



Area 20/21

Hocking - Fairfield

Pickaway - Ross - Vinton

Area 20/21 Workforce Investment Board Financial Management Policy

The Area 20/21 Workforce Investment Board has developed this policy to ensure Workforce Investment Act (WIA) funds within the area are spent efficiently and effectively to serve eligible participants. Sub grantees are encouraged to expend all individually allocated funds or when indicated share funds with other sub grantees by releasing funds to the Area 20/21 Fiscal Agent for redistribution and expenditure within the applicable Program/Fiscal Year. The release of funds shall allow the greatest areas of need within the area to be addressed, while at the same time avoid the recapture/rescission of funds by a federal or state agency resulting in reduced funding the next Program/Fiscal Year. The following sections detail the Area 20/21 financial management guidelines.

I. Transfer of Funds within Area:

A. Fiscal Agent Transfer

In order to comply with state and federal regulations the Area 20/21 Fiscal Agent will monitor expenditures of each sub grantee within the Area. When it is determined that a transfer is necessary to maintain compliance through the FIFO (first in first out) process, the Fiscal Agent will transfer funding within the Area's Sub Grantees without affecting the total budget of any Sub Grantee. Sub Grantees will receive notice of the funding changes via the CFIS Web Budget Change notification report.

B. Sub Grantee Transfer

If a sub grantee determines it is unlikely to expend all of a specific WIA allocation within the time limits specified in the allocation letter, grant agreement, and policies from the Ohio Department of Job and Family Services (ODJFS) and there is the potential for expenditure by another area sub grantee. When the above conditions are met funds may be released to the Area 20/21 Fiscal Agent for redistribution to other counties for expenditure within the applicable Program/Fiscal Year.

WIA Funding Releases and Requests

When an Area 20/21 sub grantee determines the need to release funds, the following actions shall occur:

1. The releasing sub grantee will complete WIA Area 20/21 Form No. 2101 – Intra-Area Allocation Release Form and submit to the Area 20/21 WIA Fiscal Agent.
2. The WIA Area 20/21 Fiscal Agent will advise the other area counties of available funding by e-mail.
3. The other counties shall review their expenditures, obligations, and accruals to determine if additional funds are needed and can be spent within the applicable Program and/or Fiscal Year for which funds are being released.
4. The sub grantee or counties in need of additional WIA funds shall request the amount required through completion of WIA Area 20/21 Form No. 2102 – Intra-Area Allocation Request Form and submit to the Area 20/21 WIA Fiscal Agent.
5. Requesting counties shall attach to WIA Area 20/21 Form No. 2102, a statement of need and assurance that funds will be spent. *Example: Additional Youth Funds of \$10,000 are needed to add additional slots to our year-round youth program. If received, services will be rendered and funds spent by September 30, 2010.*

Upon review and approval by the Area 20/21 Fiscal Agent funds will be redistributed from the releasing sub grantee to the requesting sub grantee. The Area Fiscal Agent will notify each sub grantee in writing of the change(s) in allocations.

Methodology for the Redistribution of Released Funds

The Area 20/21 WIA Fiscal Agent will be responsible for the breakdown and distribution of released funds within Area 20/21. If the total requested amount is larger than released amount, funds shall be redistributed based on the percentage of each sub grantee's request to the total requests for the area.

II. Recapture of Funds:

Purpose

To establish a consistent policy in managing WIA funds awarded to Area 20/21. Counties not meeting a required expenditure rate resulting in a recapture or rescission of funds will be sanctioned as follows:

If a sub grantee is not able to expend or release funds as defined by ODJFS, the causal sub grantee shall have funds rescinded based on their percentage of unexpended funds. Once the Area has been notified by ODJFS of a rescission, the individual sub grantee calculations will be reviewed and funds will be rescinded from each sub grantee according to their percentage of the total rescission. The Fiscal Agent will then notify the sub grantees of their change in allocations.

III. Administrative Costs for Area 20/21:

Purpose

It is the intent of the Area 20/21 Workforce Investment Board to fund the operations of the fiscal and administrative agent. Administrative costs will consist of the following items: Personnel costs, Board travel, Board insurance, monitoring and oversight, audit costs, supplies, annual report, financial statement preparation costs, and any reasonable items needed for the administration of the area.

Personnel Costs shall be reimbursed to the fiscal and administrative agent for any individual performing Area 20/21 business based on a percentage of the individual's salary for the time designated to the Area. Monitoring of sub grantees is required to meet ORC 5101.20, ORC 5101.21, and 29 CFR 95.51 regulations. Area 20/21 is required by State guidelines to convert the financial statements to the GAAP (generally accepted accounting principles) format for audit purposes.

Distribution of Administration Costs

The total amount of Area Administration Costs each fiscal year shall be allocated to the sub grantees based on each sub grantees percentage of the total administration allocation for the Area. Each sub grantee's Program Year Administration Allocation will be reduced by the amount due to the Area Fiscal Agent to operate the Area. The administrative allocation to cover these costs will be assigned to the fiscal agent.