



## Workforce Innovation and Opportunity Act (WIOA) Title I Policy

Subject: Financial Management Standards

Number/Reference: [FP - 7](#)

Review Date: [7/1/2018](#)

Revision # [Review Copy](#)

### Overview

This policy specifies the minimum requirements that must be maintained by subrecipients of Workforce Innovation and Opportunity Act (WIOA) funds for financial management systems.

### Policy Statement

Grantees, subrecipients, and contractors funded under the Workforce Innovation and Opportunity Act (WIOA), whether in whole or in part, must abide by the Workforce Innovation and Opportunity Act (WIOA), the WIOA Regulations, Department of Labor guidance, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Final Rule, state regulations, laws and rules (Oregon Revised Statute and Oregon Administrative Rules), and the Higher Education Coordinating Commission (HECC) Office of Workforce Investments policies.

Financial systems shall allow for effective fiscal and internal control and accountability for funds, property, and other assets to ensure they are used solely for authorized purposes. All subrecipients shall maintain all data elements used in required federal reports in accordance with established program definitions contained in the Act, regulations, and state policies.

Accounting systems shall meet and follow the current Generally Accepted Accounting Principles (GAAP) as provided by the National Council on Government Accounting and demonstrate compliance with legal and contractual requirements.

Accounting systems shall follow consistent rules for aggregation of detailed data to summary level:

- Accounting systems will compare budgeted amounts to actual expenditures including proper charging of costs and cost allocations.
- Information pertaining to subgrant and contract awards, obligations, unobligated balances, assets, liabilities, expenditures, income, program income, matching and stand-in costs.
- Permit the tracking of funds to a level of expenditure adequate to establish that funds have not been used in violation of the WIOA.

Written procedures shall be in place for determining allowability and allocability of grant costs. Accounting records may be maintained on a cash or modified accrual accounting basis. For reporting purposes only, financial data shall be submitted on an accrued expenditure basis.

Accounting systems shall provide for accurate, current, and complete disclosure of all expenditures including but not limited to those from grants, contracts, or agreements. The costs shall be traceable to a level of detail that establishes compliance with WIOA applicable laws and regulations.

Annually, each Local Workforce Development Board's fiscal agent shall provide for an internal audit of its own financial operations in accordance with generally accepted auditing standards for audit of governmental organizations, program activities, and functions. (However, the auditor need not meet the criteria for independence.) Local Workforce Development Boards are responsible for audits of their subrecipients.

**Action(s)**

Local WDB fiscal agents and subrecipients must develop and implement policies or procedures that comply with this policy.

HECC will monitor local WDB fiscal agents and subrecipients for compliance.

**Contact**

Questions regarding this policy should be sent to [HECC\\_OWI\\_WORKFORCE\\_POLICY@oregon.gov](mailto:HECC_OWI_WORKFORCE_POLICY@oregon.gov) .

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