funds also complete required forms compliant with state and federal laws and restricted program rules (*i.e.*, Semi-Annual Certifications or PARs). Supervisors shall review timesheets for accuracy prior to approval to be processed for payroll.

All employees who are paid in full or in part with federal funds must keep specific records to support the amount of time they spent on federal programs as reflected on the applicable time and effort form. This includes an employee whose salary is paid with state or local funds but is used to meet a required “match” in a federal program. This also includes an employee whose compensation is paid with state restricted funds.

These time and effort records shall be maintained in order to charge the costs of personnel compensation to federal awards. Examples of records used to support the amount of time spent on a federal program include but are not limited to desk calendars, timesheets written records of activity for each day/week, etc.

Falsification of employee time worked shall not be allowed and shall be reported to the Director immediately. The Director may establish administrative procedures to ensure compliance with this policy and applicable law.