

**North Central Arkansas  
Workforce Innovation and Opportunity  
Act Title 1-B  
Financial Policies & Procedures**

Effective Date: February 28, 2024  
White River Planning & Development District, Inc.  
4441 Harrison Street, Batesville AR, 72501  
P.O. Box 2396, Batesville AR 72503

**Financial Procedures**

**REQUEST FOR ADVANCE**

Request for advances are issued as needed. All advances will be approved by the fiscal officer or executive director.

All requests must be to cover expenditure reimbursement. Since WRPDD Advances are paid prior to DWS reimbursement, WRPDD does not prepare a monthly cash analysis worksheet.

**BUDGETS**

WRPDD prepares budgets for each subgrant. Budgets will reflect authorized line expenditures on the subgrant document. Separate budgets shall be made for admin and program functions. Program line items shall describe functionality of the activity. At month end, each active report shall be examined prior to reporting AWIS expenses to determine correspondence to the budgeted amounts. WRPDD will maintain a permanent file of all sub-awards.

**ACCOUNTING SYSTEM/CONTROLS**

WRPDD's accounting system shall provide for identification, receipt and expenditure of funds for each subgrant/award by year of appropriation and applicable cost categories/components (elements).

Accounting records must be maintained in a manner to facilitate the tracking of funds to source documents. Systems are to be in place to ensure accurate and timely reports for taxing agencies, insurance companies, and other entities as needed.

WRPDD shall maintain a chart of accounts, fixed assets accounts, cash receipts journal, cash disbursements journal, general ledger, and subsidiary ledgers. The chart of accounts will include all categories/components by which costs are reported and are customary. Various accounting closes will be performed and reconciled with financial reports. All financial records and supporting documentation shall be maintained for a clear and accurate audit trail. Records must be maintained for a period of not less than three (3) years.

**FINANCIAL REPORTING**

WRPDD does not report on an accrual basis, since all expenditures are reported after-the-fact. WRPDD has no sub-operators, and correspondingly has no accrual accounting, and no quarterly accrual reports. WRPDD does not use stand in costs. WRPDD will submit Financial Status Reports by the 15th of each month. In instances where the 15th falls on a weekend day, the reports are due to the ADWS on the following regular business day. WRPDD relies on the timely submission of Workforce financial reports to make deadlines.

**CASH DISBURSEMENTS**

All cash disbursement systems must provide use of sequentially pre-numbered checks. Blank checks and signature stamps shall be safeguarded to prevent unauthorized access. Checks payable to cash and pre-signing of checks in advance is strictly prohibited. Documentation of authority to sign checks will be maintained. Checks requiring two signatures will bear signature of at least one person outside accounting departments. Voided checks shall be retained along with information concerning possible future claims.

## Title 1-B Financial Policies & Procedures

Requests for payment shall be approved by heads of departments and must have all supporting documentation attached for review. Payments/Entries should be traceable through books of account and to source documentation. Payments must be for usual transactions and be charged to appropriate program year, title and category.

WRPDD follows the annually published IRS Standard mileage rate for reimbursement. WRPDD has a documented travel policy within the employee handbook. Travel payment procedures must be consistent with travel policy. Vouchers shall correspond to supporting documentation.

WRPDD does not have a call tracking system. All telephone calls are coded to the indirect pool.

### **PETTY CASH**

WRPDD does not maintain a petty cash fund that includes WIOA funds.

### **CASH MANAGEMENT**

WIOA expenses are paid before request for reimbursement. This ensures that there never is any excess cash on hand.

WRPDD will maintain a worksheet with funds awarded for all WIOA programs. Advance request amounts will be deducted on a daily basis to ensure amount of funds awarded are not exceeded.

WRPDD will submit subgrant awards to the ADWS for approval. WRPDD has no sub-operators and no reporting of sub-operators excess funds is possible. Cash accounts are reconciled monthly and old outstanding checks are noted. The reconciliation should itemize outstanding checks. All efforts to ensure proper payment shall be exhausted. Bank reconciliation shall be prepared by individuals not responsible for handling cash and/or signing checks and should trace to books of account.

### **PAYROLL SYSTEM**

Payroll systems shall be based on time and attendance reports. Timesheets will be certified by management for accuracy. Staff and clientele payment are made by check, eft to debit card, or direct deposit. Only individuals not involved in timekeeping/bank reconciliation work may disburse checks. Written payroll policies/procedures are documented in the WRPDD Employee Handbook. WRPDD has no sub-operators, and hence no sub-operator payroll procedures. Payroll policy must include written procedures for handling: unclaimed participant checks, lost, stolen, or missing checks, and payroll complaints. WRPDD will maintain staff leave records that reflect cumulative sick and annual time accrued and taken. Payroll entries should be traceable to staff and client's timesheets. Cumulative leave records must agree with timesheets. Only authorized individuals should be allowed to endorse checks. A list of authorized individuals will be documented and maintained accurately.

### **WIOA PARTICIPANT CHECK COMPLAINT**

The WIOA participant must first contact their Career Specialist with the details of a paycheck or direct deposit complaint. The Career Specialist will present the complaint to the Records Manager and Program Manager for a response to the complaint. The fiscal department will complete the paycheck or direct deposit payment that has been approved by the Records Manager and Program Manager.

**BONDING/INSURANCE**

WRPDD employees handling WIOA funds are covered directly/indirectly under fidelity bonds. **Employees and clients earning wages are covered under the State Workers' Compensation law.** Additional workers compensation will be provided to participants not covered under the State Workers' Compensation law. WRPDD has adequate liability insurance for all staff and/or clients operating vehicles for WIOA purposes. Insurance will be secured for nonexpendable property. All WIOA bank accounts will have FDIC coverage. WIOA bank accounts having balances in excess of FDIC coverage (\$100,000) will be collaterally secured.

**PROPERTY MANAGEMENT/LEASES**

WRPDD will make periodic physical inventories of WIOA property and reconcile any differences. Property records must be maintained, including identification tag numbers. ADWS procedures for lost, stolen, or damaged property will be followed. ADWS disposition guidelines will be followed for any disposed property.

All WIOA lease agreements for building space and equipment will comply with ADWS specifications.

All Workforce Operators will adopt the ADWS published Property Management Standards as accepted by the State Workforce Development Board.

**PROGRAM INCOME**

WRPDD will not generate program income.

**COST ALLOCATION**

WRPDD will maintain both indirect and direct costs. WRPDD will prepare monthly billings for each area and submit to WIOA department for reimbursement. The WIOA department will be responsible for allocating costs to each funding stream. Time and attendance reports will be utilized for staff costs. WRPDD will report all WIOA costs to the State of Arkansas DWS.

**COST LIMITATION**

The cumulative administration expenditures for each LWDA shall not exceed 10% of the amount allocated to the local area under sections 128(b) and 133(b) of the Act.

**AUDIT**

All entities are required to comply with OMB Uniform Guidance 2 CFR 200.50 I. Non-Federal entities that expend \$750,000 or more in a year in Federal awards shall have an audit conducted for that year in accordance with OMB Uniform Guidance 2 CFR 200.50 I. Audits shall be secured according to procurement policy. Each entity is responsible for its own audit. Title I B Program Providers will provide a copy of its latest audit to WRPDD after having received approval.

WRPDD will follow Subpart E-Resolution of Findings from Monitoring and Oversight Reviews as defined in the Federal Regulations at §667.500, §667.505, and §667.510 with regard to Audit/Monitoring Resolution Procedures.

**WIOA CELL PHONE POLICY**

As determined by the Executive Director, it is recognized and expected that employees must initiate/receive phone communications when out of the office. The District will provide a monthly cell phone allowance of \$45. Each employee should reflect this allowance monthly on his or her expense report. Employees' cell phones are considered by the District to be employees' personal property and responsibility.

**RECONCILIATION OF SALARY FRINGE AND INDIRECT**

WRPDD performs a reconciliation of the previous months estimated salary, estimated fringe, and estimated indirect, with the final end of month salary, fringe and indirect. This reconciliation is listed on the requests at the next available request date after the previous month end close.

Approved by the NCA WDB on 3/13/2024

NCA WDB Chair Signature: Gayle Cooper