



MASSACHUSETTS

Workforce Investment Act

WIA Communication No. 04-18

☒ **Policy** ☐ **Information**

To: Chief Elected Officials
Workforce Investment Board Chairs
Workforce Investment Board Directors
Title I Administrators
Career Center Directors
Title I Fiscal Officers
DCS Regional Directors
DCS Area Directors

cc: WIA State Partners

From: Susan V. Lawler, Commissioner
Division of Career Services

Date: March 16, 2004

Subject: Grant Closeout

Purpose: To establish closeout procedures for all federal programs administered by the Division of Career Services (DCS).

Background: The OMB Regulations at 29 CFR Parts 95.71 and 97.50 require that all grants be closed out. This includes liquidating all obligations, submitting final expenditure reports, making prompt refunds of any funds not expended, and accounting for real and personal property.

Policy: The Commonwealth's Grant Closeout Policy is specified herein. Any provisions contained in the Workforce Investment Act Regulations, or other applicable laws and regulations shall apply, even if they are not explicitly stated in this policy. Nothing in this policy shall be construed to contradict prevailing laws and requirements in accordance with the applicable uniform administrative requirements.

The attached package must be completed for each grant as per the instructions and submitted to DCS no later than 45 days after the end of each grant, or as soon as the grant is fully expended, whichever is earlier, for all federally funded programs, including Workforce Investment Act. An original with original

signatures and one copy must be submitted. This Policy supersedes Commonwealth Corporation (CommCorp) Policy #02-13, issued March 28, 2002.

Action

Required: All Operators must incorporate this policy into their operating and accounting procedures.

Effective: Effective immediately for all federally funded programs administered by DCS.

References: WIA Regulations at 20 CFR652, et al
WtW Regulations at 20 CFR 645, as amended
29 CFR Part 95 “Institutes of Higher Education and other Non-Profits”
29 CFR Part 97 “States and Local Governments”
Wagner-Peyser Act
M.G.L. Chapter 268A - Massachusetts Conflict of Interest Law
M.G.L. Chapter 30B – Massachusetts Procurement Law
OMB Circular A-21: Cost Principles for Educational Institutions
OMB Circular A-122: Cost Principles for Non-Profit Organizations
OMB Circular A-102: Administrative Requirements for State and Local Governments
OMB Circular A-110: Uniform Administrative Requirements for Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations
OMB Circular A-133: Audits of State, Local Government, and Non-Profits

Inquiries: Questions should be addressed to Edward Bartkiewicz, Division of Career Services Central Operations at (617) 626-5073 or ebartkiewicz@detma.org.

Filing: Please file this in your notebook of previously issued WIA Communication Series Issuances as #04-18.

DIVISION OF CAREER SERVICES

GRANT CLOSEOUT POLICY

OBJECTIVES OF AN EFFECTIVE CLOSEOUT PROCESS

- To ensure that States/recipients/subrecipients can meet the Federal closeout requirements by the required due date;
- To ensure that recipients and subrecipients reserve sufficient funds to pay all final federal grant obligations, including the costs of closeout;
- To ensure that organizations receiving funds are aware ahead of time of what actions are required for closeout and what conditions should exist at closeout;
- To ensure that each organization receiving federal funds can fulfill its closeout responsibilities to the awarding agency;
- To ensure that organizations receiving federal funds understand that certain rights of awarding agencies continue beyond closeout; and
- To identify problems/issues that frequently arise subsequent to closeout and to prescribe a way to handle them that minimizes the effort required to resolve them.

APPLICABLE TERMS

Accrued Expenditures: Charges made to the federal program. Expenditures are the sum of actual cash disbursements, the amount of indirect expense incurred, and the net increase (or decrease) in the amounts owed by the recipient for the goods and other property received; for services performed by employees, contractors, subrecipients, subcontractors, and other payees; and other amounts becoming owed under programs for which no current services or performance are required, such as annuities, insurance claims, and other benefit payments.

Awardee: The entity that receives a sub-grant or contract award.

Awarding Agency: With respect to a grant, the Department of Labor or other federal agency providing the funds. With respect to a sub-grant or contract, the party that awarded the sub-grant or contract.

Cash Receipts: All cash received, including program income.

Obligational Authority: The total amount of the grant award.

Unpaid Accruals: Allowable costs to the federal program which were incurred during the agreement period that have not been paid.

INSTRUCTIONS FOR COMPLETING CLOSEOUT PACKAGE

Sections A through E must be completed for each grant received from Division of Career Services

A. Closeout Summary

Note: Use Page A1 for WIA Program Grants, Page A2 for WIA Administration Grants, Page A3 for WIA National Emergency Grants, and Page A4 for Other Grants.

1. Complete the operator information at the top of the page.
2. Enter the Grant Amount in Line 1 from the current Contract.
3. Enter the Program Income Earned on Line 2.
4. Enter the amount of funds transferred in (or transferred out) in the right hand column of Line 3 and specify the grant funds were transferred from (or to) in the left hand column.
5. Add Lines 1 and 2 and 3 and enter the total on line 4.
6. Enter the amount of cash received under the grant on Line 5.
7. Enter the amount of cash requested under the grant but not yet received on Line 6.
8. Enter the amount of cash received from program income on Line 7.
9. Add Lines 5, 6 and 7 and enter the total on Line 8.
10. Enter the amount of cash due from program income on Line 9.
11. Add Lines 8 and 9 and enter the total on Line 10.
12. In the left hand column on Line 11, enter the total expenditures by cost category and the percent of total that each represents, as applicable. Then enter the detail in the right hand column, as delineated. The Total Expenditures and expenditures by cost category and/or required breakdowns (such as In-School vs. Out-of School for Youth) should be compared to the current contract to determine if the expenditures are within the minimum and maximum expenditure requirements for this grant.
13. Subtract Line 11 from Line 10 and enter the balance in Line 12 {Cash Due (Due From)} DCS. If funds are due to DCS, enclose a check payable to DCS.
14. Enter the total of Stand-Ins on Line 13. This should match the total on Page B.
15. Have an authorized signatory complete the certification at the bottom of the page.

B. Stand-In Costs

List all expenditures which may be used as Stand-In Costs in compliance with DCS Stand-In Policy #04-19.

C. Cash at Subcontractors/Unclaimed Checks

Complete this form as per instructions.

D. Assignment of Refunds, Rebates and Credits

Complete this form and include the signature of an authorized official such as the Executive Director.

E. Property Inventory

Submit a list of equipment purchased under this grant, including all of the information on this form, and have an authorized signatory complete the certification.

DIVISION OF CAREER SERVICES
A1. CLOSEOUT SUMMARY FOR WIA PROGRAM GRANTS

OPERATOR _____ ADDRESS _____

CITY/S/Z _____ PHONE _____

GRANT NAME & # _____ GRANT PERIOD _____

PREPARED BY _____ TITLE _____

1. GRANT AMOUNT	\$												
2. PROGRAM INCOME EARNED	\$												
3. TRANSFERS IN (OUT) - SPECIFY GRANT FROM (TO): _____	\$												
4. TOTAL GRANT AMOUNT ADJUSTED	\$												
5. (DCS) CASH RECEIVED	\$												
6. (DCS) CASH REQUESTED BUT NOT YET RECEIVED	\$												
7. PROGRAM INCOME CASH RECEIVED	\$												
8. TOTAL CASH RECEIVED	\$												
9. CASH DUE FROM PROGRAM INCOME	\$												
10. TOTAL CASH ON HAND	\$												
11. TOTAL EXPENDITURES PROGRAM TOTAL: \$ _____ <u>100</u> %	<p>FOR YOUTH GRANTS:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 30%; text-align: center;">Expenditures</th> <th style="width: 30%; text-align: center;">Percent of Total</th> </tr> </thead> <tbody> <tr> <td>In-School</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">_____ %</td> </tr> <tr> <td>Out-of-School</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">_____ %</td> </tr> <tr> <td>Summer</td> <td style="text-align: center;">\$ _____</td> <td></td> </tr> </tbody> </table>		Expenditures	Percent of Total	In-School	\$ _____	_____ %	Out-of-School	\$ _____	_____ %	Summer	\$ _____	
	Expenditures	Percent of Total											
In-School	\$ _____	_____ %											
Out-of-School	\$ _____	_____ %											
Summer	\$ _____												
12. CASH DUE TO (DUE FROM) DCS/ - If funds are due to DCS, enclose a check payable to DCS.	\$												
13. STAND-INS	\$												
<p>I certify under the penalties of perjury that all laws, regulations, policies and procedures governing the expenditure of these federal funds have been complied with and observed.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p>_____ NAME</p> <p>_____ AUTHORIZED SIGNATURE</p> </div> <div style="width: 45%;"> <p>_____ TITLE</p> <p>_____ DATE</p> </div> </div>													

DIVISION OF CAREER SERVICES
A2. CLOSEOUT SUMMARY FOR WIA ADMINISTRATION GRANTS

OPERATOR_____	ADDRESS_____
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CITY/S/Z _____ PHONE _____

GRANT NAME & # _____ GRANT PERIOD _____

PREPARED BY _____ TITLE _____

1. GRANT AMOUNT	\$
2. PROGRAM INCOME EARNED	\$
3. TRANSFERS IN (OUT) - SPECIFY GRANT FROM (TO):_____	\$
4. TOTAL GRANT AMOUNT ADJUSTED	\$
5. (DCS) CASH RECEIVED	\$
7. (DCS) CASH REQUESTED BUT NOT YET RECEIVED	\$
7. PROGRAM INCOME CASH RECEIVED	\$
8. TOTAL CASH RECEIVED	\$
9. CASH DUE FROM PROGRAM INCOME	\$
10. TOTAL CASH ON HAND	\$
11. TOTAL EXPENDITURES ADMIN TOTAL: \$_____ <u>100%</u>	
12. CASH DUE TO (DUE FROM) DCS/ - If funds are due to DCS, enclose a check payable to DCS.	\$
13. STAND-INS	\$
I certify under the penalties of perjury that all laws, regulations, policies and procedures governing the expenditure of these federal funds have been complied with and observed.	
_____	_____
NAME	TITLE
_____	_____
AUTHORIZED SIGNATURE	DATE

DIVISION OF CAREER SERVICES
A3. CLOSEOUT SUMMARY FOR WIA NATIONAL EMERGENCY GRANTS

OPERATOR _____ ADDRESS _____

CITY/S/Z _____ PHONE _____

GRANT NAME & # _____ GRANT PERIOD _____

PREPARED BY _____ TITLE _____

1. GRANT AMOUNT	\$																											
2. PROGRAM INCOME EARNED	\$																											
3. TRANSFERS IN (OUT) - SPECIFY GRANT FROM (TO): _____	\$																											
4. TOTAL GRANT AMOUNT ADJUSTED	\$																											
5. (DCS) CASH RECEIVED	\$																											
8. (DCS) CASH REQUESTED BUT NOT YET RECEIVED	\$																											
7. PROGRAM INCOME CASH RECEIVED	\$																											
8. TOTAL CASH RECEIVED	\$																											
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10. TOTAL CASH ON HAND	\$																											
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Administration	\$ _____	_____ %																										
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DIVISION OF CAREER SERVICES
A4. CLOSEOUT SUMMARY FOR OTHER GRANTS

OPERATOR _____ ADDRESS _____

CITY/S/Z _____ PHONE _____

GRANT NAME & # _____ GRANT PERIOD _____

PREPARED BY _____ TITLE _____

1. GRANT AMOUNT	\$																								
2. PROGRAM INCOME EARNED	\$																								
3. TRANSFERS IN (OUT) - SPECIFY GRANT FROM (TO): _____	\$																								
4. TOTAL GRANT AMOUNT ADJUSTED	\$																								
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DIVISION OF CAREER SERVICES
B. STAND-IN COSTS

Stand-In costs are costs paid by the Operator from non-federal sources which may be used as a substitute for questioned and/or disallowed costs. For an operator to use stand-in costs, the costs must be reported to Division of Career Services (DCS) and must have been expended in compliance with DCS's Stand-In Costs Policy #04-19.

These costs may or may not be allowed as substitutions for questioned and/or disallowed costs. The Operator must maintain detailed records of these expenses.

OPERATOR _____ PHONE (_____) _____

GRANT _____ GRANT # _____

Expense type (e.g. Office Supplies)	Cost Category	Source of Funds (What funds were used to pay these expenses?)	Amount
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

TOTAL STAND-INS:		Percent of Total
Administration	\$ _____	_____ %
Program	\$ _____	_____ %
TOTAL STAND-INS	\$ _____	<u>100%</u>

DIVISION OF CAREER SERVICES
C. CASH AT SUBCONTRACTOR/UNCLAIMED CHECKS

Subrecipients must identify each subcontractor having a cash balance and the amount of this balance as of the grant closeout date. A prerequisite to the settlement of a program is a final accounting of any sub-agreement entered into by the subrecipient. The subrecipient may also adopt subcontractor closeout procedures which enable the subrecipient to meet the requirements of this closeout report package. The subrecipient should effect a financial settlement with all of its subcontractors before closing its books of account for the program. In the event that financial settlements have not been accomplished with subcontractors, the subrecipient must provide additional information with the closeout report as to:

- the identity of sub-agreement not closed out;
- the status of the closeout;
- the date the closeout is to be completed; and
- the action to be taken to expedite settlement and to recover any cash balances for programs that have ended.

The subrecipient's closeout is not complete until financial settlement has been accomplished for all sub-agreements.

Please complete the attached form showing:

1. The name of each subcontractor under this program having a cash balance at the end of the program.
2. The amount of the cash balance.
3. The sum total of all cash balances. This sum total is included in the "Total Cash on Hand" reported in Line 10 of the Summary.
4. A list of Checks Unclaimed* as of the Closeout Date.

*Massachusetts abandoned property law requires that any check which is inactive and not cashed for more than three years must be declared abandoned and turned over to the State Treasury for safekeeping.

DIVISION OF CAREER SERVICES
C. CASH AT SUBCONTRACTOR & LIST OF UNCLAIMED CHECKS

OPERATOR_____ PHONE_____

GRANT NAME_____ GRANT #_____

CASH AT SUBCONTRACTORS	
SUBCONTRACTOR	AMOUNT

LIST OF UNCLAIMED CHECKS

Check #	Check Date	Payee	Amount
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

DIVISION OF CAREER SERVICES
D. ASSIGNMENT OF REFUNDS, REBATES AND CREDITS

OPERATOR_____ PHONE_____

GRANT NAME_____ GRANT #_____

The above named Operator/Subrecipient does hereby:

1. assign, transfer, set over the release to Division of Career Services (DCS) and the Commonwealth of Massachusetts all rights, title and interest to all refunds, rebates, credits or other amounts (including any interest thereon) arising out of the performance of the above named program, together with all rights of action accrued or which may hereafter accrue thereunder.
2. agree to take whatever action may be necessary to effect prompt collection of all such refunds, rebates, credits or other amounts (including any interest thereon) due or which may become due, and to forward promptly to DCS a check for any proceeds so collected. The reasonable costs of any such action to effect collection shall constitute allowable costs when approved by DCS and may be applied against and reduce any amounts otherwise payable to DCS under the terms of the grant agreement.
3. agree to cooperate fully with DCS as to any claim or suit in connection with such refunds, rebates, credits or other amounts due (including any interest thereon); to execute any protest, pleading, application, power of attorney or other papers in connection therewith; and to permit DCS to represent it at any hearing, trial or other proceeding arising out of such claim or suit.

NAME

TITLE

AUTHORIZED SIGNATURE

DATE

DIVISION OF CAREER SERVICES
E. PROPERTY INVENTORY BY GRANT

Operator: _____ Project Name: _____ Grant #: _____ Date: _____

A complete property listing of all items with an **acquisition cost of \$5,000.00 or more and a useful life of one year or longer** must be included with the Closeout Report. The list must include all items purchased (totally or partially) with funds from Division of Career Services (DCS). Items purchased after July 1, 1992 must include all information. For additional guidance, see Comm Corp's policy on property; WIA Communication, Policy #01-46.

Description	Serial Number	Tag Number	Source of Property	Purchase Date	Cost of Property	% of Federal Funds	Specific Location of Property	Use & Condition of Property	Disposition

Date of Last Physical Inventory: _____

1. I certify that the above property inventory list contains all property having an acquisition cost of \$5,000 or more where DOL reserves the right to take title.

 Authorized Signature Typed Name and Title Date

2. I certify that no government property was purchased having an acquisition cost of \$5,000 or more.

 Authorized Signature Typed Name and Title Date

**DIVISION OF CAREER SERVICES
G. CERTIFICATIONS**

1. Tax Certification:

In the performance of this agreement, I certify that I have complied with requirements of the law, Division of Career Services (DCS), and the State of Massachusetts, regarding the obtaining of employer identification/account numbers, collection, payment, deposit, and reporting of Federal, State and local taxes and the provision of W-2 forms to employees/enrollees who are not now my employees. For present employees/enrollees, formerly employed under the award, W-2 forms will be furnished as specified in Circular E, Employers' Tax Guide.

2. Access to Records:

Authorized representatives of the U.S. Department of Labor, the Commonwealth of Massachusetts, and DCS shall have timely and reasonable access to any pertinent books, documents, papers, or other records of the awardee in order to make audits, examinations, excerpts, and transcripts.

Records will be retained in accordance with DCS policies and applicable Federal and State Regulations.

3. Accuracy and Completeness

I certify that, to the best of my knowledge, the information contained on this form, and on all other closeout forms and documents for this agreement is correct and complete.

Authorized Signature

Date

Typed Name and Title