

**DATE ISSUED:** October 3<sup>rd</sup>, 2019

**TO:** WIOA/DW Vendors

**FROM:** Workforce Solutions Director

**SUBJECT:** Grant Expenditures

**PURPOSE:** This policy defines a clear process by which WIOA Youth, WIOA Adult, Dislocated Worker vendor partners contract expenditures are allowed, reported, and approved. This process should be implemented in accordance with Section 4, Cost/Payments, of the agency's contract with Workforce Solutions.

**BACKGROUND:** Ramsey County Workforce Solutions (WFS) receives federal and state funds for the delivery of Workforce Development Programs. WFS, as the administrative entity for these funds, must approve any expenditures incurred by Ramsey County Employment and training Services or any other contracting providers, and must report such expenditures to the Minnesota Department of Employment and Economic Development, in accordance with applicable legislation, rules and regulations.

**POLICY AND GUIDELINES:**

**A. Authorization Process**

1. All requests, reimbursement and budget modification, must be signed by the agency's authorized official. Each provider will be asked to designate a person who will serve as the secondary signature in the case when the primary signatory is absent. The name and title of the individual must be printed on the line below the signature.
2. A line for a second signature is on the Invoice and Budget Modification. The designated "second signature" is the choice of the provider.
3. Per current procedure, all Invoices and Budget Modifications must be signed, printed, saved as a pdf, scanned, and attached, sent to the e-mail [ws.vendors@co.ramsey.mn.us](mailto:ws.vendors@co.ramsey.mn.us) by the 15th of the month. Payments are likely processed within 30 days of receipt of invoice.

4. All invoices must be submitted only using WFS' authorized Invoice Form. The approval decision and payment will be made for actual costs incurred during the prior calendar month. WFS will not approve submissions without required backup documentation.
5. Use the WFS' Budget Modification Form to request budget line item changes. The decision to approve or deny the request will be made within 10 working days of submission. WFS may request supplemental information concerning any budget modification request.

### **B. Backup Documentation Required for Reimbursement**

1. A copy of a detailed general ledgers is required by WFS for each payment. The general ledgers must be submitted monthly along with the invoice. The general ledgers should include adjusting/expense corrections journal entries made for the month reimbursement is requested for.
2. Detailed information for participant support service expenditures must also be sent along with the invoice. This can be provided in the form of the "Support Service Summary Report" from Workforce One.
3. Itemized expenditures on the Invoice Form must match the backup information.
4. Backup information is required to approve a request for reimbursement. WFS will not approve submissions without required backup information.
5. Additional examples of full supporting documentations that may be requested by WFS, but are not required monthly, include:
  - Timesheet/Payroll and labor distribution records for each employee charged to the grant or sub-grant
  - Purchase requests and purchase documents
  - Receiving documents/packing slips
  - Copies of receipts

### **C. Submitting Requests for Invoice and Budget Modification**

1. Invoices must be signed by the agency's authorized official, scanned and e-mailed along with the backup documentations. Invoices without the appropriate signature and backup information will not be processed.
2. Backup information must be attached to the e-mail. Agencies may report participant support services using an MS Word or Excel.
3. Agencies must submit invoices and the corresponding backup information by e-mail to [ws.vendors@co.ramsey.mn.us](mailto:ws.vendors@co.ramsey.mn.us) with the agency name/program name and reporting month included in the subject line.
4. Budget Modification requests must be submitted by e-mail to [ws.vendors@co.ramsey.mn.us](mailto:ws.vendors@co.ramsey.mn.us) with the agency/program name and "Budget Modification" included in the subject line.

#### **D. Expenditure Restrictions**

1. Only expenditures made in accordance with the approved budget will be paid.
2. All cost and expenditures must occur during the grant/contract period:
3. Expenditures are not allowed to be carried over to the next contract year (e.g. purchase of bus/gas cards must be made only to be used during the grant/contract period).
5. Administration expenditures are capped at 5% of the total grant/contract allocation.
6. For budget modification requests, the administration line item may be decreased, but it cannot be increased unless the original amount was below 5% of the total allocation.

#### **E. Expenditure Categories**

##### Definitions of Cost Categories

Administration – Costs are defined by WIOA Final Rules and Regulations (20 CFR, Section §667.220) and are generally associated with the expenditures related to the overall operation of the employment and training system. Administrative costs are associated with functions not related to the direct provision of services to program participants. These costs can be both personnel and non-personnel and both direct and indirect.

Specifically, the following functions are considered to be “administrative”:

- Accounting, budgeting, financial and cash management functions;
- Procurement and purchasing functions;
- Property management functions;
- Personnel management functions;
- Payroll functions;
- Audit functions
- Incident reports response functions;
- General legal service functions;
- Costs of goods and services required for the administrative functions of the program including such items as rental/purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space;
- Systems and procedures required to carry out the above administrative functions including necessary monitoring and oversight;
- Travel costs incurred for official business related to the above administrative functions

Career Services - Costs are defined by WIOA Final Rules and Regulations and are generally associated with the expenditures related to career services.

Administrative costs are associated with functions not related to the direct provision of services to program participants. These costs can be both personnel and non-personnel and both direct and indirect.

Training Services – Costs are defined by WIOA Final Rules and Regulations are generally associated with the expenditures related to training services.

Administrative costs are associated with functions not related to the direct provision of services to program participants. These costs can be both personnel and non-personnel and both direct and indirect.

Support Services – Items that are necessary for a participant in WIOA, such as transportation, clothing, tools, child care, housing/rental assistance, school-related expenses, etc.

#### **F. Annual Certified Financial Audit**

1. Annually, the provider is required to submit a copy of their certified financial audit to WFS.
2. The provider is also required to submit a copy of their certified financial audit to WFS in preparation of initial contract or amendment.

**EFFECTIVE DATE:** November 1<sup>st</sup>, 2019

**CONTACT PERSON:** Agency Planner