Minnesota Guidance on Personnel Activity Reporting (PAR)

Prepared March, 2011

Any employee whose wage, salary, and/or fringe is funded in whole or in part by Federal grant funds or Federal contract must complete a time and effort report to ensure the budgeted time and effort is equivalent to the actual time and effort worked on a program. In recent years, there has been increased scrutiny of the time and effort reports prepared for federally-funded programs. In an effort to clarify the expectations and requirements regarding the reporting of time and effort, the Perkins leadership team at Minnesota State Colleges & Universities and Minnesota Department of Education has prepared some additional guidance for local Perkins recipients in Minnesota regarding the preparation of Personnel Activity Reports (PAR) that serve as time and effort verification under Perkins.

This packet includes several documents that will help local Perkins recipients in meeting the PAR requirements and in training employees who are required to prepare PAR. Included in this packet are:

- A summary of the essential requirements for PAR reports for both secondary and postsecondary employees
- PAR report templates that can be used locally
- Sample secondary and postsecondary PAR reports that highlight both the requirements for accurate reporting and model the level of appropriate detail for PAR reporting
- A narrative statement that provides background and rationale for PAR expectations

Local Perkins leaders are expected to train appropriate staff, collect and retain PAR and assure local compliance with the requirements. If you have additional questions about PAR reporting, you should contact Marlys Bucher, Secondary Perkins Coordinator at Minnesota Department of Education (marlys.bucher@state.mn.us) or Denise Roseland, Director for CTE Planning and Evaluation at Minnesota State Colleges and Universities (denise.roseland@so.mnscu.edu) .

Personnel Activity Reporting: Summary of Key Requirements		
	Secondary[1]	**Postsecondary[2]**
What is the purpose of Personnel Activity Reports (PARs)?	Any employee whose wage/salary is funded in whole or in part by Federal grant must complete a time and effort report to ensure the budgeted time and effort is equivalent to the actual time and effort worked on a program.	Any employee whose wage/salary is funded in whole or in part by Federal grant funds or Federal contract must complete a time and effort report to ensure the budgeted time and effort is equivalent to the actual time and effort worked on a program.
Who completes PARs?	Any person paid from Federal grants such as Perkins	Any person paid from Federal grants such as Perkins
PAR Frequency	They must be prepared at least monthly (unless the individual is funded entirely by a single source of federal funds where such reports are prepared semi-annually, or acting only on indirect cost activity where such activity will be reported by the institution and not the employee), and must coincide with one or more pay periods	Professional/Administrative[3]: Each term Professorial[4]: Each term Administrative Support[5]: Monthly Other classification of employee: Monthly
PAR Level of Detail	Each PAR must report 100% of an employee's time regardless of the funding source	Each PAR must report 100% of an employee's time regardless of the funding source
	Must represent the percentage distribution of activity of employee. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards	In an academic setting, teaching, research, service and administration are often inextricably intermingled. Therefore, percentage of time apportioned to different activities may rely on estimates in which a degree of tolerance is appropriate.[6]
	Must reflect an after-the-fact distribution of the actual activity of each employee. They must account for the total activity for which each employee is compensated.	Must represent the percentage distribution of activity of employee
	They must be signed by the employee	Must reasonably reflect the activities for which an employee is compensated
Acceptable Methods of Reporting	Appropriately detailed timesheets ***OR*** After-the-Fact Activity Records	Can be reported using one of three methods. Within Minnesota State Colleges & Universities, the appropriate method is ***After-the-Fact Activity Records***
PAR Approval	Signed by employee or responsible official using suitable means of verification that the work was performed	Signed by employee, principal investigator, or responsible official using suitable means of verification that the work was performed
Other Notes		*Electronic entry and verification is allowable when system meets conditions outlined OMB Circular A-21 subsection J.10.b(2)*

[1] Source of Guidance OMB Circular A-87
[2] Source of Guidance OMB Circular A-21
[3] Includes MAPE members, recruiters, advisers, administrators, and non-clerical business office staff
[4] Includes MSCF members, primarily those who are technical faculty
[5] Includes AFSCME employees, primarily clerical and support staff
[6] From OMB Circular A-21 subsection J.10.b(3)(c)

Secondary Personnel Activity Report

This form is used by employees who are required to report that work coincides with funding. Reporting of time and effort is required if the work involved more than one activity/program. Completed monthly and kept in personnel files for audit purposes.

Name	**Title/Classification**	**Reporting Period** (*circle one*):				**Year**: _________
______________________________	______________________________	January	April	July	October	
		February	May	August	November	
		March	June	September	December	

TIME DISTRIBUTION	**Percent of time**	**DESCRIBE ACTIVITIES**
PERKINS		
OTHER, LIST:		
OTHER, LIST:		

I have performed the above duties as described. I certify that to the best of my knowledge the above named employee has performed the above duties as described.

_______________________________________ ____

Employee Signature Date Supervisor Signature Date

Minnesota State Colleges and Universities
POSTSECONDARY PERSONNEL ACTIVITY REPORT (PAR)

As specified in the Carl D. Perkins Vocational and Technical Education Act of 1998, all colleges using Federal Perkins funds to pay full or portions of salaries, wages or benefits of employees must maintain Personnel Activity reports (PARs). A PAR must be completed for **each** funded individual and maintained at the college for audit purposes.

Name____		**Date** ______________________	
Frequency of reports:			
Professional/Administrative[1] OR Professorial[2]		**EACH ACADEMIC TERM**	**Indicate term covered by this report:** Fall Spring Summer (only if position is Perkins funded during summer term)
Administrative Support[3] OR **Other classification of employee**		**MONTHLY**	**Indicate month covered by this report:** January April July October February May August November March June September December
SOURCE OF FUNDING	**(RECORD AS % OF 100%)**	**DESCRIBE ACTIVITIES** (Must reasonably reflect the activities for which an employee is compensated)	
Federal Carl Perkins Local Grant			
All other local, state, or federal funding			

I have performed the above duties as described.

I certify that to the best of my knowledge the above named employee has performed the above duties as described.

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Employee Signature Date

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Supervisor Signature Date

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[1] Includes MAPE members, recruiters, advisers, administrators, and non-clerical business office staff
[2] Includes MSCF members, primarily those who are technical faculty
[3] Includes AFSCME employees, primarily clerical and support staff

Secondary Personnel Activity Report

This form is used by employees who are required to report that work coincides with funding. Reporting of time and effort is required if the work involved more than one activity/program. Completed monthly and kept in personnel files for audit purposes.

Name	Title/Classification	Reporting Period (circle one):				Year: 2010
SAMPLE SAMPLEFORM		January	April	July	October	
		February	May	August	November	
		March	June	September	December	

TIME DISTRIBUTION	Percent of time	DESCRIBE ACTIVITIES
PERKINS	25%	Perkins Administration for POS/TSA: • Met with consortia district partners for POS meeting/training • Conducted TSA Perkins Staff Development with Service Occupations Teachers Perkins Administration: • Download consortia and district data • Work with district leaders on data review and interpretation • Develop workplan/timeline for FY12 Perkins Local Application, inform local district stakeholders
OTHER, LIST: District Administration Funds	70%	Classroom evaluation for teacher X Prepare school board reports for January Review district policies and budgets with business office manager Monitoring visit preparation for January NCA visit Presented for staff development day Participated in superintendent's quarterly management team meeting
OTHER, LIST: XYZ grant	5%	Participate in webinar for grantees Prepare semiannual report for XYA Corporate Grant

I have performed the above duties as described. I certify that to the best of my knowledge the above named employee has performed the above duties as described.

12/5/10

Employee Signature   Date   Supervisor Signature   Date

Minnesota State Colleges and Universities
PERSONNEL ACTIVITY REPORT (PAR)

As specified in the Carl D. Perkins Vocational and Technical Education Act of 1998, all colleges using Federal Perkins funds to pay full or portions of salaries, wages or benefits of employees must maintain Personnel Activity reports (PARs). A PAR must be completed for **each** funded individual and maintained at the college for audit purposes.

Name Sample Sampleform **Date** December 18, 2010

Frequency of reports:			
Professional/Administrative[1] OR Professorial[2]		**EACH ACADEMIC TERM**	**Indicate term covered by this report:** Fall Spring Summer (only if position is Perkins funded during summer term)
Administrative Support[3] OR Other classification of employee		**MONTHLY**	**Indicate month covered by this report:** January April July October February May August November March June September December
SOURCE OF FUNDING	**(RECORD AS % OF 100%)**	**DESCRIBE ACTIVITIES** (Must reasonably reflect the actual activities for which an employee is compensated)	
Federal Carl Perkins Local Grant	80%	Administer Perkins activities associated with career awareness: • Meeting with customized training regarding manufacturing program involvement with high schools • Career exploration day committee planning meeting (x3) • Send out surveys to High School to get Jr career interests & Compile career interests from the surveys • Prepare and deliver MCIS presentation at Discovery Middle school transitions • Develop first draft of Sophomore sneak peak brochures; circulate to committee for feedback Perkins Administrative activities: • Attend MACTA communications meeting in St Cloud • Preparation of APR • POS WebEx X2; attend 2 TSA meetings • Attend State Accountability workshop in Twin Cities	
All other local, state, or federal funding	20%	• Review/revise articulation agreements in 6 CTE programs • Meetings at ABC High school, EFG High School and XYZ High School re: articulation alignment meeting with teachers/faculty	

I have performed the above duties as described.

____________________ 12/18/10
Employee Signature Date

I certify that to the best of my knowledge the above named employee has performed the above duties as described.

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Supervisor Signature Date

[1] Includes MAPE members, recruiters, advisers, administrators, and non-clerical business office staff
[2] Includes MSCF members, primarily those who are technical faculty
[3] Includes AFSCME employees, primarily clerical and support staff

Personnel Activity Reporting
Under the Carl D. Perkins Career and Technical Education Act of 2006

The Carl D. Perkins Career and Technical Education Act was reauthorized in 2006. This was the fourth iteration of the Perkins Act, succeeding versions authorized in 1984, 1990 and 1998. Over time the emphasis of the Perkins Act changed from a vehicle for primarily providing services to members of special populations under Perkins I, to movement toward general program improvement through Tech Prep Education in Perkins II and III. Perkins IV goes even further toward general program improvement while maintaining a requirement that recipients of Perkins funds take actions necessary to make certain that members of special populations of students can fully participate and be successful in high quality career and technical education programs.

When reauthorized in 2006, the stated purpose of the Perkins Act was:

> To develop more fully the academic and career and technical skills of secondary education students and postsecondary education students who elect to enroll in career and technical education programs
>
> – Carl D. Perkins Career and Technical Education Act of 2006, Section 2

The new Act is also designed to promote stronger alignment between secondary and postsecondary elements of career and technical education with a requirement that each recipient of Perkins funds implement at least one Program of Study [Minnesota requires seven by 2011], defined by Minnesota as:

- A nonduplicative sequence of academic [general education or liberal arts and sciences] and technical courses,
- Beginning no later than grade 11 and extending for at least two years beyond high school,
- Culminating in a degree, diploma or certificate.

Relying on the intent of Perkins IV to promote even stronger secondary-postsecondary relationships through Programs of Study, Minnesota opted to distribute all Perkins funds through a new consortium structure under which each Perkins recipient must be a part of a consortium that includes at least one eligible secondary school district and at least one eligible postsecondary college. The consortium structure was built into Minnesota's State Plan for Career and Technical Education and approved by the Chancellor of the Minnesota State Colleges and Universities, the Commissioner of Education, and the Office of Vocational and Adult Education at the US Department of Education. Minnesota's approach in building its consortium structure was to rely on the working partnerships that had developed under Perkins III through the Tech Prep consortia and a state requirement under the basic grant that 10% of funds be used in collaboration with other partners, primarily secondary and postsecondary recipients of Perkins funds.

Minnesota knew that to make the new consortium structure work would mean addressing two historical issues:

1. The secondary-postsecondary split of Perkins funds, and
2. How Perkins funds were used at the local level by secondary and postsecondary recipients.

The first item was addressed by establishing a formula-driven process for dividing the funds between secondary and postsecondary recipients, and modifying that formula to divide 20% of the funds equally between secondary and postsecondary recipients to promote consortium development and maintenance. Item 1 was also addressed by allowing local consortia to use funds across the secondary-postsecondary divide as deemed appropriate in the locally-developed plan.

The second item is addressed through transparency of operation and a requirement that the consortium plan, the legal document governing the use of Perkins funds, would be signed by all participating college presidents and school district superintendents.

It is this need for transparency of operation, combined with a federal requirement for accountability in the use of funds, which drives Minnesota's position on the use of Personnel Activity Reports (PAR).

Governing Documents

While the Perkins Act itself obligates the state to ensure that federal funds are used according to the requirements of the Act, the requirements for reporting the activities of personnel supported by federal funds are regulated primarily by two documents from the Office of Management and Budget:

- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments [including school districts]
- OMB Circular A-21, Cost Principles for [postsecondary] Educational Institutions

In many respects, the language of these two documents is quite similar. Both define direct costs of providing career and technical education and give details about the types of activities that may be, or may not be, funded with federal education dollars. The primary differences between OMB Circular A-87 and OMB Circular A-21 revolve around the timing of personnel activity reports.

To summarize, OMB Circular A-87 requires the following for Personnel Activity Reports:

- They must reflect an after-the-fact distribution of the actual activity of each employee,
- They must account for the total activity for which each employee is compensated,
- They must be prepared at least monthly (unless the individual is funded entirely by federal funds where such reports are prepared semi-annually, or acting only on indirect cost activity where such activity will be reported by the institution and not the employee), and must coincide with one or more pay periods, and
- They must be signed by the employee.

  Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards.

OMB Circular A-21 makes certain exceptions to PAR reporting requirements for postsecondary institutions on the understanding that, in an academic setting, instruction, research, service and administration are often inextricably intermingled. These terms are defined in OMB Circular A-21 as:

- *Instruction* means the teaching and training activities of an institution.
- Organized *research* means all research and development activities of an institution that are separately budgeted and accounted for.
- Other sponsored activities means programs and projects financed by Federal and non-Federal agencies and organizations which involve the performance of work other than instruction and organized research. Examples of such programs and projects are health *service* projects, and community *service* programs.
- *Other institutional activities* means all activities of an institution except:
    1. Instruction, departmental research, organized research, and other sponsored activities as defined above;
    2. F&A [facilities and administrative costs] cost activities …; and
    3. Specialized service facilities….

To summarize, OMB Circular A-21 requires the following for Personnel Activity Reports:

- They must reflect the full distribution of activity expended by employees covered by the system.
- They must reflect an after-the-fact reporting of the actual activity of each employee.
- If budget estimates or other distribution percentages are determined before the services are performed these must be promptly adjusted if significant differences are indicated by the activity records.
- Reports must reasonably reflect the activities for which employees are compensated by the institution.
- They must be signed by the employee or a responsible official who can verify that the work was performed.
- For professorial and professional staff they must be prepared each academic term or at least semi-annually. For other employees they need to be prepared at least monthly and must coincide with one or more pay periods.

Methods of PAR Reporting

Generally speaking, personnel activity reporting in Minnesota will be by one of two methods:

- PAR Timesheet
- PAR Reports/Activity Reports based on a log or calendar review

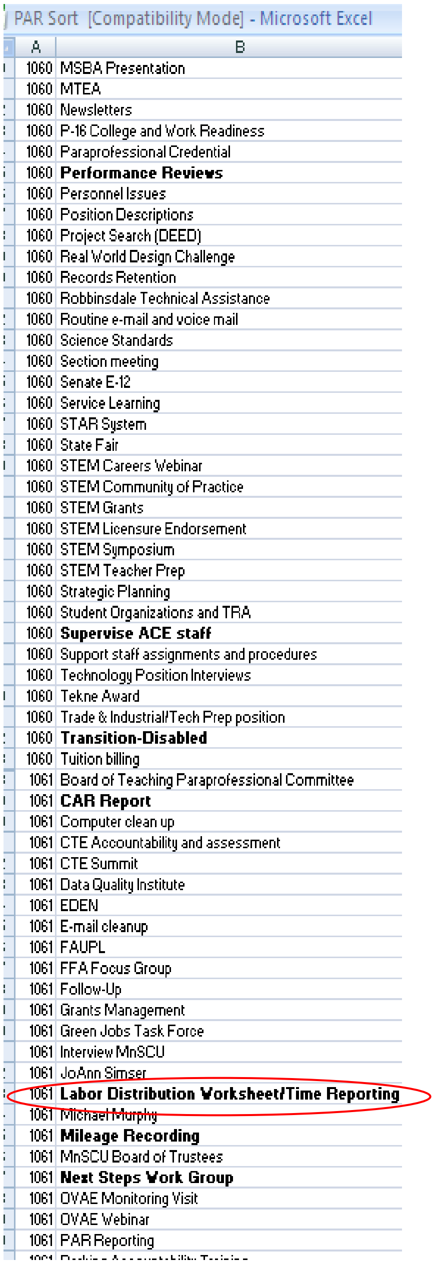
PAR Timesheet

On a PAR Timesheet, employees identify daily activities by payroll code that reflects actual work performed. Staff members supported by Perkins funds maintain logs of standard activities and appropriate cost codes and highlight, on a daily basis, the hours spent at each activity. This information can then be sorted and transferred to the PAR Timesheet. Data are stored within the payroll system and no separate PAR documentation is required.

PAR Reports/Activity Reports

On a PAR Report/Activity Report, employees identify activities by pay category (Perkins, other) that reflects actual work performed during the time period (usually monthly). Actual activities are identified through daily logs or a calendar review and transferred to the Personnel Activity Report.

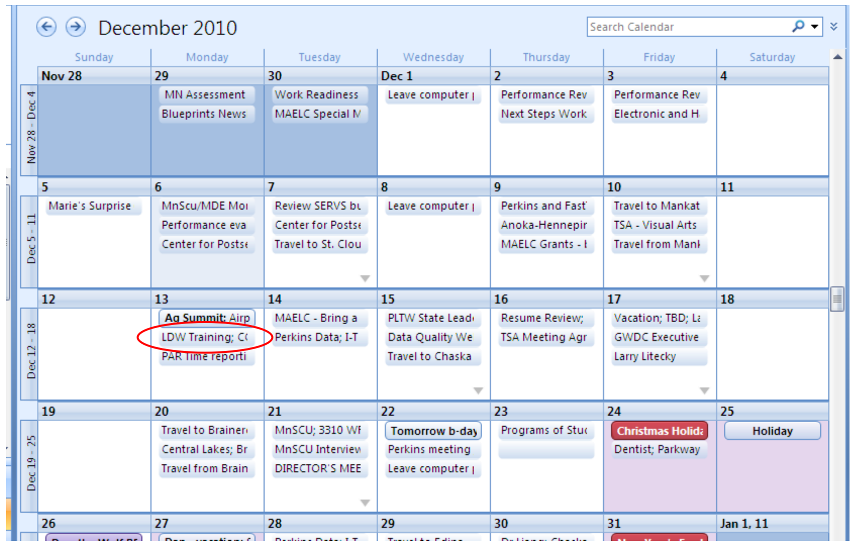
Example of PAR Sort Log



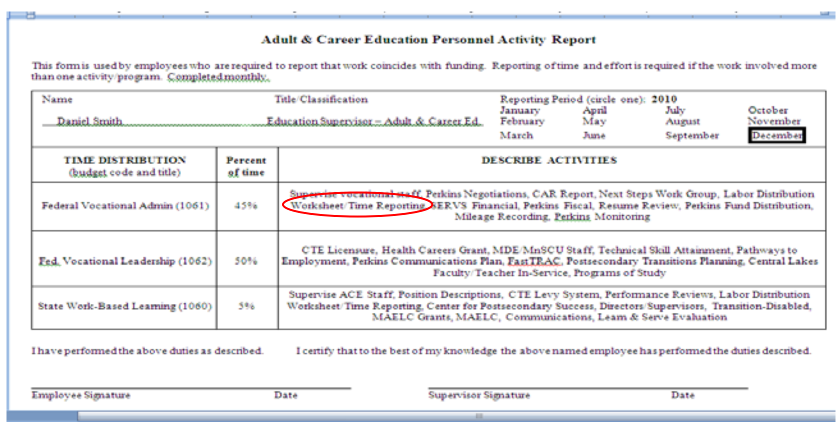
PAR Sort [Compatibility Mode] - Microsoft Excel

A	B
1060	MSBA Presentation
1060	MTEA
1060	Newsletters
1060	P-16 College and Work Readiness
1060	Paraprofessional Credential
1060	**Performance Reviews**
1060	Personnel Issues
1060	Position Descriptions
1060	Project Search (DEED)
1060	Real World Design Challenge
1060	Records Retention
1060	Robbinsdale Technical Assistance
1060	Routine e-mail and voice mail
1060	Science Standards
1060	Section meeting
1060	Senate E-12
1060	Service Learning
1060	STAR System
1060	State Fair
1060	STEM Careers Webinar
1060	STEM Community of Practice
1060	STEM Grants
1060	STEM Licensure Endorsement
1060	STEM Symposium
1060	STEM Teacher Prep
1060	Strategic Planning
1060	Student Organizations and TRA
1060	**Supervise ACE staff**
1060	Support staff assignments and procedures
1060	Technology Position Interviews
1060	Tekne Award
1060	Trade & Industrial/Tech Prep position
1060	**Transition-Disabled**
1060	Tuition billing
1061	Board of Teaching Paraprofessional Committee
1061	**CAR Report**
1061	Computer clean up
1061	CTE Accountability and assessment
1061	CTE Summit
1061	Data Quality Institute
1061	EDEN
1061	E-mail cleanup
1061	FAUPL
1061	FFA Focus Group
1061	Follow-Up
1061	Grants Management
1061	Green Jobs Task Force
1061	Interview MnSCU
1061	JoAnn Simser
1061	**Labor Distribution Worksheet/Time Reporting**
1061	Michael Murphy
1061	**Mileage Recording**
1061	MnSCU Board of Trustees
1061	**Next Steps Work Group**
1061	OVAE Monitoring Visit
1061	OVAE Webinar
1061	PAR Reporting

Example of Calendar Review



PAR Report based on either PAR Sort Log or Calendar Review



Adult & Career Education Personnel Activity Report

This form is used by employees who are required to report that work coincides with funding. Reporting of time and effort is required if the work involved more than one activity/program. Completed monthly.

Name	Title/Classification	Reporting Period (circle one): 2010
Daniel Smith	Education Supervisor – Adult & Career Ed.	January, February, March, April, May, June, July, August, September, October, November, December

TIME DISTRIBUTION (budget code and title)	Percent of time	DESCRIBE ACTIVITIES
Federal Vocational Admin (1061)	45%	Supervise vocational staff, Perkins Negotiations, CAR Report, Next Steps Work Group, Labor Distribution Worksheet/Time Reporting, SERVS Financial, Perkins Fiscal, Resume Review, Perkins Fund Distribution, Mileage Recording, Perkins Monitoring
Fed. Vocational Leadership (1062)	50%	CTE Licensure, Health Careers Grant, MDE/MnSCU Staff, Technical Skill Attainment, Pathways to Employment, Perkins Communications Plan, FastTRAC, Postsecondary Transitions Planning, Central Lakes Faculty/Teacher In-Service, Programs of Study
State Work-Based Learning (1060)	5%	Supervise ACE Staff, Position Descriptions, CTE Levy System, Performance Reviews, Labor Distribution Worksheet/Time Reporting, Center for Postsecondary Success, Directors/Supervisors, Transition-Disabled, MAELC Grants, MAELC, Communications, Learn & Serve Evaluation

I have performed the above duties as described.

I certify that to the best of my knowledge the above named employee has performed the duties described.

Employee Signature Date

Supervisor Signature Date

Resources:

- PAR Reporting Forms at: http://www.cte.mnscu.edu/forms/index.html
- Perkins consortium map at: http://www.cte.mnscu.edu/consortia_resources/index.html
- OMB Circular A-87 at: http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi
- OMB Circular A-21 at: http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi

The provisions of **OMB Circular A-87** regarding support for salaries and wages are:

1. Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit.
2. No further documentation is required for the salaries and wages of employees who work in a *single indirect cost activity.*
3. Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be *prepared at least semi-annually* and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.
4. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:
    (a) More than one federal award,
    (b) A federal award and a non-Federal award,
    (c) An indirect cost activity and a direct cost activity,
    (d) Two or more indirect activities which are allocated using different allocation bases, or
    (e) An unallowable activity and a direct or indirect cost activity.
5. Personnel activity reports or equivalent documentation must meet the following standards:
    (a) They must reflect an *after-the-fact distribution of the actual activity of each employee,*
    (b) They must account for the *total activity for which each employee is compensated,*
    (c) They must be prepared *at least monthly* and must coincide with one or more pay periods, and
    (d) They must be *signed by the employee.*
    (e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:
        (i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;

(ii) At least quarterly, comparisons of actual costs to budget distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and

(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

6. Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.

    (a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:

        (i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection 8.h.(6)(c) of this appendix;

        (ii) The entire time period involved must be covered by the sample; and

        (iii) The results must be statistically valid and applied to the period being sampled.

    (b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

    (c) Less than full compliance with the statistical sampling standards noted in subsection 8.h.(6)(a) of this appendix may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.

7. Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards [emphasis added throughout].

The provisions of **OMB Circular A-21** regarding support for salaries and wages are:

After-the-fact Activity Records: Under this system the distribution of salaries and wages by the institution will be supported by activity reports as prescribed below.

(a) Activity reports will reflect the distribution of activity expended by employees covered by the system.
(b) These reports will reflect an after-the-fact reporting of the percentage distribution of activity of employees. Charges may be made initially on the basis of estimates made before the services are performed, provided that such charges are promptly adjusted if significant differences are indicated by activity records.
(c) Reports will reasonably reflect the activities for which employees are compensated by the institution. To confirm that the distribution of activity represents a reasonable estimate of the work performed by the employee during the period, the reports will be signed by the employee, principal investigator, or responsible official(s) using suitable means of verification that the work was performed.
(d) The system will reflect activity applicable to each sponsored agreement and to each category needed to identify F&A costs and the functions to which they are allocable. The system may treat F&A cost activities initially within a residual category and subsequently determine them by alternate methods ….
(e) For professorial and professional staff, the reports will be prepared each academic term, but no less frequently then every six months. For other employees, unless alternate arrangements are agreed to, the reports will be prepared no less frequently than monthly and will coincide with one or more pay periods.
(f) Where the institution uses time cards or other forms of after-the-fact payroll documents as original documentation for payroll and payroll charges, such documents shall qualify as records for this purpose, provide that they meet the requirements in subsections J.10.c.(2)a through (e) of this Appendix.