

FSO Switzerland

# Time Recording Guidelines

1 OCTOBER 2020

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## 1. Executive Summary

It is essential to have accurate recording of time and expenses in our financial system to run our business well and make the right decisions and to better serve our clients, create long-term value and provide development opportunities for you and your career.

This document is created to provide clarity on the usage of the *client engagement codes* as well as the *dedicated internal codes* in order to enable our organization to have an accurate view of economics, so we can manage our resources more intelligently and efficiently.

The following **simple ground rules** are applicable. **Please use your best judgment and common sense** to follow these rules and ask your counselor in case of uncertainty:

- ▶ The **working week for a 100% contract consists of 42 hours** (5 working days of 8.4 hours)
- ▶ **All overtime above the 42 weekly working hours needs to be explicitly instructed and mandated** by the Engagement Partner and/or the Sub-Service Line Lead **prior** of creating any overtime
- ▶ **All hours worked (including approved overtime) need to be recorded on a weekly basis into Mercury**, either on the respective client engagement codes or on dedicated internal codes
- ▶ **All productive client-related hours should be booked** on the respective external engagement codes (this also includes client-related internal meetings, client-related administrative matters such as invoicing, fee reporting, archiving etc.)
- ▶ **Dedicated internal codes** exist for **business development, education, counselling**, etc. that should be used to record the time for the respective activities
- ▶ In addition to the dedicated internal codes there are other **internal admin codes**. These codes should only be used for time that cannot be allocated to chargeable engagement codes or dedicated internal codes. Typically, this includes attending certain internal meetings and reading important internal emails etc. **Time to internal meetings and administrative work is not expected to exceed two hours per week as a general rule of thumb.**
- ▶ The admin code with a new activity ID to reflect **unassigned time** should be used when you are unassigned to external client work and do not have work to do for BD, training, recruiting, counselling, or other internal activities

This guideline will enter into force on 1 October 2020 and is applicable to all Service Lines and CBS in FSO. Please read it carefully and take the necessary steps to adhere to the principles set out below. Thank you for your collaboration.

## 2. Engagement Codes and Internal Codes

### What are Engagement Codes and why is it so important to use the right ones to book time and expenses?

Engagement Codes are used to track time and expenses for individuals assigned to an engagement or project (either external or internal project). Every engagement code has an Engagement Partner (EP) and Engagement Manager (EM) who are accountable for the engagement time and cost control. At the same time, it is every employee's responsibility to ensure the correct code usage.

Correctness and consistency in the way we capture both client and non-client related time and expenses is a crucial enabler in managing our practice. The use of proper codes and correct bookings are necessary for our firm to manage time and expenses in a more efficient way.

### What types of Engagement Codes do we have, and which codes should you use?

All time and expenses are booked to Engagement Codes (also called charge codes, project codes, WBS codes, and WBS elements). There are different Engagement Code types:

- ▶ **External Codes** (called EP-External Project in the Mercury Timesheet tool) to capture hours and expenses for chargeable work contracted with our clients
- ▶ **Internal Codes** (IP-Internal Project) to capture non-chargeable time and limited expenses for such activities as business development, counselling, recruiting, and training
- ▶ **Absence Codes** (AP-Absence Type Internal Project) to capture non-worked time such as vacation, public holiday, illness, and leave of absence during the normal work week
- ▶ Other Engagement Types exist, but they are rarely used and therefore not considered here.

### Where do I find codes and whom should I ask if I have any questions?

External Codes are provided to you by the Engagement Manager or Engagement Partner.

Most Internal and Absence Codes can be found by following this link [FSO Switzerland Charging Concept](#) where you can select the appropriate code based upon your Service Line and Competency.

If you are asked to support any Business Development (BD) or Marketing activities, you should receive a dedicated BD or Marketing code from the relevant project team or accountable Partner.

If you participate in classroom training or a recruiting event, you should receive a dedicated education or training code from the relevant training or recruiting lead.

**Does this guideline replace existing policies or guidelines?**

This document supplements and does not supersede related policies that should be referenced, including the following that can be found on the [GSA Policy Navigator site](#):

- ▶ 4.1.1 EY Switzerland Employment Regulations
- ▶ 4.1.15 EY Switzerland Recording of Working Time
- ▶ 4.1.15 EY Switzerland FAQ Recording of Working Time
- ▶ 4.1.5 EY Switzerland Guideline on Travel Times
- ▶ 4.2.1 EY Switzerland Travel and Expense Regulation
- ▶ 4.2.2 EY Switzerland Supplementary Regulations for Managerial Staff

Please note that time and expenses booked on engagement codes and internal codes are closely monitored. Therefore, please record your time and expenses to the correct code and follow the relevant policies and guidelines. It is your responsibility to determine the correct code. Please ensure alignment, and approval if required, with the code owner prior to spending any time or incurring any expenses. While booking time, please enter a description of the activity in the time sheet.

## Which engagement code to use?

Chargeable engagements

Yes

Client  
Chargeable  
Engagement?Book on External Engagement Code provided by  
Engagement Partner or Engagement Manager

No

Non-chargeable engagements

Go To Market

BD

BD activities for a specific client or market segment, i.e.,  
client relationship development, bid/pursuit efforts

BMC

Includes thought leadership, publications, sponsorships, and  
other activities targeted across multiple clients

Recruiting

For time spent on interviews and recruitment related  
activities, use recruitment code provided in the Internal  
Engagement Codes list. For recruitment and branding  
events, the code will be provided by talent team

Talent

Learning

For time spent on virtual learning (e.g., Skype, WBL, Udemy  
etc.) use codes provided in the Internal Engagement Codes  
list. For physical classroom training, the code will be  
provided by training facilitator or talent team

Counseling

For time spent on Counsellor - Counselee activities use the  
Counsellor / Counselee codes, with the appropriate Activity  
ID, provided in the Internal Engagement Codes listCorporate and  
Solution  
DevelopmentFor time spent on Corporate Development and Solutions  
Development, Employer Branding activities, etc., codes will  
be provided by the respective team or functional head (e.g.,  
Sector Lead, Marketing Lead or Recruiting Lead)Leadership &  
Enablement  
FunctionsPartners in leadership roles and CBS personnel book time  
according to their mandate along with related expenses to  
enablement codes that are provided in the Internal  
Engagement Codes list

Admin

Unassigned  
(General)If you are not assigned to a external client project or internal  
project such as BD, marketing, training, recruitment  
activities, etc., book your time on your Service Line Admin  
Code using the "Unassigned" (General) Activity ID 0000Internal  
MeetingIf you take part in certain internal meetings, use your  
Service Line Admin Code with the "Internal Meeting" Activity  
ID 0001. The use of this code is limited to Global, Regional,  
Service Line, Sub-Service Line and Sector meetings onlyAdministrative  
WorkFor time spent on administrative tasks, such as computer  
replacement, IT support, visa procedures, reading emails for  
which no dedicated code exists. Please use your Service Line  
Admin Code with the "Admin Work" Activity ID 0002

Absence

Absence time due to vacation, overtime compensation,  
public holidays, excused leave, illness, etc. should be booked  
using codes listed in the Internal Engagement Codes list

### 3. Guideline Details

#### 3.1 External Codes (client engagement codes)

**All productive hours**, including approved overtime, worked to carry out service delivery commitments to our clients, **must be charged to the client engagement code** set up for that work. This is essential for accuracy of our business economics. It is not permitted to “ghost hours” (i.e., not record) or divert productive service delivery hours to internal codes. Not booking actual hours to show better engagement economics is unacceptable and counterproductive.

Productive hours charged to client engagement code also include, but are not limited to, time needed to complete time sheets, create invoices, set-up and ongoing review of engagement economics, schedule client meetings, arrange client travel, maintaining quality and risk management activities, archive work, and managing client acceptance and preparation of client deliverables.

Every Client Serving Professional (CSP) should have client chargeability targets defined for them. These targets may be expressed as chargeable hours or as a chargeability percentage (also called effective utilization) to achieve for the fiscal year. **Please refer to the specific chargeability targets of your Service Line or Sub-Service Line.**

**All overtime** above the 42 weekly working hours **needs to be explicitly instructed and mandated** by the Engagement Partner and/or the Sub-Service Line Lead **prior of creating any overtime**. Otherwise overtime is not valid.

#### 3.2 Internal Codes

Aside from client work, we must ensure EY is in the market, pursues new work, invests in our people, and develops new solutions and technologies. The time and expenses for all these activities are recorded on internal codes.

It is the responsibility of the assigned Engagement Partner with the Engagement Manager on each internal code to monitor actual time and expenses charged on the codes to ensure alignment with budget and that budgets will not be exceeded during the fiscal year.

The following sections outline the different categories internal codes.

##### 3.2.1 Go to Market

These codes capture time and expenses for client and market segment-specific Business Development (BD) and Brand Marketing Communications (BMC) activities. All work for Go to Market activities is an economic investment and is subject to a Return on Investment (ROI) analysis.

BD work includes bid/pursuit efforts (including RFP responses), client relationship development activities, and account and Sector meetings. When asked to work on any BD effort, please use the correct BD code provided by the Engagement Partner or Engagement Manager responsible. Client-specific BD codes exist for our G360, Focus Core, Core and select Inbound Accounts. And for

smaller accounts, you should use Market Segment BD codes that you can get from the sector operational leads.

BMC work includes, but is not limited to, thought leadership, publication efforts, sponsorships, creative agency services, events for clients, and external and some internal communications that are visible to or involve more than one account.

There are FSO-specific BMC activities and overall EY Switzerland BMC activities. If you are asked to work on any BMC effort, please make sure you receive the correct BMC code from the requestor or the Engagement Partner or Engagement Manager responsible.

Some Markets & Business Development personnel regularly charge sector codes for their day-to-day work as their mandate is continually focused on business development and to win more work at our clients.

### **3.2.2 Recruiting**

Dedicated recruiting codes are available to capture time and expenses related to recruiting activities including campus recruiting, interview preparation, interview time and follow up.

### **3.2.3 Learning**

There are course specific codes and general learning codes for EY approved training. Always use the course specific code, if available. There may be different codes for training participants and leads. In case you do not receive the relevant learning code, it is your responsibility to request it from the facilitator. You may book a maximum of 8.4 hours a day for training (i.e., 42 hours a week for a 100% workload contract for training Monday to Friday) and your actual time for training should not exceed this.

### **3.2.4 Counselling**

Time for formal and informal meetings between counselees and counsellors should be booked to the appropriate code. There are dedicated counselling codes with different Activity IDs to differentiate time and expense for the counsellor/reviewer and another for the time of the counselee/reviewee.

Each relationship and business need is different, but it is expected that as a general rule of thumb about six to eight hours per year should be dedicated to each counselee in average (including LEAD process activities).

### **3.2.5 Corporate development**

Corporate development includes planning and execution of strategies to meet EY global and local objectives (based on an approved business case). If you are asked to work on any corporate development work, it is your responsibility to obtain the correct internal code from the requesting Engagement Partner or Engagement Manager, who must provide this to you.

### **3.2.6 Solution development**

Solution development means creating new service offerings or developing existing solutions (based on an approved business case). If you are asked to work on any solution development work, it is



your responsibility to obtain the correct internal code from the requesting Engagement Partner or Engagement Manager, who must provide this to you.

### 3.2.7 Administration (Admin)

In principle, all work time should be booked to external codes (i.e. client engagement codes) or to the dedicated internal codes as set out above. There are some exceptions where time may be booked to an Admin code, using a specific Activity ID, as follows:

**Unassigned (0000)** - the Activity Name in the time sheet will say "General" but this should only be used to record unassigned time. If you are unassigned to external client work and are not working on BD/BMC, training, recruiting or other approved internal projects, **non-managerial individuals should work down overtime balances and charge the Compensation code**. Overtime balances may be maintained to compensate for personal training purposes (e.g., academy studies) if approved by your Sub-Service Line Lead. If there is no overtime balance available, discuss the situation with your counsellor or Sub-Service Line Lead. People of all ranks should also **consider taking vacation days when unassigned**. Otherwise, charge Admin - Unassigned and contact your counsellor or staffing coordinator about finding a new assignment.

**Internal Meetings (0001)** - this should be used to book time in Global, Regional, Service Line, Sub-Service Line and Sector meetings only. All other meetings should be booked to the code related to the activity requiring the meeting.

**Administrative Work (0002)** - this should be sparingly used and is reserved for exceptional work time spent such as computer replacement, general technical support, visa procedures, reading important emails not related to your various projects and accounts, personal QRM procedures (such as personal independence compliance requirements). Such tasks as completing time sheets, carrying out engagement related QRM procedures, and archiving files should be booked to the code related to the activity requiring or benefiting from that task (e.g., a client engagement code or dedicated BD code).

**As a general rule, time to Internal Meetings (0001) and Administrative Work (0002) combined is not expected to exceed two hours per week.**

Time to Unassigned (Activity ID 0000) is limited to your working week hours and time recorded here will be monitored by our staffing coordinators to help you find a suitable next assignment.

### 3.2.8 CBS Personnel and Defined Leadership Roles charge Enablement

Charge codes for all CBS personnel will be realigned to be recorded and reported as "Enablement" activities.

In addition, Partners in leadership roles (i.e., Country Leader, Service Line Leaders, Sub-Service Line Leaders, and Sector Leaders) are expected to spend a certain amount of time to carry out their leadership mandate. Time for this will be also be realigned to be recorded and reported as an Enablement function.

Charge codes used by CBS personnel and Partners in leadership roles should be provided by your counsellor or by Finance.

### 3.3 Absence Codes

Book time accordingly to the appropriate absence code:

**Paid public holiday** - book hours here according to the "Feiertage und lokale Freitage" document available for all locations (go to the intranet "[Where to find what A-Z](#)" and search for your location).

**Vacation** - book vacation as agreed with your counsellor and taken by you during the year. Each person should take time off away from work and use all available vacation days during the course of each year.

**Excused leave** - where you should select an Activity ID to show which type of leave (e.g., military, maternity leave, paternity leave, etc.).

**Illness** - when you don't work due to illness for more than three days, provide a doctor's note to HR Services at [myhr.switzerland@ch.ey.com](mailto:myhr.switzerland@ch.ey.com).

**Mandatory break** - is applicable to all employees subject to Complete Time Recording as defined in Policy - 4.1.15 Recording of Working Time.

**Compensation** (i.e., overtime compensation) - where non-managerial personnel and, in limited and approved cases, managerial personnel, may book hours for overtime compensation according to firm policy. Please refer to policy 4.1.15 Recording of Working Time and related FAQ.

## 4. Other Topics

### 4.1 Timesheet compliance

It is your responsibility to complete your time sheet accurately and on time each week. **Time sheet submissions are due at 21.00 every Friday.** Note that you may submit your time sheet early if you anticipate being out of the office and you may update time sheets retrospectively several weeks later, but be mindful of the possibility that Engagement Codes may close, in which case retrospective changes will not work.

The expectation is that you submit all your time sheets within the deadline. Frequent late submissions may impact individual performance ratings negatively.

### 4.2 Travel Time

Travel time should be booked in accordance with EY travel policies. In principle, time spent by an employee **traveling from his/her place of residence to his/her principal place of work at the EY office is considered commute time and therefore may not be charged as working time.** If the location of the client or internal work requires incremental travel time, please refer to the relevant policy to book your time properly.

### 4.3 Overtime

Overtime means time worked beyond your normal weekly standard working hours (i.e., 42 hours for those with a 100% workload contract). Overtime is expected from time to time for external client delivery work and only in exceptional cases for internal work.

**All overtime** above the 42 weekly working hours **needs to be explicitly instructed and mandated** by the Engagement Partner and/or the Sub-Service Line Lead **prior of creating any overtime**. Otherwise overtime is not valid.

**To simplify the approval process**, and cover nearly all cases, incurring overtime is considered as **“pre-mandated”** and approved **for chargeable client work** booked to an external client engagement code **up to one hour per working day**. In principle, there shall be no overtime performed for non-chargeable work.

Further information about overtime can be found in policy 4.1.15 EY Switzerland Recording of Working Time and related FAQ.

## 5. Closing

If you have further questions please contact your counsellor, Counsellor Family Tree Leader, your Sub-Service Line Lead, the FSO Finance & Operations Director - Timothy Aymard-Young, or your HRBP. Thank you for your support and help to carry out the charging concept effectively.