

THE WORKFORCE BOARD OF NORTHERN COOK COUNTY

LOCAL AREA WIA Policy 2006 – Contractor Invoicing and Fiscal Reporting Policy and Procedures

TO: ALL WIA CONTRACTORS

FROM: _____
Jennifer Stasch
Director of Administration

SUBJECT: Contractor Invoicing and Fiscal Reporting Policy and Procedures

DATE: May 19, 2006 (Revised)

Purpose: The purpose of this letter is to update and clarify the policy and procedures for Contractor invoicing for reimbursement and fiscal reporting of WIA funds expended under The Workforce Board of Northern Cook County Workforce Investment Act (WIA) contracts.

References: OMB Circulars A-87
OMB Circulars A-21
OMB Circulars A-122
48 CFR Part 31
29 CFR Part 95 Or 97
WIA legislation and WIA Rules and Regulations

Background: This Contractor Invoicing and Fiscal Reporting Policy and Procedures is being issued in order to ensure accountability and timely payment requests that align with the Contractor’s Agreement with the Workforce Board, DOL and DCEO policy, and other applicable rules and regulations.

Policy

Statement: The Workforce Board of Northern Cook County will only reimburse for costs that are reasonable and necessary to carry out the Contractor’s Scope of Services, allowable under WIA and other applicable rules and regulations, and are identified in the Budget in the Agreement. The Contractor will comply with all Workforce Board requirements and other processes and procedures in place, for submitting complete, accurate and timely invoices for the reimbursement of allowable costs incurred by the Contractor as well as fiscal reporting.

Workforce Board Contractor Invoicing and Fiscal Reporting Policy and Procedures

Timely and accurate invoices are important to sound grants management in the workforce area. Contractors, Workforce Board members and staff, Chief Elected Official staff, and the Fiscal Agent each have roles and responsibilities associated with effective fiscal management processes and the fiscal integrity of the grant funds. The Contractor's invoicing and fiscal reporting responsibilities are outlined in this document

1. Complete and accurate invoicing and payment process summary

- a. Contractor submits a complete and accurate invoice on a monthly basis
- b. Monthly invoice based on costs incurred and paid by Contractor during each month work is performed under the Agreement with the Workforce Board.
- c. Invoice contains only allowable costs and excludes costs that are not allowable costs.
- d. Costs are attributed to the correct line item.
- e. Invoice is mathematically correct in computation and amount.
- f. Proper and clear documentation is attached to the invoice.
- g. Prior to reimbursement, all payment requests submitted by the Contractor are subject to review and approval of the Workforce Board.
- h. The Workforce Board authorizes disbursement of funds through submission to the Fiscal Agent for the local workforce area.
- i. Fiscal Agent reviews the submission and provides payment to the Contractor in a timely manner.

2. Description of complete and accurate invoices

- a. Contractor's name and address.
- b. Contract or project number.
- c. A unique invoice number.
- d. Date of invoice.
- e. Period covered by the invoice (e.g. expenses paid July 1, 2006 through July 30, 2006).
- f. An itemization of all costs incurred including each amount, date paid, payee, cost type, business purpose and check number (of check used to pay expense).
- g. Itemization of Operating costs by budget line item.
- h. Identification of Training costs.
- i. Identification of all costs incurred and allocable to Adult, Dislocated Worker, Youth In, Youth Out, 1S, TAA, Disability Navigator, and other funding sources as applicable based upon funding source.
- j. Contains only those costs that are:
 - i. In accordance with all applicable State and Federal requirements and specified in the Contractor's approved budget attached to the Agreement;
 - ii. Necessary and reasonable to complete program objectives;
 - iii. "Allowable" as determined by the applicable OMB circular or FAR; and,
 - iv. In conformity with DCEO policy letters for WIA and Workforce Board policies.
- k. Unless specifically not required under Workforce Board policy, support documentation for all amounts submitted including, copy of original source document (invoice or receipt), any computations or allocations used to arrive at amount submitted, copy of evidence of payment by Contractor (check or other payment evidence).
- l. A summary report containing the information tracking and reporting identified below.

- m. A statement containing the following verbiage: “Contractor has reviewed the costs submitted for reimbursement within this invoice and certifies that all costs submitted are true, accurate, and in compliance with WIA regulations.”
- n. Signature of Contractor or Contractor’s duly authorized representative of the Contractor.

3. Timing of invoice submittals

- a. Contractor submits monthly invoice within 30 days following the end of each month in which expenses are paid by Contractor.
- b. In the event that costs are submitted for a previous month, Contractor shall separately identify any such costs, based upon the month in which Contractor paid the costs.
- c. Costs submitted in excess of 90 days beyond invoice due date (30 days after month end in which expenses are paid) are not eligible for reimbursement without the express written approval of the Workforce Board.
 - i. Such approval shall only be given in instances where circumstances precluded Contractor from having knowledge that such expenses were incurred as of the due date of Contractor’s monthly invoice.

4. Consequences of submission of non-compliant invoices

- a. Failure to comply with submission of a complete and accurate invoice along with required support documentation may result in the entire payment request being rejected and/or disallowed and returned to the Contractor for correction with a summary of items to be addressed within a specified time period.
- b. Failure by the Contractor to provide acceptable response to rejected invoices or specific invoice line item(s) may result in determination by the Workforce Board that the cost will be disallowed.

5. Tracking and reporting

- a. Contractor shall track, and report, to the Workforce Board all costs paid and submitted for reimbursement (based upon month paid by Contractor), for each and every month services are performed under the Agreement with the Workforce Board.
- b. On a monthly basis, in a format acceptable to the Workforce Board, Contractor submits to the Workforce Board a fiscal reporting summary (see Monthly Reporting spreadsheet).
 - i. Total costs paid and submitted for reimbursement by month for each and every month.
 - ii. Program to date costs paid and submitted for reimbursement.
 - iii. Monthly budgeted costs for all months under contract.
 - iv. Program to date budgeted costs.
 - v. Forecasted costs for the all future months under contract.
 - vi. Total forecasted total costs for the entire duration of the Agreement.
 - vii. Contractor submits the information monthly and not later than the 20th of the month following the end of each month in which costs are paid by Contractor.

6. Processing reimbursement requests

- a. Processed on a monthly basis on a schedule established with the Workforce Board.
- b. All payment requests submitted by the Contractor reviewed by the Workforce Board to ensure that requests are in compliance.

- i. In accordance with the approved grant budget.
- ii. In accordance with all applicable WIA Regulations, guidelines and other applicable Federal Law and Regulations as amended and in place from time to time.

7. Method of compensation

- a. The Workforce Board has established procedures conducive to the operations of the Contractor and Fiscal Agent to ensure the most efficient means of reimbursement.
- b. Grant funds due to the Contractor will be disbursed to the Contractor via disbursement checks made payable to the contracted entity by the Fiscal Agent designated by the Chief Elected Official.
- c. Payment (checks) will be mailed to the Contractor at the address provided in the Contractor's Agreement with the Workforce Board.

8. Limitations on compensation

- a. In no event will Contractor be reimbursed for costs incurred in excess of the total approved grant budget.
- b. Variation among individual line item costs not to exceed 15% is allowable and permitted without written modification but the Contractor may not exceed the total approved budget.
- c. Any variation of any line item in excess of 15% requires a written modification to Contractor's Agreement with the Workforce Board contract.
- d. The Contractor must obtain approval from the Workforce Board prior to incurring expenditures that necessitate a change in the Contractor's approved grant budget.
- e. The Workforce Board reserves the right to withhold funds for such expenditures until the Contractor has submitted a revised plan and modification approved by the Workforce Board, where the Board finds it applicable.
- f. The Contractor will not be due reimbursement for any amount expended in excess of Agreement amount, irrespective of subsequent Agreement modification.
- g. The amount or use of funds available for total costs will be limited to that which is related to program operations as described in the approved line item budget in the Contractor's Agreement.
- h. No exceptions to the approved line item budget (other than the allowable 15% line item variance) costs will be allowed unless the Workforce Board has given prior written approval of the alteration.
- i. Contractors must request Workforce Board review by letter with an explanation of the proposed expenditure and requested alteration to the approved budget.
- j. Budget line item exceptions cannot be purchased or costs incurred until written approval is obtained from the Workforce Board. Any printed material or brochures which provide additional information about the nature of the purchase or the requested cost should be included in the letter from the Contractor.
- k. Any overpayment of grant funds (un-liquidated balance) as of the end date of the grant term specified in the title page shall be refunded to the Workforce Board within 45 days from the contract end date.
- l. Refunds from Contractors to the local workforce area's grants should be accompanied by a final grant closeout report in the format provided by the Workforce Board.

- m. The Contractor will be liable for repayment of any grant funds that are expended in violation of the terms of this Agreement.
- n. The Contractor will repay the Workforce Board for any funds that are determined by DCEO or the Workforce Board to have not been spent in accordance with applicable regulations or rules.

Action

Required: This information should be disseminated to Contractor program and fiscal staff.

Inquiries: Questions regarding any aspect of this policy should be directed to the Workforce Board's Director of Administration.

Effective

Date: Immediately