



## **Policy: Time Management**

**Policy No.: 1326-01**

**Responsible Officer: Senior VP Finance and CFO**

The Company's most significant cost is labor. Therefore, the Company's managers must provide an environment conducive to accounting control of labor charging functions. Internal controls should be sufficient to provide reasonable assurance that the control objectives will be achieved.

## **Policy: Timesheets**

**Policy No.: 1326-02**

**Responsible Officer: Senior VP Finance and CFO**

The internal controls listed below are vital in the application of the Company's timekeeping system whether performed electronically or manually. The system requires employees to record necessary data on a timesheet to account for their time charges. The timesheets are reviewed and approved by the employees' supervisor. Supervisors submit the approved timesheets to payroll for review and processing.

Each employee, including each employee who performs in-house work under subcontract, must sign and submit timesheets covering all work performed, and is responsible for the accuracy of those timesheets.

Before work commences, each employee must be provided with clear instructions as to which job/overhead number is to be charged for each type of work to be undertaken by the employee.

Timesheets must be filled out as work is performed, but no less often than daily. Informal records of start/stop times should be used when multiple cost objects are in process during the course of one day. Thereafter, the results should be summarized and posted to the timesheets.

A written explanation must be provided for corrections to a cost object. This explanation should be on the back of the timesheet, a separate letter attached or electronic notation as applicable.

New employees must be fully trained on proper timesheet procedures.

Periodic unannounced internal reviews of the timekeeping system will be performed to assure compliance with system controls.