

The Minnesota Department of Education (MDE), Division of Compliance and Monitoring, in collaboration with the Division of School Finance, has developed this document to assist school districts and parents who have raised questions about the requirement that districts maintain documentation in the form of PARs. The intention of this document is to provide helpful, general information to the school districts, charter schools, cooperatives and the public. It does not constitute legal advice, and is not a substitute for consulting with a licensed attorney. The information below should not be relied on as a comprehensive or definitive response to your specific legal situation. This document may not include a complete rendition of applicable state and federal law.

Question 1: When does a district use the semi-annual documentation for federally funded special education personnel and when does the district need the more complex PAR?

Answer: OMB Circular A-87 requires one of two forms be used. The first is called a certification and is completed at least once every six months. The second is called a personal activity report and is required at least monthly and must coincide with pay periods. The choice of form is dependent on the employees cost objectives. See response to question 2.

Authority: 2 C.F.R. § 225 Appendix B (8)(h).

Question 2: What is the agreed upon definition of a cost objective?

Answer: A cost objective is a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.

Authority: 2 C.F.R. § 225 Appendix A (B)(11).

Question 3: If an employee has various Uniform Financial Accounting and Reporting Standards (UFARS) program codes, are they required to do a PAR?

Answer: The need for a PAR is determined based on the cost objectives of an individual, not UFARS program codes. A “single cost objective” can be, for example, a single function or a single grant or a single activity. It is possible to work on a single cost objective even if an employee works on more than one Federal award or on a Federal award and a non-Federal award. The key to determining whether an employee is working on a single cost objective is whether the employee’s salary and wages can be supported *in full* from each of the Federal awards on which the employee is working, or from the Federal award alone if the employee’s salary is also paid with non-Federal funds. If they cannot be supported *in*

full from each of the Federal awards on which the employee is working, then a PAR would be required. The program codes used in UFARS are not a part of the determination of whether a certification or a PAR is needed.

Authority: 2 C.F.R. § 225 Appendix B (8)(h).

Question 4: Must districts maintain PARs and/or certifications for staff that are entirely state and locally funded special education personnel?

Answer: No. The PARs and certifications required under A-87 are not required for state and locally funded special education personnel. However, the U.S. Office of Special Education Programs has indicated that staff must document time spent working in the area of special education. For special education personnel who are entirely state and locally funded, this documentation could include:

- a. A PAR;
- b. A certification;
- c. Teacher's class lists;
- d. Schedules of classes;
- e. Timesheets; or
- f. Duty rosters.

The important point to note is that this documentation must be able to substantiate that the employee provided special education and related services and the time those services were provided. Also consider whether the school already has a PAR/certification system in place for some of their employees. It may be advantageous to continue with that system instead of developing and tracking a new and separate system.

Authority: 2 C.F.R. § 225 Appendix B (8)(h).

Question 5: Is an electronic signature acceptable on a PAR and/or certification?

Answer: Yes.

Authority: Minn. Stat. § 325L.07

Question 6: If one person is providing speech therapy to both a district and a private school student, does that person have to prepare a PAR or complete a semi-annual certification?

Answer: The expenses related to provision of a proportionate share of services to students in private school must be tracked to ensure the minimum proportionate share amount is

expended. However, the LEA may elect to track this information in another manner rather than using a PAR or semi-annual certification.

Authority: 2 C.F.R. § 225 Appendix B (8)(h); 34 C.F.R. § 300.133.

Question 7: Are both a percentage and hourly breakdown of time necessary on a PAR, or is just one or the other acceptable?

Answer: Only one breakdown is necessary. You do not need both the percentage and the number of hours.

Authority: 2 C.F.R. § 225 Appendix B (8)(h).

Question 8: Should a PAR be completed and submitted to the payroll department after the hours are worked or after payroll is processed?

Answer: OMB Circular A-87 indicates after “pay periods” not payroll; therefore, it would be submitted after the hours are worked, not after the payment for services.

Authority: 2 C.F.R. § 225 Appendix B (8)(h).

Question 9: The LEA spreads payroll cost over 12 months although the school year does not include June, July, and August. Do employees paid with special education funds need to complete PARs for June, July, and August?

Answer: No. The year-round contract delineates what hours and days employees are being paid for (i.e. 6 hours a day for 180 days per year). The PARs that are completed must cover that period of time for which work is completed.

Authority: 2 C.F.R. § 225 Appendix B (8)(h).

Question 10: If a special education teacher teaches several disabilities (i.e. autism, DCD, and LD), must the teacher’s salary be allocated across those disabilities?

Answer: Yes. Salaries should be allocated across disabilities using the appropriate UFARS program codes. This is needed for aid calculations, data analysis and reporting purposes. However, as specified in Question 3, UFARS program code is not used to determine if a PAR or equivalent document should be used.

Authority: UFARS Manual; 2 C.F.R. § 225 Appendix B (8)(h).

Question 11: Has MDE provided guidelines and/or PAR templates for districts to use?

Answer: No. MDE has no plans to issue a PAR or certification template as districts can design a form that will have utility for their own district. The district must ensure that the requirements presented in OMB Circular A-87 are met.

Authority: 2 C.F.R. § 225 Appendix B (8)(h).

Question 12: Are completed PAR forms to be maintained at the district or sent to MDE?

Answer: The districts are to keep the PARs and certifications on file. However, federal or MDE fiscal monitors or auditors may request submission of PARs and certifications from the district during the process of a fiscal compliance review or audit.

Authority: 34 C.F.R. § 80.20 (b)(2).

Question 13: How long should documentation such as certifications and PARs be maintained by the district?

Answer: Except as otherwise provided, records must be retained for three years from the starting date specified below.

When grant support is continued or renewed at annual or other intervals, the retention period for the records of each funding period starts on the day the grantee or subgrantee submits to the awarding agency, its single or last expenditure report for that period.

Authority: 34 C.F.R. § 80.42 (b)(1), 34 C.F.R. § 80.42 (c)(1).