

Northwest Georgia



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WIOA Fiscal Procedures 10/12/2018

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WIOA Fiscal Procedures

I. Budgeting

In order to comply with the requirements of the Georgia Planning Act of 1989, the Northwest Georgia Regional Commission (NWGRC) adopts an annual budget and work program, generally one month prior to the beginning of the new fiscal year. This budget and work program includes all anticipated funding sources such as WIOA and other grants, and State and local allocations. The development of the budget begins at least three months prior to the new fiscal year. The Finance Director and Fiscal Officer, is responsible for developing the budget in collaboration with the Executive Director, department heads and the fiscal committee of the NWGRC Council. This budgeting process includes the development and approval of the cost allocation plan. The WIOA Director and the Finance Director develop the WIOA portion of the NWGRC budget in collaboration with the Workforce Development Board (WDB).

Budgets are prepared in accordance with generally accepted governmental accounting principles (GAGAP). The Northwest Georgia Regional Commission adopts the annual budget prior to the beginning of a new fiscal year and appropriate documentation is recorded in the minutes of the meeting. The WDB also approves the WIOA portion of the NWGRC budget prior to the new fiscal year and appropriate documentation is recorded in the minutes of the meeting.

Budgetary comparison reports are reviewed monthly following monthly close-out by the Finance Director, Executive Director and department heads. These reports are also presented to the NWGRC and WDB boards at each meeting for review. Amendments to the budget are approved and adopted by the boards and appropriate documentation is recorded in the minutes of the meetings.

II. Procurement and Contracting

A. Request for Proposal (RFP) Process for Service Providers or Vendors

1. The WDB/CCEO Agreement assigns the procurement process to the Northwest Georgia Regional Commission (NWGRC).
2. A Bidders' List will be maintained to be used in acquiring goods and services and will to the degree possible identify enough sources to ensure fair and open competition.
3. The procurement rules contained herein do not apply to pass through monies from any unit of state or local government (or Service Delivery Region [SDR] administrative entities) to other such units. To qualify as a pass through, the receiving entity must pass the funds to another such entity which will then procure services in accordance with these procedures.
4. At least once every two years, all organizations on the Bidders' List will receive letters by

mail inquiring if they wish to remain on the Bidders' List and a return checklist to indicate the services/training areas in which they wish to be notified when RFP's are issued. The check list also requests, for administrative purposes only, information regarding small and minority/female owned business, community based organizations and/or educational agency status for service provider applications.

5. All potential service providers and/or vendors representing small, minority, and women's businesses (SMW), known labor surplus area suppliers, community- based organizations and/or educational status will be identified on the Bidder's List in regard to this status.
6. In the competitive procurement process, notice of the RFP and the Bidders' Conference will be advertised in all legal newspaper organs of the counties and the Atlanta and Chattanooga papers.
7. The Workforce Development Director is authorized to issue solicitations for proposals for service provider/vendor and to establish funding parameters or ranges within such solicitations. Individual staff members may compile the request for proposal documents. Each RFP document will contain responsiveness criteria and the minimum competitive score and meet any requirements specified by Technical College System of Georgia, Office of Workforce Division policies and procedures.
8. Announcements of RFP's and RFP Amendments will be mailed to appropriate agencies and organizations as indicated on the Bidders' List. RFP's and RFP Amendments will be mailed to those requesting RFP's in writing or the RFP's may be picked up at the NWGRC office. In the event a request for an RFP is received near the submission deadline, the Workforce Development Director may instruct the Workforce Development Administrative Assistant to send the proposal by overnight express. RFP's and RFP Amendments may be provided online or by hard copy.
9. Those desiring to pick up the RFP at NWGRC will sign a statement in receipt of the RFP. The Workforce Development Administrative Assistant is responsible for maintaining this log.
10. Appropriate Educational and known Community-Based Organizations will be maintained on the Bidders' List and will receive routinely notice of all training service solicitations. They will receive RFP's in the areas that they have previously indicated interests unless they specifically request in writing or pick up additional RFP's in response to the notification of solicitations or request that the documents not be mailed to them.
11. The term "community-based" organizations means private non-profit organizations which are representative of communities or significant segments of communities and which provide job training services, for example: literacy organizations, agencies or organizations serving older individuals, organizations that provide service opportunities, youth corps programs, organizations operating career intern programs, neighborhood groups and organizations, community action agencies, community development corporations, vocational rehabilitation organizations, rehabilitation facilities, agencies serving youth, agencies serving individuals with disabilities and disabled veterans, agencies serving displaced homemakers, union-related organizations, and employer-related nonprofit organizations, and organizations serving non-reservation Indians, as well as tribal government and Native Alaskan groups. "Educational organizations" include the public schools, the vocational technical institutes, and the colleges which must be located within

the area.

12. Technical assistance regarding the RFP will be provided only at the Bidders' Conference unless an error in notification is made by NWGRC. If so, questions may be submitted in writing to the staff for consideration and responses mailed to all to whom the solicitation (RFP) has been distributed; or an additional Bidders' Conference may be scheduled. All other inquiries during the RFP process are prohibited. Comments regarding any errors in the RFP are welcomed and will be recorded in order to issue corrections if necessary. Additionally, an opportunity to submit questions by email or in written format by a particular date may be provided due to the complexity of the RFP. These questions will be addressed together with the questions from the Bidder's Conference, if applicable.
13. A copy of each question/answer at the Bidders' Conference (and any other questions as qualified in Number 12 preceding) will be maintained. This will be available to any person requesting it and it will be posted online at www.careerdepot.org.
14. Proposals will be stamped and logged in as to date and time of receipt by the Workforce Development Administrative Assistant or the receptionist.
15. Should proposals be received and only one (or no) responsive proposals are received in a category, the non-responsive bidders may be notified of a failed competition and offered an opportunity to re-submit. The opportunity to re-submit will not be re-publicized in the newspapers. Or, if appropriate, non-competitive negotiation with the one responsive offeror may occur.
16. The proposal responsiveness checklist will be utilized to determine responsive proposals. Those deemed non-responsive will not be considered for funding. Offerors submitting bids which are judged to be non-responsive will be notified with the reason(s) for non-responsiveness identified.
17. No proposal will be considered to be responsive if it is received after the date and time specified (unless staff error was the cause). Faxed RFP's will not be considered responsive. The correct number of copies of the proposal (one with original signature) and the correct number of completed proposals must be submitted in order to be considered responsive.
18. The Workforce Development Director will assign Workforce Development staff members to the RFP's considered to be "responsive" for their evaluation of proposals. At least two (2) staff members will review each RFP and evaluate the information contained in the proposal utilizing the evaluation criteria presented in the RFP. Staff members reviewing the proposals will not possess conflicts of interests (as specified in the Code of Conduct) which would prevent fair and impartial review. Each scorer's scores should be given by the rater independently and consistently, based upon the individual's best judgement.
19. Pertinent performance data will be provided to each of those rating the proposals to facilitate the evaluation of proposals. For training services, evaluators will be given performance data consistent with the performance standards negotiated with Technical College System of Georgia, Office of Workforce Division and/or pertinent to the type of contract (Adult, Dislocated Worker, Youth, etc.). Other information/instructions will be provided as needed to facilitate the evaluation process, including allocability, appropriateness, and necessity.
20. An average of the scores will be presented to the Proposal Review Committee or Youth

Committee along with a summary of each proposal. Results of proposals for Youth Services will first be presented to the Youth Committee for their review and recommendation to the WDB. Adult and Dislocated Worker recommendations will be made to the Proposal Review Committee for funding. The Proposal Review or Youth Committee, respectively, will then select those to be recommended for funding to the Workforce Development Board (WDB). The Youth Committee and/or Proposal Review Committee may request additional information and/or request staff to obtain additional information from the offeror. Additionally, the Youth Committee or the Proposal Review Committee may request a "best and final offer" prior to the final award of the contract.

21. Only competitive proposals will be considered for funding. If the proposals are evenly rated and one of these proposals has been submitted by a community-based organization (CBO) or educational agency, the tie breaker may go to the CBO or educational agency if the organization passes the performance test.
22. Scores on the evaluation form are not the only criteria for funding. For example, a proposal with a lesser score may be selected for funding if it serves a geographic area or target group needing additional services. This applies also to those on the contingency list. The evaluation criteria then serve primarily to determine the competitiveness of the proposals and lesser scored proposals may be awarded over other higher ranked proposals if other factors necessitate.
23. The WDB will approve proposals for funding prior to the execution of contracts with service providers/vendors. A review of the ability of the training service offeror to achieve competency standards for participants with deficiencies will be part of the evaluation for competitiveness for training service offerors. Any new contractor must have a favorable rating on the technical performance and business capabilities as specified in the RFP prior to the execution of the contract. These capabilities include proposed facilities and equipment of the service provider, qualifications and experience of staff, required financial capability, systems and procedures for reporting and record keeping and adequate financial management systems. Current service providers need only the absence of any noted significant deficiencies in monitoring reports from the preceding program year to document technical performance. A re-evaluation of financial capability, however, must occur for all contracts. The award letter should state this condition for funding.
24. The CCEO will concur with the selection of service providers. Additionally, NWGRC must approve all contracts.
25. NWGRC Procurement Procedures are designed to promote fair and open competition. Specifically the system will assure:
 - a. That it will prohibit noncompetitive pricing practices between firms, organizations or affiliated companies or organizations; and
 - b. That it will prohibit noncompetitive awards to consultants who are on a retainer contract.
26. The Conflict of Interest and Code of Conduct Policy will be adhered to in procurement and the award of contracts process. This is found in Ga. Comp. R. & Regs. R. 159.21-06.
27. Priority for funding will be:

- a. Those approved by the WDB in the initial review will be funded.
- b. Those placed on the contingency list may be considered at later dates and may be funded contingent upon the availability of funds and the current training or other needs of the SDR.
- c. The “Contingency List” shall list all backup proposals by category of training, geographical area proposed, and population to be served. The Contingency List for vendors shall list the services/goods, price and critical capabilities, if applicable. Only responsive and competitive proposals will be placed on the Contingency List. Priority for award of a contract among bidders listed on the List shall be on the basis of ranking within the areas in which the bid was made unless:
 - (1) The offeror declines the award;
 - (2) The offeror cannot serve the geographical area and/or the population for which the SDR has determined an additional need exists; or
 - (3) The training proposed duplicates existing services and the training is not considered more effective than the existing services.

In the above instances, proposals with lower scores may be awarded contracts over proposals with higher scores.

- 28. Notification of the outcome of the solicitation process will be provided to both successful and unsuccessful bidders within a reasonable period of time as specified in the solicitation. Competitive bidders not awarded a contract may be notified that they have been placed on a contingency list and how that list will be used.
- 29. Contractors will be selected competitively utilizing the most economical process to acquire goods and/or services under the following conditions plus any others specified within these procedures:
 - a. Effectiveness in delivering comparable or related services based on demonstrated performance capability, in terms of the likelihood of meeting performance goals, cost, quality of training, and characteristics of participants reflected in the solicitation.
 - b. Consideration will be given to community-based organizations as service providers.
 - c. Funds will not be used to duplicate services unless alternatives would be more effective or more likely to achieve the SDR's performance goals.
 - d. Education agencies in the SDR shall be provided the opportunity to provide educational services unless alternatives would be more effective or have greater potential to enhance the participants' continued occupational and career growth.
 - e. Opportunity to participate in the procurement process shall be provided to small, minority, and women's businesses and labor surplus suppliers.
 - f. Assurance will be secured by NWGRC that contracts meet WIOA cost allocation criteria.
- 30. To ensure that the solicitation provides the necessary information for the development of competitive bids, the following information will be provided in the Service Provider

RFP:

- a. Name and address of Northwest Georgia Regional Commission;
- b. Name, address, and telephone number of person(s) representing NWGRC to contact regarding the solicitation;
- c. Preparation and submission requirements including due date and time, content and format, number of copies, number of original signed copies, and location/person to where/whom bid should be submitted;
- d. If need for training and/or services is based on a multi-year training plan, it may be stated in the solicitation, with a provision that contract performance must be evaluated prior to renewal based on criteria established in the contract;
- e. General description of program including specification of applicable federal and state laws and regulations with which bidders must comply including:
 - (1) Workforce Innovation and Opportunity Act of 2014 and directives, 2 CFR parts 200, 215, 225, 230 and Appendices I through XI including any exceptions identified at 2 CFR part 2900.
 - (2) Applicable policies and procedures issued by Technical College System of Georgia, Office of Workforce Division.
- f. Description of training and other services requested, population to be served, minimum service levels to specific target groups, period of performance, estimated number (or range) of individuals to be served, coordination requirements, funding parameters (or ranges), and expected program results;
- g. Process and procedures by which proposals will be evaluated including factors to be used to determine responsiveness and competitiveness, provisions for ensuring independence of ratings by those involved in the evaluation process, minimum competitive score, and specific weighted criteria and an evaluation worksheet which will be used for proposal review;
- h. Applicable reporting and monitoring requirements including, but not limited to, data entry, performance, and financial reporting;
- i. Method to be used for invoicing and/or payment;
- j. Documentation required to establish programmatic and financial capability to perform the work and debarment and suspension requirements;
- k. Code of Conduct;
- l. Approximate dates scheduled for review and award, information on the Bidders' Conference, and how inquiries of Bidders will be handled;
- m. Affirmative action assurance that the offeror will comply fully with the nondiscrimination and equal opportunity provisions of the WIOA of 2014, including the Nontraditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; Title IX of the

Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR part 34. The United States has the right to seek judicial enforcement of this assurance;

- n. Prohibition against sub-contracting without SDR approval and full disclosure of the relationship with any approved subcontractor and any profits to be realized by the entity;
 - o. Line item budget of proposed costs including funds to be contributed by the organization;
 - p. Other services or requirements that may affect proper budgeting by the offeror;
 - q. Applicable coordination requirements.
31. In making the selection for contract awards, the WDB will negotiate with the most responsible bidder(s). This is the offeror(s) who appear(s) to possess the ability to perform most successfully under the terms and conditions of a proposed procurement.
32. The following elements will be included in evaluation and selection procedures:
- a. All proposals must first be deemed responsive prior to being evaluated. A checklist documents responsiveness.
 - b. Criteria by which proposals are evaluated which may include the following:
 - (1) Adequate financial resources and technical skills to perform the work;
 - (2) The ability to meet the program design specifications at a reasonable cost;
 - (3) The ability to meet performance goals;
 - (4) Justification of additional need for any proposed expenditures for new facilities;
 - (5) Justification of additional need for class-size training in occupations in which training is already being provided in the service area;
 - (6) A satisfactory record of past performance in applicable training or related activities including quality of training, reasonable outcomes in areas such as service to target groups, training completion, job placement, job retention, wages at placement or median wage, number of participants credentialed, reasonable drop-out rates in past programs, the ability to provide or arrange for appropriate supportive services, including child care;
 - (7) If applicable, the ability to provide services that can lead to the achievement of competency standards for participants with identified deficiencies;
 - (8) A satisfactory record of integrity, business ethics, and financial accountability;
 - (9) Technical skills to perform the work;
 - (10) The necessary organization, experience, accounting, and operational controls;
 - (11) Cost effectiveness including allowability, allocability, appropriateness, and

necessity.

33. The procurement record will include:
 - a. A copy of the solicitation package;
 - b. A copy of the public notification;
 - c. Bidders' List to which notices were mailed;
 - d. List of all organizations/entities sent a solicitation;
 - e. Agenda and minutes of the Bidders' Conference, if a conference is conducted;
 - f. A copy of each question and answer issuance, if applicable;
 - g. Log sheet for receipt of bids;
 - h. A copy of each bid which was received;
 - i. Rating and scoring sheets completed in the evaluation process;
 - j. Business operation capability evaluations;
 - k. Documentation of the rationale for selection and funding of any offeror which did not receive the highest score/ranking in the evaluation process;
 - l. Completed Negotiations Checklist for each subrecipient contract and memo, as applicable;
 - m. Completed cost analysis for each selected bidder;
 - n. A copy of any submitted grievances and the resolution of each;
 - o. High risk determinations and special award/contract conditions, if appropriate.
34. The WDB reserves the right to accept or reject any/or all bids received as qualified, to accept other than the lowest bid and/or to cancel in part or in its entirety, the request if it is in the best interests of the WDB to do so.
35. Situations may arise during the course of the year which prompts the need to plan for the use of additional resources beyond those identified in the RFP and provided under a contract. If appropriate, a new RFP may be issued.
36. Competitive procurement requirements are not required for on-the-job training contracts executed with individual employers provided that an employer/employee relationship exists and that the employer will provide job training to enable the participant to perform as a regular employee of the employer's establishment. On the other hand, where a service provider is responsible by contract for operating an on-the-job training program, including the identification of OJT sites and participants to fill them, all requirements for competitive procurement would apply.

B. REQUEST FOR PROPOSAL (RFP) PROCESS FOR COMPREHENSIVE ONE-STOP OPERATOR

1. Introduction and Background
 - a. All RFPs that contain requests for one-stop operators must include the minimum

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duties set forth in 20 CFR 678.620 which cites the mandatory duties of the One-Stop Operator.

- b. An entity serving in a different role within the One-Stop delivery system, may be selected and designated as the One-Stop Operator provided there are sufficient firewalls and conflict of interest policies and procedures in place (Reference: 20 CFR 678.620b; 20 CFR 679.430).
- c. The RFP will include a reference page that provides relevant WIOA references, the local entity's policies and procedures, and other applicable state and/or federal regulations.

2. Procurement Procedures/Process

- a. The planning phase of the procurement process must include the following steps:
 - (1) Specify all parameters to be negotiated with the one-stop operator and outlined in the subsequent contract, agreement, or MOU (e.g., duties, budget, performance levels, duration);
 - (2) Conduct market research;
 - (3) Issue Requests for Information (RFIs);
 - (4) Identify procurement method;
 - (5) Develop requirements for one-stop operator;
 - (6) Develop procurement solicitation (e.g., RFP or IFB);
 - (7) Develop factors for evaluation/scoring; and
 - (8) Identify panel and signatory authority.
- b. A list will be developed using information gathered on eligible entities that may be able to provide One-Stop Operator services. These entities will be added to the bidder's list to ensure a comprehensive bidder's list is maintained. The bidder's list should contain both local and non-local eligible entities, including non-profit as well as for-profit agencies. Best practices include allowing at least a thirty (30) day response time for receipt of bids or proposals from the date of issuance of a solicitation in widely circulated publication.
- c. The RFP will be published in all applicable legal organs, as well as on the procuring entity's website. The RFP will be published as widely as possible. This can be done by sending the written solicitation to local, State, and national entities that will assist in advertising the competition. These efforts may include posting on WFD's website or working with groups such as the Association of County Commissioners of Georgia and the Georgia Municipal Association.
- d. A bidder's conference will be held to ensure clarity of requirements.

3. Requested Documentation

- a. In order to be considered responsive, a bidder must provide two years of audited financial history. Adequate documentation could include recent audit reports, the entity's CAFR, an independent CPA review, tax records, or another recognized review of accounting process and procedures. Bidders who fail to provide this information

will be deemed non-responsive.

- b. In order to be considered responsive, a bidder must provide an organizational chart.
- c. All bidders must provide a completed Georgia Security and Immigration Compliance Act affidavit at the time of submitting a bid.
- d. All organizations that are private, for-profit, or not-for profit should be able to provide documentation of the registration under either Georgia or their home state's Secretary of State's office.
- e. All bidders are required to provide a DUNS number. NWGRC will verify that the bidders are not on the federal debarred/suspended list prior to reviewing the responses.

4. Requested Information/Responses for Evaluation

- a. Bidders must discuss how they will work to incorporate all partners into the comprehensive one-stop. This discussion must include partners who are electronically present in the comprehensive one-stop.
- b. Bidders should be able to describe how the proposed one-stop operations will fit into their organization chart and whether current or newly hired staff would be providing the services. Where possible, bidders should either provide resumes of current staff or titles and job descriptions/posting for any new positions that would be hired.
- c. Bidders should describe their customer service experience and discuss any experience with handling complaints and/or concerns from customers. Other required experience should include oversight of staff teams and experience in developing and delivering technical assistance.
- d. Bidders should propose outcome measures that effectively capture and evaluate their efficacy and system effectiveness. This response should also include a proposed data collection and validation methodology as well as a proposed reporting method.
- e. Bidders should discuss how they will ensure all partner agencies are collaborating and cooperating in the implementation of the partner programs. This should include discussions on both training for the one-stop operator staff and cross-training for the partner-program staff. Capacity building experience would be relevant to this discussion.
- f. Bidder should discuss how they will bring together the partner programs to ensure adequate outreach of the one-stop center and demonstrate a thorough understanding of target populations for partner programs. Discussion should also include how the bidder will take ownership/leadership in ensuring all partners are contributing to the center, both financially as well as through resources and staff time.
- g. Bidders should discuss how they will comply with all federal/state/local regulations, as well as provide oversight to ensure that all partner agencies are also in compliance.

5. Requirements for Evaluation Criteria

- a. There must be at least one evaluation criterion that assesses the bidder's financial capabilities.
 - b. There must be at least one evaluation criterion that assesses the bidder's technical/programmatic capabilities.
 - c. There must be at least one evaluation criterion that assesses the bidder's service delivery experience. (It is not mandatory that bidders have WIOA experience, but it is recommended that the bidders have some experience with customer service and/or service delivery.)
6. Upon receipt of the responses, the WDB will evaluate and score each proposal.
 7. If the submitted proposals/bids do not reach an awardable score based upon the evaluation criteria, the WDB may identify an operator and develop an award under a sole source method consistent with 2 CFR 200.320(f).

C. SOLE SOURCE PROCUREMENT

Sole source procurement may be awarded only if one of the following criteria is met:

1. The good/service is only available from one source.
2. After solicitation from a number of sources, competition is determined inadequate. This is typically met through insufficient bid responses.
3. Through a formal request, Technical College System of Georgia, Office of Workforce Division authorizes a noncompetitive proposal.
4. Public emergency will not allow a delay resulting from the competitive procurement process. If the WDB plans to use the public emergency criteria, Technical College System of Georgia, Office of Workforce Division must be notified in advance.

D. PRE-VOCATIONAL SERVICES

These services are intended for individuals who lack occupational credentials/certifications and require short-term services to enhance and upgrade skills for employment. Pre-vocational services may include services that:

- Prepare individuals for licensing or certification exams
- Enhance the employability of individuals who already possess occupational skills in demand but lack up-to-date skills required in most workplaces hiring for the occupation

Examples of pre-vocational services include, but are not limited to, nursing license exam courses and computer skills training to enhance employability when individuals already possess a set of core occupational skills but do not have the technology skills required. Short-term is defined as less than 120 clock hours.

Additionally, documentation procedures are outlined below:

- a. A review of assessment results, customer interests and work experience should support the need for the services and should be documented in the individual employment plan.

- b. If the service/training is not available in an approved course on the ETPL, small purchase competitive procurement should be used to purchase the services. Three price quotes or bids showing name of course, number of instruction hours, instructional fee, cost of curriculum materials, credential information, exam fee and school withdrawal/refund policy must be obtained. A printout of a web page will suffice. The provider with the lowest price quote or bid will be selected to provide the prevocational activity. If the vendor who submitted the lowest bid is not selected, justification for choosing a higher bid must be documented for reasons such as: distance, start date too late, schedule prohibits attendance at instructional hours, etc.

Customers in short-term pre-vocational services will be enrolled in GWROPP as 215 “Short Term Pre-Vocational Training”.

E. CLASS-SIZE SERVICES

Class-size service contracts are groups of WIOA registrants receiving occupational skills training in a demand occupation. Class-size services include the full range of occupational skills training, adult education and literacy services, prevocational services, and customized training as described in WIOA Section 134. (The class may be comprised solely of WIOA registrants or may be combined with customers of other programs such as TANF, Trade, etc. or non-WIOA students). In the case of non-WIOA students, the cost of service is prorated based on the number of WIOA students in the class.

Class-size services may be offered in lieu of an ITA when it is determined appropriate to contract with an institution of higher education or other eligible providers of training services in order to facilitate the training of multiple individuals for in-demand industry sectors or occupations and such contract does not limit customer choice.

1. Applicants interested in class-size training will be subject to the same eligibility requirements as other WIOA applicants.
2. Customers enrolled in short-term pre-vocational services will be enrolled in GWROPP as 215 “Short Term Pre-Vocational Training”.
3. Training provider should develop the class curriculum detailing skills to be learned.
4. Attendance for each class session must be verified with a signature on the class roster.
5. Provider will invoice NWGRC at the completion of the training.
6. Training provider will provide NWGRC with a copy of each participants credential.

F. Contracting - Service Providers

1. NWGRC staff will prepare sample contracts for use in contract negotiations. These contracts will be reviewed by legal counsel prior to use. Contracts will contain all required clauses as specified in WIOA grant awards. At a minimum these will address remedies, termination for convenience, access to records, equal opportunity provisions, debarment certification, lobbying certification and all others as required by federal, State or local regulations and/or grant awards.

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2. Successful bidders and others obtained through sole source procurement will negotiate WIOA contracts with at least two members of NWGRC staff. One of these shall be the WIOA Director unless otherwise designated. The Negotiation Checklist will be used to facilitate the negotiation session.
3. Once the contract is negotiated, the NWGRC staff member assigned by the WIOA Director to complete the contract prepares the contract for execution. This staff member also is responsible for collecting and filing information from the bid process and the negotiations as a part of the procurement record.
4. At a minimum, completed contracts will be reviewed by the WIOA Director and the Administrative Services Director (or designee) prior to obtaining the signature of the contractor's authorized signatory official. The WIOA Director (or designee) will review the contract again prior to obtaining the signature of the Executive Director of NWGRC.
5. The contracts for initial contractor signature and fully executed contracts may be hand delivered or mailed with return receipt requested.
6. Generally, contracts will be signed by the contractor followed by NWGRC. Two copies of the contract will be provided for signature allowing both parties to have original signatures on the fully executed contract.
7. Any changes to the contract made at signing will require the initials and dates of both the contractor signatory official and the Executive Director of NWGRC on the affected part(s) of the contract. All other modifications will be in accordance with the modification clause of the contract.
8. Services under the contract will not be provided prior to the contract execution date.

III. Sub-contractor/Vendor Invoicing

The NWGRC shall not reimburse or pay any expenditures, cost or payments for services which are found to be unallowable, or which are found to be inconsistent with the last approved budget. The budget may be revised if it is evident that the revision will provide for a more efficient and effective use of the monies. The provider must request a modification in writing.

These general provisions apply to all providers. The provider submits to NWGRC for reimbursement of expenses consistent with the following conditions:

1. An Invoice Master Spreadsheet will be provided through e-mail from the NWGRC Fiscal Department. This Invoice Master will show line item

descriptions taken directly from Attachment A or A-1 of the contract (Payment Schedule). These invoices are to be used to report monthly expenditures. A copy is attached in Appendix M.

2. An invoice is to be submitted monthly for the calendar month during which the expenditures were incurred. If no expenses were incurred for the month, a zero (0) invoice must be submitted.
3. Invoices along with all required back-up documentation should be completed, signed by the appropriate authority and submitted before the 5th of the month following the reporting month. Only one invoice per contract will be accepted each month except for the final invoice.
4. Accrued expenses must be reported to NWGRC by the 5th if an invoice cannot be submitted on time. Payment for late invoice submissions will be delayed. Invoices that are more than one month late will require a written explanation from the provider's contract signatory official. Final invoices submitted late may not be reimbursed. The latest date to submit an invoice for a program year is July 31st.

Individual Training Account Invoicing Procedures:

These procedures are for invoicing through the GWS ITA/TAA Financial Tracking & Reporting System. The Career Adviser will enter information onto the Cost Commitment Worksheet for approval from Randy Gayler from NWGRC. Once approved, the participant is in the WIOA Program and money is set aside to pay for tuition, books & supplies, tools, other expenses and supportive services needed to complete the program. Some students may not need WIOA funds for every expense.

The following is a detailed explanation of what must be submitted to NWGRC for each expense that is listed on the ITA Obligation Voucher by Quarter.

- A. **Tuition**—The receipt from the business office must show the cost of tuition and related services. **The participant must sign the receipt.** The Career Adviser can have a pre-printed form that the student can sign that has the quarter and the amount of tuition on it and that will be acceptable also.
- B. **Books**—The receipt must show an itemized list of books & supplies that was purchased from the Campus Bookstore. The costs must be totaled for each participant that WIOA will pay for. **The participant must sign the invoice/receipt.**
- C. **Supplies**—An invoice/receipt must show an itemized list of supplies that are not purchased through the Campus Bookstore. **Supplies are items such as uniforms, shoes, nursing pins, etc. The participant must sign the invoice/receipt.**

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1. When NWGRC reimburses the provider, an approved purchase order issued by the provider must also accompany the invoice, along with the Career Adviser and participant signatures.
 2. **When NWGRC reimburses the participant, the invoice must be signed by the participant.**
 3. When NWGRC pay the vendor directly, the Career Adviser will submit a Purchase Order Form to the WIOA Fiscal Department. The WIOA Fiscal Department will issue a P.O. number and the Career Adviser can order the goods on NWGRC's behalf. The supplies will need to be delivered to the provider. Invoices will need to be sent to NWGRC; make sure the vendor knows that we are sales tax exempt. When the supplies are received, a packing slip must be submitted before NWGRC can pay the vendor. The packing slips **needs** to be signed by the Career Adviser and the participant.
- D. Equipment/Tools—An invoice/receipt must show an itemized list of equipment/tools. The participant must sign the invoice/receipt. If item is a set and costs more than \$1,000, then the Career Advisers must get three quotes and choose the lowest bid. Documentation of the quotes will be kept with the Career Adviser. These quotes can be either by phone, fax, internet, e-mail or catalog as long as documentation is kept. Career Advisers must document that equipment/tools are required by the instructor for everyone in the class.
1. When NWGRC reimburses the provider, an approved purchase order issued by provider must accompany the invoice. A copy of the packing slip signed by the Career Adviser and the participant must also be submitted to NWGRC. A copy of the purchase order form can be found in Appendix M.
 2. When NWGRC reimburses a participant, a vendor invoice **must** be signed by the participant.
 3. When NWGRC pays the vendor directly , the Career Adviser will submit a Purchase Order Form to The WIOA Fiscal Department. The Fiscal Department will issue a P.O. number and Career Adviser can order the goods on NWGRC's behalf. The supplies will need to be delivered to the provider. Invoices will need to be sent to NWGRC ;make sure the vendor knows that we are sales tax exempt. When the supplies are received, a packing slip must be submitted before NWGRC can pay the vendor. The

packing slip **needs** to be signed by the Career Adviser and participant.

- E. Other Expenses—An invoice/receipt must show an itemized list of other expenses. The participant must sign each invoice/receipt. Other expenses are for physicals, drug tests, motor vehicle expenses, licenses, etc.
1. When NWGRC reimburses the provider, an approved purchase order issued by the provider must accompany the invoice.
 2. When NWGRC reimburses the participant, the participant **must** sign the invoice/receipt and a copy must be submitted to NWGRC.

An invoice that summarized all the obligations by name, social security number, title and expense must be submitted along with all signed backup documentation. Please check and make sure that the title of the program you have on the summary invoice is what is in the system. The invoice must distinguish where to send payments and addresses as well. Copies of the invoice will be provided by NWGRC

Once the original Obligation Vouchers have been received at NWGRC along with copies of proper documentation, the fiscal department will review and process payment. The invoices must be received no later than 60 days from the date the expenses were approved on the Cost Commitment Worksheet.

Mail invoices, Obligation Vouchers by Quarter and proper documentation to:

WIOA Fiscal Department
NWGRC
P.O. Box 1798
Rome, GA 30162-1798

For questions, please contact the WIOA Fiscal Department at 706.295.6485, fax at 706.802.5567.

1. Cost reimbursement payments for tuition, books and supplies will only be paid for participants registered in the GWS WIOA/TAA Tracking Reporting System.
2. Any changes made to the information submitted on the invoice must be crossed out and initialed by the person making the error.

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Changes made with correction fluid (“white out”) are not acceptable and will result in disallowance of the item(s) for that invoice.

3. The invoices submitted to NWGRC should be original invoices signed by the provider’s authorized agent, along with their title and date.

4. The Invoice, Expenditure Summary Sheets, Time Sheets and all required documentation are to be mailed to the WIOA Fiscal Officer.

Cost Reimbursement Invoice Procedures

The following is required for all Cost Reimbursement Invoices:

1. Time Sheets

- a. A Time Sheet must be submitted for each staff member describing how they spent their time during the month. Actual time spent and wages paid should be directly charged by Title or Cost Category.
- b. The total hours worked by Title or cost category are recorded on the Time Sheet.
- c. All hours are totaled on the time sheet.
- d. The percentage of hours worked in each Title or cost category are determined and the percentages are listed on the time sheets beside the total hours spent on each Title or cost category.
- e. The salary amount is calculated by multiplying the total salary for the month by the percentages for each Title or cost category and listed under the salary column.
- f. Time Sheets should be signed by the staff member and his/her supervisor. A copy of each time sheet should be submitted with the invoice.

2. Expenditure Summary Sheets

The Expenditure Summary Sheets described below will be provided by NWGRC in pre-printed form. They will be used to summarize costs such as Salary, Fringe, Travel, Facilities, Training Materials & Supplies, Non-Training Materials & Supplies, Participant Costs, Other Expenses, etc. The totals from each Expenditure Summary Sheet should be recorded on the appropriate line of the invoice.

- a) **Salary Summary Sheet.** Each employee name and gross wages for the month are listed and all salaries are totaled. A copy of the Payroll Register or Other Payroll reports and the Time Sheets are attached to the Salary Summary Sheet.
- b) **Fringe Summary Sheet.** Each employee name and each type of fringe benefit paid are listed on the summary sheet. Each individual employee's benefit costs charged to the Workforce Innovation and Opportunity Act Program is recorded and all fringe benefits paid are totaled. Check copies are attached or calculations are shown on the payroll register.
- c) **Travel Summary Sheet.** Travel costs incurred for the month for each individual who had travel expenses are totaled on the Travel Summary Sheet. A copy of both the front and back of the Monthly Travel Expense Report for each employee is to be attached. This report shows the beginning and ending mileage, the actual miles driven and the price per mile paid to each employee. Any other costs incurred while traveling require a receipt to be attached. The travel expense report submitted should be approved by the employee's supervisor and the purpose for the travel given. A copy of the check paid to the employee for reimbursement must also be submitted.
- d) **Training Materials & Supplies Summary Sheet.** The vendor name and invoice number or other reference and amount paid for such items as videos, file folders, teaching supplies, etc. used for the receipts, etc. must be recorded. The invoices must have a description of the items purchased. Invoices from the same place or like items may be grouped together and recorded in total on the Summary Sheet. A copy of the reimbursement check should be attached and the expenses should be submitted.
- e) **Non-Training Materials & Supplies.** The vendor name and invoice number or other reference and the amount paid for such items as office supplies, cleaning supplies, etc. are recorded on the Summary Sheet. Copies of invoices, cash register receipts, etc. are to be attached. All like items may be grouped together and entered in totals on the Summary Sheet. A copy of the reimbursement check is to be included.
- f) **Facilities Summary Sheet.** Costs for each facility are to be recorded and copies of the reimbursement checks for rent payments, utility bills, etc. are to be attached and total expenses.
- g) **Equipment Lease Summary Sheet.** Each item of equipment that is leased is recorded and copies of invoices, lease agreements, etc are to be attached to this summary sheet. Also to be attached is a copy of the reimbursement check for these items and total expenses.
- h) **Other Expense Summary Sheet.** Other expenses, such as Postage, Telephone, Audit, etc. incurred during the month are to be listed on the summary

sheet. Copies of the reimbursement check(s) and copies of invoices, cash register receipts, etc. are to be submitted.

3. Completing the WIOA Cost Reimbursement Invoice

- a) Total wages for each person based on the Time Sheet information are to be listed under line item "Salaries" in the first numeric column. Also wages paid by Title or cost category are to be recorded under proper heading.
- b) All other line items (except participant costs) are recorded in total in the first numeric column. The totals from each line item are found on the expenditure summary sheets.

Performance Based Invoice Procedures

The performance based invoices contain certain specific "deliverables" agreed upon by NWGRC and the provider. The Unit price for each element of performance as well as the Total Budget for the year will already be entered on the invoice by NWGRC.

1. On the approved form, the total number of Adult, Dislocated Worker and/or Youth served is to be entered in each element of performance for which payment is requested (Interim, Placement/Completion and/or Retention).
2. The monthly expenditures are then totaled by extending the number served by the Unit price for each element and the form completed.
3. Specific confirmation may be required to document the performance which will be specified in the contract.

Verification of Fiscal Invoices Performed by NWGRC Staff

Service Providers under contract with NWGRC receive direct cost reimbursements by submitting a monthly invoice to NWGRC. Checklists are used to document verification procedures.

Before any payment can be made to a provider, the participants listed as being served on the invoice are verified by NWGRC by means of the statewide Georgia Workforce System (GWS). A review of each invoice is conducted by the Fiscal Department and the Contract Representative to assure that the contractor adheres to contractual provisions regarding payments and/or reimbursements. Payment requests are reviewed and verified by the following system:

1. Invoice is received by NWGRC before the 5th of each month following the report month. The Invoice is date-stamped on the date it is received.
2. Invoice is logged in by a member of the WIOA fiscal department, and an Invoice Review Checklist is attached. The following is then verified:
 - A. Time Sheets are reviewed to ensure that costs have been distributed properly. Any needed revisions have been made.
 - B. Backup documentation is sufficient to insure validity of the invoice submitted for payment.
 - C. Payment Approval:
 - 1) Approved for payment by the Contract Representative
 - 2) Approved for payment by the Fiscal Officer/Specialist
3. If invoice is incorrect or needs adjustments it may be returned to the provider for corrections or disallowed before paying.
4. If invoice is correct and satisfies all payment criteria, it is approved and paid.

Other Invoicing Information

1. A copy of the invoice analysis will accompany payments to contractors each month which will contain yearly budget figures and the percentage spent to date. Total expenditures for each line item can not exceed the budget figures for the year. It is the provider's responsibility to check the budget amounts for each item frequently to make sure the line item budget amounts are not being exceeded and that all modifications, etc. are reflected.
2. No expenditures in excess of the total budget can be reimbursed without a contract modification.

3. Year-End Closeout: The WIOA grant award period and the Fiscal Year end on June 30th. For this reason, invoices for any expenditures incurred prior to June 30th must be submitted by July 31st.

Payment Delay, Withholdings and/or Repayments

Generally, delayed or withheld payments result from non-compliance with policy or instructions. Payments may be withheld or delayed when an invoice is received late or when the invoice is incomplete or incorrectly completed. Mathematical errors and omissions of amounts or totals are common errors that can result in payment delays. Final invoice payments may also be delayed if any required actions from monitoring activities have not been resolved.

Of a more serious nature are costs that may be disallowed and will not or should not have been paid to the provider. These include payment requests for items not in the contract, or undocumented, or for items in excess of the contract budget. This type of situation usually involves noncompliance with the contract itself or applicable laws and regulations. Repayment or non-payment is the usual result.

IV. Cost Allocation Plan

The agency administers programs and receives funding that includes many restricted funds. The purpose of this Cost Allocation Plan is to identify, accumulate and equitably distribute allowable shared costs to all these programs and also to document the allocation method used.

The following process will result in the development of necessary schedules to complete and support the Cost Allocation Plan. When the scheduled data is linked together it will document, by cost objective (program), the total revenues and expenditures for each cost objective for the budget year. The Cost Allocation Plan is prepared annually.

In general, costs that can be identified with a particular cost objective are considered direct costs and are charged directly to the applicable program. Costs that are incurred for a common purpose benefitting more than one cost objective, and are not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved, are considered shared costs. An actual rate is calculated at the end of each month during the year and used to allocate shared costs for that month.

STEPS:

Determine all programs to be undertaken. Determine sources and amounts of funds expected to be available for the fiscal year.

Determine all allowable costs. Classify costs as direct or shared; and as administration or program. The cost allocations are computed by dividing total shared administration costs by total direct administration Workforce hours; and by dividing total shared program costs by total direct program Workforce hours. The allocations allocate proportionately the shared costs between the programs.

Prepare the Budget, listing all costs, allocated costs being included with the line item direct costs. The Budget will show all expenses and revenues for each program.

V. Allowable Cost Policy/Cost Classification

A. Allowable Cost Policy

The allowable cost policy for WIOA activities is as follows:

1. Be necessary and reasonable for proper and efficient administration of the grant program, be allocable to the grant program as specified in the grant requirements, applicable OMB circulars, and/or federal, State and local laws or regulations, and not be a general expense required to carry out the overall responsibilities of NWGRC or any other State or local government;
2. Be authorized or not prohibited under State or local laws or regulations;
3. Conform to any limitations or exclusion set forth in applicable OMB circulars, federal laws or other governing limitations as to types or amounts of cost items;
4. Be consistent with policies, regulations and procedures that apply uniformly to both federally assisted and other activities of NWGRC;
5. Be accorded consistent treatment through application of generally accepted accounting principles appropriate to the circumstances;
6. Not be allocable to or included as a cost of any other federally financed program in either the current or a prior period;
7. Be net of all applicable credits. Applicable credits are defined as follows:
 - a. Receipts or reduction of expenditure-type transactions which offset or reduce expense items allocable to grants as direct or indirect costs such as purchase discounts, rebates, recoveries or indemnities on losses, sale of equipment, publications or scrap, income from personal or incidental

- services and adjustments of overpayment or erroneous charges;
- b. Federal funds received or available from sources other than the grant program involved to finance operations or capital items of NWGRC. This includes costs arising from the use of depreciation of items donated or financed by the federal government to fulfill matching requirements under another grant program.
 - c. Any cost allocable to a particular grant or cost objective under the OMB circular A-87, or other applicable Circular. Provisions may not be shifted to other federal grant programs to overcome deficiencies, avoid restrictions imposed by law or grant agreements, or for other reasons;
 - d. Where an allocation of joint cost will ultimately result in charges to a grant program, an allocation plan will be prepared as required by the Circular.

Cost prohibitions

The following costs are **prohibited** for reimbursement with WIOA funds:

1. Public service employment, unless it is to provide disaster relief employment; (20 CFR 667.264)
2. Relocation of a business or part of a business that results in a loss of employment at the original location; (20 CFR 667.262)
3. Sectarian activities, including, but not limited to, employment or training of participants in sectarian activities; [20 CFR 667.266]
4. Foreign travel; (20 CFR 667.264)
5. Political activities; [WIOA Section 195 (6)]
6. Duplication of facilities or services available in the area; (20 CFR 663.320)
7. Charging participants fees for placement or referral to training or other WIOA-funded activities; [WIOA Section 195 (5)]
8. Wages of incumbent employees during participation in economic development activities; (20 CFR 667.264)
9. Displacement of current employees by any WIOA participant; (20 CFR 667.264)

10. Promoting or deterring union organization; [WIOA Section 181 (b)(7)]
11. Purchases of buildings and/or capital improvements except to meet obligations for access and accommodation under the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990; and
12. Any cost associated with unallowable activities. Any cost that has not been allowed after requesting prior approval as required under Circular A-87, or other applicable Circular.

B. Cost Classification

Workforce Innovation and Opportunity Act Cost Classification Activity Codes

Administrative Activities:

- A01 Invoicing/Bookkeeping activities including Payroll
- A02 Budgeting
- A03 Procurement including Purchase Orders and Requests for Proposals, etc.
- A04 Fiscal and/or Compliance Monitoring not related to tracking and monitoring of WIOA program, participant or performance requirements
- A05 Audits and audit resolution
- A06 Supervision of administrative activities
- A07 Clerical support of administrative activities
- A08 Continuous support of administrative activities
- A09 Workforce Development Board Activities that relate to administrative activities
- A10 Other administrative activities

Program Activities:

- P00 Planning
- P01 Eligibility Determination
- P02 On-going Assessment of participants
- P03 Career Counseling of participants
- P04 Case Management/Work Plan Update(s)
- P05 Work site development
- P06 Participant training activities
- P07 Supportive services
- P08 MOU Negotiation
- P09 Supervision of program staff
- P10 Clerical support of program activities
- P11 Job Retention Assistance activities

- P12 Post-employment activities
- P13 Performance Tracking of participants and/or WIOA program
- P14 Continuous Improvement of Program Activities
- P15 Other program activities
- P16 Workforce Development Board Activities that relate to program activities
- P17 Contracting, Contract Modification

VI. Cash Management System

When an invoice is received, it will be checked against a purchase order or invoice analysis (only on contracts). See attached purchase order and invoice analysis. If it is a contractor's invoice, an Invoice Review Checklist is completed before payment. When all checklists and reviews are done, the invoice will be entered into the accounting system to be paid. If any unallowable costs were billed, the costs are disallowed from the invoice and put on a disallowance sheet for better clarification on why the costs were disallowed.

All payments, when ready to pay, will be put on a worksheet that will break the charges down by funding stream. The totals per funding stream on the worksheet are transferred to the drawdown. Instructions on the drawdown are included with a copy of the drawdown. The drawdown is faxed to the Georgia Department of Labor to deposit the funds in our account (the next day). Checks are then written the next day (the day the money is deposited). A copy of the worksheet and drawdown can be found in Appendix M.

Payroll Support Payments are included on the drawdown. The payroll has a separate account so the day the drawdown is deposited, that portion is transferred from our general account to our payroll account to cover that week's payroll.

Payroll taxes are sent the day of payroll and are submitted on-line. Funds from the payroll account are used to pay the federal taxes.

An Excel spreadsheet is completed for daily transactions. This is used in tracking the cash flow and helps when reconciling the monthly bank statement. This helps in keeping our cash balances in accordance with State and Federal requirements.

A spread sheet is completed when reconciling the bank statement. Compare what checks did not clear the month before and what checks were written during that month and review the checks that cleared.

At the end of the month, after all charges are in for the month, a Financial Status Report is to be completed. The Financial Status Report (FSR) is due to GDOL by the 20th of the following month. The fiscal officers at NWGRC maintain a spreadsheet which helps calculate the actual funds expended on each grant by administrative and program funds. The fiscal officer will enter the funds expended per grant on the FSR section on the GDOL web site. Once the fiscal officer posts the totals, they are reviewed and posted by the Administrative Services Director.

The Fiscal Officer will review the uncleared checks and write-off any uncleared checks that are over 90 days old. Once a month Career Advisors are to send any supportive services checks that were unclaimed by the participant back to NWGRC. NWGRC will send a letter to the participant informing them of a unclaimed check and to follow up with the NWGRC. If after 90 days there is no response from the participant the check will be voided.

VII. Program Income Policy

Program Income is income received which is directly generated by a grant or subgrant supported activity or earned as a result of the grant or subgrant. Program income includes: (1) income from fees for service performed and from conferences; (2) income from the use or rental of real or personal property acquired with grant or subgrant funds; (3) revenues earned by a governmental or non-profit service provider under either a fixed-price or reimbursable award that are in excess of the actual costs incurred in providing the services; and (4) interest income earned on funds received under WIOA Title I.

VIII. Equipment Inventory

Equipment (over \$1,000) will be tagged by NWGRC and documented with the Georgia Department of Labor. Periodically, equipment will be checked to verify equipment is in the same location and in working condition. If equipment is moved, it must be approved by the NWGRC fiscal department.

Maintenance on equipment at NWGRC is as follows:

Computers--have updated anti-virus, anti-spyware software on each computer.

Fax/printers--use the required toner and related supplies.

Copiers--a yearly maintenance agreement is made with the seller to maintain the copier.

Maintenance on equipment not at NWGRC follows the maintenance policies and agreements set forth in the contractor's and/or the governmental agency's

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policies. NWGRC requires contractors to provide NWGRC with written policies for equipment maintenance.

Equipment/Tools – An invoice/receipt must show an itemized list of equipment/tools. The participant must sign the invoice/receipt. If an item is a set and costs more than \$1,000, then the Career Adviser must get three quotes and choose the lowest bid. Documentation of the quotes will be kept with the Career Adviser. These quotes can be either by phone, fax, internet, e-mail or catalog as long as documentation is kept. Career Advisers must document that equipment/tools are required by the instructor for everyone in the class

IX. Financial Monitoring

Audits/Monitoring—NWGRC and its grantor agencies, or their authorized representatives, shall have the right to review performance and to inspect or copy any and all records, books, paper documents, contracts, invoices, payroll records, personnel files and any and all other records at any time. Such inspection may take place without notice at any time during normal business hours wherever the records are maintained. In making inspections, NWGRC shall make every effort to coordinate with the contractor so as to reduce or eliminate disruption of ongoing participant training activities. If the contractor maintains or relocates any or all of the records outside of WIOA-1, the contractor shall bear the responsibility and expense of making them available, either at some reasonable location within WIOA-1, or at NWGRC, upon reasonable demand and notice. Funds paid by NWGRC under the terms and conditions of this contract for any costs or performance benchmarks that are subsequently disallowed, shall be promptly refunded to NWGRC within thirty (30) days in accordance with the debt collection procedures.

WIOA Fiscal Monitoring Procedures

1. Contact contractor and make appointment for monitoring visit.
2. Review contract; budget; monitoring file and previous year fiscal monitoring file.
3. Select three (3) months paid invoices. Make copies of these invoices to take to on-site monitoring visit.
4. FAX memo to contractor stating which months the Fiscal Monitor selected and what he/she will need to review: i.e.
 - a. ledgers, journals
 - b. time records; payroll info
 - c. cancelled checks/Direct Deposit for payroll
 - d. Purchase Orders; cancelled checks for purchases
 - e. most recent back reconciliation and 941
5. Along with the memo, the most recent Invoice Analysis is sent to the contractor.
6. Verify the FIXED ASSETS assigned to the contractor.

7. In the memo, restate the date and time of scheduled visit.
8. The files maintained by the Career Adviser are compared to the submitted invoices and back-up documentation is verified.
9. The Financial Monitoring Instrument is completed during the on-site visit with the contractor representative.
10. The report/letter is written with any findings cited and an action suspense date is assigned.
11. The letter and monitoring files are submitted to the Administrative Services Director for review and approval. Upon approval, the report/letter is sent to the contractor.
12. When completed, a copy of the letter and financial monitoring instrument is placed in a file in the Fiscal Monitor's office.
13. The folder with all the working papers/letters/monitoring report is filed with the contract and other documents after any findings have been resolved.

X. Audits

Audit Responsibility—The Contractor must maintain an auditable fiscal system and submit (if applicable), within seventy-five days of the close of its fiscal year, its most recent financial and compliance audit to NWGRC.

a. Audit Requirements

1. All governmental and non-profit organizations must follow the audit requirements of OMB Circular A-133. These requirements re found at 20 CFR 97.26 for governmental organizations and at 29 CFR 95.26 for institutions of higher education, hospitals and other non-profit organizations.
2. Commercial organizations which are subrecipients under WIOA Title I and which expend more than the minimum level specified in OMB Circular A-133 (\$500,000 as of December 3, 2003) must have either an organization-wide audit conducted in accordance with A-133 or a program-specific financial and compliance audit.

b. Allowable Costs/Cost Principles

All recipients and subrecipients must follow the Federal allowable cost principles that apply to their kind of organizations. The DOL regulations at 29 CFR 95.27 and 29 CFR 97.22 identify the Federal principles for determining allowable costs which each kind of recipient and subrecipient must follow. The applicable Federal principles for each kind of recipient are described in paragraphs © (1) through (5) of this section. For those selected items of cost requiring prior approval, the authority to grant or deny approval is delegated to the Governor for programs funded under section 127 or 132 of the Act.

- (1) Allowable costs for State, local, and Indian tribal Government organizations must be determined under OMB Circular A-87, "Cost Principles for State, local and Indian Tribal Government".

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- (2) Allowable costs for non-profit organizations must be determined under OMB Circular A-122, "Cost Principles for Non-Profit Organizations".
 - (3) Allowable costs for institutions of higher education must be determined under OMB Circular A-21, "Cost Principles for Education Institutions".
 - (4) Allowable costs for hospitals must be determined in accordance under appendix E of 45 CFR part 74, "Principles for Determining Costs Applicable to Research and Development Under Grants and Contracts with Hospitals".
 - (5) Allowable costs for commercial organizations and those non-profit organizations listed in Attachment C to OMB Circular A-122 must be determined under the provisions of the Federal Acquisition Regulation (FAR), at 48 CFR part 31.
- c. Audit Schedules. The CONTRACTOR agrees to include in their audits a schedule prepared by their auditor detailing program income and/or profit realized under this CONTRACT to determine if profit exceeds the percentage of profits negotiated. If profit is greater than the percentage negotiated NWGRC reserves the right to reexamine the reasonableness of the profits negotiated.
 - d. Annual Audits. These audits must be conducted annually by an independent auditor. The NWGRC may choose to expand the scope of its audit to include the required program specific financial and compliance audit of a CONTRACTOR's for-profit operations.
 - e. Stand-In Costs. Documentation of stand-in costs is for the purpose of allowing for the off-setting of possible disallowed costs. However, no penalties or sanctions will be imposed for the lack of documentation of these costs as long as the services specified above are provided. Without maintaining suitable documentation, reporting the cost to NWGRC, and including the costs within the scope of an audit of the stand-in costs, they cannot be claimed as non-cash repayment for debts.
 - f. Disallowed and Questioned Costs. NWGRC's failure to either promptly discover or demand prompt payment for questioned or disallowed costs and other debt will not relieve the CONTRACTOR from their obligation to repay the debt at the time of identification or demand.

XI. Debt Collection

Whenever, as a result of financial and compliance auditing, monitoring or otherwise, funds are determined to be disallowances, they shall be considered as debt and collected according to fiscal procedures. Such funds shall be refunded to NWGRC from non-WIOA, non-federal sources and/or other non-restricted funds. The investigation and final determination of a debt will be issued within ninety (90) days of written notice to the Contractor. The final determination establishes the debt which the Contractor has thirty (30) days to repay or appeal in writing. The

Contractor will receive notice of the required repayment from NWGRC. Failure to repay makes a Contractor ineligible for further WIOA funding. NWGRC reserves the right to withhold funds due to the Contractor through this or other existing contracts to recoup prior disallowed, improper, or unauthorized disbursements. All payments against existing contracts (if any) will be withheld until unpaid debts are collected. If this option is not available, and Contractor fails to repay within the required thirty (30) day period, then a representative of NWGRC shall take appropriate legal action to insure debt collection. All funds unearned and unexpended in the administration of this Contract revert back to NWGRC.

XII. Closeout

The Contractor shall retain all records pertinent to this Contract, including financial, property, programmatic records, participant records, supporting documents and statistical records, for a period of no less than six (6) years from the end of the program year in which the contract ends, subject to the following qualifications:

If prior to the expiration of the six year retention period, any litigation or audit is begun or a claim is instituted involving the grant or agreement covered by these records, the Contractor shall retain the records beyond the six year period until the litigation, audit findings, or claim has been fully resolved.

If non-expendable property was acquired through WIOA funds or assigned to the contractor by the NWGRC, the Contractor shall retain records on said property for a period of six years after final disposition of the property except as stated above.

Should the Contractor cease to do business within the six year period or thereafter during the required record retention period, the contractor agrees to forward all records (financial, participant, statistical & property), complete in form, to NWGRC. The Contractor shall retain sole liability for the content of such records.

Contractor understands and agrees that when requested, Contractor shall complete and furnish to NWGRC or its designee all forms, reports, documents, and records within 10 days of said request. Failure to comply with provision will result in NWGRC withholding any reimbursement due the Contractor until such time that the Contractor complies with the request.

The Contractor assures that it will maintain records sufficient to determine the amount and applicable cost category for all expenditures.

The Contractor final invoice shall be delivered to NWGRC by July 31 of the calendar year in which the Contract ends, or within 31 days of the end of the contract, whichever is sooner. Any costs or obligations not shown and claimed on the respective final invoice shall be deemed to be waived and the limit of liability of NWGRC shall be reduced accordingly without further notice to the Contractor. All required actions on monitoring reports must be resolved prior to completion of the Contract or the final invoice amount requested will be withheld until resolution.

As part of the closeout procedures, audits must be conducted and submitted in accordance with the Audit Section of these Fiscal Procedures.

XIII. Financial Reporting

1. NWGRC maintains a financial system that identifies expenditures based on grant, cost category, program year, and fiscal year.
2. The NWGRC WIOA Financial Officer develops a worksheet on a monthly basis reporting all expenditures per the NWGRC financial system.
3. The WIOA Financial Officer includes on the worksheet accruals for goods and services that have been rendered, but have not been paid.
4. The WIOA Financial Officer includes on the worksheet any estimates of expenditures from service providers.
5. Expenditures, accruals, and estimates are combined and reported as expenditures to appropriate local, state, and federal authorities on the monthly Financial Status Reports.

XIV. Accounting Records

1. Monthly invoices with documentation attached is submitted to the NWGRC Finance Department where the invoice is logged in by accounting staff and sent to the WIOA Program Coordinators for programmatic review.
2. After Program Coordinator Review invoices are forwarded to the NWGRC Accounting Office.
3. Invoices are reviewed by Financial Staff and invoices are coded for processing.
4. Invoices are entered into the NWGRC financial system to print checks.
5. NWGRC Controller reviews and signs off on all expenditures entered into the Regional Commission's financial system to produce checks.
6. NWGRC Controller enters expenditures into the Regional Commission's financial system to produce financial records.
7. NWGRC Controller enters staff payroll information into the financial system to produce financial records.
8. After checks are printed, they are given to the Regional Commission's Executive Director for review and signature.

XV. Source Documentation

The accounting records maintained by the NWGRC Finance Department are the official accounting records of the agency. No subsidiary financial records are maintained by the agency.

XVI. Time Sheets

1. Staff Time Sheets

- a. A time sheet must be submitted for each NWGRC staff member charging by grant and cost category how the employee spent their time during the pay period.
- b. The total hours worked by grant and cost category are recorded on the time sheet.
- c. All hours are totaled on the time sheet.
- d. The percentage of hours worked on each grant and cost category is determined and the percentages are listed on the time sheet next to the total hours spent on each grant and cost category.
- e. Employee time sheets are signed by the NWGRC staff member and approved by his/her supervisor.

2. Participant Time Sheets

- a. Across the top of the time sheet the Trainee's Name, Training Site/Work Site, Contractor, Last Four Digits of the Trainee's Social Security Number, and the Week Ending Date must be completed.
- b. Trainee completes Date, Time In, Lunch, Time Out, Total Time Per Day Columns of time sheet. Trainee then signs time sheet on a daily basis certifying information is accurate.
- c. Time sheet is signed by Training Site Supervisor/Instructor certifying the time listed is true and accurate, and is signed by NWGRC staff certifying accuracy of time sheets.

XVII. Internal Control

1. WIOA staff will comply with all NWGRC internal control procedures.
2. All property purchased with WIOA funds will be listed on a WIOA Equipment Log and inventoried every two years.

WORKFORCE NORTHWEST GEORGIA PURCHASE PROCEDURES

It is the policy of the Northwest Georgia Regional Commission (Commission or RC) that all procurement transactions shall be conducted in a manner that provides maximum open and free competition consistent with applicable Federal and State regulations. This policy will be carried out in such manners as to insure that procurements are transacted which are most beneficial to the Commission in terms of efficiency, economy, and effectiveness. The purpose of these procedures is to provide fair and equitable procurement guidelines. The objective is to get a quality product at a fair price in the most economical and cost effective manner. The Commission, when possible, desires to purchase locally (within the Region) in support of the local economy as long as it meets the above requirements.

If a state agency has made arrangements for purchases which are available to the RC at the substantially lowest price through state procurement procedures, the RC may purchase through the state in lieu of the procedures set forth herein.

Any state or federal contract entered into by NWGRC which has more stringent purchasing requirements, shall supersede these purchasing procedures. This shall include adhering to dollar thresholds established by pass-through agencies that require prior written approval before purchase.

SMALL VALUE PURCHASING AUTHORITY (SVPA) LESS THAN \$2,500 (NON-COMPETITIVE)

The small value purchasing procedure may be used to purchase consumable materials without a formal award or competitive bidding process. The Small Value Purchasing Method may be used if all of the following requirements are met.

1. Purchases are limited to consumable goods and/or supplies and may not exceed \$2,500 per transaction.
2. It is used for immediate over the counter purchases and/or to take advantage of cost-saving purchases such as advertised specials. Splitting or multiple orders to avoid the dollar limitation is not allowable.
3. Documentation of each purchase is maintained, such as purchase order or a detailed sales receipt to show that the item was bought.
 - a. A purchase order shall be used for each purchase. The purchase order will list name and address of the vendor, the quantity ordered, the part number, and the price of each item. A grand total of all items listed shall be printed after all items are listed. The purchase order will be signed and dated by the Program Manager, Fiscal Officer,

Director of Finance and the Executive Director.

- b. The packing slip or other receiving documentation will be attached to the purchase order. The purchase order and all documentation shall be stapled to the Invoice and submitted to the Director of Finance for payment approval. The invoice shall be entered into the Accounts Payable System and paid.

PURCHASING OF GOODS OR ADMINISTRATIVE SERVICES \$2,500 OR MORE - BUT LESS THAN \$25,000

For items or administrative services costing \$2,500 or more, at least three (3) vendors or potential vendors will be identified and solicited for price quotes. If three quotes cannot be obtained, sole source justification must be explained and attached to the purchase order with all other documentation.

The identification or solicitation of quotes must be documented. The following may be used as documentation:

1. Product or service catalogs with current price lists;
2. A log of telephone contacts to obtain quotes;
3. Written quotes;
4. A combination of the above

After all quotes are received, the basis for the selection of a vendor to supply the goods or services would be the lowest price. If the basis is something other than the lowest price, the Commission staff will prepare a memo describing the criterion for selection, relevance to need, and the advantage of choosing a vendor other than the one with the lowest price.

Upon selection of a vendor, a purchase order is then issued and signed by the Program Manager, Fiscal Officer, Director of Finance and the Executive Director. A numbered Purchase Order system is used and PO Numbers are issued by the Director of Finance or his/her designee.

Purchases where the unit price is \$5000 or greater and the useful life of the proposed purchase is more than one calendar year must be submitted to the State for approval. A narrative explaining the need for the purchase, documentation to illustrate that all local, state, and federal procurement regulations were met, and copies of all quotes and supporting documentation considered in selecting a vendor. Additional information may be required if the unit price is \$50,000 or more. The State will review all requests and provide a written determination within 30 days of receiving the documentation.

PURCHASING OF GOODS OR ADMINISTRATIVE SERVICES - \$25,000 OR GREATER

If the item or administrative service requested is \$25,000 or more, formal Invitations to Bid or Requests for Proposal are required. A copy of proposal specifications will be mailed to prospective bidders. Sealed Bids or Proposals are then received and the vendor whose bid is most beneficial to the Commission is selected. A formal Contract, letter of intent to contract or Purchase Order will be provided to those selected.

