

## **XV. DISBURSAL OF GRANT FUNDS**

The New Jersey Department of Labor and Workforce Development disperses grant funds under Title I of WIOA to Union County on an annual basis, commencing July 1st of each calendar year. Upon receipt of the funding, the UCWDB reviews and approves the proposed program year budget for submission to the County's Board of Chosen Freeholders. Upon approval of a Freeholder resolution authorizing acceptance of the funding, the grants are inserted into the county's budget for disbursement as delineated according to the WIOA section 107(d)(12)(B)(i)(III), as determined by local area's Chief Elected Official. Union County is the Fiscal Agent for all Workforce Innovation and Opportunity Act funding. The Union County Workforce Development Board of Directors, as authorized by the Union County Board of Chosen Freeholders, has executed, and shall continue to, its fiduciary responsibilities in the development of the local budget plan so as to fund the local workforce investment activities; the Office of the Director for the Union County Workforce Development Board of Directors has performed the administrative duties—and shall continue in said capacity—including the functions of the local fiscal agent; the office of the Union County Workforce Development Board Director has preliminary approval of the disbursement of grant funds for local workforce investment activities through Union County's Department of Finance, following the policies and procedures of the same, and under the direction of the Union County Workforce Development Board. The aforementioned fiduciary responsibilities are and shall continue to be, coordinated in congruence with the authority vested under Workforce Innovation and Opportunity Act, Final Rules, and the approval of the Union County Board of Chosen Freeholders.

In accordance with the rules outlined in 20 CFR 679.420, the office of the Union County Workforce Development Board Director shall execute the fiduciary responsibilities as the fiscal agent under the Workforce Innovation and Opportunity Act as follows:

1. Assist in the administration of the Workforce Innovation and Opportunity Act grant funds under the direction of the Union County Workforce Development Board of Directors. The Workforce Innovation and Opportunity Act fiscal agent shall receive and manage all formula Workforce Innovation and Opportunity Act funds for the County of Union, including, but not limited to, WorkFirst New Jersey (TANF/GA), Workforce Learning Link, Workforce Development Partnership Funds;

2. Be responsible for the receipt, has preliminary approval of the disbursement, accounting and reporting of all funds related to Workforce Innovation and Opportunity Act program operations including collection and disposition of program income generated by Workforce Innovation and Opportunity Act program activities pursuant to federal regulations; including, but not limited to, WorkFirst New Jersey (TANF/GA), Workforce Learning Link, Workforce Development Partnership Funds;
3. Be responsible for ensuring processes are in place to minimize the time elapsing between receipt of Workforce Innovation and Opportunity Act funds and disbursement in order to maintain cash balance;
4. Maintain adequate systems of internal control over cash to ensure compliance with rules and regulations set forth in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule;
5. Maintain internal control procedures for processing vouchers for payment. Internal control procedures are designed to ensure accurate program oversight, effective program management, compliance with directives of funding sources and fiscal integrity of the same, in accordance with 29 CFR 97.40(A) and 2 CFR 200.328(A).
6. Be responsible for the timely submission of the monthly financial reporting of all transactions in accordance with Employment and Training Administration's 9130 Financial Report and Instructions, in accordance with TEGE No. 2-16, and amendment thereto, including financial data regarding:
  - a. Cash Receipts
  - b. Cash Disbursements
  - c. Cash On Hand
  - d. Accrued Expenditures
  - e. Administrative Expenditures
  - f. Obligated Funds
  - g. Un-obligated Balances
  - h. Non-Federal Expended Funds
  - i. Program Income
7. Amend budgets, where necessary, and communicate amendments with the Union County Workforce Development Board of Directors, the Union

County Department of Finance, and the Office of Internal Audit at the New Jersey Department of Labor and Workforce Development;

8. Record financial activity, generating and reporting financial statements, cash draws, and participant information;
9. Produce, manage, and update the Union County Workforce Development Board Cost Allocation Plan, which is the method by which costs are assigned to the proper funding sources—such as the Workforce Innovation and Opportunity Act (WIOA), Work First New Jersey (WFNJ), Workforce Learning Link, (WLL) and Workforce Development Partnership (WDP)—program and cost classification/reporting areas/centers (such as in-school/out-of-school, support; education; job retention; post-employment; work activities, assessments, administration, etc.) and encompasses all activities under authority of the Union County Workforce Development Board. This cost allocation plan was produced under the guidance and direction of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule;
10. Be responsible for the reconciliation and correction of financial data related to budgets, draws, net-zero vouchers, expenditures, and ceiling excess and effort reporting;
11. Be responsible for the production and maintain written policies and procedures for documenting the reconciliation process, which includes reconciling expenditures, receipts, accruals, and obligations between sub-areas and the fiscal agent;
12. Complete the reconciliation process each quarter;
13. Review and update, if necessary, the reconciliation process on an annual basis;
14. Ensure that the combined disbursements, receipts, accruals, obligations and cash balance of sub-areas match those reported to the New Jersey Department of Labor, Office of Internal Audit;

15. Be responsible for overseeing and monitoring the Workforce Innovation and Opportunity Act fiscal activities of the sub-recipients, vendors, and contractors;
16. Ensure Workforce Innovation and Opportunity Act expenditures are allocated to the appropriate cost categories and within cost limitations, as specified in the Workforce Innovation and Opportunity Act plan, state and federal statutes and regulations;
17. Communicate, in writing, with the sub-recipients all fiscally related audit findings including any appropriate corrective action steps necessary for compliance;
18. Provide technical assistance to sub-recipients regarding financial issues;
19. Maintain documentation in accordance with the records retention requirements under 2 CFR 200.333;
20. Prepare for and manage matters pertaining to county, state and federal fiscal monitoring and audits, whereby account payables, outstanding obligations, chart of accounts, cash disbursement, payroll registers, and the monthly reports are aligned with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule;
21. Conduct and apply the financial monitoring and auditing procedures to under 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule, to sub-recipients;
22. Coordinate and employ competitive procurement procedures for Workforce Innovation and Opportunity Act (WIOA), Work First New Jersey (WFNJ), Workforce Learning Link, (WLL) and Workforce Development Partnership (WDP) in accordance with 29 CFR 97.36; 2 CFR 200.37; Workforce Investment Act Procurement And Contracting (May 2001) The New Jersey Department Of Labor & Workforce Development; New Jersey Contracts Law And Regulation Reference Manual: With Related And Supporting Information (April 2014); New Jersey Uniform Ethics Code (February 2011); New Jersey Workforce Innovation Notice 10-15 – WIOA Youth Procurement Guidelines; New Jersey Workforce Innovation Notice 12-15 – Uniform

Administrative Requirements: Cost Sharing Provisions; New Jersey State Plan For Temporary Assistance To Needy Families (TANF) (FFY 2015 – FFY 2017)

23. Generate every fiscal year the Local Area Contract for review and approval by the Union County Workforce Development Board of Directors and under the guidance set forth under the authority of the Workforce Innovation and Opportunity Act (WIOA), Final Rules, Work First New Jersey (WFNJ), Workforce Learning Link, (WLL) and Workforce Development Partnership (WDP).

### **Additional Details Regarding the Scope of Work of the Fiscal Agent, As Managed By the Office of the Union County Workforce Development Board Director.**

#### **1. Control of Union County Workforce Development Board Funds (Managed by the Office of the UCWDB Director)**

- a. The fiscal agent shall project cash needs and request cash to coincide with timely payment to UCWDB Sub-recipients.
- b. The fiscal agent will receive and manage all funds in compliance with applicable state, federal, and Union County Workforce Development Board policy and fund-specific regulations; and ensure internal controls to maintain fiscal integrity.
- c. The fiscal agent shall conduct annual fiscal monitoring of Direct Service Provider and/or One-Stop Operator as well as other sub-recipients.

#### **2. Disbursement of Funds**

- a. The fiscal agent shall have the preliminary approval of the disbursement of WIOA funds in accordance with the WIOA; the WIOA Final Regulations grant-specific requirements.
- b. Disbursements shall be made by the Union County Department of Finance from available funds at the direction of the Union County Workforce Development Board within a reasonable time following receipt of complete and accurate requests for reimbursement.
- c. The Union County Department of Finance will adhere to the applicable cost principles found in the Office of Management and Budget (OMB) circulars 29 CFR 95.27 and 29 CFR 97.22
- d. The Union County Department of Finance shall disburse funds based upon invoices reviewed and approved the Office of the Union County Workforce Development Board Director.

### **3. Accounting of Funds**

- a. The fiscal agent will maintain an accounting of all revenue, expenditures, program income, and applicable credits associated with all funds by funding stream for the duration of the term of its services.
- b. The fiscal agent will ensure that all financial procedures are in compliance with Generally Accepted Accounting Procedures (GAAP), OMB policies, Code of Federal Regulations (CFR), Federal Acquisition Regulations (FAR), and any other federal or state regulatory requirements.
- c. The fiscal agent will limit the risk of questioned or disallowed costs.
- d. The fiscal agent will implement any invoicing system, or procedures deemed necessary in order to comply with its duties and responsibilities.
- e. The fiscal agent will maintain an accounting of expenditures by expense type and service provider, vendor or sub-recipient.
- f. The fiscal agent, along with the Union County Department of Finance, will establish as necessary and maintain appropriate ledgers to manage obligations and expenditures of funds using accounting software.
- g. The fiscal agent will establish procedures and processes to ensure that all amounts payable to sub-recipients, and vendors, are paid from existing funds and that proper documentation for each claim is maintained for monitoring and audit purposes.
- h. The fiscal agent will establish procedures and processes to ensure that all amounts receivable or due to the local workforce development area are collected and recorded on a timely basis.
- i. The fiscal agent will maintain a record of all financial transactions for WIOA and other funds allocated and expended in the local workforce development area.
- j. The fiscal agent will assist with processes and procedures for invoicing, proper documentation, and reporting.
- k. The fiscal agent will prepare the cost allocation plan.
- l. The fiscal agent will establish a procedure to record and report all costs and matching funds (cash and in-kind).
- m. The fiscal agent will provide training and technical assistance to vendors and sub-recipients on fiscal matters.

### **2. Financial & Grant Reporting**

- a. The fiscal agent will prepare and disseminate financial reports on a monthly basis to identify revenues, expenditures, accounts payable, accounts receivable, and balances and obligations, by funding stream, and contractors.

- b. The fiscal agent will report on an accrual basis in accordance with the US Department of Labor, the New Jersey Department of labor requirements and the State Employment & Training Commission.
- c. The fiscal agent will report total obligations by funding stream as required by the US Department of Labor, the New Jersey Department of labor requirements and the State Employment & Training Commission.
- d. The fiscal agent will prepare required federal and state financial reports associated with the management of grant funds.
- e. The fiscal agent will monitor the fiscal performance of all sub-recipients and budgets.
- f. The fiscal agent will prepare financial reports and grant closeouts annually.
- g. The fiscal agent will assist the Direct Service Provider and/or One-Stop Operator with the preparation of grant and contract budgets.
- h. The fiscal agent will provide local allocation, expenditure and budget spreadsheets for Union County Workforce Development Board of Directors and Direct Service Provider and/or One-Stop Operator review on a monthly/year-to-date (YTD) basis.

#### **4. Recovery/Reimbursement**

- a. The fiscal agent shall assist the County of Union, the Union County Department of Finance, and/or the US Department of Labor, the New Jersey Department of labor requirements and the State Employment & Training Commission with the recovery of funds paid to contractor or sub-recipient subsequently disallowed.

#### **5. Monitoring**

- a. The local fiscal agent shall cooperate with the governing board and all funders (federal, state, local, and/or other) in the monitoring and auditing of all federal, state and local funds.