**Workforce Investment Act Title I-B
Washington State Policies**

**SECTION B: Fiscal Controls and Accounting Guidelines**

*Grantees, subrecipients, and contractors funded under the Workforce Investment Act, (WIA) whether in whole or in part, must abide by the Workforce Investment Act of 1998, the WIA Regulations, all applicable Office of Management and Budget (OMB) circulars, state regulations in laws and rules (Revised Code of Washington and Washington Administrative Code), Office of Financial Management (OFM) policies, and the Washington State WIA policies.*

|  |  |
| --- | --- |
| **EFFECTIVE DATE:WIA POLICY NUMBER:SUBJECT:** | January 9, 2006 3245 Revision 1Grants or Contracts Settlement  |

[BACKGROUND](http://www.wa.gov/esd/1stop/policies/documents/archive/3245rev1.htm#BACKGROUND) | [POLICY](http://www.wa.gov/esd/1stop/policies/documents/archive/3245rev1.htm#POLICY) | [DEFINITIONS](http://www.wa.gov/esd/1stop/policies/documents/archive/3245rev1.htm#DEFINITIONS) | [REFERENCES](http://www.wa.gov/esd/1stop/policies/documents/archive/3245rev1.htm#REFERENCES)
[SUPERSEDES](http://www.wa.gov/esd/1stop/policies/documents/archive/3245rev1.htm#SUPERSEDES) | [WEBSITE](http://www.wa.gov/esd/1stop/policies/documents/archive/3245rev1.htm#WEBSITE) | [INQUIRIES](http://www.wa.gov/esd/1stop/policies/documents/archive/3245rev1.htm#INQUIRIES)

**BACKGROUND**

Revision 2 to this policy changes the contact information and adds a reference to the Department of Labor ‘s Financial Management Guide.

The Workforce Investment Act (WIA) funds, whether released in the form of grants or contracts, are awarded for a specific funding period. At the end of the contract or grant period, the grantee, subrecipient, or contractor must fully account for all WIA expenditures.

**POLICY**

Beginning on April 1, 2001, and continuing thereafter, a consolidated grant, consisting of multiple subparts, will replace the individual grants previously issued. Subparts will be closed individually as the funds are exhausted or the period of performance expires.

Six months, or as otherwise instructed, after the end of the grant, grant subgrant, or contract funding period, or when the funding is fully utilized, whichever comes first, a formal settlement is required. A grant, subgrant, or contract settlement package will be provided by the Employment Security Department (ESD) at the end of the funding period or when the funding is fully utilized.

1. The final settlement shall contain at a minimum:

a.   A final financial statement reflecting outlays for the fund stream or contract.

b.   A final accounting of cash for the funding period.

c.   A final accounting of any real property, personal property, or equipment acquired within the funding period with WIA funds. The accounting of property should include an inventory or property list.

1. The fiscal agent, grantee, or contractor shall submit a financial settlement package on the settlement forms provided by Specialized Accounting Services for ESD. A settlement is required for each grant, grant subpart, or other funding award.
2. The settlement package shall indicate the date the settlement is due to Specialized Accounting Services. The package will be made available at the time all funds are expended or at the end of the funding period.
3. Revisions to a settlement package can be requested within the time specified in the settlement package for any specific grant, grant subpart, or funding award. Instructions for submitting a Request for Revision are also noted in the settlement package.
4. Program income (including interest income), program expenditures paid for with program income and stand-in costs, or other category as set forth in federal report requirements shall be included in the settlement package as specified in the instructions.
5. Any unspent funds must be returned at the completion of the final settlement activities to:

Employment Security Department
Attention: Specialized Accounting Services
P.O. Box 9046
Olympia , WA 98507-9046

**DEFINITIONS**

None.

**REFERENCES**

All fiscal policies and guidance letters published for WIA are governed, as appropriate, under:

* See WIA Policy No. 3200 – Fiscal Definitions
* Public Law 105-200
* 20 CFR Part 652
* OMB Circular A-122: Cost Principles for Non-Profits
* OMB Circular A-133: Audit of State and Local Government
* OMB Circular A-133: Compliance Supplement
* OMB Circular A- 21: Cost Principles for Education Institutions
* OMB Circular A- 87: Revised Cost Principles for State and Local Government and Indian Tribal Government
* One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG) - July 2002
* Generally Accepted Accounting Procedures (GAAP)

**SUPERSEDES**

Policy #3245

**WEBSITE**

<http://www.wa.gov/esd/policies/title1b.htm>

**DIRECT** **INQUIRIES TO**Kim Anensen , Manager
Employment Security Department
P.O. Box 9046 , MS 6000
Olympia , WA 98507-9046
E-Mail:  kanensen@esd.wa.govTelephone: (360) 902-9525
FAX: (360) 902-9520