

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. XX-XX

TO: STATE WORKFORCE AGENCIES
 STATE WORKFORCE ADMINISTRATORS
 STATE WORKFORCE LIAISONS
 STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
 ALL DIRECT ETA GRANT RECIPIENTS

FROM: PORTIA WU
 Assistant Secretary

SUBJECT: Updated ETA-9130 Financial Report, Instructions, and Additional Guidance

1. **Purpose.** To inform the workforce system of updates to the Employment and Training Administration’s (ETA) 9130 Financial Report and Instructions (hereafter referred to as ETA-9130 or 9130), and to provide information and additional guidance regarding new and revised reporting requirements. The 9130 reporting instructions are the primary sources for detailed instructions to complete and submit financial reports. This Training and Employment Guidance Letter (TEGL) should be used as a supplemental resource, in addition to (not instead of) the ETA-9130 instructions, appropriate program rules and regulations, and/or grant award terms and conditions for specific reporting guidelines. 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.**
- Workforce Innovation and Opportunity Act (WIOA) (Pub. L. 113-128) Titles I, III, and V;
 - 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule;
 - 2 CFR Part 2900, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
 - One-Stop Comprehensive Financial Management Technical Assistance Guide Part II;
 - TEGL No. 23-14, *Workforce Innovation and Opportunity Act (WIOA) Youth Program Transition*;
 - TEGL No. 26-14, *Workforce Innovation and Opportunity Act Transition Authority for Flexible Use of State Rapid Response Funds*;
 - TEGL No. 15-14, *ETA Implementation of New Uniform Guidance*;
 - TEGL No. 12-14, *Allowable Uses and Funding Limits of Workforce Investment Act (WIA) Program Year (PY) 2014 funds for Workforce Innovation and Opportunity Act (WIOA) Transitional Activities*.

RESCISSIONS TEGL No. 13-12	EXPIRATION DATE Continuing
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3. **Background.** ETA awards approximately \$8 billion in formula and discretionary grants each year to an average of 1,000 recipients. Financial reports for each of these grants must be submitted quarterly on the financial report form ETA-9130. Recipients include but are not limited to: State Employment Security Agencies which are comprised of three components: Wagner Peysner Employment Service, Unemployment Insurance program, and Trade Program Grant Agreements; as well as Workforce Innovation and Opportunity Act Youth, Adult, and Dislocated Worker programs; National Farmworker Jobs Program (NFJP), Indian and Native American programs, the Senior Community Service Employment Program Workforce Innovation and Opportunity Act discretionary grants, and H-1B Job Training Grants.

Financial reporting requirements for Federal programs prescribed by the Office of Management and Budget (OMB) have changed with the implementation of the Uniform Guidance, which went into effect on December 26, 2014, replacing numerous previously applicable Circulars. These changes affect both the ETA-9130 reporting form and its instructions. However, they do not affect the collection burden, but instead only update certain key terms and definitions.

Additionally, with the passage of WIOA, there are numerous new statutory requirements that impact financial reporting, including but not limited to new and/or revised limitations and baselines that require the addition of new and modification of existing reporting line items on ETA-9130 Financial Reports, as outlined in this TEG. Other reporting line items have been added and removed in an effort to streamline Federal financial reporting and make form ETA-9130 more closely resemble the SF-425 (OMB 0348-0061), which is the standard financial reporting form for Federal grant recipients.

4. **Financial Reporting Process and Requirements.** The financial reporting process and requirements described in this section remain mostly unchanged from the guidance set forth in TEG 13-12, *ETA-9130 Quarterly U.S. Department of Labor (DOL) Employment and Training Administration Financial Report Instructions*, under WIA. The following clarifications correspond to and provide additional guidance on the instructions that accompany the 9130.

A. Password and PIN Assignments

ETA requires all grant recipients to submit the ETA-9130 Financial Report 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. Passwords and PINs are sent to the primary contact via e-mail. The [Financial Reporting Access Request Document](#) is available online on DOL/ETA's Grants and Contracts Website, in the Financial Reporting section (http://www.doleta.gov/grants/financial_reporting.cfm).

Recipients 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

Report submission is a three step process:

1. **Data Entry** – the *Secondary Contact* person, designated by the recipient organization, is responsible for entering the required data on the ETA-9130, using the password.

Most often, the secondary contact person is a designated finance/reporting person with a limited role in program/grant implementation. In these instances, it may be necessary for the secondary contact person to collaborate with applicable staff responsible for program/grant implementation (and/or reporting) to facilitate complete and accurate financial reporting. This applies particularly when recipients utilize separate systems for financial and grant activity tracking or when recipients' accounting systems are on a cash basis (see section "C. Reporting Requirements").

2. **Data Certification** – the *Primary Contact* person, the designated authorized official in the recipient organization, is responsible for certifying the accuracy of the data by entering the PIN. The PIN takes the place of a signature to certify the data and submission date. Please note that the certification verbiage has changed to conform to new requirements set forth by the OMB Uniform Guidance. For the full text, please refer to the ETA-9130 Report and Instructions.
3. **Data Acceptance** – DOL/ETA is responsible for reviewing the certified ETA-9130, communicating with recipients, as necessary, and accepting the report within 10 working days after report certification. If a modification is required, the certification and acceptance processes must be repeated.

If there is an ETA data rejection, a reason for the rejection must be entered in the Remarks section by the reviewer. The reviewer must notify the recipient regarding the 9130 rejection. The recipient revises the 9130 from the information provided by the reviewer in the Remarks section. The recipient re-certifies and re-submits the 9130 for acceptance.

C. Reporting Requirements

Financial reports are due no later than 45 days after the end of each quarter, unless otherwise specified in reporting instructions. A report must be submitted for each subaccount listed in the award document. All financial data must be reported on the accrual basis of accounting and cumulative by fiscal year of appropriation. Recipients are not required to convert their accounting system, if it is not on an accrual basis. Instead, reports and accrual information must be developed through best estimates based on an analysis of the documentation on hand.

For quarters ending on:	Financial Reports are due on:
March 31	May 15
June 30	August 14

September 30	November 14
December 31	February 14

The deadlines for ETA-9130 submissions do not change, even in instances when the reporting due date falls on a weekend or holiday. The e-reporting system is available 24 hours a day, 7 days a week, and reports can be submitted in advance of the due date. However, technical support is available only during normal business hours (EST), Monday through Friday.

The quarter in which quarterly financial reporting begins is based on the effective date listed on the Notice of Award (NOA). Examples:

NOA Effective Date	NOA Date Signed	Initial Reporting Quarter
1/1/2015	1/1/2015	3/31/2015
3/31/2015	3/31/2015	3/31/2015
10/1/2014	1/1/2015	12/31/2014

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 the Remarks section. If any adjustments to previously locked reports are necessary (e.g., due to a rescission or to resolve an audit finding), a written justification requesting the report be unlocked must be e-mailed to the recipient’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 quarter 9130 must be indicated by selecting ‘Yes’ in reporting line item 6, Final Report.

Examples:

Grant award expires on:	Final reporting quarter is:
2/15/15	3/31/15
3/31/15	3/31/15

A final financial closeout report is required to be submitted no later than 90 calendar days after the grant POP or period of fund availability occurs (whichever comes first) and/or termination of the grant. 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 after selecting ‘Yes’ in reporting line 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 online reporting system should be directed to the Grantee Reporting System helpdesk at: appsupport.egrants@dol.gov. For more information regarding grant closeout, please visit http://www.doleta.gov/grants/grant_closeout.cfm.

5. **Overall Changes to the ETA-9130 Financial Report.** The below list provides a summary of the overall, significant ETA-9130 report changes. For a comprehensive account of all changes, please refer to form ETA-9130 itself, including instructions (attached). Significant program/grant-specific 9130 changes are outlined in section 6 below.

A. Report Names

Alphanumerical characters have been assigned to the individual programs' 9130s for clarity and better distinction.

- Basic – ETA-9130
- Statewide Youth – ETA-9130 (A)
- Local Youth – ETA-9130 (B)
- Statewide Adult – ETA-9130 (C)
- Local Adult – ETA-9130 (D)
- Statewide Dislocated Workers – ETA-9130 (E)
- Local Dislocated Workers – ETA-9130 (F)
- National Dislocated Worker Grants – ETA-9130 (G) – NEW
- Statewide Rapid Response – ETA-9130 (H)
- Employment Services and Unemployment Insurance – ETA-9130 (I)
- National Farmworker Jobs Program – ETA-9130 (J)
- Senior Community Service Employment Program – ETA-9130 (K)
- Indian and Native American Program – ETA-9130 (L)
- Trade Adjustment Assistance Grants Program – ETA-9130 (M)

B. Conformance to Federal Financial Report SF-425

WIOA promotes accountability and transparency. To assist in this effort, ETA attempts to streamline Federal financial reporting by bringing ETA-9130 requirements as close as possible to the already existing SF- 425 report.

In an effort to alleviate recipient reporting burden, lines 10l, Recipient Share of Unliquidated Obligations, and 10m, Total Recipient Obligations, have been removed and are no longer reporting requirements on ETA-9130.

New lines for Indirect Expenditures reporting have been added to all 9130s, with the exception of the Local Youth, Adult, and Dislocated Worker 9130s. The following should be considered for these reporting line items:

- Per 2 CFR 200.56, “Indirect (F&A) costs means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the

cost objectives specifically benefitted, without effort disproportionate to the results achieved.” While *some* administrative costs *may* be indirect costs, the two must not be generally equated. Indirect Expenditures, reported on lines 13a – h, are a portion of the Total Administrative Expenditures reported on line 10f. (For more information regarding the Total Administrative Expenditures reporting line item, please refer to section 7. A. below.)

- Indirect costs must be reported cumulative from grant inception, but they must only be reported once annually in the quarter ending on June 30 and reported on August 14.
- Only indirect expenses incurred by the non-federal entity receiving direct awards from DOL must be reported; indirect costs incurred by subrecipients are not included on this line.
- Multiple values may be entered in each Indirect Expenditure reporting line item (13a-h) for instances in which more than one rate applies to the applicable grant period of performance.

6. **Significant Changes to Individual ETA-9130 Financial Reports.**

A. **New Report**

Due to the programmatic requirements in WIOA, a separate report has been created for National Dislocated Worker Grants (NDWG). Effective immediately, all NDWG funds must be reported in this new form, in compliance with applicable program rules and regulations, and/or grant award terms and conditions for specific reporting guidelines, and in compliance with the NDWG 9130 instructions.

B. **New Reporting Line Items**

Out-of-School Youth Funds Expended on Direct Services

A new reporting line item for Out-of-School Youth Funds Expended on Direct Services was added to the Statewide Youth 9130 in accord with WIOA Sec. 129 (a)(4)(A), which requires that a minimum of seventy-five percent of statewide and local youth funds provided to carry out the program in the State for a fiscal year must be expended on out-of-school youth. For more information regarding Title I youth formula funds, the activities associated with the implementation of WIOA, and expenditure rate requirements and calculations, please refer to TEGL No. 23-14, *Workforce Innovation and Opportunity Act (WIOA) Youth Program Transition*.

In-School Youth Funds Expended on Direct Services

The calculation to determine out-of-school youth expenditures is out-of-school youth expenditures divided by in-school plus out-of-school youth expenditures ($OSY \div (ISY + OSY)$). Because WIOA Sec. 129 (a)(4)(A) requires seventy-five percent of youth funds be spent on out-of-school youth, and only statewide youth funds spent on direct services to youth count towards the seventy-five percent expenditure rate, in-school youth expenditures must be collected in order to determine the total percentage of out-of-school youth funds expended. A new In-School Youth Funds Expended on Direct Services reporting line item was added to the Statewide Youth 9130 accordingly.

Work Experience Expenditures

A new reporting line item for Work Experience Expenditures was added to the Local Youth 9130 in accord with WIOA Sec. 129 (c)(4), which requires that a minimum of twenty percent of Federal funds provided to carry out the local youth program in the State for a fiscal year must be expended on work experience activities. Activities to be considered in this reporting line item are paid and unpaid work experiences for both in-school and out-of-school youth that have as a component academic and occupational education. This may include summer employment opportunities and other employment opportunities available throughout the school year, pre-apprenticeship programs, internships and job shadowing, and on-the-job training opportunities (WIOA Sec. 129 (c)(2)(c)).

Pay-for-Performance Contract Expenditures

A new Pay-for-Performance Contract Expenditures reporting line item was added to the Local Youth, Local Adult, and Local Dislocated Worker 9130s in accord with WIOA Sec. 129 (c)(1) (D) and WIOA Sec. 134 (d)(1)(A)(iii), which sets an expenditure cap of ten percent of the amount of Federal funds provided to carry out the Youth, Adult, and Dislocated Worker programs in the State for a fiscal year. The term “pay-for-performance contract strategy” means a procurement strategy that uses pay-for-performance contracts in the provision of training services described in section 134 (c)(3) of WIOA or activities described in section 129(c)(2) and includes the elements described in WIOA Sec. 3 (A) – (C). Additional guidance and technical assistance on the topic of pay-for-performance contract strategies is forthcoming. Recipients are also encouraged to review the proposed rule at 20 CFR, Part 683, Subpart E, Pay-for-Performance Contract Strategies.

Federal Share of Unliquidated Obligations for Pay-for-Performance Contracts

It is necessary to break the pay-for-performance share of obligations out, because WIOA Sec. 189 (g)(2)(D) stipulates that funds for pay-for-performance contract strategies remain available until expended. Consequently, a new Federal Share of Unliquidated Obligations for Pay-for-Performance Contracts reporting line item was added to the Local Youth, Local Adult, and Local Dislocated Worker 9130s. The funds reported in this line item are a portion of the funds reported in the pre-existing reporting line item 10g, Federal Share of Unliquidated Obligations.

Transitional Jobs Expenditures

A new Transitional Jobs Expenditures reporting line item was added to the Local Adult, Local Dislocated Worker, and National Dislocated Worker Grants 9130s in accord with WIOA Sec. 134 (d)(5), which sets an expenditure cap for this service strategy of ten percent of the amount of Federal funds provided to carry out the Adult and Dislocated Worker programs in the State for a fiscal year. Transitional Jobs are time-limited work experiences that are subsidized and are in the public, private, or nonprofit sectors for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history. They are to be combined with comprehensive employment and supportive services and are designed to assist eligible participants to establish a work history, demonstrate success in the workplace, and develop the skills that lead to entry into and retention of unsubsidized employment.

Incumbent Worker Training Expenditures

A new Incumbent Worker Training Expenditures reporting line item was added to the Local Adult, Local Dislocated Worker, and the new National Dislocated Worker Grants 9130s in accord with WIOA Sec. 134 (d)(4)(A)(i), which sets a cap for these expenditures of ten percent of the amount of Federal funds provided to carry out the Adult and Dislocated Worker programs in the State for a fiscal year.

Rapid Response Funds Expended on Other Statewide Programs

A new Rapid Response Funds Expended on Other Statewide Programs reporting line item was added to the Statewide Rapid Response 9130 in accord with WIOA Sec. 134 (a)(2)(A)(ii), which stipulates that Rapid Response funds that remain unobligated after the first program year for which such funds were allotted may be used by the Governor to carry out statewide activities authorized under WIOA Sec. 134 (a)(2)(B) or WIOA Sec. 134 (a)(3)(A).

NFJP Supportive Services Expenditures

Supportive services are outlined in WIOA Sec. 167 (d) as an allowable expenditure for eligible migrant and seasonal farmworkers. Program costs, which are all other costs not defined as administrative (WIOA Sec. 3 (1)), must be classified and reported in the following categories:

- Related assistance (including emergency assistance);
- Supportive services; and
- All other program services.

Therefore, a new Supportive Services Expenditures reporting line item was added to the NFJP 9130.

Trade Adjustment Assistance (TAA) Training Expenditures

A new Training Expenditures reporting line item was added to the TAA 9130. Training expenditures comprise the most substantial and important expenditure type of TAA program funds. The amount of funds expended on training services factors significantly in the formula required by regulations for determining annual funding allocations to states (20 CFR 618.910 through 618.940). The addition of this data point reduces the effort required under the current collection by eliminating the need to isolate this information after the fact, which creates burden on states for the purposes of auditing and validation procedures. Sec. 249B (b)(6)(B) of the Trade Act provides for the collection of data on spending including “[t]he total amount of the payments to the States to carry out sections 235 through 238 used for training [...]”. 20 CFR 617.57 and 617.61 provide authority to collect data from states regarding activity for TAA. 20 CFR 617.61 requires that state agencies administering the TAA program “[...] shall furnish to the Secretary such information and reports and conduct such studies as the Secretary determines are necessary or appropriate for carrying out the purposes of the Act and this Part 617.”

7. Additional Guidance Regarding Pre-Existing Reporting Line Items.

A. ETA-9130 Section 10, Transactions

10a Cash Receipts

A hard edit prevents the amount entered in line 10a from exceeding the Total Federal Funds Authorized (10d).

10b Cash Disbursements

A hard edit prevents the amount entered in line 10b from exceeding the Cash Receipts identified on line 10a.

For Local Youth, Local Adult, and Local Dislocated Worker 9130 reports, Cash Disbursements means cash disbursed to local areas from the cash received by the State.

At the recipient level, the term disbursement means the transfer of funds from the recipient to a subrecipient or other payee, commonly by cash, check, voucher, or credit card payment. Disbursements at the recipient level include electronic transfers of cash to a subrecipient organization and payments to contractors for goods and services.

Examples of disbursements at the Federal level are online transfers to recipients through the HHS-PMS system.

10c Cash on Hand

No entry by the recipient is required as this reporting line item is a system calculated field: Cash Receipts (10a) minus Cash Disbursements (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 immediate needs. In accordance with 2 CFR 200.305, recipients must minimize the amount of time between drawdowns and disbursements. A good business practice for recipients 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 must be provided in the Remarks section of the financial report. Example: Funds were drawn on Friday for payroll on Monday and the reporting period closed on Friday.

10d Total Federal Funds Authorized

For non-WIOA-funded programs as well as for National Dislocated Worker Grants, there is no entry required in line 10d as this reporting line item is pre-filled automatically by the reporting system.

For the Statewide Rapid Response (RR) 9130, RR is one of three components of the Dislocated Worker (DW) program (Statewide DW, Local DW, and Statewide RR). Therefore, the Total Funds Authorized (10d) entry on the Statewide RR 9130 plus the 10d entries on the Statewide Dislocated Worker 9130 and Local Dislocated Worker 9130 must equal the cumulative obligation indicated on the NOA. Rapid Response funds that remain unobligated by local areas after the first Program Year of funding, and that are recaptured by the Governor to carry out statewide activities, will precipitate no change to this entry.

10e Federal Share of Expenditures

A hard edit prevents this entry from exceeding the Total Federal Funds Authorized (10d).

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 reported in Cash Disbursements

(10b). If ETA reviewers observe that the amounts reported in Federal Share of Expenditures (10e) and Cash Disbursements (10b) are consistently the same, it is an indication that the recipient is not reporting on an accrual basis.

Examples of expenditures that are to be reported to ETA include:

- costs of goods (e.g. office supplies) and services (e.g. accounting) which have been received;
- salaries and benefits earned by employees for work performed or leave taken, whether or not the payroll checks have been issued; and
- costs of services received by clients/participants, such as child care or transportation, for which the recipient 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 the Local Youth, Local Adult, and Local Dislocated Worker 9130s, this entry represents the aggregate of accrued expenditures (cash disbursements plus accruals) incurred for allowable Local Youth, Local Adult, and Local Dislocated Worker program activities. The local area expenditures are aggregated by the state and reported on line 10e.

10f Total Administrative Expenditures

For non-WIOA-funded programs as well as for the Statewide Rapid Response and National Dislocated Worker Grants, recipients are advised to refer to the appropriate program rules and regulations and/or grant award terms and conditions for specific definitions and/or limitations on administrative costs.

Some grants may be identified in the grant agreement as exempt from breaking out administrative costs. In this instance, enter zero (\$0) in line 10f.

For WIOA grants, more information on what constitutes administrative costs can be found in WIOA Sec. 3 (1) or in the proposed rule at 20 CFR 683.215.

For local WIOA formula funds financial reports, this entry should include the aggregate of accrued expenditures incurred (cash disbursements plus accruals) for allowable administrative activities at the local level for which administrative costs must be reported and then aggregated by the state.

10g Federal Share of Unliquidated Obligations

The OMB Uniform Guidance defines “Obligation” in 2 CFR 200.71. In summary, 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 summary, obligations are not plans, budgets, or encumbrances.

For the Local Youth, Local Adult, or Local Dislocated Worker 9130s, the Federal Share of Unliquidated Obligations represents obligations incurred against local area Youth, Adult, or Dislocated Worker 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.

On the closeout 9130, this line item should be zero (\$0).

10h Total Federal Obligations

No entry is required of recipients as this reporting line item is a system calculated field: Federal Share of Expenditures (10e) plus Federal Share of Unliquidated Obligations (10g). A hard edit prevents this entry from exceeding the Total Federal Funds Authorized (10d).

10j Total Recipient Share Required

Match, as applicable to ETA grant programs, is defined and discussed in the OMB Uniform Guidance at 2 CFR 200.29 and 2 CFR 200.306. 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 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 recipient 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, including 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 at <http://etareporting.workforce3one.org>.

For funds reported on the Basic 9130 and on the Senior Community Service Employment Program 9130, there is no entry required in line 10j as this reporting line item is pre-filled automatically by the reporting system.

There is no statutory requirement for match under WIOA, with the exception of the employer non-federal share requirement for Incumbent Worker Training. Therefore, line 10j will always be zero (\$0) on all Statewide Youth, Adult, and Dislocated Worker 9130s as well as the Local Youth 9130. On Local Adult and Local Dislocated worker reports, states must report the amount of non-federal share provided by employers participating in Incumbent Worker Training per WIOA Sec. 134 (d)(4)(C).

10k Recipient Share of Expenditures

Expenditures reported in this entry must occur within the grant's period of performance, must meet the definition 2 CFR 200.306 (b), and do not necessarily 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 recipient and/or any subrecipient from non-Federal funds that are in support of grant objectives and outcomes. Cash match may also include unreimbursed allowable indirect costs, but are subject to the administrative cost limitation. The value of the cash match is the actual costs incurred as reflected in the recipient'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 recipient or a subrecipient, 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 2 CFR 200.306 and 2 CFR 200.434. 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.

B. ETA-9130 Section 11, Additional Data Required

Refer to the appropriate program rules and regulations and/or grant award terms and conditions for specific reporting guidelines.

C. ETA-9130 Section 12, Remarks

This section provides an opportunity to outline any explanations and/or details deemed necessary by the recipient or information required by DOL ETA.

As outlined in TEGL 12-14, *Allowable Uses and Funding Limits of Workforce Investment Act (WIA) Program Year 2014 funds for WIOA Transitional Activities*, and the corresponding Frequently Asked Questions (FAQs), expenditures for activities to facilitate the transition from WIA to WIOA must be reported in this section. Both the TEGL and FAQs are available on the DOL/ETA WIOA resource page at <http://www.doleta.gov/wioa/>.

- 8. Action Requested.** It is imperative that recipient staff across all functions (e.g., program/grant implementation, performance, reporting, financial, etc.) have a thorough understanding of the

requirements set forth in this guidance and work in unison towards the seamless design and maintenance of an accurate and reliable financial reporting system to successfully implement financial reporting requirements of WIOA and to align the financial reporting with the OMB Uniform Guidance.

Effective January 1, 2016, recipients must submit ETA-9130 Financial Reports on the new formats provided. All pre-existing **and new reporting line items** must be reported cumulatively from grant inception, i.e., Youth funds beginning on April 1, 2015 and all other WIOA funds beginning on July 1, 2015.

Please disseminate this guidance to all staff directly and indirectly responsible for financial management and reporting of ETA grants and cooperative agreements.

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

10. Attachment. ETA-9130 Financial Report and Instructions