



**Department of Labor and Training**

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## **WORKFORCE INVESTMENT NOTICE: 08-24**

**TO:** WORKFORCE INVESTMENT AREAS

**FROM:** Donna Treglia, Acting Administrator-Workforce Investment Office

**SUBJECT:** The American Recovery and Reinvestment Act--ARRA (Recovery Act) and WIA Administrative and Fiscal Requirements; Sanctions (Section 184 WIA)

**DATE:** June 30, 2009

**PURPOSE:** Be advised that Section 184 of the WIA Act requires that each State establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of, and accounting for, Federal funds allocated to local areas. Such procedures shall ensure that all financial transactions carried out under Subtitle B of the WIA Act are conducted and records maintained in accordance with generally accepted accounting principles applicable to each State. All of these requirements are applicable to the Recovery Act in addition to any specific ARRA requirements identified in this policy.

**POLICY:** Each State (including the Governor of the State), local area (including the chief elected official of the local area), and providers receiving funds under this title, shall comply with the applicable Circulars and Regulations of the Office of Management and Budget for the type of entity receiving Federal WIA funds. Nothing in this policy shall preclude the entity that is receiving federal funds from adopting new policies and procedures or utilizing existing policies and procedures provided they are at least as restrictive as the Federal Circulars and Regulations. The SWIO, therefore, prescribes the following administrative and fiscal requirements as State Policy.

**Fiscal/Administrative Requirements:** The applicable requirements per federal citations listed below must be complied with by all subrecipient/vendors.

## Cross Reference of Administrative Requirements

Requirement	State/Local Government	Nonprofit Organizations	Institutions of Higher Education	Commercial Organizations
Audit	29 CFR Part 99	29 CFR Part 99	29 CFR Part 99	20 CFR 667.200 (b) (ii) (WIA Regulations)
Audit Resolution	29 CFR Part 96	29 CFR Part 96	29 CFR Part 96	20 CFR 667.500 et. seq. (WIA Regulations)
Cost Principles	A-87	A-122	A-21	48 CFR Part 31
Allowable Costs	A-87	A-122	A-21	48 CFR Part 31
Uniform Administrative Requirements	29 CFR Part 97	29 CFR Part 95	29 CFR Part 95	29 CFR Part 95
Lobbying Restrictions	29 CFR Part 93	29 CFR Part 93	29 CFR Part 93	29 CFR Part 93
Suspension and Debarment	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98
Drug-Free Workplace	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98

### ◆ **Additional WIA and ARRA Administrative Requirements:**

1. Procurement transactions under this title between local boards and units of State or local governments shall be conducted only on a cost-reimbursable basis.
2. Effective for all fiscal years ending after December 31, 2003, the threshold for a Single Audit (A-133) increased to \$500,000 in federal expenditures by any subrecipient contracted with your agency.
3. Because of the emphasis on transparency and accountability under the Recovery Act at the federal and State levels, the local Workforce Investment Areas are required to ensure all funds provided by the Recovery Act are clearly distinguishable from non-Recovery Act funds in agency financial systems. Therefore, providers must have segregated accounts for ARRA funds. Also made available as part of this issuance is the link to the On-line Financial Management Training Tutorials outlined in [TEN 49-08](#) which ETA encourages to be broadly shared with local Workforce Investment Boards, other stakeholders and workforce communities.

◆ **Monitoring:**

The State will conduct on an annual basis on-site monitoring of each local area within the State to ensure compliance with the uniform administrative requirements. In addition, the local Workforce Investment Boards shall conduct on a semi-annual basis both internal and on-site monitoring to ensure compliance with the uniform administrative requirements. The Workforce Investment Boards will forward a copy of the monitoring report to the SWIO along with documented corrective action.

◆ **ARRA Summer Youth Monitoring:**

The State will conduct summer youth monitoring of each local area within the State to ensure compliance with the uniform administrative requirements over the summer of 2009. In addition, the local Workforce Investment Boards shall conduct both on-site and internal monitoring over the summer of 2009 to ensure compliance with the uniform administrative requirements. The local workforce investment areas will forward copies of its monitoring tools and monitoring schedule prior to the start of summer programs. The locals must also provide compulsory training to all summer vendors relative to Child Labor Laws and OSHA prior to the commencement of summer programs. Any amended documents and monitoring reports along with findings and corrective action must be forwarded to the SWIO as events occur. At a minimum, all work sites must be visited during the first week that youth are placed to ensure the safety and appropriateness of the youth placement. The fiscal and programmatic template must be submitted by the local workforce investment areas to the SWIO by 10 a.m. each Monday for the previous weeks' activity.

- ◆ **Action by the Governor**.--- If the Governor determines that a local area is not in compliance with the uniform administrative requirements, he shall:
- (A) require corrective action to secure prompt compliance; and
  - (B) impose the sanctions provided under Section 184 in the event of failure to take the required corrective action.

**REFERENCES:** Workforce Investment Act of 1998 (Public Law 105-220); and WIA Final Rules and Regulations (20 CFR Part 652, et al). In addition, the links have been provided to access the appropriate Regulations and OMB Circulars as amended.

29 CFR Part 99 (A-133)	<a href="http://www.whitehouse.gov/OMB/circulars/a133/a133.html">http://www.whitehouse.gov/OMB/circulars/a133/a133.html</a>
29 CFR Part 96	<a href="http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr96_98.html">http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr96_98.html</a>
29 CRF Part 97	<a href="http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr97_98.html">http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr97_98.html</a>
29 CRF Part 95	<a href="http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr95_98.html">http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr95_98.html</a>
29 CRF Part 93	<a href="http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr93_98.html">http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr93_98.html</a>
29 CRF Part 98	<a href="http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr98_98.html">http://www.access.gpo.gov/nara/cfr/waisidx_98/29cfr98_98.html</a>
48 CFR Part 31	<a href="http://www.access.gpo.gov/nara/cfr/waisidx_98/48cfr31_98.html">http://www.access.gpo.gov/nara/cfr/waisidx_98/48cfr31_98.html</a>
OMB Circular A-21	<a href="http://www.whitehouse.gov/OMB/circulars/a021/a021.html">http://www.whitehouse.gov/OMB/circulars/a021/a021.html</a>
OMB Circular A-87	<a href="http://www.whitehouse.gov/OMB/circulars/a087/a087-all.html">http://www.whitehouse.gov/OMB/circulars/a087/a087-all.html</a>
OMB Circular A-122	<a href="http://www.whitehouse.gov/OMB/circulars/a122/a122.html">http://www.whitehouse.gov/OMB/circulars/a122/a122.html</a>

**ACTION:** This information should be provided to all appropriate WIB Board members/staff, subrecipients and vendors.

**INQUIRIES:** Questions concerning this subject should may be directed to me at 462-8784 or by e-mail at ([dtreglia@dlt.state.ri.us](mailto:dtreglia@dlt.state.ri.us)) or to Bob Garofano at 462-8149 or by e-mail at ([bgarofano@dlt.state.ri.us](mailto:bgarofano@dlt.state.ri.us)).