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(SN06)

WIOA BULLETIN NO. 06-17

DATE: January 12, 2017

TO: WIOA Partners

SUBJECT: Policy on Cash Management

I. PURPOSE:

To communicate cash management requirements applicable to all entities receiving funds under Title I of the Workforce Innovation and Opportunity Act (WIOA) of 2014 from the State of Hawaii.

II. BACKGROUND:

All entities will comply with the requirements in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule.

III. POLICY:

Each subrecipient/subgrantee must maintain a financial management system that includes written cash management procedures to minimize the time elapsing between the receipt of WIOA funds and the disbursement of WIOA funds for grant expenditures.

IV. GUIDELINES:

- For state entities, the disbursement of federal program funds are governed by Treasury-State Cash Management Improvement Act (CMIA) agreements and 31 CFR Part 205 "Rules and Procedures for Efficient Federal-State Funds Transfers".
- Requirements for Cash Advance Payments to Subrecipients/Subgrantees:

- To receive advance payments, the entity must maintain and demonstrate the use of written procedures that address the following:
 - Policies that minimize the time elapsing between the receipt and disbursement of WIOA funds, and
 - Policies that document a financial management system that meets the standards for fund control and accountability as established in 2 CFR Part 200.
- Advance payments must be limited to the minimum amounts needed and be timed as close as administratively feasible to the actual disbursement to be made by the entity.
- Advance payments should only be requested after disbursement of available resources from program income, refunds, rebates, interest earned, contract settlements, and audit recoveries.
- Advance payments must be deposited and maintained in insured accounts whenever possible.
- Advance payments must be maintained in interest-bearing accounts in accordance with 2 CFR Part 200.305(b)(8).

V. INQUIRIES:

Inquiries regarding this bulletin may be directed to Kim Saito, Kim.A.Saito@hawaii.gov or (808) 586-8903.

VI. REFERENCES:

- 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule
- 31 CFR Part 205, Rules and Procedures for Efficient Federal-State Funds Transfers
- Title I of the Workforce Innovations and Opportunity Act (WIOA) of 2014



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