

Grants Administration

Regional TANF- WIA Conference
July 27-29, 2010
Dallas, Texas

Outline of Highlighted Topics

- ★ Flexibility
- ★ Accountability
- ★ Memorandums of Understanding
- ★ Cost Principles
- ★ Reporting
- ★ Procurement
- ★ Oversight/Monitoring Findings

Financial and Program Flexibility

- ★ Joint DOL/HHS Letter Encouraging program and funding linkage
 - ETA published letter in TEN 24-09
- ★ Multiple Choices of Program Design
- ★ Flexibility in Funding Options

Accountability

- ★ Meet Grant Guidelines
- ★ Meet Uniform Administrative Requirements (DOL Grants)
 - 29 CFR Part 97 (State, Local Governments, and Native American Tribes)
 - 29 CFR Part 95 (Non-Profits, Institutions of Higher Education, Hospitals, and Commercial Organizations)
- ★ Meet Federal Cost Principles

Additional Accountability

★ Meet Federal Financial Standards

- Financial reporting
- Accounting records
- Internal controls
- Budget controls
- Allowable costs
- Source documentation
- Cash management

★ Meet State Standards and Other Requirements

Memorandums of Understanding

★ 20 CFR 662.300

★ State level and Local Level

- Identifies responsibilities of partners
- Identifies funding arrangements
- Identifies purpose/uses of the funds
- Identifies reporting requirements

★ Local Level Framework for Resource Sharing Agreements

Mandatory MOU Elements

- ★ Services to be provided
- ★ Funding Arrangements
- ★ Referral methods for customers
- ★ Duration of the MOU
- ★ Procedures for amendment

Cost Principles

★ Meet Federal Requirements

- OMB Circular A-87 (State, Local, and Indian Tribal Governments)
- OMB Circular A-122 (Non-Profit Organizations)
- OMB Circular A-21 (Educational Institutions)
- OMB Circular 48 CFR Part 31 (“for-profit” organizations)
- OMB Circular A-133 (Audit)

★ Meet State Requirements

Additional Cost Principles

★ Necessary and Reasonable

- “Proper & efficient”
- “Prudent person theory”

★ Allocable

- Clearly benefit program
- Both direct & indirect costs

★ Consistent with Accounting Standards

★ Accounted for and Documented

Federal Reporting

- ARRA Reporting
 - WIA “1512” Report ; ARRA TANF no “1512” report
 - WIA monthly program reports
- WIA Quarterly Financial Reporting
 - If jointly enrolled TANF funds reported on quarterly financial report as leveraged resources
 - If not jointly enrolled, TANF funds not reported on ETA quarterly financial report
- WIA Program Reporting
 - Quarterly program reporting for each WIA fund source
 - Quarterly reports on individual participants and exiters
 - Annual program reports for each WIA fund source
 - Annual reports on individual exiters

Meet Procurement and Contracting Standards

- ★ 29 CFR Part 97.36 (Grants to State and Local Governments)
- ★ 29 CFR Part 95.40 – 48 (Grants to Non-Profits, Institutions of Higher Learning, Hospitals, and Commercial Organizations)

Oversight/Monitoring

★ Both TANF and WIA Agencies Remain Responsible For Oversight

★ Common Federal WIA Findings

- Improper Procurement
- Improper Equipment Purchases
- Unallowable Costs

Additional Monitoring Findings

- Improper Cost Allocation
- Internal Controls
- Cash Management
- Financial Reporting

Resources

- Code of Federal Regulations
 - <http://www.dol.gov/dol/allcfr/cfr.htm>
 - OMB Circulars
 - <http://www.whitehouse.gov/omb/circulars/>
 - DOL Advisories and Memorandums (TEGL/TEN)
 - <http://wdr.doleta.gov/directives/>
- One Stop Comprehensive Financial Management
Technical Assistance guide:
- http://www.doleta.gov/sga/pdf/FinalTAG_August_02.pdf

More Resources

Recovery Act Guidance

[www.whitehouse.gov/omb/recovery/ \(OMB guidance\)](http://www.whitehouse.gov/omb/recovery/)

[www.Federalreporting.gov \(1512 reporting\)](http://www.Federalreporting.gov)

[www.doleta.gov \(1512 reporting\) and](http://www.doleta.gov)

[http://wdr.doleta.gov/directives \(TEGL01-09 with C1,C2\)](http://wdr.doleta.gov/directives)

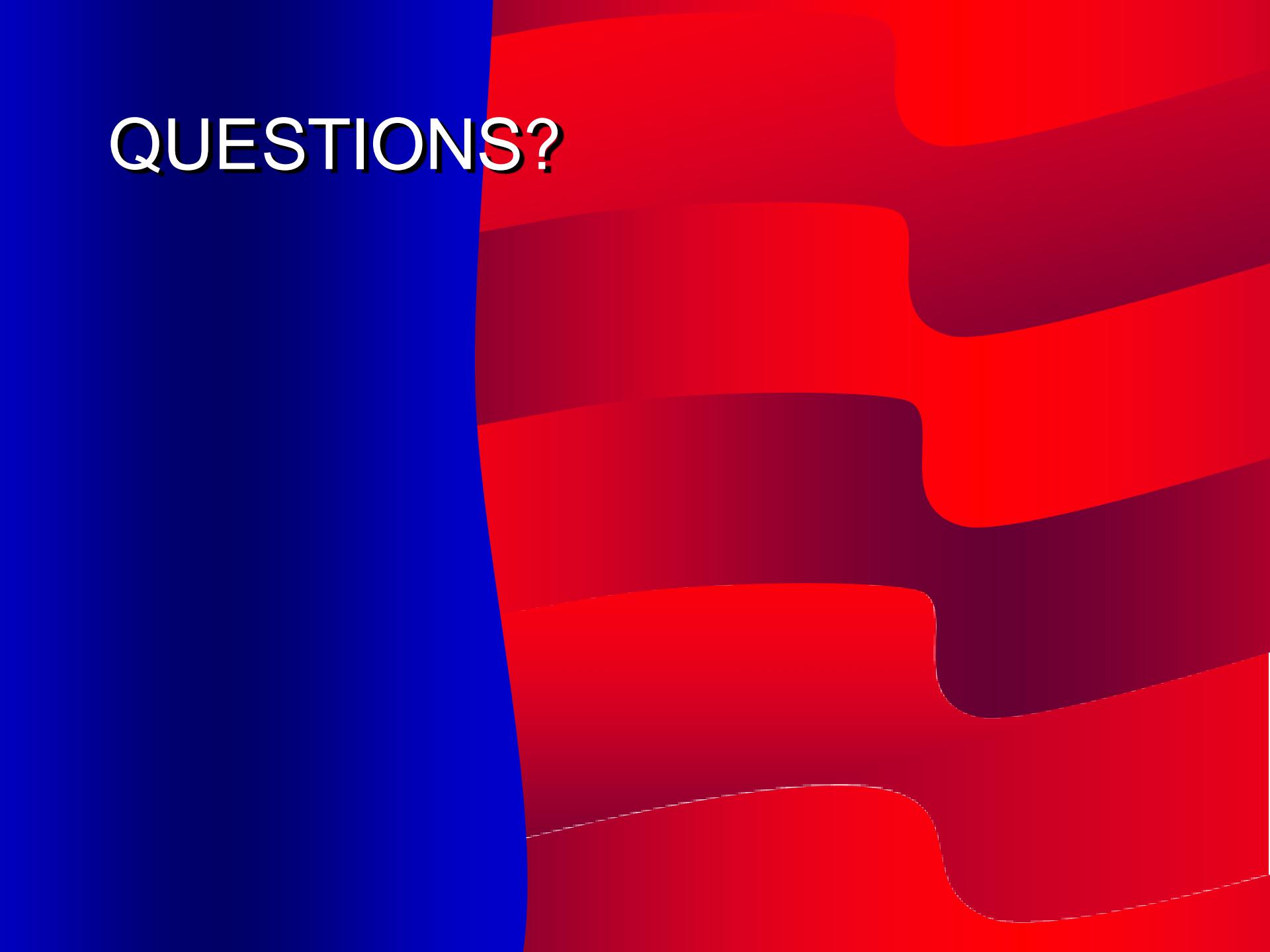
[www.doleta.gov/performance \(1512 program reporting\)](http://www.doleta.gov/performance)

Core Monitoring Guide Financial Supplement

[Available on request from ETA Regional Office](#)

DOL Division of Cost Determination - Indirect Cost Guide

<http://www.dol.gov/oasam/programs/boc/costdeterminationguide/main.htm>



QUESTIONS?

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Grants Management Supplement

Accountability

Both TANF and WIA Agencies Remain Responsible For Oversight

For WIA grantees, 20 CFR § 667.410 provides for the oversight roles and responsibilities of recipients and subrecipients.

Each recipient and subrecipient must conduct regular (at least annual) monitoring of its subrecipients and contractors in order to:

Determine that expenditures were necessary grant expenditures made in accordance with allowable cost principles and appropriate regulations;

Determine compliance with provisions of the Act and the WIA regulations and other applicable laws and regulations; and

Provide technical assistance as necessary and appropriate.

Federal WIA Fiscal Monitoring:

The Secretary is authorized to monitor all recipients and subrecipients of all grants awarded and funds expended under WIA title I to determine compliance with the Act and the WIA regulations, and may investigate any matter deemed necessary to determine compliance.

Priority for in-depth reviews will be given to grantees and subrecipients not meeting annual levels of performance.

The tool used by Federal monitors for fiscal monitoring is the Core Monitoring Guides Financial Supplement.

The Financial Supplement was developed to assist Federal staff in conducting in-depth monitoring reviews and consists of two core activities:

- (1) Administrative Controls** are tested to evaluate capacity to perform broad management functions. They are made up of objectives such as policies and procedures, equipment, procurement, audit and audit resolution
- (2) Financial Management Systems-** tested to evaluate grantee and subrecipients' ability to perform financial management functions. including budget controls, cash management, cost allocation, allow costs and internal controls.

Common WIA Monitoring Findings Are Caused By Failure to Meet the Following Requirements

Procurement: All procurement actions are required to be conducted in a manner that provides for “full and open competition” [29 CFR 97.36].

Equipment: Grantees who purchase equipment with grant funds are required to have a system in place to ensure it receives written approval *prior* to purchasing equipment. The grantee maintains a property management system in accordance with requirements [29 CFR 97.32].

Allowable Costs: The organization is required to have a system in place to ensure the program is incurring necessary and reasonable costs and only is charging allowable and allocable costs to the grant [OMB Circular A-87 Attachment A].

Cost Allocation: The organization allocates costs only to the grant to the extent that a benefit was received [OMB Circular A-87 Attachment A].

Internal Controls: Effective control, integrity, and accountability are required to be maintained for all grant and subrecipient cash, personal property, and other grant assets [29 CFR 97.20(a)(2) and (b)(3)].

Cash Management: The organization’s cash draws are required to be necessary and reasonable, and the timing and amount of such draws appear to be as close as possible to the actual disbursement of

grant funds for the payment of allowable and allocable costs incurred by the grant [29 CFR 97.20(b)].

Financial Reporting: The organization is required to have an accounting system that allows it to maintain accurate and complete disclosure of the financial results of its grant activities and those of its subrecipients according to the financial reporting requirements of the grant [29 CFR 97.20(b)(1)].