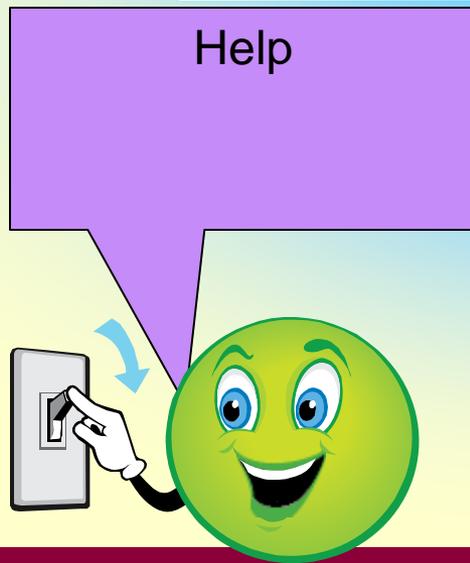


Reporting Training





Period Of Availability Of Funds

- PY and FY Funds & Program Income Earned

Availability: WIA Formula and Direct Grants

- For obligation
- For expenditure

Liquidation

- Of obligations
- Of accruals

KEY TERMINOLOGY

**Total Funds Authorized minus
Obligations equal Unobligated Balance**

**Obligations minus Accrued Expenditures (Cash
expenditures plus accruals)**

Remainder equals Unliquidated Obligations

Commitments (placeholder)



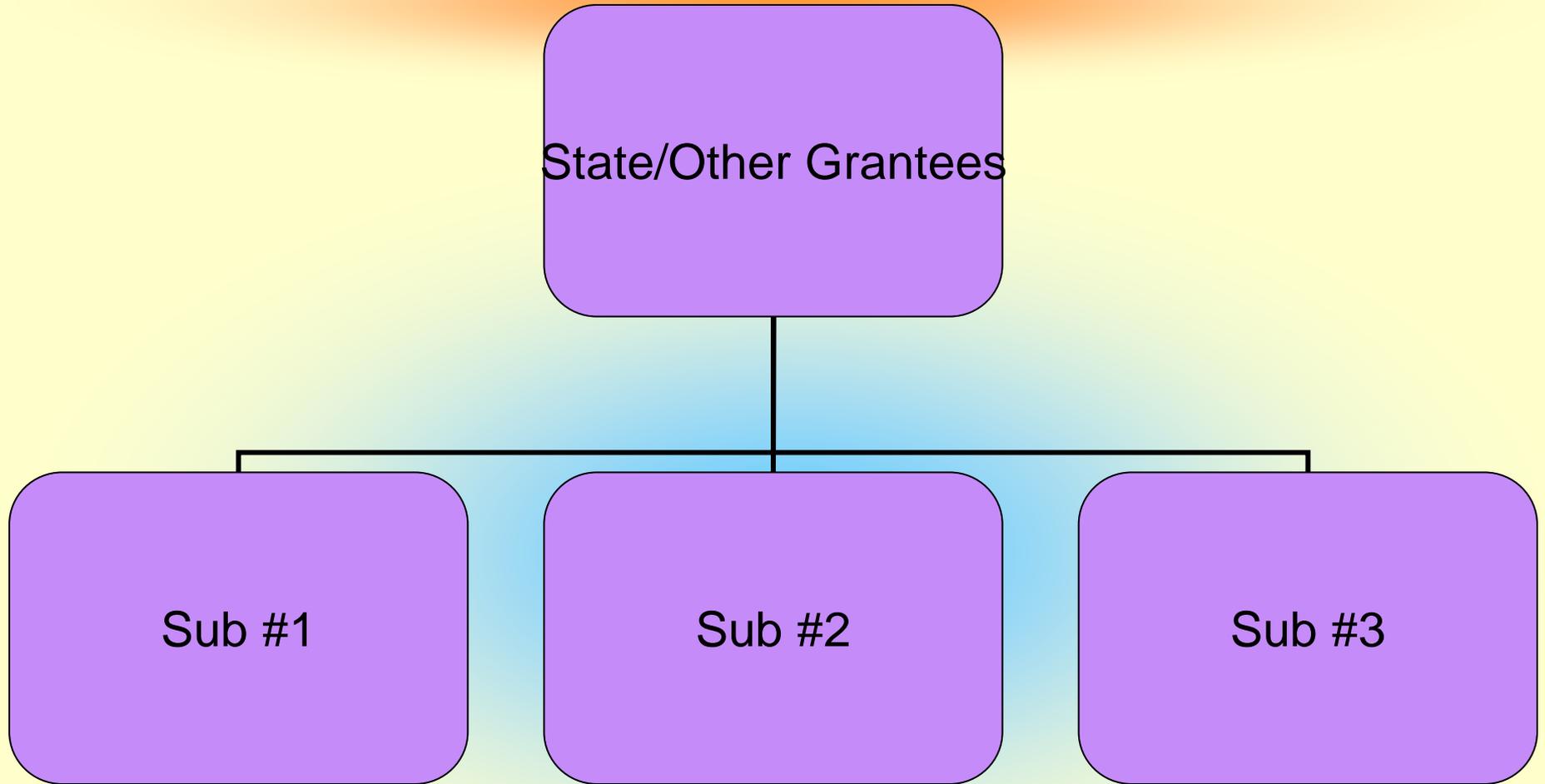
Financial Reporting

- Financial Status Reports (SF 9130)
 - Must be on the “accrual basis”
 - Grant funds and program income
- Entities accounting system
 - May be maintained on either “cash basis” or “accrual basis”

ARRA

- Cash or Accrual Basis
- Different Due Dates
- Aggregate data for expenditures/accrued expenditures
 - VENDORS
 - SUBS
- Reports Due:
- Centralized or Decentralized
- Responsible party for changes and certifications

ETA Funding Flows To:





Cash To Accrual Reporting

■ WHY?

- In accordance with GAAP
- Better information to decision makers
- Required by ETA

■ WHEN?

- At least quarterly, but should be continuous

■ HOW?

- Linking spreadsheets (documentation)



What is accrual accounting?

- **A method of accounting**
 - An entity's financial position and operating results are measured by the flow of economic resources.
- **Transactions are recorded in the accounting period in which they occur**
 - Regardless of when the related cash receipts and disbursements take place
 - (In accordance with GAAP)

Reporting Data Elements

- Cash Received
- Cash Disbursed
- Program Income (earned/Disbursed)
- Recipient Share
 - Mandatory, leveraged and stand in
- Other Federal Expenditures (not this grant)
- Youth In School and Out-of-school
 - 30 percent on out-of-school
 - No more than 70 on in-school

Standard Reporting Data Elements

- Federal Funds authorized
 - By funding period and funding source, including limitations/other requirements, e.g., admin/in-school and out-of-school
- Federal Obligations
- Unobligated Balance
- Unliquidated Obligations
- Federal Accrued Expenditures
- Other Federal Funds
- Federal Real Property Expenditures (states only)
- Remarks/Comments



Added Emphasis On Reporting on the Accrual Basis of Accounting

- Cost incurred in the reporting quarter for all services and goods received
- Examples: Services performed
 - Employees, training and other contractors, subgrantees, etc.
- Examples: Other amounts becoming owed
 - Indirect costs
 - Unfunded leave – accrue as it is taken during the grant period/contract period
 - Insurance claims



Accrued Expenditures

- All accrued costs must be reported
- All reports must trace to source documentation
- IF entity has a cash basis accounting system:
 - Linking records must be maintained in accordance with GAAP



Contract Obligations

- Legally binding
 - Offer, acceptance, consideration, made by authorized official
- In writing
- A purpose authorized by law
- Properly executed
 - Before expiration of obligational availability
- Specific goods, real property, work, or services.



Contract Obligations

- Must contain specific description of goods or services to be acquired
 - Otherwise, not a recordable obligation
 - Training vouchers, travel orders
- Indefinite/variable quantity
 - Minimum quantity required
 - Variable quantity impact depends



Recording Obligations

- Federal requirement
 - Supported by documentation
- Recording
 - Evidences the transaction
 - Does not create it.
- Failure to record
 - No effect on validity or fiscal year chargeable



Obligation or Accrual

- Orders placed
 - Delivery of goods or services and payment in future
 - Obligation, not accrual
 - Delivery of goods or services taken, payment in future
 - Obligation
 - Accrued expenditure
- Payment & delivery simultaneous
 - Obligation
 - Accrued expenditure
 - Cash outlay



Obligations or Accrued Expenditures?

- All accrued expenditures are obligations

BUT

- Not all obligations are accrued expenditures.....

Administrative Cost Definition



■ WIA Grants

- States – no more than 5%
- Locals – 10 % unless some of State 5% is given to locals/Local subs in grant agreement
- Other entities on the list in the definition must track administrative cost

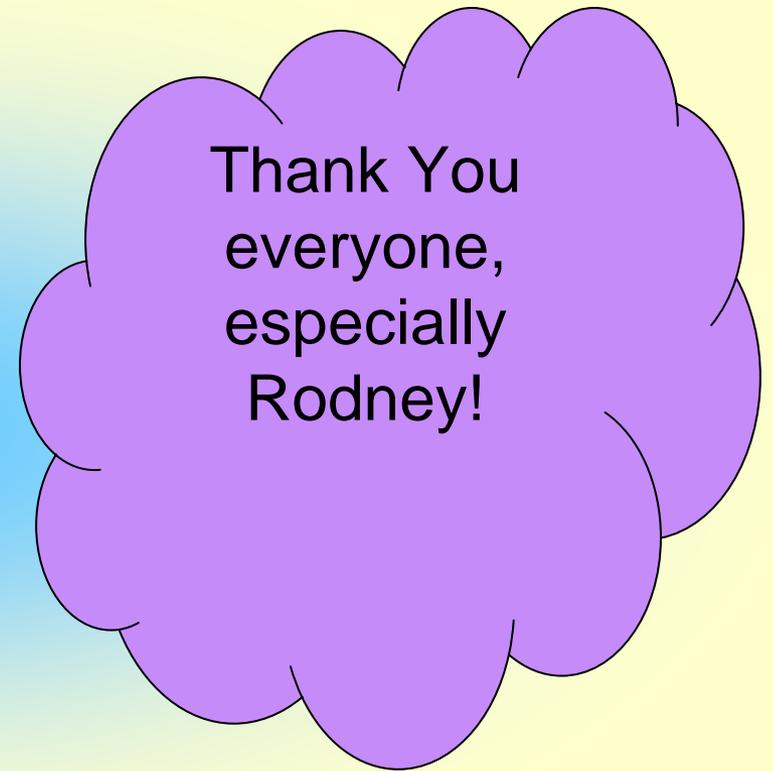
■ Direct Grants as applicable

- In grant agreements



The End

■ ...for today!!!



Thank You
everyone,
especially
Rodney!