The Texas A&M University System
Texas A&M Engineering Extension Service

Standard Administrative Procedure

TEEX 15.01.04.N0.02 Time & Effort Reporting

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Revised: January 19, 2022
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Summary

TEEX must complete effort reporting to comply with 2 CFR Part 220. The CFR requires an acceptable payroll distribution method in accordance with generally accepted practices of colleges and universities. As The Texas A&M University System (TAMUS) uses after-the-fact activity records as the payroll distribution method (See TAMUS CASB DS-2), activity reports will reflect the distribution of after-the-fact activity expended by Agency employees.

Requirements

TEEX monthly payroll charges for employees with an employment status of budgeted, exempt will be made as a percentage of effort considering all projects and tasks during the period for which work was performed in MDR. Workday payroll charges for budgeted, bi-weekly, non-exempt employees and wage employees will be made as an actual amount of time performed for each project and task. Workday will allow an employee to split their leave to multiple projects and tasks for distribution. Any payroll corrections must be re-certified by the employee through the Payroll salary transfer form.

Payroll Processing Responsibilities by Role:

1. **Division Director**

    1.1.1. The Division Director shall establish divisional payroll processing deadlines. Division Directors must designate a person or persons (primary and backup) responsible for reviewing employee entries to ensure the completion of the Division's MDR and Workday payroll submissions by the Agency's deadline. Signature cards are updated when needed, or at a minimum annually, delegating division-level approver authority for payroll-processing access.

    1.1.2. **MDR -** The Division Director must designate an MDR security officer for each Division, and shall delegate Account Managers as project and task owners and backup (proxy) designees. A Division access review report must be submitted to Financial Services annually.

2. **Employees**

    2.1.1. Employees must enter their percentage of time into MDR or hours worked into Workday, and then certify that their effort is being charged to the correct project

and task for work performed within a period in accordance with 2 CFR Part 220. If employees are not available to enter and certify their percentage of effort or hours worked, see Proxy section below for completion instructions. Note that unavailability to enter and certify effort and hours worked is considered an infrequent or occasional event and will not be permitted on an ongoing basis.

2.1.2. **MDR -** Effort reporting for exempt (monthly paid) employees is captured by the employee certification and not by a proxy or supervisor/delegate entry of employee time or approval of effort. Therefore, when an employee's effort is entered into MDR by proxy, the employee must go to the **"Prior month certification needed"** button and certify the prior pay period(s) 100% of effort before entering MDR effort for the current month. The limit for the number of consecutive times a proxy can enter an employee's effort into MDR is three (3) months without having the employee certify the prior proxied months.

2.1.3. **Workday -** TEEX employees who are biweekly paid are automatically granted access as an employee to Workday. The responsibility of the employee is to enter, submit, and certify the time sheet within the Division's internal deadline, using the correct project and task for the work effort completed for the payroll reporting period.

2.1.4. Employees who have paid leave or holiday pay during a pay period will be prompted to enter their leave time according to projects and tasks worked during the pay period. Workday will automatically allocate the leave based on your project/task distribution. Employee leave items are done in the Time Off module in Workday, and all leave requests must be approved prior to Payroll processing deadlines.

3. **Security Officer**
   3.1.1. **MDR -** A Division's approval is delegated per the signature card on file in Financial Services. This approval delegation is usually provided to business office personnel. The supervisor/delegate of an employee can be the proxy to enter their employees' time in MDR. The Security Officer will maintain the matrix consisting of a delegate's role and/or responsibility in the MDR process. The Division security officer approves access to Account Managers (delegates) based on Division delegations.

   3.1.2. **Workday Security Roles -** The Workday security roles are granted by the TEEX HR office based on your Worker position, and your supervisory organization.

4. **Account Manager/Supervisor/Delegate**
   4.1.1. The Account Manager (MDR) or Supervisor/Timekeeper (Workday) assures Division business office personnel that, acting in that capacity, they have knowledge that the employee has worked on the project and task charged and in accordance with the time and effort indicated.

   4.1.2. **MDR -** Account Manager's approval assures Division business office personnel that expenditures are within the budget of the project and task, and funds are currently

available to support the expenditure. The Account Manager reviews and certifies knowledge of the person's work activities and that the MDR report reasonably reflects those activities for which the employee will be compensated for the given time period. If the effort charged to the Account Manager's project task appears unreasonable then the Account Manager should coordinate with the employee's division business manager. If the Account Manager is not directly aware of the effort of each employee charging a percentage of time, he or she must obtain assurance that the effort allocated in the MDR is correct from a person knowledgeable of the employee's effort for the month. This assurance must be documented and retained for the appropriate record retention period.

4.1.3. **Workday** - Supervisors/delegates must review for accuracy their employee's actual hours worked/entered, the specific project and task as well as leave, to ensure they accurately reflect the time worked and funding sources charged for the performance. If a supervisor/delegate must enter time on behalf of an employee, they must be knowledgeable of the time worked and for what project and task. In accordance with 2 CFR Part 220, the supervisor/delegate's certification will be the official certification in this instance that the employee's effort is being charged to the correct project and task for work performed within a pay period.

5. **Business Office Personnel**

5.1.1. Personnel given signature card authority by Division Director are authorized to disburse funds for Division. Division approver (MDR) or Timekeeper (Workday) is authorizing payment to each person for which effort or time is entered. This approver then is responsible for assurance that the people receiving payment performed work for the Division. Business office personnel ensure that divisional procedures are developed and followed to establish and maintain internal controls within business processes.

5.1.2. **MDR** - The division approver must be listed on the signature card to be authorized for division approval. The division approver ensures all projects and tasks are completed and approved before performing the division approval function. The division approver is responsible for having all employee time entered and approved by the prescribed agency deadline. The division approver performs an error check and clears all errors before completing the division MDR.

5.1.3. Each division's business office must review the monthly effort report entered by someone other than the employee.

5.1.4. **Workday** - The Timekeeper role is to ensure employees' timesheets are submitted and approved prior to payroll deadlines. The Timekeeper utilizes Workday reports to ensure Payroll accuracy and completion. All timesheets must be submitted by the timesheet due date to ensure the hours are paid.

6. **Proxy**
    6.1.1. **MDR -** A "proxy" can approve MDR on an infrequent or occasional basis in order to facilitate completion of MDR in order to meet agency deadlines.

    6.1.2. **Workday -** Supervisors/Timekeeper can enter employee's time. The supervisor/Timekeeper must certify the time and that the employee's hours worked are being charged to the correct project and task for work performed within the payroll period in accordance with 2 CFR Part 220. The Supervisor/Timekeeper assumes the responsibility of being knowledgeable of the employee's work hours and also assumes the role of the certifier for the pay period for which they are entering time on behalf of the employee.

7. **Procedures for Salary Transfers**
    7.1.1. Effort for a given payroll period performed by an employee shall not be changed more than once. Salary transfers must be submitted to Financial Services within 90 days of original posting to project task. Exceptions require a memo from Division Director to the Chief Financial Officer (CFO) for approval.

    7.1.2. Certification of salary transfers must be approved by the employee, and include re-certification of 100% effort for the time period for which the payroll change is made. A detailed explanation must be provided for why the correction is needed. A Division's business office must approve the transfer and ensure that funds are available for expenditure.

Calculation Example:
To calculate the MDR percentage, divide the number of work days a full-time equivalent, exempt employee worked on specific project during a month by the Total number of work days the full-time equivalent, exempt employee worked during the month.

(MDR project % = employee work days/total work days)

Work days are the total number of days worked by an exempt employee during the month, including any weekend days worked. Work days do not include holidays or days the employee is out on annual or sick leave.

The following examples show that the percent effort can be different for two employees that worked on the same projects for the same amount of time during the month.

Example 1:
There are 20 business days in the month. John Smith worked all 20 days, giving him a total of 20 work days. He did not take any annual leave or sick leave, and there were no holidays in the month. He worked 5 days on project A, 3 days on project B, 2 days on project C, and 10 days on various other projects. John Smith's percentage of time allocated by the monthly distribution report (MDR) to each project would be calculated as follows:
Project A = 5/20 = 25%
Project B = 3/20 = 15%

Project C = 2/20 = 10 %
Other projects = 10/20 = 50%

Example 2:
Jane Doe worked with John Smith on the same projects during the first part of the month, but took vacation the last two weeks of the month. Jane Doe worked 5 days on project A, 3 days on project B, and 2 days on project C. Jane Doe's work days were 10 days. She was on vacation for 10 days. Her percentage of time allocated by the monthly distribution report (MDR) to each project would be calculated as follows:
Project A = 5/10 = 50%
Project B = 3/10 = 30%
Project C = 2/10 = 20 %

Conclusion
Effort reporting for monthly paid employees is captured by the employee certification and not by a proxy or supervisor/delegate. Effort reporting for biweekly paid employees is captured by the employee certification of time to be paid by each project and task entered in the given pay period, or the Supervisor/Timekeepers certification when an employee is unavailable to certify.

Quality Assurance Measures (Required)
Financial Services will conduct reviews of employee's timesheets and MDR's to ensure accuracy following certification and that all procedures for timesheets and MDR's are followed accordingly.
Financial Services will review Payroll salary transfers to ensure all steps are completed before funds are transferred from one project/task to another.

Related Statutes, Policies, or Requirements
Supplements [System Policy 15.01](#), [System Regulation 15.01.04](#)

Office of Responsibility
Financial Services
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