



# TimeControl<sup>®</sup> and Timesheet Types White Paper

For more information contact:

**HMS Software**

189 Hymus, Suite 402

Pointe-Claire, Quebec H9R 1E9

Tel: 514-695-8122

Fax: 514-695-8121

Email: [info@hms.ca](mailto:info@hms.ca)

Web: [www.hmssoftware.ca](http://www.hmssoftware.ca)



## Table of Contents

---

Table of Contents .....	2
Overview.....	1
Time and Attendance for Payroll.....	2
Time and Billing .....	2
Job Costing Timesheets .....	2
Human Resources exception timesheets.....	2
Project/Task tracking timesheets .....	3
Research and Development Tax Credit Timesheets.....	3
Auditable Timesheets for Sarbanes Oxley Compliance .....	4
Field Data Collection (LEMs) .....	4
DCAA Compliance timesheets.....	4
Compliance reporting timesheets.....	5
And much, much more... ..	5
TimeControl is a multi-purpose timesheet .....	6
TimeControl Feature List .....	7
HMS Software Partial Client List.....	9
About HMS Software and TimeControl.....	10

A timesheet is a timesheet is a timesheet, isn't it?

Well, no. At least that hasn't been the experience here at HMS over the last 2 decades. When an organization chooses a timesheet it is often looking from a single perspective and it is usually a surprise to those people that there is more than one perspective to be had. Each group or aspect of the organization may have different requirements for how they need to collect and analyze hours and costs and this can result in organizations having multiple timesheets. It is not that the organization wishes to deploy multiple timesheets but different perspectives make for different needs. TimeControl was designed to fulfill many different requirements at the same time.

Though there may be no limit to the number of timesheet types that exist, here are some of the most common categories:

### Time and Attendance for Payroll

Time and Attendance timesheets are the most prolific type of timesheets on the market. They are typically delivered as part of the Human Resources (HR) system or the Payroll or ERP systems. Time and Attendance systems focus primarily on how much time you have spent working for the organization during a particular period and whether or not you should be paid for this time. They usually allow for the entry of whether or not an employee worked, whether special pay is required for example for overtime, exception days such as holidays, vacation or, sick leave.

Time and Attendance timesheets are divided into two types of entry: Positive-Entry or By-Exception. A Positive-Entry system requires each employee to complete his or her timesheet for a given period. A By-Exception system requires a timesheet only for recording absences with the reason for the absence.

### Time and Billing

Time and Billing systems are most commonly used for professionals such as lawyers, accountants and consultants but are also often found within large organizations for internal chargeback of hours between departments. The basic purpose of a time and billing system is to capture hours, apply rates to those hours and then generate and justify invoices to clients. The key element of each detail item is the client identifier. Most time and billing systems allow for a descriptive element. This is to ensure that there is enough information to justify an invoice for each period. Terms such as “project” and “task” are common in such systems but they are usually best thought of as qualifiers for an invoice rather than a pre-determined set of tasks each with a schedule, budget and scope.

Time and Billing systems are often driven by per-client rates rather than per-employee, or per-project rate schemes.

### Job Costing Timesheets

Job costing can be required for numerous purposes, not the least of which is profit analysis on a job-by-job basis. Job Costing timesheets require that all time spent on the job be priced at real internal costing amounts. This may not be at all a match for the invoicing of time as job costing may include tasks which are shared among many jobs and tasks which are not costed at all as they include marketing or training or other non invoiceable time. Additionally, invoicing may include tasks that are not a part of job costing such as contingency, overhead and others.

### Human Resources exception timesheets

Human Resources Departments will also often require a timesheet to track time when an employee is not present. This is sometimes done as part of the payroll's time and attendance system and sometimes done distinctly by HR. HR is often tasked with tracking the entitlements of employees such as remaining sick leave, vacation time, personal time off or other such time and ensuring that policies regarding the time allotted and time taken per

employee are respected. The HR department may also be responsible to track banked overtime or other banked time to ensure it is accumulated and used appropriately

## **Project/Task tracking timesheets**

These days, almost every project scheduling system includes some kind of timesheet entry. These interfaces are designed to allow end-users to enter time against any activity. The data, once entered, is used to update the activity's resource progress. There is often some level of project-manager approval commonly referred to as line-item approval.

For many project management environments, this type of timesheet is all that is required. However, these timesheets and the architecture used to produce them are rarely sufficient for financial purposes. It would be unfair to characterize this as a deficiency of these systems. The first thing to remember is that most project management systems are, by their very nature, forward-looking planning and analysis tools. For a planner, the actual-hours per task is only interesting to the degree it reveals the future. A planner, for example, might elect to delete a task from a project. Perhaps future plans have changed and no additional work will be done on that task. Or, perhaps the task will be replaced by two or three other tasks which have been now defined in more detail. No problem for the planner, they are only interested in what will happen in the future. For anyone interested in historical data such as a Financial timesheet however, there may be more of a problem. In many project/task update systems, the loss or change of an activity means the automatic removal of any data linked to that task. Even if data is not deleted, the financial controls such as post-period adjustments, financial approvals, and business rules compliance are rarely managed within such systems. Even simple functions such as determining if all timesheets have been entered are often not supported in such a system. This makes project-update timesheets best suited when only the project data must be updated.

This category is made more complicated if more than one project management system is in use. If there is a mix, for example of Microsoft Project, Primavera, Project Server 2013 and Project Server 2016, collecting actuals could require multiple systems. In this example, it might need up to four separate timesheets just to collect the progress on these projects.

## **Research and Development Tax Credit Timesheets**

Many countries have tax credit programs for organizations who do research and development. The criteria for these programs varies from jurisdiction to jurisdiction but one thing is constant: the effort and costs for the credit being applied for must be backed up by documentation such as a task-based timesheet.

Most R&D tax credit audits have a three-cornered approach:

1. First, check the payroll records against the list of researchers who were in the claim. If there is a discrepancy between what people were paid and what was claimed, the audit is likely to end up rejecting the R&D tax credit
2. Next, check the project plans for the work that was described in the claim. Do the resources in the progressed project plan match those in the payroll records?
3. Finally, check the timesheet and cross reference against the time allocated in the project plan for R&D and the payroll records for all time associated to the claimed R&D tax credit.

The stakes are high in such claims as they can be worth millions. What is essential to the Finance department is that the documentation for the claim be complete and if this means imposing a timesheet system above and beyond the time and attendance timesheet system, it is well worth it.

R&D tax claim timesheets must be task-based. They must be flexible enough to characterize tasks as R&D tax claim eligible vs. ineligible and they must be able to characterize the researchers by location, by type of employee and other criteria that the tax claim requires.

## **Auditable Timesheets for Sarbanes Oxley Compliance**

Sarbanes-Oxley (or SOX) is the shorthand for the compliance regulations that apply to companies which trade on any US stock exchange. The regulations were enacted in 2002 after the tech bubble burst in the early 2000's resulting in huge losses for investors. One of the tenets of the act is that the balance sheets of publicly traded companies must use comparable methods to value assets and this brings us to timesheets. For many companies, timesheets have been determined by their auditors to be "in-scope" for Sarbanes-Oxley compliance. This is because the true value of goods that have been built by the company and appear on the balance sheet as an asset must be costed at their true cost to the company. This is often best determined by an auditable timesheet. A timesheet used for SOX compliance must be task based and must be able to characterize some tasks as appropriate for a particular balance sheet asset item and some not. Costs must be able to be associated to true costs rather than billing costs or average costs.

## **Field Data Collection (LEMs)**

Some timesheets are not oriented around the individual. In an industrial context, there is often a requirement to collect actual effort and progress in the field. Data points may be in a construction zone, a mine or even offshore. The work is organized by crews and a supervisor or clerk will collect the labor effort, the equipment usage and, the material consumption of the crew during a shift. This type of timesheet may look quite different from those of a white-collar timesheet. It may be collected per day or even per shift. It will have the effort of multiple people in it and the interface will include entries for material and equipment. Items like hazard weather bonuses or shift premiums are common.

## **DCAA Compliance timesheets**

The US-based Defense Contract Audit agency is charged with ensuring that work done for the US government is adequately accounted for. It oversees not just the Defense Department contracts but also those of the Department of Energy and numerous other US government agencies. The standards of the DCAA have been well thought out and, as a result, these standards have been adopted by a number of other governmental agencies who are not directly under the guidance of the DCAA.

One key aspect of the DCAA standards is timesheeting. There are numerous criteria to be DCAA compliant and the DCAA does not certify some products vs. others. It certifies and audits the process, not the tools. Yet, using timesheet systems in a way that will fulfill DCAA compliance requires using tools that meet their stringent requirements. Some of those include the ability to ensure that the person who did the work will sign-off on any timesheets of that work. So, regardless of who typed in the timesheet, the employee has to be able to see it and any changes ever made to it. Another criteria is the ability to ensure that the original timesheet as it was first entered by the employee can be completely reconstituted. Yet, another criteria is



to be able to audit any change ever made by the timesheet with identification of who made that change and when. These types of criteria coupled with the potential rewards of government contracts often result in a timesheet being deployed for just the requirements of the DCAA.

## **Compliance reporting timesheets**

There are many government agency requirements that can generate a need for a unique timesheet. In some jurisdictions such as the Government of Quebec, tracking training time can result in a big tax credit. In others, such as the State of California, timesheets must be able to follow the California Work Rules. Federal requirements such as the Family and Medical Leave Act of 1993 must be tracked for compliance reporting to the Department of Labor. In Europe the European Time Directive require timesheet tracking of each employee to ensure their work falls within the legal requirements of the EU Directive. The penalties for not complying with these compliance requirements can be severe and these types of requirements often have a timesheet reporting component. Any of these can result in a unique timesheet being implemented to add to existing timesheets already in place.

## **And much, much more...**

While this may make up the bulk of the most commonly requested timesheet types, this is by no means an exhaustive list. There are other timesheet types for industrial purposes that are associated to assembly line work. These are often tied into RFID or Barchart scan technology. There are, of course, the original punch clock timesheets for time and attendance that have evolved to include biometrics and many other time-oriented technologies that may be considered timesheets.

With all of these types of timesheets it is perhaps no surprise that organizations will implement more than one. While no one wakes up in the morning with the idea to deploy multiple timesheets into a single organization, the wide variance in requirements can make that exactly what happens.

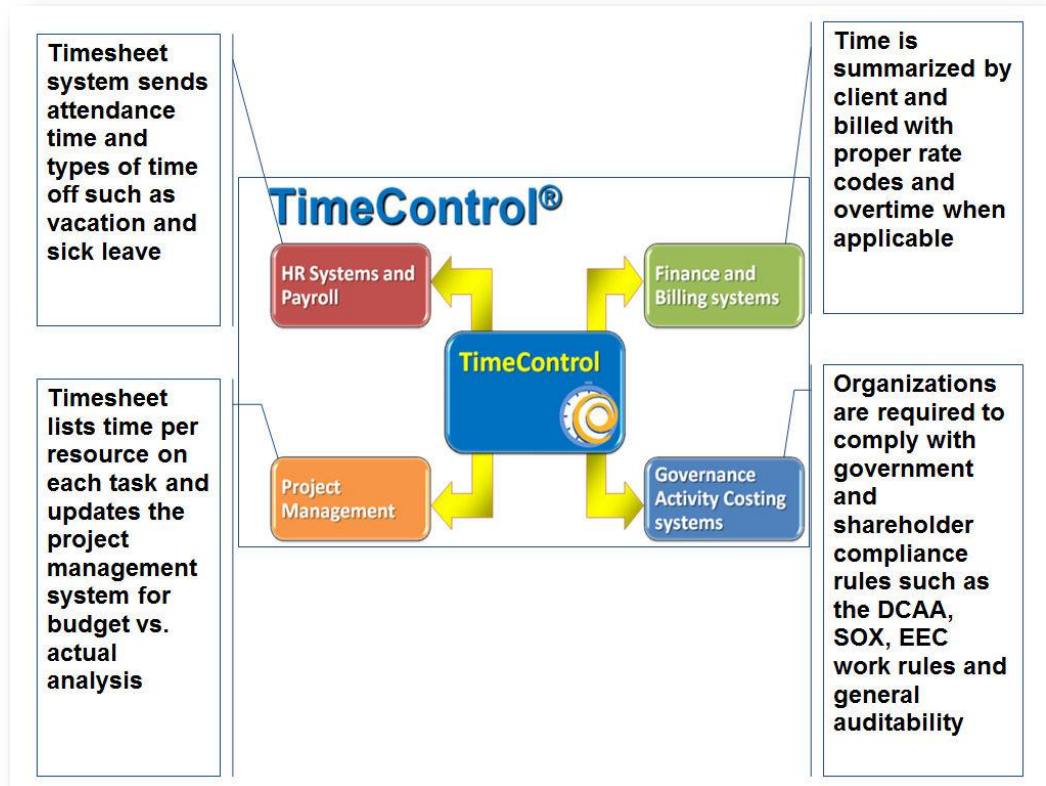
In a common scenario, an employee might have to complete 2, 3 or even 4 timesheets in a given week to accommodate each system. This is a needless waste of time and generates significant inefficiencies in the organization. Worse, when this is done, there is often a futile exercise in trying to reconcile the numbers between each timesheet. This sounds like an easy task in theory but the difference in timesheet types and what they are used to often makes this an expensive and time consuming nightmare in practice.

The ideal scenario is to find a single timesheet interface that would accommodate more than one of these requirements at a time.

## TimeControl is a multi-purpose timesheet

For some organizations, there is a desire to collect time in a single system and then use it for multiple purposes across the organization. HMS Software's TimeControl is such a system.

TimeControl is a highly flexible timesheet system which can be configured to collect data at the task level and configure the various tables and elements of the system in the background to allow that data to be validated, costed, approved and audited with an intent that the data will ultimately be returned to multiple systems including project management, finance for job costing or invoicing, human resources for vacation management and payroll.



TimeControl includes the financial controls, which allow the data to be Finance quality and the facility to be integrated directly into the financial, human resources system as well as project management systems. Timesheets can be implemented for individual departments, for small to medium sized business or in a large-scale organization. TimeControl was designed for businesses where there is a need to determine not only how much time has been spent but what that time was spent on.

Because TimeControl includes both the ability to link to a project-management system and the financial controls, which allows the Finance system to accept their data, they can be used to fulfill the needs of time and attendance, time and billing and project-update requirements at the same time.



## Easy to use Interface

- Full web-based browser interface with multiple browsers supported
- TimeControl can be optionally implemented within a SharePoint interface or a Microsoft Project Web Access interface
- Scalable user profiles facilitates use for data entry users yet provides full functionality for administrators
- Multilingual with multiple languages included
- Unlimited charge codes displayed in simple, hierarchical drop-down lists
- Unlimited free-form notes for each line item and each timesheet
- E-mail-enabled. E-mail messages sent for system notices such as rejected timesheets or missing timesheets
- Schedulable E-mail notification for missing or unapproved timesheets.
- Predefined timesheets based on resource assignments from the project management system or by user input

## Robust Architecture

- Open database architecture; support for Oracle, Microsoft SQL Server and, MySQL databases
- N-tier architecture makes system scaleable for 10 to 100,000 users
- Unlimited rate codes per employee
- Field-level security. Make any field visible, value read-only, or invisible
- Complete redefinition of every field label
- Complete auditability of timesheet data
- User-defined fields on every table
- Add pop-up data validation for each user-defined field
- Allows charges to be linked to a specific project or project-independent
- Multiple overhead charge types
- Filter charge codes, projects and rates visible to any employee

## Web Interface

- MyTimeControl™ home page dashboard gives extensive and customizable dashboard information to employees

## Approval Process

- HMS's unique *Matrix Approval Process for Labor Actuals*™
- Unlimited automatic Validation Rules are user definable, flexible and can be applied globally or to any group or even an individual
- Unlimited manual validation levels in which each employee can have a unique approval routing
- Project Managers or Account Managers can preview and redistribute hours prior to linking with a project management system or exporting to Finance

## Financial Controls

- Automated Validation Rules ensure financial rules are followed at the source
- Auditability of the timesheet and any changes ever made on a line by line basis
- Accrual Rules accrue on a per-timesheet or per-schedule basis for overtime, banked overtime or other needs
- Unlimited rates per employee and 20 cost types per rate code allow payroll, billing, job costing and, project costing all simultaneously

## Links to Project Management

- Direct integration with popular project management systems such as Microsoft Project, Project Server, Project Online, SharePoint, BrightWork, InEight's Hard Dollar, Oracle Primavera Pro and Primavera EPPM and, Deltek's Open Plan and Cobra
- Supports multiple project management systems and multiple versions simultaneously

- Customizable import/export function to interface with virtually any finance or ERP system including SAP, Oracle, PeopleSoft, JD Edwards and Microsoft Dynamics

### **Time-off Request**

- **TimeRequest™** module allows vacation, personal or other leave time to be requested
- TimeRequest allows multiple levels of approval
- TimeRequest automatically populates future timesheets with approved time off

### **Flexible Reporting**

- Internal reporting engine allows columnar, chart or blended reports to any device. Reports can be saved as Excel, PDF, JPG, RFT, CSV, XML or HTML files
- Reporting Wizards allow an unlimited number of reports to be created and saved for later use
- Unlimited levels of data selection, filtering and sorting
- Drill Down Analyzer provides instant ad-hoc analysis of data at any level

### **Field Data Collection (with TimeControl Industrial)**

- Crew Timesheet Entry
- Material Consumption Entry
- Equipment Usage Entry
- Production Accomplished Entry
- Extended Crew Rates
- Extended Non-Labor Rates
- Unique Approvals for Crews, Materials and Equipment

### **Expense Reports**

- Users can enter non-labor costs on their timesheet
- Unlimited number of expense items per timesheet line item
- Expenses can be tracked back to a project management and/or finance system

### **Government Compliance**

- Complies with requirements for DCAA, European Time Directives, FMLA, the California Wage Laws and Sarbanes-Oxley

### **Hardware Requirements**

- Server:
  - Windows Server
  - .Net 4.5
  - Internet Information Services
  - Microsoft SQL Server, Oracle, or MySQL database
- End-user:
  - Web browsers: Internet Explorer, Chrome, Safari, Firefox, Mozilla

### **Buy or subscribe**

- Available for purchase for implementation on premises or as an Online subscription in the Cloud

## HMS Software Partial Client List

---

### Engineering/Construction

- ❖ Aegion
- ❖ Andritz
- ❖ EXFO
- ❖ Foster Wheeler
- ❖ Groupe Canam
- ❖ Hamon Daltak
- ❖ OPAL-RT
- ❖ Reebok
- ❖ Siemens
- ❖ SCX
- ❖ Steven Winter Associates
- ❖ Tennant

### ❖ Gas / Utilities

- ❖ Entegrus
- ❖ Enerkem
- ❖ Karridale
- ❖ Koch Business Solutions
- ❖ Husky Oil

### Manufacturing

- ❖ Georgia Pacific
- ❖ Progress Rail
- ❖ Tennant
- ❖ Tractor Supply
- ❖ Volvo Novabus

### Defense / Aerospace

- ❖ Boeing
- ❖ CAE Electronics
- ❖ Esterline
- ❖ General Dynamics
- ❖ Rolls Royce

### Government

- ❖ Government of Quebec
- ❖ Government of Saskatchewan
- ❖ Conservation Ontario
- ❖ State of Idaho
- ❖ Highlands County, Florida
- ❖ Minnestoa Land Trust
- ❖ Regie des Batiments de Quebec

### Technology

- ❖ Accedian
- ❖ Cogiscan
- ❖ CRIM
- ❖ Invetech
- ❖ March Consulting
- ❖ Northforge
- ❖ Océ Graphics
- ❖ Ricoh
- ❖ Safran
- ❖ Scisys

### Services

- ❖ Pontoon
- ❖ Kelly Services

### Financial

- ❖ Ascendant Group
- ❖ CPA Quebec
- ❖ MCAP
- ❖ Residential Mortgage
- ❖ Segic
- ❖ US Properties
- ❖ Vancity
- ❖ Value Recovery

### Health/Pharmaceutical

- ❖ CADTH
- ❖ Iogen
- ❖ Sandoz
- ❖ Zoetis

## About HMS Software and TimeControl

---

HMS Software, a division of Montreal, Canada-based Heuristic Management Systems Inc., is a leading provider of enterprise timesheet and project management systems.



Founded in 1984, HMS Software's expertise in implementing enterprise project-management and enterprise timesheet systems is recognized worldwide by some of the world's best known organizations. HMS's signature product, TimeControl, an enterprise timekeeping system designed to serve the needs of both Finance and Project Management, is distributed worldwide through an extensive list of distributors and dealers located on every continent with representatives in the US, the UK, Australia, Mexico, Europe, Asia, South Africa and the Middle East.

HMS Software's client list includes some of the world's leading corporations in the telecommunications, IT, finance, engineering, defense/aerospace and government sectors including such organizations as BP, Rio Tinto, the Atlanta Airport, the City of Montreal, Electromotive Diesel, EXFO, FT Services, Kelly Services, Koch, the Government of Quebec, Georgia Pacific, MCAP, Parker Hannifin, Rolls Royce, Sandoz, Sobeys, Standard Life, the US Army Corps of Engineers, Volvo Novabus, Zimmer Inc. and hundreds of others. HMS maintains offices in Montreal, Quebec and Toronto, Ontario. For more information about HMS, please visit [www.hms.ca](http://www.hms.ca).

### TimeControl

First published by HMS in 1994, TimeControl has been adopted by hundreds of clients and over 250,000 users around the world. TimeControl is designed to serve the needs of both Project Management and Finance simultaneously. It allows an organization to use a single timesheet for project tracking, time and attendance, time and billing, HR tracking, R&D Tax Credits, DCAA and project costing instead of having to deploy many timesheets to serve these needs. TimeControl is available for purchase for an on-premises implementation or as a subscription service in the Cloud. TimeControl's architecture is flexible and extensive supporting numerous databases such as Oracle, Microsoft SQL Server and MySQL, multiple browsers such as Internet Explorer, Firefox, Safari and Chrome and even includes a mobile interface for Smartphones

For more information about TimeControl please visit: [www.timecontrol.com](http://www.timecontrol.com).