



Opportunity Through Education

Brian Schroeder – *Superintendent of Public Instruction*
Chad Auer – *Deputy Superintendent of Public Instruction*

Wyoming Department of Education
122 W. 25th St., Ste. E200
Cheyenne, WY 82002
307-777-7675

MEMORANDUM NO. 2022–086

TO: School District Superintendents
District Grant Managers Business Managers

FROM: Shelley Hamel, Chief Academic Officer

DATE: August 8, 2022

SUBJECT: ARP ESSER Time and Effort Considerations

ARP ESSER TIME AND EFFORT CONSIDERATIONS

Purpose

There has been some confusion regarding time and effort requirements under the Elementary and Secondary School Emergency Relief Fund (ESSER Fund). This memo is intended to clarify the requirements for districts, including other required policies and procedures, and internal controls.

Information about Time and Effort Requirements under ESSER Funds

The most recent compliance supplement put out by the [CFO](#) last December maintains that no time and effort is needed unless the activities are split between activities that are allowable under ESSER and activities that are not allowed under ESSER. Both the compliance supplement and the U.S. Department of Education Guidance on Time and Effort ([FAQ A-16](#)) maintain that it should be rare that time and effort documentation is needed because the ESSER allowable uses are so flexible. Thus, guidance on time and effort documentation has been scant.

The [Compliance Supplement](#) Addendum 1 (published December, 2021) regarding time and effort requirements for ESSER funds is found below with the relevant section in bold (pg 17):

The requirements in the Uniform Guidance apply to expenditures of ESSER funds, including the requirements related to documenting personnel expenses in 2 CFR section 200.430(i). This would mean, for example, that an LEA maintains the records it generally maintains for salaries and wages, including for employees in leave status as permitted under CARES Act Section 18003(d)(12), except **that an LEA must maintain time distribution records (sometimes called “time and effort” reporting) if an individual employee is splitting their time between activities**

that may be funded under ESSER or GEER and activities that are not allowable under ESSER or GEER. However, there are very few situations when an employee of an LEA would perform multiple activities that are not allowable under ESSER or GEER, and thus would be required to maintain time distribution records, given that an LEA is authorized to use funds on “activities that are necessary to maintain the operation of and continuity of services in [an LEA] and continuing to employ existing staff of the [LEA]” in order to “prevent, prepare for, and respond to” the COVID-19 pandemic (Section 18003(d)(12)). CARES Act Section 18003(d)(12) and CRRSA Act Section 315 authorize grantees to continue to pay employees and Section 18002(c)(3) of the CARES Act allows LEAs, SEAs, IHEs, and other sub-recipients to use funds to protect education-related jobs; the authority includes paying staff who are on leave because schools are closed due to COVID-19. Accordingly, ESSER and GEER funds may be used for that purpose even in the absence of a policy that specifically addresses these circumstances.

Examples of When Time & Effort Reporting is Required:

If an employee is splitting time between ESSER allowable activities and activities not allowed under ESSER, then the district will be required to maintain time and effort documentation, including for the following circumstances:

- Bonuses, merit pay, or similar expenditures, unless related to disruptions or closures related to COVID-19.
- Subsidizing or offsetting executive salaries and benefits of individuals who are not employees of the school district.
- Expenditures related to state or local teacher or faculty unions or associations included as employee salaries or wages.

NOTE: Even if the district does not need to maintain time and effort documentation because all of the employees’ activities were allowable under ESSER, the Wyoming Department of Education still advises districts to retain some form of documentation supporting the allowability of these activities in case of an audit.

Remember, at an absolute minimum, document the expenditures as you normally would and record the following to have on hand:

- The need for the expenditure;
- If using federal funds, why federal funds are needed to address the need; and
- That it is COVID-19-related.

Other Required Policies and Procedures:

2 CFR 200 is the guiding policy for all federal grants and requires recipients of federal program funds, including ESSER grants, to maintain the following written policies and procedures:

1. Payroll; [2 CFR §200.430\(i\)](#).
2. Suspension and Debarment; [2 CFR §200.212](#).
3. Financial Management; [2 CFR §200.302](#).
4. Cost Sharing or Matching; [2 CFR §200.306](#).
5. Program Income; [2 CFR §200.307](#).
6. Equipment; [2 CFR §200.313](#) (And Inventory).
7. Procurement; [2 CFR 200.318](#) through 2 CFR §200.326.
8. Record Retention (five years); [2 CFR §200.333](#).

Maintaining Internal Fiscal Controls

The following is a general list of internal controls a district should maintain and have available in case of monitoring or audits.

1. Subaward assurances are supported.
2. Program objectives are achieved as specified in the subgrant application.
3. Subgrantees using federal grant funds to meet COVID-19-related needs must maintain appropriate records and cost documentation as required by [2 CFR § 200.302](#) (Financial Management) and [2 CFR § 200.333](#) (Retention requirements for records) to substantiate the charging of any costs to federal education grant funds related to the interruption of operations or services.
4. Document in writing:
 - The need for the expenditure,
 - If using federal funds, why federal funds are needed to address the need, and
 - That the expenditure is COVID-19 related.
5. Expense reimbursement primary documentation provided to the WDE, via the districts' PERs, can be supported by:
 - The expenditure detail report (transaction level detail);
 - Payroll distribution reports, if applicable;
 - ESSER Quarterly Report, if applicable;

- Invoice, receipt, purchase order, sales orders, if applicable;
 - Contracts/Agreements; original and amended,
6. For Capital Outlay and equipment the district should maintain a record of prior written approval;
7. Time & Effort Reporting, if applicable:
A grantee must maintain appropriate records and cost documentation as required by [2 CFR §200.302](#) Financial Management, [2 CFR §200.430\(i\)](#) (Standards for documenting personnel expenses), and [2 CFR §200.333](#) (Retention requirements for records) to substantiate the charging of any compensation costs related to interruption of operations or services. Applicable policies and procedures.

For more information, contact the WDE Emergency Funds Team: Danielle Netzer, ARP ESSER Grant Manager, at danielle.netzer@wyo.gov, or Juan Antonio Bernabéu at juan.bernabeu@wyo.gov.