

**Date Revised:** May 8, 2024

**To:** DWP/MFIP Employment Services Providers

**From:** Workforce Solutions Integrated Planning Manager

**Subject:** Grant Expenditures Policy

**Purpose:** This policy defines a clear process by which publicly funded grant expenditures are allowed, reported, and approved. This process should be implemented in accordance with the contract with Workforce Solutions and as other applicable discretionary workforce program allocations may become available. Employment Service (ES) staff must follow the **Support Service Policy** when payments are issued to participants.

**BACKGROUND:**

Ramsey County Workforce Solutions (WFS) receives federal and state funds for the delivery of employment services programs. WFS as the administrative entity for these funds must approve any expenditures incurred by employment service providers and must report such expenditures to the Minnesota Department of Human Services or other governing agency, in accordance with applicable legislation, rules and regulations.

**POLICY AND GUIDELINES:**

**A. Authorization Process**

1. All requests, reimbursements, and budget modifications must be signed by the agency's authorized official. Each agency will be asked to designate a person who will serve as the secondary signatory when the primary signatory is absent. The designated "second signatory" is the choice of the agency. The name and title of the individual must be printed on the line below the signature. A line for a second signature is on the invoice and budget modification form.
2. All invoices and budget modifications must be signed, printed, saved as a .pdf, scanned, and sent as an attachment 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.  
***\*NOTE:** These rules do not apply to the December invoice. Agencies will receive notification in December with specific instructions and dates as December invoice is due earlier than the 15th of the month.*
3. All invoices must be submitted 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.
4. 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 or grant ledger(s) is required by WFS for each payment request. Detailed general ledgers should include the account name and list activities such as vouchers, journal entries, and include adjusting/expense corrections journal entries made for the month reimbursement is requested for and must match the amount of reimbursement requested.

2. A copy of detailed information for participant support service expenditures. Support services should include details on the support service issued, including participant WF1 ID, name of participant, type of card or payment etc. Agency may report participant support services using MS Word, Excel, or a support service summary report from WF1. **(For example: see page 5 below)**
3. Itemized expenditures on the invoice form must also 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 backup may be requested or required. Examples of full supporting documentation that may be requested at any given time by WFS include:
  - Purchase requests and purchase documents
  - Receiving documents/packing slips
  - Copies of receipts and authorizations
  - 3<sup>rd</sup> Party Invoices
  - Cancelled checks
  - Timesheet/Payroll and labor distribution records for each employee charged to the grant or sub-grant

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

1. **Invoices are due on the 15th of every month:** Agency must submit documents 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.
2. WFS will not approve submissions without the following items:  
**a)** Signed Invoice Form, **b)** General Detailed Ledger, **c)** Support Service Expenditures Log.
3. Invoices without the appropriate signature and backup information will not be processed.
4. Budget modification requests must be signed, accompanied by a written justification, and submitted by e-mail to [ws.vendors@co.ramsey.mn.us](mailto:ws.vendors@co.ramsey.mn.us) and Agency Planner with the agency/program name and "Budget Modification" included in the subject line.

#### **D. Expenditure Categories & Restrictions**

1. Definitions of Cost Categories:
  - a. **Administrative Costs** – Administrative costs and overhead costs are defined by federal grant regulations [CFR 45 section 263.0\(b\)](#). 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.  
*These costs are considered non-assistance.*  
Examples of administrative costs include:
    - 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; and,
  - Travel costs incurred for official business related to the above administrative functions.
- b. **Direct Program** – Costs of providing diversion benefits and services, providing program information to clients, screening and assessments, development of employability plans, work activities, post-employment services, work supports, and case management, including costs for contracts devoted entirely to such activities. Salaries and benefits costs for staff providing program services and the direct administrative costs associated with providing the services, such as the costs for supplies, equipment, travel, postage, utilities, rental of office space and maintenance of office space. *These costs are considered non-assistance.*
- c. **Participant Support Services** – Items that are necessary for an individual to participate in MFIP such as transportation, car repair, clothing, tools, housing/rental assistance, school-related expenses. Refer to **Support Service Policy** for details of costs and expenditures.
- d. **The Federal TANF law recognizes two types of expenditures\*-**
- ✓ **Assistance** – These expenditures impose work requirements and count towards the 60-month lifetime limit.
  - ✓ **Non-assistance** – These expenditures do NOT come with work requirements and do not count towards the 60-month time limit.
- Note:** Refer to **Support Service Policy** and DHS MFIP Manual: [23.39 MFIP Consolidated Fund](#) regarding allowable expenditures and what is considered assistance or non-assistance.
2. Only expenditures made in accordance with the approved budget and in-line with the eligibility and allowability with the program will be reimbursed.
  3. All costs and expenditures should be put into use and must have been incurred during the annual contract period: *January 1 – December 31*
  4. Any unspent funds do not carry over to the following year will revert back to the county.
  5. Administrative expenses are capped at 10% of the total contract allocation.
  6. For budget modification requests, the administrative line item may be decreased, but it cannot be increased unless the original amount was below 10% of the total allocation.
  7. Advance prepayments and cash or cash in-kind inventory (e.g., purchase of bus/gas cards) are not eligible for reimbursement until the service or support has been received by the participant.

8. Expenditures are not allowed to be carried over to the next year (e.g., purchase of bus/gas cards must be made and are only to be used during the annual contract period).
9. No one item can be over \$5k as this would be considered a capital asset.
10. Food and beverage expenditures for client and/or staff-only events:
  - a. **Examples of allowable uses of TANF for food service expenses during a meeting or conference, include:**
    - Catered meals during an all-day employment-related training for MFIP participants, orientation for new MFIP participants
    - Catered meals during an annual MFIP Outreach meeting for administrators and staff from other MFIP programs and other local service providers.
    - Food service expenses related to participation in a work activity – but only for MFIP participants engaged in the work activity
  - b. **Examples of non-allowable uses of MFIP for food service expenses directly related to entertainment include:**
    - Catered parties (for instance, holiday parties for MFIP staff and/or participants)
    - Lunch provided during a Family Day at the fair for MFIP participants
    - Catered lunches at Grand Opening events in the community
    - Youth awards dinners
    - Mother's Day lunch for MFIP participants at a local restaurant
    - Alcoholic beverages for any type of event – even those events listed above as allowable.
11. Funds cannot be used for construction, rehabilitation, and/or purchases of buildings.
12. Medical – including behavioral health services – should NOT be paid for with TANF funds. They are funded through Medical Assistance.

**E. Request to Unencumber Funds**

1. The County may unencumber funds for the purpose of reallocating funds to other agencies if the County has determined that the agency will not expend the funds allotted during the term of the agreement.
2. Agencies may also initiate a request to unencumber funds for the same purpose.
3. Agencies will be required to submit a budget modification form for unencumbered funds.
4. Planner will communicate with agency once budget modification is approved.
5. Agency will adjust budget on their monthly invoice to reflect the approved budget modification.

**F. Request to Encumber Funds**

1. The County may reallocate funds if there are funds to be expended through the year.
2. Agency may request funds by providing justification/explanation for encumbered funds to the agency planner.

3. If request is approved, the agency submits a revised budget modification form to agency planner.
4. An agreement will be amended to include updated budget for review and approval.
5. The new budget will be effective once the amendment agreement has been signed by all parties.
6. Planner will notify agency to adjust invoice budget to reflect the approved budget modification.

**G. Fiscal Monitoring**

1. Detailed fiscal monitoring will be completed annually as stated on [2CFR.200](#) either at agency locations or via online meeting platforms. Ramsey County Fiscal will notify agencies and provide expectations and details of the monitoring.
2. Annually, the agency is required to submit a copy of their certified financial audit as well as a current Certificate of Insurance to Ramsey County.

**H. Additional Resources**

1. DHS MFIP Manual: [23.39 MFIP Consolidated Fund](#)
2. Support Service Policy
3. Support Service Desktop Reference

**CONTACT PERSON:** Agency Planner

**Example of Client Support Services Backup Information**

Grant Name: \_\_\_\_\_  
 Subgrantee Name: \_\_\_\_\_  
 Reported Period From: \_\_\_\_\_  
 To: \_\_\_\_\_

WF1#	Last Name	First Name	Day Issued	Education	Transportation Non-Assistance	Transportation Assistance	Work Related	Housing	Other/ Incentives, Voc Assess.	Participant Activity
1111111	Do	Jane	5/09/09			\$85.00				work
1111111	Do	Jane	5/22/09	\$750.00			\$15.00			training
Total:				\$750.00	\$0.00	\$85.00	\$15.00	\$0.00	\$0.00	

**For Transitional Work Experience Agency ONLY**  
**Example of Wage and Fringe Backup Information**

Agency Name: \_\_\_\_\_ June Wage report  
 Date: 7/9/09 Wage Statement  
 2 Payroll periods

Last	First	SS#	Period wk. end	Pay date	Hours WK	Hourly wage	Gross wage	Year-to-date	Fica	Worker comp	TWE 01 Public sector	TWE 02 Private sector
Do	Jane	123456789	06/06/09	06/12/09	26.00	7.25	188.50	3,913.13	0	0.00		x
Do	Jane	123456789	06/20/09	06/26/09	45.00	7.25	326.25	1,160.01	0	0.00		x