



OFFICE OF
HOUSING COUNSELING
LET'S MAKE HOME HAPPEN

U.S. Department of Housing and Urban Development Office of Housing Counseling



Facilitated by
Booth Management Consulting
7230 Lee Deforest Drive, Suite 202
Columbia, MD 21046

Timekeeping and Personnel Activity Reporting

May 15, 2018 2PM EST

**Facilitated By
Petergay Bryan
Project Manager
Booth Management Consulting**

Training Topics



1. Importance of Timekeeping & Personnel Activity Reporting
2. Timekeeping System
3. Personnel Activity Reporting
4. Standard of Documentation of Personnel Expenses
5. Implementing Practices in Compliance with the Uniform Grant Guidance
6. Frequently Asked Questions



Importance of Timekeeping & Personnel Activity Reporting

Importance of Timekeeping & Personnel Activity Reporting



1. *§200.430 Compensation—personal services:* compensation for personnel costs under Federal awards must be:
 - Allowable
 - Reasonable
 - Allocable
2. Timekeeping & personnel activity reporting provide support for time charged to Federal awards
3. Required for employees whose time will be charged to a Federal award

Importance of Timekeeping & Personnel Activity Reporting



Timekeeping Definition:

- The process of recording time/hours worked by an employee.
- Timesheets must be signed by employees and authorized supervisor.
- Penalties for falsifying or completing another person's timesheet.

Personnel Activity Reporting Definition:

- The process of documenting activities performed by an employee.
- Used to confirm that the distribution of activities represents a reasonable estimate of work performed during the period.

Timekeeping System

Timekeeping System



1. Track time to be able to allocate labor hours worked to various projects.
2. Show hours worked by labor category.
3. Show hours worked by Federal award charge code.
4. Ensure nature of work performed determines the proper distribution of time (not availability of funding, type of grant, etc.).
5. Enforce accurate and complete preparation of timesheets as part of employee job description.

Timekeeping System



Timekeeping Options

Contemporaneous

1. Employees enter time daily.
2. Time can be captured through time entry software or a manual log system.
3. This option provides a more accurate, detailed account of time than a reconstruction of activities.

*NOTE: This is the preferred method.

Timekeeping System



Timekeeping Options

Reconstructive Timekeeping

Employees rely on notes, call logs, client management systems, emails, etc. to reconstruct the required timekeeping records.



Timekeeping System



Best Practices for Reconstructive Timekeeping

1. DO use case notes, call logs, workshop logs, or other documentation to help reconstruct time spent within each grant activity after active counseling activities have been completed
2. DON'T perform timekeeping functions in front of clients to avoid presenting the image that the counselor is more focused on capturing time vs. providing counseling services
3. DON'T use reconstructive timekeeping to make up for unaccounted time during contemporaneous timekeeping

Timekeeping System



Timesheet Example

Employee Timesheet

Name: _____ Date: _____
 Badge #: _____ Dept: _____
 Manager: _____

Date	In	Out	Breaks	Reg. Hours	OT Hours	Total Hours
Total:						

Employee Signature: _____ Date: _____
 Manager Signature: _____ Date: _____

Personnel Activity Reporting

Personnel Activity Reporting



1. Must track the distribution of work activities by hours, funding, and individual for the period.
2. Must be detailed enough to determine if activities are for direct or administrative services.
3. Must reflect 100% of activities performed.
4. Must be detailed enough to determine allowability is consistent with grant and regulatory requirements.

*NOTE: Personnel costs on average account for over 90% of the costs charged to HUD/OHC awards.

Personnel activity reporting



Basic Elements

Personnel Activity Reporting must at least:

1. Account for all activities worked on by the employee
2. Be signed by the individual employee or by a responsible supervisor who has first-hand knowledge of the activities performed by the employee if a separate reporting is maintained
3. Reflect an after-the-fact determination of the actual activity of each employee (it must not be based on budgeted hours or funding availability)

Personnel Activity Reporting



§ 200.430 Requirements:

1. Must have policies and procedures
2. Must maintain documentation for personal activity reporting
3. No longer required to have a separate monthly report

Personnel Activity Reporting

Policies & Procedures Example



ABC AGENCY

PERSONNEL ACTIVITY REPORTS POLICIES & PROCEDURES

Effective Date: _____

Revision Date: _____

POLICY

In accordance with Office of Management & Budget (OMB) OMNI Circular Subpart E, Part 200.430 'Compensation - Personal Services', effective December 26, 2014, "...the distribution of salaries and wages to federal awards must be supported by Personnel Activity Reporting for each employee whose compensation is charged in whole or in part directly to the award".

It is the policy of ABC Agency to utilize Personnel Activity Reports to report services provided on all federally funded projects in accordance with the OMNI Circular requirement specified above.

In order to facilitate this, the Finance Department has established specific program and activity codes for each grant and will provide the codes to all employees charging to the grant.

PROCEDURES

Employees must comply with ABC's established time tracking policies and procedures when reporting personnel activity. When completing the timesheet, an employee will charge all federal grant related time to both a program and an activity code reflecting after-the-fact determination of the actual activity and account for the total activity for which the employee is compensated.

To ensure compliance with federal regulations, salaries, wages, and fringe benefit costs charged to federal grants will be supported as follows:

1. Charges will be based on actual timesheets and documented payrolls approved by responsible officials of the Agency.
2. The reporting will reflect an after-the-fact determination of the actual activity of each employee. Budget estimates will not be used as support for charges to awards.
3. The reporting must be signed by the individual employee and by a responsible supervisor who has first-hand knowledge of the activities performed by the employee. (i.e. a HUD Housing Counselor timesheet is signed by the Director of Housing Counseling). The signature of the immediate supervisor informs the Finance Department that the immediate supervisor has thoroughly reviewed the time sheet and has assumed responsibility for its accuracy.
4. The frequency of the reporting shall be monthly.
5. Charges for non-exempt employees will also be supported by records required by the Fair Labor Standard Act.
6. Salaries and Wages of employees used in meeting cost sharing or matching (in-kind), and/or leverage funds are supported in the same manner as salaries and wages charged to federal awards.

Personnel Activity Reporting



- **Option 1:** Continue to maintain Personnel Activity Reporting
- **Option 2:** Add personnel activity codes to the timesheet
- **Option 3:** Use data recorded in the Agency's Client Management System (CMS) to support charges made to HUD awards
- **Option 4:** Manual system for Agencies that do not have an electronic system

Option 2 – Manual Timesheet with Activity Code

Example of Documentation



ABC, Inc.																																					
Employee: <u>John Doe</u>																																					
Employee ID: <u>1234567</u>																																					
Fund Code	Activity/Work Performed	Activity Code	Total Hours	Day of the Month																																	
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31			
HUD-OHC-FY13	Pre-purchase counseling	HC0001	40	4							4	8	8	8	8																						
HUD-OHC-FY14	Administrative	HC0006	28	4													8	8	8	8																	
HUD-OHC-FY14	Training	HC0003	40		8	8	8	8																			8										
HUD-OHC-FY14	Marketing	HC0004	16																									8						8			
Special Needs	Administrative	SN0001	4								4																										
	Leave Without Pay		8																																		
	Holiday		8																																		
	Sick Leave		16																			8															
	Annual (Vacation) Leave																																				
	Compensatory Leave																																				
	Budgeted Hours		160																																		
	Compensatory Leave Earned		8																																		
	Total Hours Worked and Leave Taken		160	8	8	8	8	8			8	8	8	8	8			8	8	8	8	8	8			8	8	8	8	8	8			8			

Legend:		
HUD HC Activity Code	Description	What is included?
HC0001	One-on-One Counseling	Pre-purchase homebuyer counseling; resolving or preventing mortgage delinquency; helping with home maintenance or
HC0002	Group Counseling	Pre-purchase homebuyer education workshop; resolving/preventing mortgage delinquency workshop; post-purchase workshop for home maintenance and financial management; rental workshops; financial literacy workshops; fair housing
HC0003	Training	Training directly pertaining to the federal award
HC0004	Marketing & Outreach	Organize, attend, and/or participate in special events and promotions advocating housing counseling
HC0005	Travel	Travel directly pertaining to the federal award
HC0006	Administrative	Daily administrative duties including but not limited to reviewing files of clients and completing client reports
HUD Special Needs Act	Description	What is included?
SN0001	Administrative	Daily administrative duties including but not limited to reviewing files of clients and completing client reports

I certify and attest that the allocation of time reported is an accurate and truthful disclosure of the work performed for the sources of funding identified herein.

Employee Signature _____ Date _____

Supervisor Signature _____ Date _____

Option 2 – Electronic Timesheet with Activity Code

Example of Documentation



Timesheets.com

Logged in as: Stephanie Faris

GETAPP REVIEWER--DO NOT CALL - 12737

Print This Page Page Options

My Account Contact Logout

5:11:26 PM
Official Time (CDT)
HOURLY CLOCK OUT
Clocked In: 05/21 3:11 PM CDT
Hours Today: 0.09

STEPHANIE FARIS
ACCOUNT ADMINISTRATOR

JUMP TO: -- Select Employee --

HOURLY TIME PROJECT TIME EXPENSES HR DOCS SETTINGS

Stats & Logs

Accrued Sick:	0.00 hrs
Accrued Vacation:	0.00 hrs
Accrued PTO:	0.00 hrs
Events & History:	Event Log History

Estimated Totals (through today)

Regular	0 hrs	Sick	0 hrs
Unpayable/Salaried	0.08 hrs	Vacation	0 hrs
1.5x	0 hrs	Holiday	0 hrs
2.0x	0 hrs	PTO	0 hrs
Deductions	-0 hrs	Not Used	--
Timezone	CDT	Not Used	--

Timecard Manual Entry Archives

Date	In	Break	Out	Hours	Totals	Acct. Code	Notes	Edit	Split	Del
WED May 21, 14	05:11 P	--	Currently Clocked In							
WED May 21, 14	03:47 P	--	03:52 P	0.08	0.08	Uncategorized				

Records 1-1 of 1 Show 40 Per Page

Legend:

■ Sick (SIC)		View Details		Edit
■ Vacation (VAC)		Pending Alert		Edit Request
■ PTO (PTO)		User Signed		Split
■ Holiday (HOL)		Approved		Split Paid
■ Unpayable/Salaried (UnP/SAL)		Split Paid		Delete
		Archived		

Some hourly Day Totals may be shown in red to help prevent overtime.

Copyright © 2004-2014 TimeClockOnline.com, Inc. All Rights Reserved. Privacy Statement. Terms of Use. By using this website, you acknowledge and agree to our terms and conditions. SECURE * 98,211.43.101

Option 4 – Manual System

Example of Documentation



Housing Counseling	Monday		Tuesday		Wednesday		Thursday		Friday	
	8/8/2016		8/9/2016		8/10/2016		8/11/2016		8/12/2016	
	Client or Workshop #	# of Hours	Client or Workshop #	# of Hours	Client or Workshop #	# of Hours	Client or Workshop #	# of Hours	Client or Workshop #	# of Hours
Group Education Workshops	546789	3.5							546791	3
Pre-Purchase Clients										
Post-Purchase Clients										
1st Time Home Buyer Education									546792	4
Predatory Lending Education			546790	4						
OTHER (HECM, NFMCC, etc. Identify):										
One-on-One/Individual:										
134990	1.5				134996	2				
134991	2				134997	1				
134992	1				134998	2				
134992	1				134999	1				
Default-Delinquency										
Pre-Purchase Clients										
Post-Purchase Clients										
Rental			134993	1						
Homeless			134994	1						
OTHER (HECM, NFMCC, etc. Identify):			134995	2						
Follow-up (all activity)					135000	2				
Daily TOTAL	4	8	4	8	5	8	0	0	2	7
Employee	<i>Jane Doe</i>					Date:	<i>8/12/2016</i>			
Supervisor	Anna Snow					Date:	8/15/2016			

***All client interaction should be maintained in the system.**

Standard of Documentation

Standard of Documentation of Personnel Expenses



Charges to Federal awards for salaries and/or wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.
- Be included in the official records of the non-Federal entity.
- Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities.
- Include all activities paid by the non-Federal entity.
- Comply with the established accounting policies and practices of the non-Federal entity.

Standard of Documentation of Personnel Expenses



Charges to Federal awards for salaries and/or wages must be based on records that accurately reflect the work performed. These records must:

- Support the distribution of employee salary or wages among specific activities by awards and/or funding sources, if the employee provides direct service on an award, or by indirect pool, if the employee provides indirect service.
- For nonexempt employees, in addition to the supporting documentation, the time charged must also be supported by records indicating the total number of hours worked each day.

Frequently Asked Questions

Frequently Asked Questions



Q1 - If an employee is documenting personnel activity and is not sure what grant/fund code to charge, what should they do?

A1 – Personnel activity reporting can be prepared using descriptions of the jobs performed. These descriptions should then match the tasks associated with the grant/fund code to be charged.

For example: an organization receives housing counseling funding from two different sources but the counselors are not aware of which source will be charged for the time spent for a particular counseling session. Once they are advised of the grant/fund to be charged, he/she should update their documentation of personnel activity, initialing and dating the change, to include the correct grant/fund code and re-send to the person who approves their timesheet. The person making the decision on what grant/fund to charge, preferably from the accounting/finance department, must ensure that activity and hours are charged to only one of the funding sources to avoid double dipping.

Frequently Asked Questions



Q2 – Is personnel activity reporting only required for HUD HC grants? Is a timesheet required to be your documentation of personnel activity?

A2 - Personnel Activity Reports are required from all organizations receiving grants from any Federal agency where salaries and wages are charged to the award. Personnel activity is not required to be reported on a timesheet. However, as a best practice many agencies use activity codes on their timesheet to comply with the reporting requirement.

Frequently Asked Questions



Q3 - Does personnel activity reporting only need to show hours worked under the HUD Housing Counseling grant program?

A3 – Personnel activity reporting must reflect 100% of the individual’s time. It should not be based on a 40-hour week but include all the hours worked by the individual for the specific period of time.

Frequently Asked Questions



Q4 – Can administrative and/or management’s personnel cost be charged as a direct cost of the grant?

A4 - §200.413, Direct costs, of the Uniform OMB Circular states ... “(c) The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

1. Administrative or clerical services are integral to a project or activity.
2. Individuals involved can be specifically identified with the project or activity.
3. Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency.
4. The costs are not also recovered as indirect costs.

Please forward any questions to:
housing.counseling@hud.gov
with
**“Timekeeping & Personnel Activity
Reporting ”**
in the Subject line