

Memo to: All UH-Downtown/PS Holders
From: Max Castillo, President
Subject: Employee Time and Effort Reporting

UH-Downtown/PS 02.A.02
Issue No. 2
Effective date: 05/17/06
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1. PURPOSE

This policy statement provides guidelines for preparing and submitting employee time and effort reports to meet state and federal regulations. These guidelines apply to all UH-Downtown employees regardless of appointment type or source of funds from which the employee is paid.

2. DEFINITIONS

2.1 Timesheet/Time and Effort Report: the form used by employees to regularly report time worked, approved leave, other time away from work, categories of work subject to special pay requirements and effort devoted to sponsored projects for cost sharing.

2.2 Effort: the activities, functions or categories to which an employee directs his/her time, including instruction, sponsored projects and administration.

2.3 Certifying signatory: the university administrator who has been authorized to certify expenditures for a unit whose signature must appear on any expenditure document initiated by that office including timesheets and time and effort reports.

2.4 Certify: to approve an expenditure, including timesheets and time and effort reports. Such certification ensures that the certifying signatory has first-hand knowledge of the employee's activities; that the expenditure is made for the purpose for which the funds were budgeted; that the documents are prepared in accordance with all State, federal, UH System and UHD guidelines; and that the funds required are available.

2.5 Supervisor: the person to whom the employee immediately reports and who is responsible for the employee's work assignment and oversight.

2.6 Instructional activities: time expended in the support of instruction. For the reporting of time and effort, instruction means teaching and training activities other than research training (which is classified as sponsored projects activities), including the following:

2.6.1 Instructional teaching assignments, including direct student contact teaching assignments, special problem and research courses, and other equivalent direct instructional duties.

2.6.2 The development of new course syllabi for current courses or for new courses within a department or college.

2.6.3 Academic advising.

2.6.4 Un-sponsored research and/or professional development, including effort devoted by faculty to research projects that are internally or externally funded.

2.7 Administrative activities: time expended on those administrative and supportive services that benefit common or joint unit activities. They exclude expenses directly identified with an instruction function or an activity classified as sponsored research or other sponsored activities.

2.8 Sponsored project activities: those activities for which time and effort is directly charged to an externally funded project cost center(s) and which are budgeted and accounted for separately. This includes sponsored research, research training, public service, and educational service.

2.9 Cost sharing activities: time and effort contributed, but not directly charged to externally funded projects, while the employee is being paid from institutional funds.

2.10 Principal Investigator (PI): The Principal Investigator is the primary individual in charge of a research grant, cooperative agreement, training or public service project, contract, or other sponsored project. The PI has primary responsibility for achieving the technical success of the project, while also complying with the financial and administrative policies and regulations associated with the award.

3. POLICY

3.1 Each non-exempt employee is required to prepare a time and effort report detailing time worked and time to be deducted for vacation, sick leave or other periods not at work during regularly scheduled workdays. Each non-exempt employee must sign and date the time and effort report to certify its accuracy.

3.2 Each exempt employee (including faculty, administrative and professional personnel) is required to prepare a timesheet to certify job completed and/or record time to be deducted for vacation, sick leave or other periods not at work during regularly scheduled workdays, as applicable. Each employee must sign and date the timesheet to certify its accuracy.

3.3 Signing another employee's timesheet/time and effort report or falsifying one's own report is strictly prohibited and may result in discipline up to and including termination.

3.4 Each employee's supervisor (or designee, in the supervisor's absence) must approve timesheets/time and effort reports. For persons paid from sponsored project cost centers, the approval authority must be the Principal Investigator or Principal Investigator's designee. The designee must be an individual with knowledge of 100 percent of the employee's activities. The Chancellor, or designee, shall approve the time and effort reports for the University of Houston - Downtown President.

3.4.1 If an employee is unavailable the day timesheets/time and effort reports are due, the procedures outlined in Exhibit A shall be followed.

3.5 Timesheets/Time and Effort Reports are distributed by the Payroll Office and must be returned to that office within the proper time frame to ensure timely payment. An Application for Leave must be completed and attached to each timesheet/time and effort report to support the time to be deducted for vacation, sick leave, or other periods not worked during the pay period. The University of Houston-Downtown Payroll Office publishes annually a payroll calendar reflecting appropriate due dates for timesheets/time and effort reports of exempt and non-exempt employees.

3.6 Time and effort should be reported carefully by all employees to avoid the necessity of making retroactive corrections to the timesheet/time and effort report. If a discrepancy is discovered, the procedures outlined in Exhibit B, Changes to Time and Effort Reports, must be followed.

3.7 Timesheets/time and effort reports constitute the primary basis for reimbursement to the university by the federal government of salaries applied directly to sponsored projects, sponsored instruction and other sponsored activities, as well as the basis for reflecting certain costs that are reimbursed as indirect costs. Timesheets/time and effort reports also provide the means of reflecting activity devoted to sponsored projects while the employee is being paid from institutional, i.e., non-sponsored project funds, such as cost sharing or matching.

3.8 Federal regulations stipulate that timesheets/time and effort reports will reflect the nature of activity on which each employee covered by the university expends effort. For additional

information, refer to Exhibit C, Effort Reporting on Sponsored Projects.

4. REVIEW PROCESS

Responsible Party (Reviewer): Vice President for Employment Services and Operations
Review: Bi-annually

Exhibits:

Exhibit A – Processing Timesheets/Time and Effort Reports for Employees Unavailable on the Day They are Due

Exhibit B – Changes to Time and Effort Reports

Exhibit C – Effort Reporting on Sponsored Projects

Signed original on file in Employment Services and Operations.

5. POLICY HISTORY

Issue #1: 09/15/03

Issue #2: 05/17/06

6. REFERENCES

There are no references for PS 02.A.02

Memo To: All UH-Downtown/PS Holders

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Subject: Procedures for Employee Time and Effort Reporting

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PROCEDURES

There are no separate procedures for Employee Time and Effort Reporting, PS 02.A.02.

PROCESSING TIME SHEETS FOR EMPLOYEES UNAVAILABLE ON THE DAY TIME SHEETS ARE DUE

At the request of the UHS Internal Audit Department, a new procedure is being implemented to process time and effort reports that are submitted to Payroll without the employee's signature as a result of the employee being absent on the day that time and effort reports are due. This procedure will ensure compliance with PS 02.A.02, Employee Time and Effort Reporting, which states that "Each employee must sign and date the time and effort report to certify its accuracy". This procedure is effective immediately.

1. When an employee is out on the day that time and effort reports are due to Employment Services and Operations (ESO), the employee's manager will,
 - a. reflect hours worked and any leave taken by the employee during that pay period on the employee's time and effort report
 - b. enter the comment "Employee Unavailable for Signature" in the space provided for the employee's signature
 - c. sign the time and effort report, keep a copy for follow-up and forward the original to ESO.

2. When the employee returns from leave, the manager will send a "Corrected Copy" of the time & effort report to ESO ensuring that,
 - a. the employee has reviewed the hours and any leave reported on the time and effort report
 - b. has signed the copy of the time & effort report
 - c. **AN ORIGINAL SIGNATURE MUST BE REFLECTED ON THE COPY OF THE TIME & EFFORT REPORT SENT TO ESO.**

3. If the employee is no longer working for the university, please enter the comment "Employee Unavailable for Signature-No Longer Working at UHD" on the time & effort report and forward to ESO. This is the only instance in which the employee's signature will not be required.

4. Payroll will keep all time & effort reports turned in with "Employee Unavailable for Signature" comment in a tickler for follow-up.

5. Payroll will follow-up periodically with employee and manager for a corrected time & effort report.

6. Once the corrected time & effort report is received, Payroll will match it to the original time & effort report in the tickler file and file (or scan) it according to the type of time sheet (bi-weekly or monthly) and pay period.

UNIVERSITY OF HOUSTON-DOWNTOWN
CHANGES TO TIME AND EFFORT REPORTS

1. When a discrepancy is discovered between department records and a time and effort report before the timesheet is submitted to the Payroll Office, the supervisor shall resolve the discrepancy with the employee. If time constraints preclude discussion with the employee, the supervisor may make revisions to the timesheet by lining out neatly and initialing the change. The supervisor shall then provide a copy of the revised timesheet to the employee.
2. When it is necessary to make corrections to time reported in a previous time period, a copy of the timesheet as submitted must be used. The erroneous material must be lined through carefully and correct information provided and initialed by the person making the change. Time reported should never be corrected by adjusting time reported in a subsequent period.
3. Corrections should never be made using correction fluid or tape.
4. Any revised time and effort report requires the same approvals as the original timesheet.
5. If any change is made to a period in excess of 90 days past the end of the pay period reported, an explanation of why the correction was not made earlier must be provided. The request should normally be signed by the same person who signed the original time and effort report (or by the employee's direct supervisor in the event the employee has terminated) and by the certifying signatory.
6. Corrections on sponsored project cost centers must also be approved by the Director of Sponsored Programs.

UNIVERSITY OF HOUSTON-DOWNTOWN
EFFORT REPORTING ON SPONSORED PROJECTS

While most employees will make a single entry to the time and effort report, employees who devote effort to many institutional functions (i.e., teaching and working on sponsored projects) may be required to complete more complicated entries. The following guidelines will apply to any time and effort report completed by a UHD employee who is working on a sponsored program or who devotes time to a sponsored program:

1. Each timesheet will reflect after-the-fact certification of 100 percent of the activity for which the employee is being compensated and which is required in fulfillment of the employee's obligations to the institution. The report will reflect reasonable estimates of the percentages of effort devoted to instructional activities, sponsored project activities, cost sharing, and departmental administration.
2. Instructional activities include time expended in the support of instruction. For the reporting of time and effort, instruction means teaching and training activities other than research training (which is classified as organized research), including the following:
 - a. Instructional teaching assignments, including direct student contact teaching assignments, special problem and research courses, and other equivalent direct instructional duties.
 - b. The development of new course syllabi for current courses or for new courses with a department or college.
 - c. Departmental advising.
 - d. Un-sponsored research/professional development, including effort devoted by faculty to research projects that are not supported by some type of sponsored project agreement or separately budgeted or accounted.
3. Sponsored project activities include those activities for which time and effort is directly charged to a sponsored project cost center(s) and which are budgeted and accounted for separately. This includes sponsored research, research training, public service, and educational service.
4. Cost sharing activities include time and effort contributed (devoted, but not directly charged) to sponsored projects that are funded by external agencies, while the employee is being paid from institutional funds.
5. Departmental administration includes time expended on those administrative and supportive services that benefit common or joint departmental activities. They exclude expenses directly identified with an instruction function or an activity classified as sponsored research or other sponsored activities.
6. Each employee paid from a sponsored project cost center or devoting effort to a sponsored project must know the cost center number(s) from which they are paid and/or to which effort is devoted, since projects are represented only by the cost center number on the timesheets.

7. The time and effort of an employee will be reported as the activity for which the cost center is budgeted, unless the timesheet provides a different distribution.
8. A faculty member paid on a state instructional cost center during the academic year is budgeted as instruction. Therefore, if the faculty member devotes effort to a sponsored project, the percentage of effort must be indicated in section IV of the timesheet.
9. If an exempt staff employee is paid from a non-state cost center and effort is devoted to a sponsored project cost center, a distribution must be indicated in section IV of the timesheet as cost sharing.
10. A non-exempt employee paid from a non-sponsored project cost center who devotes time to a sponsored project shall report the distribution of effort made to the sponsored project cost center as cost sharing in the "Remarks" section of the biweekly timesheet.
11. The departmental administrator should be consulted when the activity (as defined above) for which the cost center is budgeted is not known and when direction is reporting cost sharing is required.
12. The percentage of effort reported must always total 100 percent. Even where the number of hours of effort the employee expends each week exceeds the "normal" work week of 40 hours, effort percentages must be based on total effort, not hours. The fact that a salaried employee may work more than a normal 40-hour week does not alter this rule. For example, an employee who spends 40 hours a week on a sponsored project and 40 hours a week on instructional activity would report an effort percentage of 50% for each category, totaling 100% effort for the reporting period.
13. Payroll distributions which are printed on the timesheets are initial estimates of how effort is anticipated to be expended. If an employee reviews the timesheet and finds that the effort actually expended does not match the budgeted distribution, the proper effort distribution must be furnished for each assignment (cost center) on the timesheet.
14. To confirm that the distribution of effort represents a reasonable estimate of the work performed by the employee during the period, the timesheets shall be signed by the employee and the principal investigator.

Requesting Retroactive Time and Effort Adjustment Only

Retroactive time and effort adjustments that do not involve the redistribution of salary charges will be requested by use of the "Time and Effort Adjustment Request" form. The originator must include the Employee ID of the employee, the name, the pay period ending date, the original distribution as reported on the TAE report submitted to Payroll, and the revised distribution.

One form must be submitted for each pay period and the appropriate TAE report attached to each request. The form must be completed by including a justification for the adjustment. Both the employee and the employee's supervisor must sign the form certifying the correctness of the new distribution.

The completed form must be kept on file in the department for audit purposes and one copy must be forwarded to the Coordinator of Grant Accounting in Business Affairs.

UNIVERSITY OF HOUSTON-DOWNTOWN
TIME AND EFFORT ADJUSTMENT REQUEST
 (For effort redistribution only, NOT for reallocation of charges)

DISTRIBUTION:

<u>Employee ID</u>	<u>Employee Name (Type)</u>	<u>Pay Period Ending Date</u>	<u>Pay Period ID</u>
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ORIGINAL DISTRIBUTION

Cost Center _____
 Instruction _____ %
 Dept. Admin. _____ %
 (Specify)
 Other _____ %

Cost Sharing

Cost Center	Percent
_____	_____ %
_____	_____ %
_____	_____ %

REVISED DISTRIBUTION

Cost Center _____
 Instruction _____ %
 Dept. Admin. _____ %
 (Specify)
 Other _____ %

Cost Sharing

Cost Center	Percent
_____	_____ %
_____	_____ %
_____	_____ %

JUSTIFICATION:

CERTIFICATION:

I certify that the percentages of activity, as indicated, are correct representations to the best of my knowledge and belief.

_____ Employee (Signature)	_____ Date
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I certify that the percentages of activity, as indicated, are correct representations to the best of my knowledge and belief. I further certify 1) that I have used suitable means of verification that the work was performed, or 2) that previous to my signature this certification has been signed by the employee.

_____ Supervisor or Department Head (Signature)	_____ Date
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Attach a copy of the original timesheet. Complete Distribution, Justification, and Certification sections then forward to the Coordinator of Grant Accounting, Business Affairs