FISCAL YOUTH TRAINING

08/02/2018 & 08/07/2018

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Agenda

- 9:00 am – Welcome Youth Providers
- 9:15 am – Ice Breaker
- 9:30 am – Fiscal Training Power Point, presented by:
  Coley, Janeth, Nidia, Rana, and Trent
- 10:15 am – Break (5 minutes)
- 11:15 am – Break (5 minutes)
- 12:00 pm – Lunch Break (1 hour)
- 1:05 pm – Fiscal Training Power Point, continued
- 2:00 pm – Break (5 minutes)
- 3:00 pm – Break (5 minutes)
- 3:05 pm – Workbooks
  Fiscal – Rana and Trent
  Program – Coley and Janeth
- 3:30 pm – Q&A
- 4:00 pm – Thank you

WDD Team

- Rana Gilani (Accounting Technician – Fiscal)
  909.387.9872 – WIOA
- Nidia Vargas (Staff Analyst II – Fiscal)
  909.387.9855 – Monitoring
- Trent Wiebe (Staff Analyst II – Fiscal)
  909.387.9854
- Janeth Tran (Staff Analyst II – Program)
  909.387.9869
- Coley Bowman (Staff Analyst II – Program)
  909.387.9821
- Madeline Tsang (Fiscal Administrative Supervisor I)
  909.387.9883

Topics Covered

- Contract Award Information for Single Audit
- Highlights
- OMB – Uniform Grant Guidance
- Internal Controls
- Other Guidance and Requirements
- Allowable Costs for All WDD Programs
- Cost Allocation
- WIOA Administrative Cost Vs. Program Costs

- Program Income
- Accrual Requirement
- Procurement Requirements
- Inventory Records
- Record Retention
- Monthly Claims
- Planning Estimate Revision
- Leveraged Resources
- Fiscal Monitoring
- Invoice Sections
- Tier 1 and 2

Contract Award Information for Single Audit

WIOA Youth Contracts for Program Year 2018-2019, 2019-2020, & 2020-2021:

- Funding Source: Title I Workforce Innovation and Opportunity Act
- CFDA# 17.259
- Contract Number: please refer to your individual contract

Highlights

- Important rules: CFR 200, TEGL, State Directives, County, and contract terms
- Administrative costs, work experience, and program costs are reported separately on the claim forms. The maximum of administrative cost is 8%
- Work experience requirement: At least 20% or more of the cumulative annual expenditure
- 100% of funding must be spent on out-of-school youth and work experience
- WDD has the sole and absolute discretion to disallow costs and seek reimbursement, if necessary
- Tier 1 and 2 Average Cost Caps
- **Advances are no longer permitted**

OMB – Uniform Grant Guidance (UGG)

- 2 Code of Federal Regulations Part 200 and 2900
- All Federal Grant Sub-recipients must comply with UGG:
  - Subpart A – Acronyms & Definitions
  - Subpart B – General Provisions
  - Subpart C – Pre Award - Federal
  - Subpart D – Post Award – Recipients/Internal Controls
  - Subpart E – Cost Principles
  - Subpart F – Audit Requirements
  - 11 Appendices (I-XI)
- CFR Subtitle B, 2900

Link to UGG: http://www.ecfr.gov

Internal Controls

- Sub-recipients are required to have written internal controls system and provide reasonable assurance in the following categories:
  - Effective and efficient operations
  - Reliability of internal and external reporting/claims
  - Compliance with laws and regulations
- Sub-recipients are required to follow the written internal controls system policies
- Effective Internal Control elements:
  - Are cost-effective
  - Safeguard assets
  - Adhere to organization's policies/procedures
  - Promote operational efficiency

References: References: 2 CFR 200.400, 2 CFR 200.303, 2 CFR 200.61, 2 CFR 200.62

Other Guidance & Requirements

- Employment and Training Administration (ETA) – TEGL
- State WIOA Program Directives
- Generally Accepted Accounting Principles
- San Bernardino County Auditor-Controller's Financial Requirements
- Claim Requirements from the Workforce Development Department
- Contract Requirements
- Follow all applicable laws, including labor laws

Guidance Requirements

Allowable costs for all WDD Programs

Reimbursable Expenditures must be:

1) Necessary, reasonable, and allowable
2) Allocable (scope of work & benefits received)
3) Allowed by Federal, State, County, and conform with ETA grant guidelines and limitations
4) Authorized by and conform to the procedural rules adopted by Workforce Development Department (WDD)
5) Allocation Rate must be consistent
6) Adequately documented (traceable to official source documentations)

Question

Can WIOA funds be used for a donation as an allowable cost?

Answer

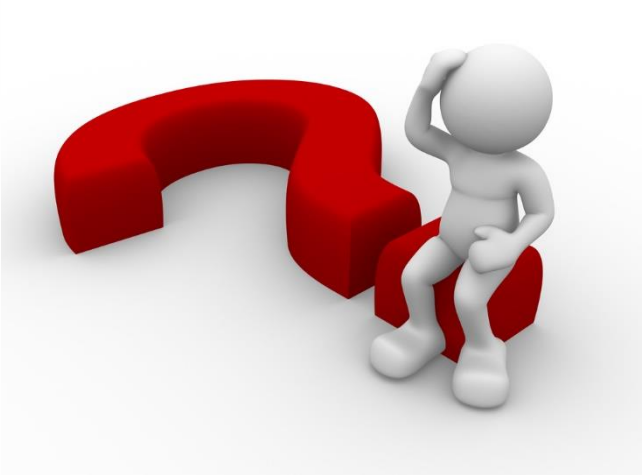
No

Reference: Title 2, Part 200, Subpart E, 200.434:

(a) Costs of contributions and donations, including cash, property, and services, from the non-Federal entity to other entities, are unallowable

Question

Can a Youth enrolled in a training be an allowable cost?



Answer

Yes, with written proof of enrollment in the training

Reference:

WIOA Youth Contract,
Fiscal Provisions, Item d(ix)

- Reimbursement claims shall include supporting documentation for each expense classification, such as copies of general ledger, funding source generated from the organization's general ledger, payroll records, billing invoices or receipts for costs incurred

Question

Purchasing $700.00 of office paper, is this an allowable cost?

Answer

Yes,

- With Three (3) competitive written quotes
- Prior written approval from the WDD Youth Program Analyst
- Purchase is reasonable
  - ✓ Goods shared among multiple funding sources, must be cost allocated

Reference:

- Title 2, Subtitle B, Part **§2900.16 Prior written approval**
- WIOA Youth Contract, IX Fiscal Provisions, item f(i):
  - The purchase, lease, or lease to purchase of fixed assets, equipment or property, including subcontracted services, using funds provided by WIOA and costing more than $500, requires advance approval by WDD. Request to purchase, lease, or lease to purchase said assets, including subcontracted services must follow the procedural rules adopted by WDD

Cost Allocation

Sub-recipients must allocate costs within organization and department to a specific grant or final cost objectives according to the benefits received by a specific grant

Required documents submitted to WDD:

- **Organization/department-wide written cost allocation plan should include Direct and Indirect Costs**
- **Indirect cost rate agreement from cognizant agency (if applicable)**

WIOA Administrative Costs vs. Program Costs

- Administrative cost is based on the functions that are not related directly to program services and can be direct and/or indirect costs
- Administrative cost functions may include, but is not limited to:
  - Procurement and/or Property Management
  - Oversight/monitoring of administrative activities
  - Accounting, budgeting, payroll, and financial reporting
- Program costs are related directly to WIOA participants and employer services
- Reference – 20 CFR 683.215

Note: It is the job function not the title that dictates administrative or program cost classification

Program Income

- Program Income earned and expended by sub-recipients must be reported on the Monthly Expenditure Claim Form to be deducted from the total reimbursement
- Program Income is allowed, but must be deducted from your planning estimate so there is no net increase

Accrual Requirements

- Expenditures and revenues that have been incurred but are not yet recorded as revenues or expenditures at the end of the accounting period
- Sub-recipients are required to submit the accrued expenditures with details on each monthly claim (see instructions on the Accrual Request Form)

Procurement Requirements

- Total purchases/leases of $500 and above must have:
  - Prior written approval from the WDD Youth Program Analyst
  - Three (3) competitive quotes are required prior to any approval for purchases/leases
- Cumulative total of $1,000 for a fiscal year for a specific category per budget line item requires three (3) quotes

- Documentation of procurement processes, quotes, and cost-benefit analysis must be kept for auditing purposes
- Any prior approvals from past fiscal year must be re-approved and three (3) quotes will be required

Inventory Records

WIOA funded assets such as computers, office furniture, equipment, and software etc. must be purchased and kept according to State, County, and contract requirements. Physical inventory count and records must be reconciled at least annually. Disposition of the assets must be pre-approved regardless the dollar amount by WDD

Inventory records must be recorded at the time of purchase with the following information:

- A description of equipment
- Manufacturer's serial number, model number, or other identification number
- Funding source of the purchase including contract number
- Acquisition date and unit price at acquisition
- Location of the inventory
- Disposition date, sale price, loss, theft, etc…

Records Retention

- Financial records such as expenditure claim records including receipts, accounting system records, and all other required supporting documentation must be maintained for **seven years (7)**
- Any unresolved litigation, claim, or audit finding, all records must be retained until all findings have been resolved and final action taken

- Same record retention rules apply to procurement, purchases, and inventory records

Monthly Claims

- WIOA expenditure claims are due on the 10th of every month except May and June. WDD may request an early submission due to grant closing or fiscal year end process
- Claim package must include the following items:
  - Authorized claim form
  - Accrual form, if applicable
  - Leveraged Resource Form
  - Payroll Summary
  - Supportive Services Request Form, if applicable
  - Supporting documentation for applicable expenditure classifications from "A" through "T"

Supporting Documentation for Expenditure Claims

- All providers need to include their current month *posted* General Ledger entries matching their claims for reimbursement
- Separate and clearly identify each section with a blank colored sheet of paper (marked A, B, C, D, etc.) with a calculator tape or Excel sheet showing the details and the total of the expenditures for each section. The tape should reflect each item listed (preferably highlighted if there are multiple items) for the section
- Arrange the pages of each section in order, accordingly, to include the backup/support documents and receipts/invoices in the order they are listed on the calculator tape
- It is imperative documents attached to claims demonstrate, with absolute clearness, the allowable expenditure
- Clear allocation of cost must be included if the costs are going to be shared among different funding sources

It is at WDD's discretion to request additional documentation as necessary to provide compliance support for the program

Planning Estimate Revision

- Planning estimate revision must be approved by WDD Program Analyst prior to expenditure claim submission
- No revisions allowed during May and June
- Planning Estimate Revision Form is included in the claim form package

Leveraged Resources

- Leveraged resources requirement: 25% of WIOA funding per contract terms
- Leveraged resources may come from Federal or non-Federal sources but those resources are not reimbursed by WIOA programs
- Leveraged resources are required to be reported monthly on the claim

Supplemental Funding

- Supplemental Funding is funding available from other sources other than WDD
- Supplemental funding may be from in-kind services/contributions
- Funding must be allocated to offset WIOA program costs and shall be documented in the Provider's Planning Estimate workbook

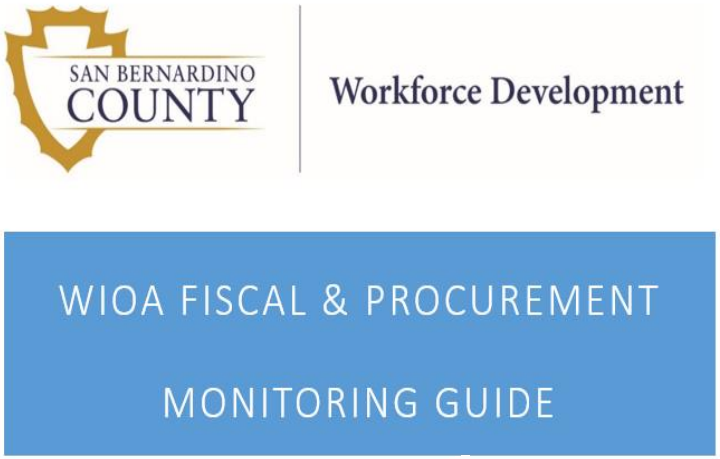
- By June 30, 2019 Providers must have:
  - 25% or more funding from other sources/contracts, and/or
  - A plan describing how to meet the supplemental funding requirement, if the supplemental funding is 50% or more from WDD
- By June 30, 2020 Providers must have 50% or more funding from other sources/contracts

Fiscal Monitoring

What common areas will be monitored?

- Authorization on expenditures and consistency of cost allocation/accounting treatment
- Fiscal, procurement, and internal control policies and procedures
- Timely claims and reports with adequate supporting documentation
- Administrative expenditures vs. program expenditures
- Financial reports including 3 year's audit and monitoring results and findings
- Under or over estimated accruals
- Cost allocation plan and indirect cost rate
- Program income , interest income, and match and leveraged resources
- Property assets, inventory, cash, and prepaid card management
- Quality of management systems including accurate accounting and reporting capabilities

Fiscal Monitoring, continued



- Monitoring Guide(s) needs to be completed and submitted timely to monitor for review
- Fiscal and procurement policies and procedures
- Ask questions to avoid submitting incomplete guides
- Training material – Fiscal and Program staff
- Internal controls are in place and are being followed

Fiscal Monitoring, continued

- Invoice review – are expenses claimed:
  - Necessary for the program
  - Reasonable expense
  - Allowable under the program
  - Allocable, can it be assigned to specific grant
- Supporting documentation matches system data entry
  - Date on supportive services form matches case note date and activity date
  - Case notes "tell the story"
    - ✓ What service was provided
    - ✓ Why was the service provided
    - ✓ How will the service benefit the participant

Exercise # 1 – Case Note & Case Activity

Specific information for Sections A – T

- A colored sheet of paper is placed at the front of each section with a calculator tape run of the breakdown
- Write the section title: A, B, C, etc., on the colored sheet of paper to identify/separate each section
- Only yellow highlighter is to be used when information needs to be highlighted
- No stapling of documents and only one (1) binder clip/rubber band should be used to bundle the invoice/claim
- Only use 8 ½ x 11 standard size paper
- Any expenses shared between multiple funding sources must be appropriately and clearly allocated
- Include written pre-approvals and quotes with the monthly claims
- Include proof of payment received for all expenses claimed

Section A – Staff Salaries and Benefits

- Hourly employees – Attach the payroll registry (with highlighted dollar amounts claiming) for verification of payment and time sheet/time tracking documentation, signed by the supervisor or person responsible for payroll
- Salary employees – attach payroll register (highlight the dollar amounts claiming), provide a detail in this section and ensure WDD has a copy of the salary contract
- Any back up for benefits, again with detailed breakdown of expenses (highlight the dollar amounts claiming)
- Activities supporting Work Experience are expensed as Work Experience

In lieu of a payroll registry, send a copy of the General Ledger for your institution with a signature of the supervisor or person responsible for payroll. It is only necessary to include the page with the relevant information (you do not need to send the entire document). Provide notes as necessary for clarification

Section B – Staff Travel/Training/Meetings

- Mileage, rate per mile, starting point, destination (highlight the entire line of the mileage log), and supporting documents to support the expenses (e.g. maps, meeting agendas)
- The mileage claim form must have authorized signature and printed name of both employer & employee
- Copy of flyers for meetings/events, times, and amounts
- Copy of invoices or receipt for payments for any expenditures
- Providers may obtain pre-approval for routine travel maps from the WDD Fiscal Analyst

Itemized receipts are required. If an expenditure or item on the receipt needs to be explained, write a note for clarification

Section C – Office Supplies/Postage
Section D – Telephone/Internet

- Total purchases/leases of $500 and above must have:
  - Prior written approval from the WDD Youth Program Analyst
  - Three (3) competitive quotes are required prior to any approval for purchases/leases
- Cumulative total of $1,000 for a fiscal year for a specific category per budget line item requires three (3) quotes
  - Pre-approval
- Copy of invoices or receipt for payments (highlight the dollar amounts claiming)

If an expenditure or item on the receipt needs to be explained, write a note for clarification

Section E – Rent

- Copy of rental agreement
  - Required annually, renewals, or new lease
- Copy of receipts for payments
- Breakdown of the charges according to the agreement

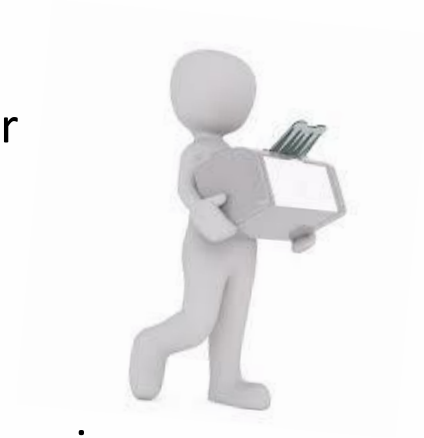
Budget adjustments need to be made if rental agreements change. Submit the modified budget so invoices can be processed timely

Section F – Utilities
Section G – Insurance
Section H – Accounting, Audit, or Annual Statements

- Copy of invoices or receipts for payments
- Annual fees will be reimbursed on a monthly basis
- Breakdown of the charges

Highlight the items and dollar amounts of items included with the claim

Section I – Equipment Purchases



- Copy of invoices or receipts for payments (highlight the dollar amounts claiming)
- Explanation of the Purchase
  - Purchase of equipment at $500 value, or more, must have prior written approval by the WDD Youth Program Analyst and included with the invoice
  - Three (3) quotes must be obtained and included with the invoice
  - Items considered as WIOA inventory are, but not limited to: desk top PC, copier, camera, laptop, monitor, printer, projector, rack mount keyboard & monitor, iPad, and mobile devices
- Cumulative total of $1,000 for a fiscal year for a specific category per budget line item requires three (3) quotes
- Breakdown of the charges

It is the Provider's responsibility to maintain an updated inventory list and provide the list to WDD staff when there are changes and/or upon an audit request. The Inventory List Template is included with the Excel Workbook. Inventory List needs to be sent annually or when changes occur or disposal of items

Section J – Equipment Rent/Lease

- Copy of invoices or receipts for payments
- Copy of rental or lease agreement for the equipment
- Any equipment purchased or leased over $500 must have prior written approval from WDD Youth Program Analyst and is included with the invoices
- Annual fees will be reimbursed on a monthly basis
- Breakdown of the charges

Highlight the items and dollar amounts of items included with the claim

Section K – Equipment Maintenance
Section L – Printing & Reproduction (Instruction Material)
Section M – Training Materials, Class Supplies, & Books

- Purchases at $500 value, or more, must have prior written approval by the WDD Youth Program Analyst and included with the invoice
- Copy of contracts, if any
- Copy of invoices or receipts for payments (highlight the dollar amounts claiming)
- Copy of any printed flyers
- Breakdown of the charges

If an expenditure or item on the receipt needs to be explained, written clarification is required

Section N – Recruitment and Outreach

- Copy of recruitment Flyers
  - Needs to be reviewed and prior approved by the WDD Youth Analyst
- Copy of invoices or receipt for payments and explanation of any expenses (highlight the dollar amounts claiming)
- Breakdown of the charges

Itemized receipts are required. If an expenditure or item on the receipt needs explanation, write a note for clarification

Section O – Participant Wages & Benefits

- Attach the payroll register and the time cards or time tracking sheet stating the participants' hours and pay (must be signed by both participant and employer with their printed name)
- Participants must be paid at least minimum wage
  - Must comply and adhere to all Federal, State, and Local Labor Laws
- Breakdown of the wages per program
- 100% of expenses is Work Experience

Highlight the items and dollar amounts of items included with the claim

Section P – Supportive Services

- Signed tracking sheets for gas cards or any other compensation must be signed by participant *and* issuer with their printed name
- Reimbursements can only be made for gas cards that are *actually issued* to participants
- Reason for the issuance of the Supportive Services must be clearly explained on the Supportive Services form and signed by all parties, including the participant
  - Corresponding case note and activity code must be completed to document the reason for the issuance of Supportive Services

Highlight the items and dollar amounts of items included with the claim

Section Q – Contracted Services

- Copy of the contracts
- Copy of invoices or receipts for payments (highlight the dollar amounts claiming)
- Breakdown of charges
- Example of Contracted services:
  - Janitorial Service,
  - 3rd Party Payroll Services, etc.

If an expenditure or item on the receipt needs to be explained, write a note for clarification

Section R – Subcontracts/Formal Agreements

- Subcontracts *must have* prior written approval from WDD Youth Program Analyst
- Copy of any subcontracts or formal agreements
- Copy of invoices or receipts for payments (highlight the dollar amounts claiming)
- Provider entered agreement/subcontract with another entity (3rd party) to complete some of the program services the provider contracted to do for WDD
  - Must have written approval from WDD Youth Analyst prior to execution
  - Example: ABC Provider subcontracted with Charter School for Tutoring Services
- Breakdown of the charges

Itemized receipts are required. If an expenditure or item on the receipt needs explanation, write a note for clarification

Section S – Indirect Costs

- Negotiated indirect cost rate agreement from cognizant agency (if applicable)
- Calculation of the amount (% or fixed amount) according to the agreement

Section T – Other (List)

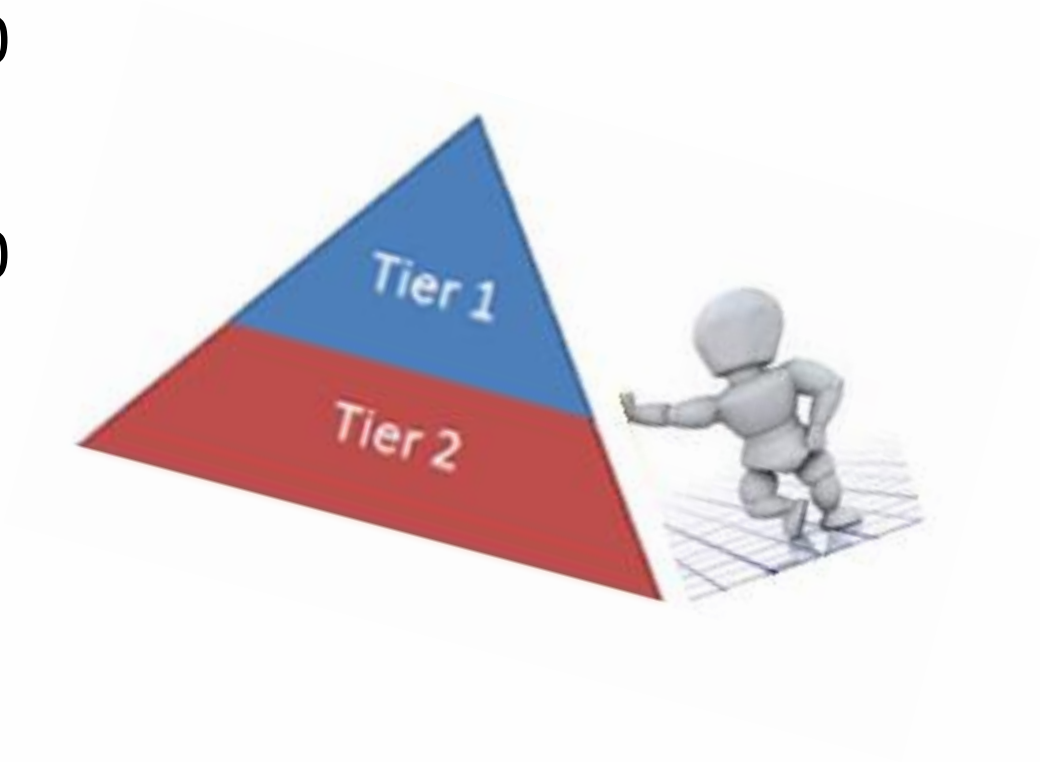
- Copy of invoices or receipts for payments
- Highlight the items and dollar amounts of items included with the claim

If an expenditure or item on the receipt needs to be explained, write a note for clarification

Exercise # 2 – Section Divider

Tier 1 and 2 Average Costs Caps

- Tier 1 Barriers – $5000
- Tier 2 Barriers – $7000



Program Checklist for Invoices

GenerationGo!

Program Checklist for Invoices

GenerationGo!
290 North D Street Suite 600
San Bernardino, CA 92415
Phone: 909-387-9859

Program	What is Reviewed?
WIOA	Workbook received
	Enrollment Verification
	Monthly Tracking Tab totals match the totals on the Program Tab
	Charges are allowable and reasonable
	Charges are consistent with CalJOBS, Quarterly Reports, Cost Allocation Plan, and Program Tab
	Appropriate expenditure rates
	Tier 1 to Tier 2 ratio

Workbooks

- Providers Monthly Expenditure Claim
- WIOA Youth – Supplement

Website

http://wp.sbcounty.gov/workforce/youth/youth-program-news/

Questions

Thanks

THANK
YOU
MAAKE
TERMA KASIH
MULTUMESC
MERCI
GRAZIE
CHOKRANE
MATUR NUWUN
MATONDO
DANK JE
SPASIBO
MAAKE
ELALIN
ARIGATO
OBRIGADO
KIITOS
MOCHCHAKKERAM
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