

The U.S. Department of Education (USDE) issued a document on 12/24/2009 titled "Guidance for Grantees and Auditors" for the State Fiscal Stabilization Fund grant program. It covers a number of different areas, including time distribution records. There have been a number of questions regarding time distribution records for education stabilization funds, and this guidance answers some of those questions. In two sections, USDE states that time distribution records are NOT required for SFSF funds. Here are the relevant sections:

- States, LEAs, and IHEs must maintain documentation demonstrating the amount of SFSF funds, if any, used to support salaries. Because of the nature of the SFSF program, there are no specific Federal time and effort requirements that apply to individuals whose salaries may be supported with SFSF funds. Thus, the entities must maintain documentation to support the time and effort of these individuals in the same manner that it supports the time and effort of individuals performing similar duties who are paid with State or local funds. For the purposes of the SFSF program only, entities may demonstrate, at a minimum, that an aggregate amount of funds was used to support a group of salary expenses.
- Because the SFSF program does not support specific cost objectives or activities, an individual whose salary is paid in whole or part with SFSF funds is not required to maintain separate time distribution records. An individual whose salary is supported with both SFSF funds and State funds is not required to maintain records documenting the amount of time spent on SFSF activities because there are not specific "SFSF activities."

Note: This only applies to the State Fiscal Stabilization – Education Stabilization Funds grant.

View the complete document online - <http://www.ed.gov/programs/statestabilization/auditor-guidance.pdf>.