

# Substitute System of Federal Time-and-Effort Reporting: Frequently Asked Questions

## General

- 1. Does the time-and-effort reporting requirement apply to federal programs only? Or are employees who work on state-funded programs also required to do time and effort?**

For the purposes of this document, time-and-effort reporting applies to personnel paid in any part with federal funds.

- 2. What is meant by the requirement that the semiannual certification “coincide with one or more pay periods”?**

The timing of the semiannual certification must match the timing of your pay periods as closely as possible.

Let's say you pay staff on the 25<sup>th</sup> of each month. Auditors would look to see that semiannual certifications were signed on the 26<sup>th</sup> of the month that represents the midpoint of your school year.

In a second example, let's say you pay some staff monthly on the 25<sup>th</sup>, and other staff on the 15<sup>th</sup> and the last day of the month. Auditors would likely look for your semiannual certifications to match the pay period ending date that is closest to the middle of the year (so you would choose the closest date after the closest pay period ending at the midpoint).

## Shared Services Arrangements (SSAs)

- 3. For LEAs in a shared services arrangement, who chooses to use the substitute system, the member district or the fiscal agent?**

The substitute system does not alter the current arrangement between the fiscal agent and member districts for reporting and maintaining time and effort records.

## Charter Schools

- 4. How does this guidance apply to charters?**

According to the additional guidance TEA received from the US Department of Education (USDE), the substitute system is available to all LEAs. That includes independent school districts, all open-enrollment charter schools, and education service centers.

- 5. Under the substitute system, may charter school employee who work 100% of the time on the same activity submit semiannual certifications?**

Yes, USDE has clarified that 100% employees at charter schools may also use the semiannual certification. If a charter school uses the substitute system, both single cost objective and eligible multiple cost objective employees would use the substitute system.

## Ed-Flex and ESEA Requirements

- 6. How does the substitute system of time-and-effort reporting (substitute system) apply to Texas's Ed-Flex authority?**

Ed-flex waives the submission of semiannual certifications for the programs eligible under the Ed-Flex waiver. (See the [Ed-Flex Waivers](#) page of the TEA website for more information.)

Employees are required to complete the schedule, which both the employee and the supervisor with direct knowledge of the employee's schedule then sign. The schedule is kept on file at the local business office.

Per the Ed-Flex waiver, the employee is not required to complete or submit the certification.

However, in lieu of the semiannual certification, the employee is required to maintain signed and dated job descriptions identifying the funding source and job duties attributed to the program.

**7. As a result of the single cost objective definition, are any changes required for job descriptions?**

As applicable, a sentence should be added to the employee's job description stating that they are supported by a single cost objective, even though funding is split among multiple sources.

## **Employee Schedule and Certification**

**8. How do you access the employee schedule and certification form?**

It is posted on the [Substitute System](#) page of the TEA website.

**9. On the employee schedule, how does an employee document time if the dropdown list of programs does not include a program?**

The employee would use the manual entry fields (lines F and G) to indicate any program not included on the dropdown list.

**10. On the employee schedule, what if two rows are not enough to manually enter programs that are not included on the dropdown program list?**

Consolidate all state or local funds into one line.

**11. Why does the employee schedule cover a week when the certification period is six months?**

To be eligible, the employee must have a set schedule. The TEA form covers a week because many eligible employees have schedules that are the same from week to week. The local educational agency (LEA) may choose to develop its own form to cover a greater time span.

**12. How does an employee account for planning periods on the employee schedule?**

If the planning period is specific to a program, then the planning period is charged to that program and listed in the schedule. If the planning period is for the entire daily schedule, then the planning period is not listed separately on the schedule and the time for planning is paid under the daily distribution of time and effort.

**13. An employee must submit a new schedule and certification if his or her schedule changes during the reporting cycle. Let's say the original reporting period was January 1 through June 30, but the employee's schedule changed on April 1. On the new certification, how does that employee indicate the reporting period?**

On the first schedule, the reporting period is January 1 through March 31. The reporting period on the second schedule is April 1 through June 30.

- 14. If the reporting period is January 1 through June 30, but the employee's last day of work during the school year is May 30, what dates should be indicated as the certification period?**

The last day of work during the school year would be the ending date of the certification period.

- 15. When different employees at the same LEA complete their schedules, must they all use the program list designations in the same way? That is, if several employees charge time to Special Education, does that grant always have to be designated as A? Or may some employees designate it as A while others use B?**

It is not required for all the LEA's employees to use the same designations. It is permissible for one employee to designate Special Education as A while another employee designates that same program as B.

- 16. Is this an after-the-fact certification for employees, or should the employee complete the certification at the beginning of the certification period?**

Auditors will be looking to see that the certifications were completed and signed after the certification period ends, in order to ensure that the schedule represents actual hours worked rather than estimated hours.

## **Employee Requirements**

- 17. What are the eligibility requirements for employees to use the substitute system?**

To be eligible to document time and effort under the substitute system, employees must meet the following three tests:

1. Currently work on a schedule that includes multiple activities or cost objectives that must be supported by monthly personnel activity reports
2. Work on specific activities or cost objectives based on a predetermined schedule
3. Not work on multiple activities or cost objectives at the exact same time on their schedule.

- 18. Are teachers required to account for all the time they spend at school, including before school, conference periods, lunch, and after school? Or is a teacher required only to account for instructional time, when students are in class?**

Primarily indicate instructional time. See also question 12 for information on planning periods.

- 19. An LEA pays tutors hourly, and those tutors fill out and sign time cards. Are those tutors eligible to use the substitute system?**

Only if the tutors meet the eligibility requirements stated in question 17.

- 20. What is the definition of the term "certification period"?**

"Certification" refers to the signature by the employee or supervisor, attesting that the documentation is correct. "Certification period" refers to the portion of the year for which time and effort is being documented.

- 21. Are employees required to take a lunch period?**

The LEA must follow state and local policy.

- 22. One of the requirements for this system states that the employee's schedule must be consistent. May an employee use this system if his or her schedule changes regularly?**

If the employee's regular schedule changes regularly, such as every month, the substitute system will not work for that employee. In that case, the employee must continue with the monthly personnel activity report. However, if changes to the employee's schedule occur less frequently, such as once every three or four months, the employee could use the substitute system as long as he or she resubmits the schedule and certification whenever the schedule changes by more than 10%.

**23. Who is supposed to complete the schedule, the employee or someone in human resources?**

The person completing the schedule should have direct, firsthand knowledge of the employee's schedule. If someone in HR completes the schedule, the LEA must ensure that requirement is met because records will be audited.

**24. What if an employee leaves before the end of the certification period?**

If the employee is no longer with the LEA at the end of the designated period, the supervisor with direct knowledge of the employee's schedule would note that the employee is not available on the employee signature line and then sign the certification.

**25. To use the substitute system, is a staff member required to keep extra documentation of his or her activities, such as a class list or sign-in log?**

A predetermined class schedule for the reporting period is required to support the time and effort, and no additional documentation is required. For supplemental pay outside the regular schedule, that extra documentation would be required.

**26. Can the schedule cross organization codes?**

An employee such as a teacher who works on multiple campuses with different organization codes may use the substitute system as long as the employee's activities can all be supported by the cost objectives identified on the schedule.

**27. How should an employee indicate paid leave using the employee schedule?**

The employee would document paid leave using the same schedule used to document time worked. While an employee is on paid leave, he or she is paid based on the regular schedule.

**28. An employee regularly works on the same programs but never knows from day to day how much time she will spend on each. Is that employee eligible for the substitute system?**

No, that employee does not meet the requirement stating that the schedule must be regular and consistent.

**29. How would an employee who works a block schedule use the employee schedule?**

Instead of filling out all the columns for Monday through Friday, the employee would use two columns (or as many as needed) and write a note at the bottom explaining that the schedule is a block schedule. If the employee alternates between an "A" and a "B" day, for instance, he or she would fill out two of the columns, completing each column with the total hours worked for each day of the block schedule.

**30. When should the employee complete the schedule and certification?**

The certification should be prepared after the fact based on predetermined schedule and any subsequent changes made in the schedule during the reporting period. The certification is verification of actual hours worked, not an estimate.

## Single and Multiple Cost Objectives

### **31. What difference does it make whether an employee is supported by a single or multiple cost objectives?**

The difference has to do with documentation requirements.

An employee supported by a single cost objective is only required to submit a semiannual certification.

An employee supported by multiple cost objectives must either submit a monthly PAR (under the traditional system) or a schedule and semiannual certification (under the substitute system).

### **32. Is there an easy way to determine when an employee paid out of multiple awards is really working under a single cost objective?**

Cost objectives are defined according to the set of work activities allowable under the term and conditions of each funding source. If an employee is working under a single cost objective, all the activities on his or her schedule must be totally supported from each federal grant contributing to the salary compensation, even when the employee is actually paid out of multiple grants. The activity is the cost objective, not the funding source.

### **33. Instead of every six months, can we collect time and effort documentation at the end of each semester?**

The requirement is for time and effort to be reported at least semiannually, or twice yearly. Documenting time and effort at the end of each semester (for instance, in December and May) would meet that requirement.

### **34. We are a small one-campus school district with only one position per grade. Teachers are paid out of local and federal funds, and their job duties are predetermined and unchanging. Are we eligible to use the substitute system?**

The key to determining whether an employee is working on a single cost objective is whether the employee's salary and wages can be supported *in full* from the federal award alone if the employee's salary is also paid with non-federal funds.

In your example, the employee is paid with federal and local funds, but the job duties are the same. As long as those duties could be paid in full from the federal source, then the employee has a single cost objective, and only semiannual certification is required.

### **35. We have a middle school special education teacher who also teaches two regular ed classes. The teacher is funded from state special ed and local funds. Is this teacher eligible for the substitute system?**

**If so, how does the teacher differentiate the percentage of the day taught, given that the TEA-developed schedule lists state and local together?**

The federal time-and-effort reporting requirement applies only to employees who are funded in part with federal funds. A teacher funded solely with state and local funds is not required to submit time-and-effort documentation. The teacher is not eligible to use the substitute system.

- 36. A teacher paid by IDEA-B proportionate share funds serves special education students in both public and private schools. As long as the teacher is serving students with disabilities 100% of the time, would this be considered a single cost objective, making the teacher eligible to use the substitute system?**

No, the LEA must differentiate between public school services and private school services.

- 37. A speech therapist works with students age birth through age 2 and supervises two assistants. The therapist is paid with IDEA-B Preschool and local special education coop funds. His schedule is regular and consistent. Does he qualify for the substitute system?**

As long as the employee provides speech therapy services for 100% of his time, he is supported by a single cost objective. He may submit a semiannual certification and does not need to use the substitute system.

- 38. Under IDEA-B, no more than 15% of grant funds may be used on coordinated early intervention services (CEIS). Employees who perform intervention services can be only partially funded from IDEA-B. The remainder of their salaries is funded from the general fund. If these employees deal with the same group of students every day and have a set schedule, can the substitute system be used?**

As long as the employees provide intervention services for 100% of their time, they are supported by a single cost objective. They may submit a semiannual certification and do not need to use the substitute system.

- 39. Can a teacher who is split-funded between Adult Ed and TANF funds considered to be supported by a single cost objective?**

The employee's Adult Ed activities cannot be supported under TANF. Therefore, this employee is supported by multiple cost objectives.

As long as the employee works according to a set schedule and does not do multiple activities at the exact same time, the employee is eligible to use the substitute system.

- 40. The definition of multiple cost objectives includes a funding split between direct and indirect costs from the same program. Is it possible for an employee who is funded under the same program but from direct and indirect costs to claim funding under a single cost objective?**

An employee who is paid from direct costs for one piece of work and from indirect costs for another piece of work is supported by multiple cost objectives, regardless of whether the program is the same.

For example, an HR staff member may be paid from Title II, Part A for both Title II, Part A recruiting (indirect) and verification of highly qualified status (direct).

- 41. Could Title III and LEP be considered a single cost objective?**

A district cannot support Title III and state ESL or bilingual activities under a single cost objective without running into supplant issues.

- 42. An LEA is funding a middle school math teacher from Title II, Part A and from SCE. Is the teacher eligible for the substitute system?**

Yes, as long as the teacher has a predetermined schedule consisting of activities for both programs.

**43. What if an employee works a regular, consistent schedule, but one of the employee's regular activities is not grant eligible (for instance, the employee coaches the cheerleading squad)?**

The employee is still eligible to use the substitute system. The non-grant time would be charged to other local funds, using the manual entry fields (lines F and G) on the program list section of the employee schedule.

**44. The LEA has some employees who are paid 100% out of IDEA-B and who provide proportionate share services. These employees traditionally submitted monthly PARs. Are they eligible for the substitute system?**

Yes, as long as the employee meets the clarified definition of a single cost objective from USDE, they would now qualify as a single cost objective, and semiannual certifications would be required (not monthly PARs).

## **LEA Requirements**

**45. Are LEAs required to adopt the substitute system?**

Because it eases the reporting burden on employees and LEAs, TEA recommends that LEAs use the substitute system. However, participation is completely optional.

**46. If we completed the management certification for a prior school year, do we have to resubmit the form this year?**

The management certification form must be submitted every year. Even if you were approved to use the substitute system last year, you must resubmit the form this year.

**47. May we use the substitute system for some federal programs and use a different system of time-and-effort reporting for other federal programs?**

It is recommended that the LEA implement a single, uniform system for time-and-effort documentation.

**48. What if we only have a single employee who wants to use the substitute system? Are we still required to submit a management certification?**

The LEA must submit the management certification regardless of the number of employees who are using the substitute system.

**49. We do not want to implement the substitute system but do want to let our single cost objective employees complete semiannual certifications. What do we do?**

No action is necessary in this case. You can continue with your current practice of reporting time and effort.

**50. We currently have no staff eligible to use the system but want to be able to use it immediately if staff become eligible. Should we submit the management certification now?**

You may submit the certification and retain your eligibility to participate during the current school year.

**51. If we are not funded by any federal grants, should we still complete and submit the management certification form?**

You are not required to complete and submit federal time-and-effort records. Therefore, you are not eligible to participate in the substitute system.

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