

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Financial Reporting
	CORRESPONDENCE SYMBOL OMAS/OGM
	DATE July 14, 2016

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 2-16

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 /s/
Assistant Secretary

SUBJECT: Revised 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's) 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, and this Training and Employment Guidance Letter (TEGL) should be used as a supplemental resource. The appropriate program rules, regulations, and terms and conditions of the grant award may also contain 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, as amended
- 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, Final Rule
- One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG) Part II
- Training and Employment Guidance Letter (TEGL) No. 8-15, *Second Title I WIOA Youth Program Transition Guidance*
- TEGL 23-14, *Workforce Innovation and Opportunity Act (WIOA) Youth Program Transition*

RESCISSIONS TEGL No. 13-12	EXPIRATION DATE Continuing
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- TEGL 26-14, *Workforce Innovation and Opportunity Act Transition Authority for Flexible Use of State Rapid Response Funds*
- TEGL 15-14, *Implementation of New Uniform Guidance Regulations*
- TEGL 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*

3. **Background.** ETA awards approximately \$8 billion in formula and discretionary awards each year to an average of 1,000 recipients. Financial reports for each of these awards must be submitted quarterly on the ETA-9130 Financial Report. ETA awards include but are not limited to: (1) State Employment Security Agencies which are comprised of three components: Wagner-Peyser Employment Service, Unemployment Insurance program, and Trade Adjustment Assistance (TAA) program grants; (2) Workforce Innovation and Opportunity Act (WIOA) Youth, Adult, and Dislocated Worker (DW) programs; (3) National Farmworker Jobs Program (NFJP); (4) Indian and Native American programs; (5) the Senior Community Service Employment Program; (6) awards authorized under section 169 of WIOA; and (7) H-1B Job Training awards.

Financial reporting requirements for Federal grants prescribed by the Office of Management and Budget (OMB) have changed with the implementation of the Uniform Guidance at 2 CFR Part 200 including the Department of Labor's (DOL's) approved exceptions at 2 CFR Part 2900. ETA requires that recipients of Federal awards report on an accrual basis. These changes affect both the ETA-9130 reporting form and its instructions. However, the changes brought about by the Uniform Guidance do not affect the collection burden on recipients, but rather 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 reporting line items and modification of existing reporting line items on ETA-9130 Financial Reports. Other reporting line items have been added and/or removed in an effort to streamline Federal financial reporting and make the 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.** The process to certify and submit the financial reports remain mostly unchanged. ETA requires all grant recipients to submit ETA-9130 Financial Reports electronically through an on-line reporting system at www.eta-reports.doleta.gov.

A. Password and PIN Assignments

The filing of the ETA-9130 forms requires recipients to certify and submit the reports. A recipient obtains access to the online financial reporting system through the use of a password and PIN. 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 person

via e-mail. The [Financial Reporting Access Request Document](#) is available on ETA's official Website at 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 certifying official, you must send an e-mail to ETApasword.pin@dol.gov with the grant agreement numbers (affected by the change), grant recipient name, primary contact name, contact phone number, and contact e-mail address. Please indicate in the change request if the request is a name change only or a new password and PIN is also 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 as described in the Reporting Requirements section of this TEGL.

- 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 grant recipient is responsible for ensuring that the designated authorized official is a current employee. The PIN takes the place of a signature to certify the data and submission date.
- 3. Data Acceptance** – ETA staff is responsible for reviewing the certified ETA-9130, communicating with recipients, as necessary, and accepting the report within 10 business days after report certification. If a modification is required, the certification and acceptance processes must be repeated.

If there is a rejection of a report, a reason for the rejection must be entered in section 12, Remarks, by the ETA reviewer. The reviewer must notify the recipient regarding the 9130 rejection. The recipient revises the 9130 based on the information provided by the reviewer in the Remarks section. The recipient re-certifies and re-submits the 9130 for acceptance. The recipient must inform the Regional Office or Federal Project Officer (FPO) after any re-certification and re-submission of a 9130.

C. Reporting Requirements

Financial reports are due no later than 45 calendar days after the end of each quarter, unless otherwise specified in reporting instructions. A report must be submitted for each

subaccount listed in the Notice of Award (NOA) document. All financial data must be reported based on the accrual basis of accounting and be cumulative by fiscal year of appropriation through the entire period of performance (POP). 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	Financial Reports Due Dates
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 on-line 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 only available Monday through Friday.

The quarter in which financial reporting begins is based on the effective date listed on the NOA, and is independent of the date on which the NOA is signed by the Grant Officer.

Examples of due dates for initial 9130 reports are:

NOA Effective Date	NOA Date Signed	Initial Reporting Quarter End Date	Initial Report Due Date
7/1/15	7/1/15	9/30/15	11/14/15
10/1/15	12/28/15	12/31/15	2/14/16
8/1/16	9/28/16	9/30/16	11/14/16

Quarterly financial reports are locked once ETA has accepted reports for two successive quarters. Once reports are locked, additional adjustments may be made only in limited circumstances and with approval from ETA. The reports are cumulative, so any minor adjustments should be made to the next submitted report with an explanation of the change in the Remarks section.

At the end of a grant, **two** reports must be submitted:

1. The **Final** 9130 report must be submitted no later than **45 calendar days** after the reporting period in which the grant period of performance expires or all funds are expended, whichever comes first. The Final 9130 report must be indicated by selecting 'Yes' in the reporting line item 6, Final Report.
2. The **Closeout** 9130 report must be submitted no later than **90 calendar days** after the expiration of the grant period of performance. The Closeout 9130 Report must be completed in addition to the Final 9130 report. It becomes accessible online *after* submission of the Final 9130 report at which time a link to the closeout system will

also appear. The closeout package can be accessed via the following URL:
https://www.etareports.doleta.gov/CFDOCS/grantee_prod/reporting/index.cfm.

Example of due dates for Final and Closeout 9130 reports are listed below:

Grant POP	All Funds Expended or POP Expired	Final Reporting Quarter End Date	Final Report Due Date	Closeout Report Due Date*
7/1/15 – 6/30/18	6/30/18	6/30/18	8/14/18	9/28/18
10/1/15 – 9/30/18	9/30/18	9/30/18	11/14/18	12/29/18
8/1/16 – 7/31/17	1/6/17	3/31/17	5/15/17	10/29/17

* Closeout 9130 reports are due 90 calendar days after the expiration of the POP regardless of whether funds are expended prior to that date.

Please contact your FPO for assistance with completing the 9130 reports, including the Final 9130 report. For questions regarding the Closeout 9130 report, please consult 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: appsupport.egrants@dol.gov. For more information regarding grant closeout, please visit: http://www.doleta.gov/grants/grant_closeout.cfm.

5. **Overall Changes.** The list below provides a summary of the overall, significant ETA-9130 report changes. For a comprehensive account of all changes, please refer to the ETA-9130 form and its instructions which are available at: http://www.doleta.gov/grants/financial_reporting.cfm. Changes to program specific 9130 reports are outlined in item 6 below.

A. Report Names

An alphanumerical character has been assigned to the individual programs' ETA-9130 Reports 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 Program – ETA-9130 (M)

B. Conformance to Federal Financial Report SF-425

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

In an effort to alleviate reporting burden, Recipient Share of Unliquidated Obligations and Recipient Share of Obligations have been removed and are no longer reporting requirements on the 9130.

New lines for Indirect Expenditures reporting have been added to all 9130s, with the exception of the Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) reports. Additional information on the tracking and reporting of indirect expenditures can be found in the Uniform Guidance at 2 CFR Part 200. 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 – 13h, 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 item 7. A. below.)
- Recipients only need to fill out the new Indirect Expenditure lines at 13a – h in their submission of the Final 9130 report.
- Direct grant recipients that have approved negotiated indirect cost rates must complete this section and itemize the rates and costs charged to the grant for the entire period of performance on the Final 9130 report.
- Recipients that are subject to a statewide cost allocation plan (SWCAP) do not have to complete this section.
- Only indirect expenses incurred by the recipient receiving direct awards from ETA must be reported; indirect costs incurred by subrecipients are not included on line item 13a-h.
- 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. Changes to Individual ETA-9130 Financial Reports.

A. WIOA Program

New National Dislocated Worker Grants Report – ETA-9130 (G)

Due to the programmatic requirements in WIOA, a new report has been created for National Dislocated Worker Grants. Effective with the quarter ending on September 30, 2016, all National Dislocated Worker Grant funds (including those awarded under the Workforce Investment Act National Emergency Grants) must be reported in this new form, in compliance with applicable program rules, regulations, and/or grant award terms and conditions.

The National Dislocated Worker Grants 9130 (G) varies from the Basic 9130 in that it contains the following two additional reporting line items in section 11, Additional Data Required:

Transitional Jobs Expenditures

WIOA sec. 134 (d)(5) sets an expenditure cap of ten percent of the amount of Federal funds allocated to a local area to carry out the Adult and DW programs for a program year or grant period on Transitional Jobs Expenditures. Because the National Dislocated Worker Grants program is so closely related to the Adult and DW programs, ETA has chosen to also apply this requirement to expenditures for transitional jobs under National Dislocated Worker Grants. Transitional Jobs subject to this cap are: 1) 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; 2) combined with comprehensive employment and supportive services; and 3) 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.

Training Expenditures

This line item should consider all costs for training, including, but not limited to, tuition, books, tools, etc., as applicable. All forms of training must be accounted for, including but not limited to occupational skills training, high school equivalency (GED/HiSET/TASC) training, and on-the-job training (OJT).

New WIOA Statewide and Local ETA-9130 Forms – ETA-9130 (A), (B), (C), (D), (E), (F), and (H):

It is important to note that, for reporting under WIOA Title I formula grants, the level of the report (that is, statewide versus local) determines what data should be reported. With

the exception of reporting line item 10a., Cash Receipts, local reports are the aggregate of data collected by the State and reported by local areas in their official accounting records.

WIOA Statewide Reports – ETA-9130 (A), (C), (E), and (H):

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 ETA-9130 (A) in accordance with WIOA sec. 129 (a)(4)(A), which requires that a minimum of seventy-five percent of statewide and local youth funds respectively must be expended to provide youth workforce investment activities for out-of-school youth. (Local out-of-school youth funds are reported separately on the Local Youth ETA-9130 (B)). 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 23-14, *Workforce Innovation and Opportunity Act (WIOA) Youth Program Transition*, and TEGL 8-15, *Second Title I WIOA Youth Program Transition Guidance*.

In-School Youth Funds Expended on Direct Services

Since WIOA sec. 129 (a)(4)(A) requires that a minimum of seventy-five percent of statewide and local youth funds respectively must be expended to provide youth workforce investment activities for out-of-school youth, in-school youth expenditures must be collected in order to determine the total percentage of out-of-school youth funds expended. (Local in-school youth funds are reported separately on the Local Youth ETA-9130 (B)). 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 ($OSY \div (ISY + OSY)$). A new In-School Youth Funds Expended on Direct Services reporting line item was added to the Statewide Youth ETA-9130 (A) accordingly.

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 ETA-9130 (H) report in accordance 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).

WIOA Local Reports – ETA-9130 (B), (D), and (F):

Work Experience Expenditures

A new reporting line item for Work Experience Expenditures was added to the Local Youth ETA-9130 (B) in accord with WIOA sec. 129 (c)(4), which requires that a minimum of twenty percent of Federal funds allocated to a local area to carry out the local youth program for a program 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 OJT opportunities (WIOA sec. 129 (c)(2)(C)). See TEGL 8-15, *Second Title I WIOA Youth Program Transition Guidance* for additional information.

Pay-for-Performance Contract Expenditures*

A new Pay-for-Performance Contract Expenditures reporting line item was added to the Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 reports in accord with WIOA sec. 129 (c)(1)(D) and WIOA sec. 134 (d)(1)(A)(iii). Not more than ten percent of the amount of Federal funds allocated to a local area may be reserved and used for pay-for-performance contract strategies. Additional guidance and technical assistance on the topic of pay-for-performance contract strategies is forthcoming.

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

It is necessary to identify the unliquidated obligations because WIOA sec. 189 (g)(2)(D) stipulates that funds for pay-for-performance contracts remain available until expended. Consequently, this new reporting line item was added to the Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 reports. 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. Additional guidance and technical assistance on the topic of pay-for-performance contract strategies is forthcoming.

Transitional Jobs Expenditures*

A new Transitional Jobs Expenditures reporting line item was added to the Local Adult (D) and Local Dislocated Workers (F) 9130 reports 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 allocated to a local area to carry out the Adult and DW programs for a program year. The transitional jobs covered by this cap are: 1) time-limited work experiences that are wage-paid and 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; 2) to be combined with comprehensive employment and supportive services; and 3) 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 and Local Dislocated Workers 9130 reports in accord with WIOA sec. 134 (d)(4)(A)(i), which sets a cap for these expenditures of twenty percent of

the amount of Federal funds allocated to a local area to carry out the Adult and DW programs for a program year.

***Note:** WIOA sections 134 (d)(1)(A)(iii), 134 (d)(4)(A)(i), and 134 (d)(5) allow a local area to combine their Local Adult and Local Dislocated Worker allocations to meet the specified expenditure cap for each of the following activities: Pay-for-Performance Contracts, Transitional Jobs, and Incumbent Worker Training. For example, a local area receives \$1.5 million in Adult funds and \$1.0 million in DW funds. It may use up to \$250,000 (10% of the total) for Transitional Jobs.

Expenditure rates are calculated by dividing the sum of the cumulative expenditures for each applicable reporting line item for both the Local Adult and Local DW fund streams by the sum of the Total Federal Funds Authorized for the Local Adult and Local DW fund streams.

Example for Transitional Jobs Expenditure Rate Calculation:

$$\left(\begin{array}{c} \text{Sum of all PY and FY Local Adult Transitional Jobs Expenditures (11f entries)} \\ + \\ \text{Sum of all PY and FY Local DW Transitional Jobs Expenditures (11f entries)} \end{array} \right) \div \left(\begin{array}{c} \text{Sum of all PY and FY Local Adult Total Federal Funds Authorized (10d entries)} \\ + \\ \text{Sum of all PY and FY Local DW Total Federal Funds Authorized (10d entries)} \end{array} \right)$$

For the Local Youth allocations, the cap for Pay-for-Performance contracts is tabulated separately from the Local Adult and Local DW allocations.

B. Other Programs

New Reporting Line Items – ETA-9130 (J) and (M)

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 National Farmworker Jobs Program ETA-9130 (J) report.

TAA Training Expenditures

A new Training Expenditures reporting line item was added to the Trade Adjustment Assistance Program ETA-9130 (M). 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 617.61 provides authority to collect data from states regarding activity for TAA, requiring that state agencies administering the TAA program “[...]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

The amount entered in line 10a must not exceed the Total Federal Funds Authorized in line 10d.

For Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 reports, Cash Receipts reported should reflect the **State’s receipt of cash** to be disbursed to local areas to pay for allowable Local Youth, Adult, and Dislocated Workers costs associated with the funding authority identified on Line 10d (Total Federal Funds Authorized).

10b Cash Disbursements

The amount entered in line 10b must not exceed the Cash Receipts identified on line 10a.

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 on-line transfers to recipients through the HHS-PMS system.

For Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 reports, Cash Disbursements means cash disbursed by local areas from the cash received from the State.

10c Cash on Hand

States must adhere to the rules for transferring funds between the Federal government and States for Federal assistance programs in accordance with 31 CFR 205. In accordance with 2 CFR 200.305, all recipients must minimize the amount of time between drawdowns and disbursements. An explanation for the excess cash on hand amount must be provided in the Remarks section of the financial report, as appropriate.

10d Total Federal Funds Authorized

The Total Federal Funds Authorized for the WIOA Statewide Youth (A), Statewide Adult (C), Statewide Dislocated Workers (E), Statewide Rapid Response (H), Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 reports are not prefilled, but are components of States' NOAs that are issued for the WIOA Youth, Adult, and Dislocated Workers funding streams respectively.

10e Federal Share of Expenditures

The OMB Uniform Guidance defines "expenditures" in 2 CFR 200.34. The amount entered in line 10e must not exceed the Total Federal Funds Authorized in line 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.

For the Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 reports, this entry represent 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

Recipients are advised to refer to the appropriate program rules, 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, more information on what constitutes administrative costs may be found in WIOA sec. 3 (1).

For the Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 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 (B), Local Adult (D), or Local Dislocated Workers (F) 9130 reports, the Federal Share of Unliquidated Obligations represents obligations incurred against local area Youth, Adult, or DW funds, for which an accrued expenditure has not yet been recorded or an outlay/disbursement made in the local areas’ official accounting records. States should not record the annual amount allotted to each local area as an obligation on this report.

On the Closeout ETA-9130 report, 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).

For the Local Youth (B), Local Adult (D), and Local Dislocated Workers (F) 9130 reports, the Federal Share of Obligations represents obligations incurred against local area Youth, Adult, or DW 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.

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. 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 contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200 and the Department's exceptions at 2 CFR Part 2900. 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 period of performance.

For funds reported on the Basic 9130 and on the Senior Community Service Employment Program (K) ETA-9130 report, 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 (A), Statewide Adult (C), and Statewide Dislocated Workers (E) 9130 reports, as well as the Local Youth (B) ETA-9130. Per WIOA sec. 134 (d)(4)(C), states must report employers' share of the costs of Incumbent Worker Training on the Local Adult (D) and Local Dislocated Workers (F) 9130 reports.

10k Recipient Share of Expenditures

Expenditures reported in this entry must occur within the grant's period of performance and must meet the definition in 2 CFR 200.306 (b).

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, may not have been charged to program income, or used to match other Federal match requirements, nor have been for costs that are unallowable. 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 contributions have been updated and can be found at 2 CFR 200.306 and 2 CFR 200.434.

Other Federal funds expended for the purpose and benefit of this grant should be included in line item 11a (Other Federal Funds Expended).

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 ETA. Additional information may also be required as part of a special condition or term to a grant award.

As outlined in TEGL 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*, 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 ETA's official website for WIOA at: <http://www.doleta.gov/wioa/>.

- 8. Transition to the New Forms.** Revised ETA-9130 Forms and Instructions were made available for public comment, as required by the Paperwork Reduction Act (PRA), in a 60-day Federal Register Notice published at 80 FR 46337 on August 04, 2015 and a 30-day notice published at 80 FR 80815 on December 28, 2015. OMB approved the new ETA-9130 Financial Reports on April 13, 2016 (OMB Control No. 1205-0461), extending the expiration date through April 30, 2019. The new forms and instructions are available at: https://doleta.gov/grants/financial_reporting.cfm.

Given the mid-April approval date, ETA understands that it is not feasible for recipients to implement the new requirements for the financial reporting quarter beginning on April 1, 2016 and ending on June 30, 2016. Instead, implementation is expected with the financial reporting quarter beginning on July 1, 2016 and ending on September 30, 2016. This allows recipients adequate time to prepare their accounting and reporting systems for the change.

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.

- 9. Effective Date and Action Requested.** Grant recipients will be required to submit their financial information using the new ETA-9130 Financial Reports for all reporting periods beginning with the quarter ending on September 30, 2016. This is required for all existing and new awards. All pre-existing and new reporting line items must be reported cumulatively from grant inception. Previous (older) versions of ETA-9130 Financial Reports that were submitted by grantees will remain available for the quarters ending June 30, 2016 or earlier. Please disseminate this guidance to all staff directly and indirectly responsible for financial management and reporting of ETA grants and cooperative agreements.

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