

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Financial Reporting
	CORRESPONDENCE SYMBOL OMAS/OGM
	DATE

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO.

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE INVESTMENT BOARDS
ALL DIRECT ETA GRANT RECIPIENTS

FROM: JANE OATES
Assistant Secretary

SUBJECT: ETA-9130 Quarterly U.S. Department of Labor (DOL) Employment and Training Administration Financial Report Instructions

1. Purpose. To provide information and additional guidance about the ETA-9130 Financial Report (9130). This TEGL should be used as a supplemental resource to 9130 financial reporting. The 9130 reporting instructions are the primary sources for detailed instructions to complete the forms. Therefore, this TEGL does not contain information about all sections or line items on the 9130; rather it only covers areas where additional clarification or guidance will help ensure consistent and accurate financial reporting.

2. References.

- OMB Approval Number 1205-0461, U.S. DOL ETA Financial Report;
- Notice of Implementation of Federal Financial Report ETA-9130 dated August 21, 2007;
- Training and Employment Notice No. 12-07, *Implementation of New OMB Approved Form ETA 9130, U.S. DOL ETA FINANCIAL REPORT and online instructions updated July 8, 2008*;
- Workforce Investment Act of 1998 (WIA), Pub. Law 105-220, dated August 7, 1998;
- TAA Extension Act of 2011 *signed October 21, 2011*;
- Training and Employment Guidance Letter (TEGL) No. 28-10, *Federal Financial Management and Reporting Definitions*;
- 29 CFR parts 95 and 97; and
- One Stop Comprehensive Financial Management Technical Assistance Guide Part II

3. Background. The 9130 has been used by ETA for grantee financial reporting for the past five years. It was first approved by OMB in 2006 and ETA has used the 9130 form since October 1, 2007; the 9130 was renewed without change on November 3, 2009. **On November X, 2012,** OMB again approved ETA's request for an extension without substantive changes. The form itself remains the same; however, ETA made changes to its instructions in order to clarify

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common areas of confusion or inconsistencies in reporting that were identified in a 2011 assessment of 9130 reporting. Additionally, ETA regional staff who work with grantees and review 9130 reports proposed enhancements to the instructions. In updating the instructions, ETA included additional information to help grantees report accurately by requiring uniform definitions and reporting methodology.

4. Financial Reporting Process and Requirements

The following clarifications correspond to and provide additional guidance on the line item instructions that accompany the 9130. This TEGl should be used in addition to, not in place of, the existing 9130 instructions.

A. Password and PIN Assignments

ETA requires all grant recipients to submit the 9130 form electronically through an on-line reporting system. Recipients are issued a password and a PIN to enable reporting via the on-line reporting system. Passwords and PINs should be obtained immediately upon receipt of the grant award. **A request for a password and PIN must be submitted via e-mail to ETApasword.pin@dol.gov or by fax at (202)693-3362.** The passwords and PINs are sent to the primary contact via e-mail. The Financial Report Access Document can be found at: www.doleta.gov/grants/financial_reporting.cfm.

Grantees must ensure that the certifying official's information remains current and correct. To request changes to the signatory/certifying official, you must send an e-mail to **ETApasword.pin@dol.gov** with all grant agreement numbers (affected by the change), grant recipient name, primary contact name, contact phone number, contact e-mail address, and contact fax number. (Please indicate in the change request if the request is a name change only or a new password and pin is needed.)

B. Report submission is a three step process:

1. **DATA ENTRY** – the *Secondary Contact* person, designated by the grantee organization, is responsible for entering the required data on the 9130, using the password.
2. **DATA CERTIFICATION** – the *Primary Contact* person, the designated authorized official in the grantee organization, is responsible for certifying the accuracy of the data by entering the PIN.
3. **DATA ACCEPTANCE** – ETA is responsible for reviewing the certified 9130, communicating with the grantee as necessary, and accepting the report within 10 working days. If a modification is required, the certification and acceptance processes must be repeated. **(ETA acceptance of the 9130 is very important because accepted amounts are reported to Congress as evidence of a grant's financial performance.**
 - a. **DATA REJECT** – If there is an ETA data rejection, a reason for the rejection must be entered in the "Remarks" section of the 9130 by the reviewer. The reviewer must notify the grantee regarding the 9130 rejection. The grantee revises the 9130 from the information provided by the reviewer in the "Remarks" section. The grantee re-certifies and re-submits the 9130 for acceptance.

C. Reporting Requirements

All quarterly reports must be submitted ***no later than 45 calendar days*** after the end of each specified reporting period. A report must be submitted for each subaccount listed in the award document. All financial data must be reported **cumulatively from grant inception**, through the end of each reporting period. Expenditure data is required to be reported on an **accrual basis**.

The reporting quarter end dates are: **March 31, June 30, September 30, and December 31.**
 The reporting due dates are: **May 15, August 14, November 14, and February 14.**

Note: The quarter in which quarterly financial reporting begins is based on the effective date listed on the award document and/or notice of obligation.

Examples:

Award/NOO Effective Date	Award/NOO Date Signed	Initial Reporting Quarter
1/1/2012	1/1/2012	3/31/2012
3/31/2012	3/31/2012	3/31/2012
10/1/2010	1/1/2012	12/31/2010

Quarterly financial reports are locked once ETA has accepted two consecutive quarters. Once reports are locked, additional adjustments can be made only in extremely limited circumstances. The reports are cumulative, so any minor adjustments should be made to the next submitted report with an explanation for the change in Section 12 Remarks. If any adjustments to previously locked reports are **necessary** (for example a rescission or to resolve an audit finding), a written justification requesting the report be unlocked must be e-mailed to the grantee’s Federal Project Officer (FPO), then forwarded to the Policy and Reporting Unit in the Division of Policy, Review and Resolution for approval.

At the close of the grant, two reports will be submitted: a final quarter 9130 and a closeout 9130 report. **A final quarter 9130 is required at the completion of the quarter encompassing the grant period of performance (POP).** The on-line reporting system **will not** generate additional quarterly 9130 reports after the quarter encompassing the grant POP. The final quarterly 9130 must be indicated by selecting “YES” in Item 6, Final Report.

Examples: Grant award expires 2/15/2012 final reporting quarter 3/31/2012
Grant award expires 3/31/2012 final reporting quarter 3/31/2012

A final financial closeout report is required to be submitted **no later than 90 calendar days** after the grant POP. **The closeout report, U.S. DOL ETA Financial Report Closeout (Closeout 9130)**, is separate from (and in addition to) the final quarter 9130 and becomes accessible online after submission of the final quarter 9130. (The closeout report does not need to be completed until the grant closeout process begins.) The Closeout 9130 can be accessed via the **“Closeout”** link in Item 6 after selecting “YES” in Item 6, Final Report and entering the PIN for certification.

Contact your FPO for assistance with completing the reports. Closeout cost report questions should be directed to the Closeout Specialist assigned to the award. Technical Assistance with the on-line reporting system should be directed to the Grantee Reporting System helpdesk at: e-grants.help@dol.gov.

D. Reporting Line Items for Basic 9130 and Non WIA Reports to Include Employment Service, Unemployment Insurance, Indian and Native American, Older Workers (SCSEP), Migrant and Seasonal Farmworkers and Trade Adjustment Assistance Programs (See Section E for WIA Specific Guidance)

This section of the TEGl provides additional information and guidance for the Basic 9130 Report as well as for the non-WIA funded programs reporting line items. This document should

be used as an additional resource along with the 9130 instructions, appropriate program rules and regulations, and/or grant award terms and conditions for specific reporting guidelines.

10a Cash Receipts: For direct recipients, this field is pre-populated with data from the Payment Management System (PMS) and represents cumulative quarter-end drawdown records associated with the assigned grant/ subaccount identified on the financial report. This amount will coincide with cumulative drawdowns “posted” in PMS through the end of the quarter.

10b Cash Disbursements: This entry is the cumulative amount of the Federal portion of cash disbursed from the cash receipts identified on line 10a as of the reporting period end date. This amount must reflect the sum of actual cash disbursements for direct charges for goods and services, the amount of cash paid out for indirect expenses charged to the award, and the amount of cash advances and payments made to subgrantees and subcontractors. The cash disbursements reported must include all or a portion of the cash receipts reflected and can never be greater than the pre-populated cash receipts amount on line 10a. Also, the entry for cash disbursements can never be greater than the Federal share of expenditures entered on line 10e.

At the grantee level, the term disbursement means the transfer of funds from the grantee to a subgrantee or other payee, commonly by: cash, check, voucher, or credit card payment. Examples of disbursements at the Federal level are on-line transfers to grantees through the HHS-PMS system. Disbursements at the grantee level include electronic transfers of cash to a subgrantee organization and payments to vendors for goods and services.

10c Cash on Hand: This line item is an automatically calculated field, line 10a minus line 10b. The cash on hand amount should represent immediate cash needs. Cash on hand is the amount remaining after cash disbursement, reflected on line 10b. In accordance with Department of Treasury regulation Circular 1084 issued under 5 U.S.C. 301 and 31 U.S.C. 484, 492(a), 492(c), and 1002, Federal cash must be drawn solely to accommodate your immediate needs on an “as needed” basis only. In accordance with 29 CFR Section 95.21(b)(5) and 29 CFR Section 97.20(b)(7), grantees must minimize the amount of time between drawdowns and disbursements. A good business practice for grantees is to limit cash on hand to no more than three days worth at any given time. An explanation for the excess cash on hand amount should be provided in Section 12 Remarks. For example, funds were drawn on Friday for payroll on Monday and the reporting period closed on Friday.

10d Total Federal Funds Authorized: This amount is pre-populated for all grant awards except WIA formula funded awards. This entry should agree with the grant award amount and subaccount specified in the official grant award document. Discrepancies must be corrected by the grant officer. Notify your FPO should you see a discrepancy.

10e Federal Share of Expenditures: Under 20 CFR 667.300 (c)(3), ETA requires that expenditures be reported on an accrual basis. 29 CFR 95.2 and 29 CFR 97.3 define accrued expenditures as “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-grantees, subcontractors, and other payees; and (3) other amounts becoming owed under programs for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments.” The Federal Share of Expenditures (line 10e) can never be greater than the Total Federal Funds Authorized (line 10d). **If the Federal Share of Expenditures is less than the previous period cumulative amount, an explanation for the reduced expenditures should be provided in Section 12, Remarks.**

The total amount of accrued expenditures (cash disbursements plus accruals) for charges incurred by the grantee for allowable grant activities during a given period. The total amount of expenditures reported on line 10e should generally exceed (because of the amount of accruals), and should not be less than, the amount of cash disbursements reported on line 10b. If ETA reviewers observe that line 10e (expenditures) and 10b (disbursements) are consistently the same, it is an indication that the grantee is not reporting on an accrual basis.

Examples of expenditures that are to be reported to ETA include: (a) costs of goods (e.g. office supplies) and services (e.g. accounting) which have been received; (b) the salaries and benefits earned by employees for work performed or leave taken, whether or not the payroll checks have been issued; and (c) the cost of services received by clients/participants, such as child care or transportation, for which the grantee has a legal requirement to pay. Some training costs can be reported as accrued expenditures when the training has been received by enrolled participants. For more detail on accrued expenditures, please reference: <http://wdr.doleta.gov/directives/attach/TEGL/TEGL28-10ACC.pdf>. Additionally, online training reporting accrued expenditures (accrual accounting) is available at: <http://etareporting.workforce3one.org>.

10f Total Administrative Expenditures: Refer to the appropriate program rules and regulations and/or grant award terms and conditions for specific definitions and/or limitations on administrative costs.

10g Federal Share of Unliquidated Obligations: For reports prepared on an accrual basis, an unliquidated obligation is defined as the amount of obligations incurred by the grantee for which an outlay has not been recorded. (in 29 CFR 97.3 and 29 CFR 95.2) Therefore, this entry should represent obligations incurred by the grantee for which a disbursement has not been recorded as of the reporting period end date. Unliquidated obligations should include amounts which will become due to subgrantees and subcontractors. On the closeout 9130, this line item should be zero. **Do not include** any amount on line 10g that has been reported on Federal Share of Expenditures (line 10e) or Total Administrative Expenditures (line 10f). **Do not include** any amount on line 10g for a future commitment of funds/encumbrances (e.g., entire lease, budgeted salary costs) for which an obligation has not yet been incurred.

An obligation, as defined in 29 CFR 97.3 and 29 CFR 95.2, is the “amount of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the grantee during the same or a future period.” In sum, obligation is a term that references actions where a legal commitment to pay exists. The obligation may occur at the time the services are rendered, or before services are rendered when a binding agreement has been entered into.

Examples of obligations or legal commitments include subgrant agreements, purchase orders, or cash disbursements. Obligations are not: projected staff time, future or projected rent payments, future or projected training, or items that are budgeted during the period of the grant award. In sum, obligations are not plans, budgets, or encumbrances.

For more information on the definition of obligations and examples, please refer to [TEGL 28-10: Federal Financial Management and Reporting Definitions](#) at: <http://wdr.doleta.gov/directives/attach/TEGL/TEGL28-10ACC.pdf>

10j Total Recipient Share Required: The data reported on this line is the total amount of non-Federal funds (Match) required during the period of performance of the grant to support the objectives of the subject award as part of a requirement for matching.

Match, as applicable to ETA grant programs, is discussed in DOL's Uniform Administrative Requirements. 29 CFR 97.24 and 29 CFR 95.23 state that match is additional non-Federal resources expended to further the grant objectives. Match may be required either by statute or within the grant agreement as a condition of funding. All matching funds must be spent on allowable grant activities and in accordance with the cost principles. The grantee cannot claim a cost as both an allowable cost (to be reimbursed from grant funds) and as a match expenditure. Match must be expended within the grant period of performance.

For more information on the definitions of match and leveraged resources and examples, please refer to the *One Stop Comprehensive Financial Management Technical Assistance Guide Part II* at: http://www.doleta.gov/grants/pdf/TAG_PartII_July2011.pdf. Additional online training regarding reporting of match and leveraged resources is available on <http://etareporting.workforce3one.org>.

10k Recipient Share of Expenditures: This entry shows a certain category of non-Federal funds expended by the recipient organization for the purposes or activities of the grant. Such expenditures must occur within the grant's period of performance. Recipient share must meet the same definition as "match," though the recipient share does not have to be required by statute or within the grant agreement. There are two types of recipient share expenditures reported on line 10k: match and other non-Federal leveraged resources. To be reported on this line, the expenditures must be those which could otherwise have been paid for out of subject grant funds.

There are two types of match expenditures: cash and third party in-kind contributions. Cash match reflects additional funds or services (allowable costs) provided and paid for by the grantee and/or any subgrantee from non-Federal funds that are in support of grant objectives and outcomes. Cash match includes unreimbursed allowable indirect costs. The value of the cash match is the actual costs incurred as reflected in the grantee's accounting system.

In order to qualify as match, the costs cannot have been paid from Federal funds, been charged to program income or used to match other Federal match requirements, nor have been for costs that are unallowable under grant regulations.

Third party in-kind contributions are the products, space or services provided by a third-party organization, and not paid for by the grantee or a subgrantee, but which would represent allowable costs if paid for with grant funds. These contributions must support allowable grant activity and outcomes. The rules that apply to determining the valuation of in-kind contribution are found in the regulations at 29 CFR 97.24(b) (7) and 95.23(c-h).

For more information on the definitions of match and leveraged resources and examples, please refer to the *One Stop Comprehensive Financial Management Technical Assistance Guide Part II* at: http://www.doleta.gov/grants/pdf/TAG_PartII_July2011.pdf

Section 11, Additional Expenditure Data Required: Refer to the appropriate program rules and regulations and/or grant award terms and conditions for specific reporting guidelines.

Section 12, Remarks: Enter any explanations deemed necessary by the grantee or information required by DOL ETA. **(This section supports transactions entered on lines identified in sections 10 and 11)**

For the **Employment Services program**, grantees are required to continue to break out the total expenditures reported on Line 10e: by 7(a) – 90% and 7 (b) – 10% expenditures, per the Wagner-Peysner Act of 1933, as amended by the Workforce Investment Act of 1998 requirements in Section 12, Remarks.

E. Reporting Line Items for WIA Specific Reports

This section of the TEGE provides reporting instructions specific to the WIA formula funded programs reporting line items. Lines that are not listed below will follow the guidance in the preceding section D (Basic 9130) as well as the 9130 instructions.

For some line items, the 9130 instructions for WIA formula reporting are different than the non-WIA reporting. Additionally, the WIA 9130's contain a required a section for WIA formula specific reporting. To prevent confusion between state and local reports, the following sections are divided into two parts: WIA State Reporting and WIA Local Reporting. It is important to note that, in the case of WIA formula reporting, this document should be used as an additional resource along with the 9130 instructions, appropriate program rules and regulations, and/or grant award terms and conditions for specific reporting guidelines).

For the purposes of this section, General Definitions are as follows:

- Subaccount: Each of the three funding streams of WIA (Adult, Dislocated Worker, and Youth)
- Component of Subaccount: Allocation of subaccounts made by States to State and Local Adult, State, Local and Rapid Response Dislocated Worker and State and Local Youth

WIA Statewide Reports (including WIA Statewide Adult, Statewide Dislocated Worker, Statewide Rapid Response and Statewide Youth)

10a Cash Receipts: This entry must be the cumulative quarter-end cash received from the PMS for the Statewide Adult, Statewide Dislocated Worker, Statewide Rapid Response or Statewide Youth component piece of the specified subaccount identified in Item 2 of the ETA-9130 Financial Status Report. This amount, when added to cash receipts of related subaccounts, must agree with cumulative drawdowns “posted” in the PMS through the end of the reporting period. Cash receipts reported should correspond to payments for allowable Statewide Adult, Statewide Dislocated Worker (DW), Statewide Rapid Response (RR) or Statewide Youth costs (and allowable advances to local areas, subgrantees and subcontractors) associated with the funding authority entered on line 10d Total Federal Funds Authorized.

10d Total Federal Funds Authorized: This entry for WIA must include the total amount of Statewide funds by subaccount retained at the state level and cannot exceed approved funding levels for the Adult, Dislocated Worker or Youth funding stream allotments in the first two years

of a Program Year of funding. After the first 2 years, the recapture of local Adult, Dislocated Worker and Youth funds to be used for allowable statewide activities should be reflected as an increase in this entry. A corresponding reduction should also be made to the Local Adult, Local Dislocated Worker and Local Youth 9130 reports on line 10d. The sum of line 10d for all subaccount components (statewide and local reports) identified in item 2 must equal the cumulative obligation of the subaccount indicated on the Notice(s) of Obligation (NOOs).

*The **Statewide Rapid Response Report*** is one of three component pieces of the Dislocated Worker program. The Total Funds Authorized (line 10d) entry on this form plus the 10d entries on the Statewide DW and Local DW must equal the cumulative obligation indicated on the NOO.

10f Total Administrative Expenditures: Enter the cumulative amount of accrued expenditures charged to the Adult, Dislocated Worker or Youth statewide subaccount for administrative activities. Up to 5% of the Adult, Dislocated Worker or Youth funds available, are for the costs of administration. This is part of the up to 15% of the *total* Adult, Dislocated Worker or Youth funds retained at the state level for statewide activities. 20 CFR 667.210 states that the five percent (5%) of the amount allotted that may be reserved for Statewide administrative costs needs to be allocated back to the individual funding streams. However, the funds reported must not exceed the 5% limit under WIA. For WIA grants, more information on what constitute administrative costs can be found at 20 CFR 667.220.

10j Total Recipient Share Required: There is no statutory requirement for match under WIA; therefore line 10j will always be zero.

10k Recipient Share of Expenditures: Include on line 10k. all costs of the grant recipient and/or subgrantees as well as all third party in-kind contributions that would qualify as match but are in excess of the match requirement, which is zero (\$0.00) dollars for WIA Adult, Dislocated Worker and Youth formula programs. Non-Federal funds expended for the purposes or activities of the grant that would not count as match **cannot** be reported on this line item, but should be included in the quarterly progress report. (Refer to the WIA program rules and regulations and/or grant award terms and conditions for specific definitions for financial reporting requirements).

WIA Local Reports (including WIA Local Adult, WIA Local Dislocated Worker and WIA Local Youth)

10a Cash Receipts: Cash receipts reported should reflect the **state's receipt of cash** disbursed to local areas to pay for allowable Local Adult, Local Dislocated Worker (DW) or Local Youth costs associated with the funding authority identified on Total Federal Funds Authorized (line 10d). This entry is the cumulative quarter-end cash received from the Payment Management System (PMS) for the Local Adult, Local DW or Local Youth component piece of the subaccount identified in Item 2. This amount, when added to cash receipts of related subaccounts, must agree with cumulative drawdowns "posted" in the PMS through the end of the reporting period.

10b Cash Disbursements: Enter the cumulative amount of federally-funded **cash disbursed to the local areas from the cash received by the State, as identified on line 10a of the local**

report form, as of the reporting period end date. The cash disbursements reported **can never be greater than the entry of cash receipts on line 10a of the local reporting forms.**

10d Total Federal Funds Authorized: This entry should reflect the total amount of funds allocated by the state to Local Adult, Local DW or Local Youth components. After the first two years of a Program Year of funding, any unspent local adult, dislocated worker or youth funds returned by the state and used for statewide activities should be reflected by a decrease in this entry. A corresponding increase should be made to line 10d of the Statewide Adult, Dislocated Worker or Youth submission. (Unspent Local adult, dislocated worker or youth funds returned from local areas and redistributed to other local areas will precipitate no change to this line item.)

10e Federal Share of Expenditures: This entry represents the aggregate of accrued expenditures (cash disbursements plus accruals) incurred for allowable Local Adult, Local DW or Local Youth program activities. The local area expenditures are aggregated by the state and reported on line 10e. The total amount of expenditures reported on line 10e should generally exceed (because of the amount of accruals), and should not be less than, the amount of cash disbursements reported on line 10b.

10f Total Administrative Expenditures: This entry should include the aggregate of accrued expenditures (cash disbursements plus accruals) incurred for allowable administrative activities at the local level for which administrative costs must be reported (20 CFR 667.220) and then aggregated by the state. Because 10% of the *total* Youth, Adult, and Dislocated Worker funds available for expenditure by the local areas may be expended on administration (without regard to funding source), the funds may be allocable to local Adult, Youth or Dislocated Worker activities.

10g Federal Share of Unliquidated Obligations: Line 10g represents obligations incurred against local area Adult, Dislocated Worker or Youth funds, for which an accrued expenditure has not yet been recorded or an outlay/disbursement made in the local entities' official accounting records. **States should not record the annual amount allotted to each local area as an obligation on this report.**

This amount should include the unexpended portion of local awards to subgrantees and subcontractors. On the final 9130, this line item should be zero. **Do not include** any amount on line 10g that has been reported on line 10e or 10f. **Do not include** any amount on line 10g for a future commitment of funds/encumbrances (e.g., entire lease, budgeted salary costs) for which an obligation has not yet been incurred.

Website and E-Mail Resource Links

Password and pin requests e-mail address: ETApasword.pin@dol.gov

Financial Report Access Document: www.doleta.gov/grants/financial_reporting.cfm

Grantee Reporting System helpdesk: e-grants.help@dol.gov

TEGL 28-10: [TEGL 28-10](http://wdr.doleta.gov/directives/attach/TEGL/TEGL28-10ACC.pdf): Federal Financial Management and Reporting Definitions at:
<http://wdr.doleta.gov/directives/attach/TEGL/TEGL28-10ACC.pdf>

Online training on accrual accounting: <http://etareporting.workforce3one.org>

One Stop Comprehensive Financial Management Technical Assistance Guide Part II:
http://www.doleta.gov/grants/pdf/TAG_PartII_July2011.pdf

5. Action Requested. Please disseminate to staff responsible for financial management and reporting of ETA grants and cooperative agreements.

6. Inquiries. Questions regarding this guidance should be directed to the appropriate Regional Office.

7. Attachment(s). ETA Form 9130 and instructions.