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Purpose

To provide standards for requesting, retaining, managing and disbursing grant funds.

Policy

PacMtn will apply standards as set forth in federal regulations and state guidance as to the management of federal funds. Cash deposits will be made to an appropriate financial institution in an interest bearing account. Receipt of funds shall coincide with related disbursements to minimize cash balances. An adequate system of internal controls will be maintained according to Generally Accepted Accounting Principles to safeguard funds.

Guidelines

1. Eligibility Requirements – Cash Depositories

The Pacific Mountain Workforce Development Council (PacMtn), serving as Administrative Entity and Fiscal Agent for the Pacific Mountain Workforce Area may deposit Workforce Innovation and Opportunity Act (WIOA) funds in the following financial institutions:

- a. A bank insured by the Federal Deposit Insurance Corporation (FDIC).
- b. An institution insured by the Federal Savings and Loan Corporation.
- c. A credit union insured by the administrator of the National Credit Union.

For governmental subrecipients with taxing authority, WIOA funds may be deposited with the subrecipient's treasurer.

2. Use of Minority and/or Women-Owned Banks

Consistent with the federal and state goal of expanding the opportunities for minorities and women-owned business enterprises, PacMtn and state subrecipients are encouraged to use minority and/or women-owned banks, under the proviso that the above eligibility requirements are met.

3. Bank Account

Pacific Mountain (PacMtn) is required to maintain an insured, interest-bearing bank account. PacMtn will maintain an accounting system that tracks revenues, refunds, and credits by funding source.

4. Interest

Interest earned on federal funds is treated as Program Income, and should be accounted for as per ESD Policy #5220.

5. Cash Balance

PacMtn shall minimize the time elapsing between and receipt of WIOA funds and disbursement in order to maintain a minimum cash balance as per federal guidelines.

6. Internal Controls

PacMtn shall maintain an adequate system of internal control to safeguard cash according to generally accepted accounting principles.

7. Cash Requests

a) PacMtn will request cash using approved invoices or within online systems, timing each request to coincide with cash needs and assuring no excess cash is drawn. Supporting documentation will be maintained to verify and justify the amount of cash requested.

b) Deposits from cash requests should be made via Electronic Fund Transfer when possible into PacMtn’s bank account.

8. Cash Disbursements

PacMtn will process disbursements upon adequately documented and approved expenditures in a timely manner to meet the financial obligations necessary. Internal controls will be maintained according to internal procedure to safeguard funds and reduce the risk for fraud or abuse of funds.

9. Bank Reconciliations

Bank reconciliations are performed monthly to ensure the accuracy of the cash records. Original bank statements are to be reviewed by someone other than the person performing the reconciliation. The original bank statements go to the CEO for final approval.

References

ESD Policy #5220	29 CFR, Part 97.20 B(7)
Public Law 105-200	29 CFR, Part 97.21
20 CFR Part 652	31 CFR, Part 205
One-Stop Compliance Financial Management Training Assistance Guide (TAG) issued July 2011. Generally Accepted Accounting Procedures (GAAP)	

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