

What documents are needed for time and effort expenditures?

Personnel expense, including salaries, wages, and benefits, charged to a federal award are required to be accurate and supported by source documentation, as outlined in [2 CFR 200.302 \(b\)\(3\)](#).

Typical supporting documents include:

- ◆ Employee time sheets
- ◆ Time certifications
- ◆ Detailed general ledger reports
- ◆ Payroll distribution reports

What are the requirements for tracking employee time?

Compensation for personal services charged to a federal award is outlined in [2 CFR 200.430](#).

Generally, employees who charge their time to multiple funding sources, whether multiple federal awards or a mix of federal and non-federal programs, complete time sheets which include the following information:

- ◆ Number of hours worked in each program for each day
- ◆ Total number of hours worked during the payroll period
- ◆ Employee's signature
- ◆ Signature of employee's supervisor
- ◆ Employees who charge 100% of their time to a specific federal award can choose to fill out a time sheet as described above or complete a time certification
 - ◆ Time certifications state an employee worked 100% of their time on one federal award
 - ◆ Time certifications are generally required to be completed semi-annually, after the work has been performed, and kept on file

Can overtime be charged to federal awards?

Grantees first review their Notice of Award to make sure overtime is an allowable charge to their federal grant.

If overtime is an allowable charge, employees can generally record overtime hours as follows:

- ◆ Charge overtime to all allowable funding sources based on the number of hours worked in each program, and after the work is performed
- ◆ Example of overtime calculation in a work week
 - ◆ Employee works 5 hours overtime with base hours as:
 - 15 hours in Federal Award Program A
 - 20 hours in Federal Award Program B
 - 5 hours in Federal Award Program C
 - ◆ Employee records overtime hours as:
 - 1.9 hours (38%) in Program A ($15 \text{ hours} / 40 = .38$; $5 \times 38\% = 1.9$)

2.5 hours (50%) in Program B ($20 \text{ hours}/40 = .50$; $5 \times 50\% = 2.5$)

0.6 hours (12%) in Program C ($5 \text{ hours}/40 = .12$; $5 \times 12\% = .6$)

Total: 5 hours (100%)

- ◆ If an organization requires employees to have overtime approved prior to incurring it, then the process also applies to federal funding sources

Can paid time off be charged to federal awards?

Paid time off (PTO), such as vacation and sick leave, is an allowable cost to a federal award, unless otherwise stated in the Notice of Award. PTO must be equitably charged to all funding sources an employee works on during the time period PTO is taken.

Employees who charge PTO to multiple funding sources, federal and/or non-federal, are required to record their time based on the number of hours worked in each program.

- ◆ Example of PTO calculation in a work week
 - ◆ Employee works 5 hours of PTO with base hours as:
 - 15 hours in Federal Award Program A
 - 20 hours in Federal Award Program B
 - 5 hours in Federal Award Program C
 - ◆ Employee records PTO hours as:
 - 2.1 hours (43%) in Program A ($15 \text{ hours}/35 = .43$; $5 \times 43\% = 2.1$)
 - 1.7 hours (34%) in Program B ($12 \text{ hours}/35 = .34$; $5 \times 34\% = 1.7$)
 - 1.2 hours (23%) in Program C ($8 \text{ hours}/35 = .23$; $5 \times 23\% = 1.2$)
- Total: 5 hours (100%)

Can directors and executive staff charge time to federal awards?

Yes. Directors and executive staff can charge their time spent on federal awards, as long as they track their time spent on all funding sources, both federal and non-federal, the same as any other employee is required to do. However, there are limits on the dollar amount, which cannot exceed 110 percent of the annual maximum salary which would be paid to a member of the Federal Government's Senior Executive Service (SES). Should an organization choose to pay above the 110 percent, the excess amount would need to be paid with non-federal funds.

If it is not possible or would be too time consuming for directors and executive staff to document the time they spend on all funding sources, organizations are encouraged to consider developing an indirect cost rate – or electing to use a de minimis 10% indirect rate, if they have never negotiated an indirect cost rate for any federal grant in the past. [See the OVC TFMC Functional Expense Allocation Guide Sheet.](#)

What time and effort documentation is needed for fiscal reviews?

During a fiscal monitoring review, the reviewer will check to ensure all costs charged to your federal award during a specified time period are allowable, accurate, and reasonable. During the review process, the following time and effort documentation may be asked for:

- ◆ Time sheets for every employee who worked on the federal award during the time period specified
 - ◆ Time sheets signed by both the employee and the employee's supervisor
 - ◆ Time certification (for staff who charge 100% of their time to the grant)
- ◆ Detailed general ledger reports or payroll distribution reports with the following:
 - ◆ Name of each employee
 - ◆ Salary or hourly rate for each employee
 - ◆ Number of hours worked during each pay period
 - ◆ Benefit rate for each employee
 - ◆ Total amount paid to each employee

References

- ◆ [2 CFR 200.302 \(b\)\(3\) Financial Management](#)
- ◆ [2 CFR 200.430 Compensation – personal services](#)

Resources

- ◆ [DOJ Grants Financial Guide](#)
- ◆ OVC TFMC Functional Expense Allocation Guide



The **OVC Tribal Financial Management Center (OVC TFMC)** provides **training, technical assistance, and resources** to support American Indian and Alaska Native communities as they successfully manage the financial aspects of their federal awards. OVC TFMC also offers support via our Virtual Support Center (VSC) to Office for Victims of Crime (OVC) grantees and those seeking federal funding from OVC for the first time. **Email questions or requests for grant financial management technical assistance to TFMC@OVCTFMC.org** or call **703.462.6900**. Visit OVCTFMC.org for additional resources and information.

Feedback Requested

OVC TFMC will continually work to provide resources to support grantees as they successfully manage their OVC financial awards. Your feedback assists us in creating these resources to meet your needs. To help us provide the most useful resources, we would appreciate your feedback on this guide sheet. Please send any comments or suggestions to Evaluation@OVCTFMC.org.

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