

**OFFICE OF WORKFORCE OPPORTUNITY**  
**WIOA POLICY ISSUANCE – 2015-015**  
**Effective Date: March 18, 2015**

**EXPENSE AND ACCRUAL REPORTING**

**PURPOSE:** To document the Office of Workforce Opportunity (OWO) policies and procedures for developing and submitting Expense and Accrual Reports to the Department of Labor.

**POLICY:** It is the policy of the OWO to comply with US Department of Labor (US DOL) Employment and Training Administrations regulation 29 CFR 97.41 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Financial Reporting; and OMB’s Uniform Guidance 2 CFR 200.34 Expenditures, 200.97 Unliquidated Obligations, and 200.327 Financial Reporting.

**PROCESS PROCEDURES:**

Definition of Accruals: Per 29 CFR 97.3 guidance for sub-recipients of federal funds, accrued expenditures are defined as the charges incurred by the grantee during a given period requiring the provision of funds for-- (1) Goods and other tangible property received; (2) Services performed by employees, contractors, sub-recipients, and other payees; and (3) Other amounts becoming owed under programs for which current services have been provided.

These accrued expenses are recorded on the OWO Federal Grant Tracking Spreadsheet at the end of each quarter, along with subrecipient reported accrued expenses.

The accrued expenses could include but are not limited to: training already incurred and invoiced, accrued payroll expenses based on actual time performed, invoices for activities and supplies received that have yet to be paid, accounts payable, and contracts or service agreements that have been provided but have not yet been invoiced such as NH DoIT, NHRS and Accrued Audit and Accrued Indirect Costs.

Steps for recording and reporting accruals:

1. The primary accrual at the end of each quarter is for salaries and benefits; the number of days worked in the reporting quarter that are not paid until the following quarter must be accrued. This is calculated from the “OWO PR Dist to Grants.xlsx” and “DED PR Dist to Grants.xlsx” (for Rapid Response) for the period and entered on the “Admin & Pay Accruals” tab on the “Grant Tracking\_Reports.xlsx” sheet (Federal Grant Tracking Sheet) for the reporting quarter. The payroll amounts are recorded as a payroll accrual for 9130 reporting purposes on the grant tracking sheet under the respective grant(s). Once the 9130 is submitted the accrual amount can be reversed on the grant tracking sheet (with a positive of the same amount – and labeled reverse accrued payroll).
2. Accruals for OWO administrative expenses that are incurred during the reporting quarter but not yet paid must also be entered on the “Admin & Pay Accruals” tab in the “Grant Tracking\_Reports.xlsx” sheet – based on the % allocation for the payroll period. The accruals may

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be expenses invoiced but not yet posted to the system NH First System Detailed Transaction Register (DTR), or 1/12 of the budgeted NHRS, NH DoIT expenses, or other estimated amount based on average actuals (i.e. phones, postage, travel, etc.). They are reported on the tracking sheet for the 9130 and reversed as is the payroll accrual above.

3. Program expenditures are reported as accruals on the Federal Grant Tracking sheet if the invoices have not posted to the NH First DTR. Program reported accruals are also reported as accruals on the Federal Grant Tracking sheet according to what was reported by the subrecipient on the quarter ending invoice. This information feeds into the local amounts which are reported on the 9130. Unlike the payroll and administrative accruals, program accruals are not posted to the “Admin & Pay Accruals” tab on the grant tracking sheet and are only posted in the accruals section of the applicable grant(s). The program reported accruals are reversed, however the unposted invoices remain on the accrual portion of the tracking sheet until they are posted and then they are moved up above and drawn (usually the following months draw).
4. The accrual documentation from the tracking sheet is attached to the 9130 printout for each award.