Purpose:
To provide sub-recipients with guidance and set forth standards for Workforce Innovation and Opportunity Act (WIOA) Title I funds financial reporting requirements along with other standard information.

Background:
Each recipient and sub-recipient of Federal funds must expend and account for the Federal award in accordance with established laws and regulations. In addition recipients and sub-recipients’ financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions, and the tracing of funds to a level of expenditure adequate to establish that such funds have been used according to Federal statutes and regulations.
Recipient and sub-recipients’ financial management system must provide accurate, current, and complete disclosure of the financial results of each award or program in accordance with the reporting requirements found at 2 CFR Part 200.

Policy:
Workforce Connections (WC) requires that all sub-recipients report accurate, current and complete financial data to ensure compliance with Federal, State and local financial reporting requirements. WC requires that accounting records be maintained to adequately identify the source and application of WIOA Title I funds provided for financially assisted programs or activities. WC may impose sanctions on a sub-recipient for failure to timely submit financial reports as required.

Reference:

Financial reporting by grantees enables the Employment Training Administration (ETA) to report to its stakeholders key information about the use of grant funds. Accurate data is imperative because these reports impact ETA’s financial credibility. Accurate reporting of the expenditure and obligation of funds provides vital information for future ETA funding levels and crucial data for both ETA and grantees necessary for appropriate management of grant funds. Every effort should be made to keep track of and report accurate and timely financial information.
I. General Provisions
A. Timely financial reporting is essential in order for WC to accurately state its fiscal posture and submit financial reports to the State Department of Employment Training and Rehabilitation (DETR)/ Workforce Investment Support Services (WISS) for verification of awarded funds and accountability for WIOA Title I employment and training activities.

B. Financial Reporting Guidelines
WIOA and its associated regulations require recipients of funds under Title I of WIOA to keep records that are sufficient to permit the preparation of reports required by this Title and to permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully.

II. Local Financial Reporting Guidelines
As the local grant recipient, WC is responsible for ensuring the timeliness and accuracy of required financial reports.

WC has established that all sub-recipients shall submit Quarterly Financial Reports (QFR) to the WC fiscal department by the 15th following the quarter end and/or the following business day in the event the 15th falls on a weekend or a holiday.

Sub-recipients are required to report expenditures on an accrual basis and must submit their quarterly reports on the reporting forms provided by WC. Such forms can be found at www.workforceconnections.org.

Sub-recipients shall follow the following due dates for financial reporting unless required otherwise:

<table>
<thead>
<tr>
<th>Program Year</th>
<th>1st Quarter</th>
<th>July – September</th>
<th>October 15</th>
</tr>
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<tbody>
<tr>
<td>Program Year</td>
<td>2nd Quarter</td>
<td>October – December</td>
<td>January 15</td>
</tr>
<tr>
<td>Program Year</td>
<td>3rd Quarter</td>
<td>January – March</td>
<td>April 15</td>
</tr>
<tr>
<td>Program Year</td>
<td>4th Quarter</td>
<td>April – June</td>
<td>July 15</td>
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III. State Financial Reporting Guidelines
On or before twenty-three (23) days after the end of each quarter, Local Workforce Investment Boards (LWIBs) must prepare a Quarterly Financial Status Report (QFSR) for each funding stream (adult, dislocated workers, youth and other pass-thru grants). Reports are to be submitted for each program year allocation (25 percent and 75 percent Adult and Dislocated Worker) to DETR/Financial Management (FM) and WISS. In addition, the Local Area Quarterly Expenditure Report (Form S-1), as required by Executive Order 2012-18, must be provided to DETR [SCP 5.5].

IV. Federal Financial Reporting Guidelines
Timeliness and accuracy of financial reports are critical to a successful audit and to program management credibility. Grantees are required to report on the status of Federal funds authorized by the grant award no later than 45 days after the quarter end. The report must mirror the grantee’s financial records on cash received, disbursements, funds obligated, unliquidated obligations, unrestricted funds expended for allowable costs, and income earned and/or generated on WIOA Title funds.
A. The Federal Funding Accountability and Transparency Act (FFATA) of 2006 requires full disclosure to the public of Federal spending information by all entities and organizations receiving Federal funding under Federal grant awards. As required by FFATA and subsequent OMB guidance, prime grantees of Federal awards are required to report sub-award information via a single searchable website – USASpending.gov - that is available to the public. Prime grantees are also required to report executive compensation information for their organization provided certain conditions are met. The FFATA sub-award Reporting System (FSRS) – www.fsrs.gov – is the reporting system used by Federal prime grantees to report sub-award information and executive compensation.

1. FFATA reporting requirements apply to all grants and cooperative agreements that are equal to or over $25,000. For ETA, this means that Federal grants and cooperative agreements awarded on or after October 1, 2010, where the funding is equal to or over $25,000 are subject to the sub-award and executive compensation reporting requirements.

2. Additional guidance on FFATA reporting can be found at: http://www.fsrs.gov/#a-faqs.

ETA has also established an email account where grantees can direct FFATA related inquiries: FFATA.reporting@dol.gov.

B. Direct grantees are required to report cash receipts, disbursements, expenditures (including administrative expenditures), obligations, matching funds, program income, and other Federal funds expended using the basic 9130. Direct grantees may have a percentage match requirement, if so, they must report these funds on line 10j, recipient share.

C. The financial reports for all ETA grant programs are required to be submitted electronically, using a web-based reporting system which provides program-specific software containing required data elements.

D. WC will follow all reporting requirements for any other non-WIA funds and as outlined in the grant agreement.

E. Instructions for completion of the required reports can be found at: http://184.2.174.35/?page_id=6311