VIRGINIA CAREER WORKS

CRATER REGION

Crater Regional Workforce Development Board

Title:	Budgetary Control Policy	Policy #	2020-03
Effective Date:	October 15, 2020	Revision Date:	

Purpose:

The CRWDB aims to provide appropriate checks and balances system toward the most acceptable way of handling of funds obligated to the Region in an efficient and timely manner.

Section 1: Annual Budget Approval

The Executive Director, working with the Finance Director, shall prepare the annual budget and budget revisions, as needed, and present to the Executive Committee and/or Special Finance Sub-Committee for input and comments. After all suggestions and changes have been incorporated, the Executive Committee and/or Special Finance Sub-Committee will recommend action to the CRWDB. This action will be taken to the CEO for approval.

- The budget preparations will begin no later than January 31st of each year. A draft budget will be provided by April 30th. The CRWDB must submit an annual budget for approval to the Chief Elected Officials by June 30th.

Section 2: Separation of Duties and Process for Comparing Budgets to Actuals.

- The Executive Director shall have signatory authority for the CRWDB, as well as the local Grant Recipient Designee, CRWDB Chair and Secretary/Treasurer of the CRWDB, in case of the Executive Director's absence.
- The Finance Director of the CRWDB will be responsible for the day-to-day management of all financial matters including cash receipts and disbursements, grant and financial reporting, and the computerized financial system.
- A Special Finance Sub-Committee will meet semi-annually and the Executive Director shall be responsible for scheduling meetings including planning the agendas. The Finance Director will be responsible for supplying relevant information to include in meeting materials. The Special Finance Sub-Committee will approve minutes/notes for all meetings. Records will be kept in the CRWDB office.
- The Secretary/Treasurer of the CRWDB will examine reports prior to Special Finance Sub-Committee. These include budget vs. actual reports, annual budget, budget modifications, and other related financial reports.
- The CRWDB and CEOs are provided with a detailed budget report at least quarterly. The reports are formatted to show current year program budget and actual expenditures year to date. In addition, the previous year approved budget against actual expenditures

incurred will be provided with balances. Reports show the amounts eligible for reimbursement from the state.

- At least quarterly, the Executive Members of the CRWDB and CEOs will be provided with the monthly bank registry that details all transactions completed through the fiscal agent's financial institution. The Grant Recipient will be provided a copy of all financial transactions and check approvals over the $1,500.

Section 3: Administrative Costs (20 CFR Part 683.215) are limited to no more than 10 percent of the amount allocated to the CRWDB and must align with performing the following functions:

(1) Performing the following overall general administrative functions and coordination of those functions under title I of WIOA:

(i) Accounting, budgeting, financial and cash management functions;

(ii) Procurement and purchasing functions;

(iii) Property management functions;

(iv) Personnel management functions;

(v) Payroll functions;

(vi) Coordinating the resolution of findings arising from audits, reviews, investigations and incident reports;

(vii) Audit functions;

(viii) General legal services functions;

(ix) Developing systems and procedures, including information systems, required for these administrative functions; and

(x) Fiscal agent responsibilities;

(2) Performing oversight and monitoring responsibilities related to WIOA administrative functions;

(3) Costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space;

(4) Travel costs incurred for official business in carrying out administrative activities; and

(5) Costs of information systems related to administrative functions (for example, personnel, procurement, purchasing, property management, accounting, and payroll systems) including the purchase, systems development and operating costs of such systems.

Each program's administrative activities are chargeable to its own grant and subject to its own administrative cost limitations.

Section 4: One Stop Administrative Fees

All One-Stop Operator administrative fees will be charged to the administrative funding stream based upon the descriptions described in Section 3. These charges will be presented on all monthly invoices submitted by the One Stop Operator showing the costs charged to the appropriate funding stream.

Section 5: Contractual Program Cost

The methods and strategies used to ensure timely expenditure of WIOA funds. The CRWDB contracts on an annual award basis.

- Contractors are required to develop and maintain a line item budget for any funding awarded. Contractors include: One Stop Operators, Adult, Dislocated Workers, and Youth service providers that provide program services for through WIOA.
- Monthly reports are submitted to the CRWDB (Administrative Staff) and routinely monitored for appropriate activities, expenditures and request for reimbursement. WIOA Funds are tracked and monitored by allocated funding source (Youth, Adult and Dislocated) using the Local Area's accounting (QuickBooks software) system.
- Monthly reviews are conducted between the Finance Director, Operations Director and Executive Director to ensure adequate levels of expenditure are being maintain under the WIOA guidelines for disbursement.
- The accounting system is maintained on an accrual basis and funds obligated are tracked monthly to determine if de-obligation and appropriate re-allocations are necessary.
- The competitive process is to be used to award the grants and contracts in the local area for activities carried out under WIOA.
- The WDB has developed its local procurement procedures from the guidelines of Commonwealth of Virginia's (State) competitive and non-competitive procurement policies for awarding funds, contracts and agreements for activities under Title I of WIOA, to include the solicitation of RFPs, competitive bids and sole source (under special circumstances).
- Current year grant documents shall be kept in the CRWDB offices with copies provided to the designated fiscal agent. Copies will be made available to the Grant Recipient as needed/requested. These documents shall include for each grant: the proposal; the award documentation with revisions; the contract; all necessary financial and programmatic work papers; reports; and any relevant correspondence.
- Expenses related to CRWDB's grant agreements are monitored on a monthly basis.
- **At the end of each month, after final monthly financials have been produced, a budget versus actual report is run for each funding stream.**
- **These reports are reviewed by the Operations Director and the Executive Director for reasonableness and for indications that actual expenses may or may not be in agreement with approved budgeted amounts.**

The procedures for monitoring administrative and program costs on a monthly basis helps ensure that expenses which should not be charged to the grant are not incurred.

This monitoring ensures the appropriate use and management of funds and that if issues arise during the analysis of budget to actuals, there is adequate checks and balances in place to safeguard that there are no over obligations or spending. As necessary, budget modification requests can be made in a timely manner if indeed, the additional expenditures are justified and have been recommended by the CRWDB and approved by the CEOs.

References:

- 20 CFR § 679.370
- 2 CFR § 200.302 (5)

Approval:

Signature-CRWDB Executive Director: Sophenia H Ro

Date: 10/15/2020