

Texas Workforce Commission

Fiscal Technical Assistance Questions and Answers



E-mail Fiscal.TA@twc.state.tx.us for questions.
Last Update: January 18, 2012

Introduction

Purpose

The Fiscal Technical Assistance Questions and Answers compile selected questions and corresponding responses addressed by the Texas Workforce Commission (TWC). It provides supplemental administrative and cost guidance for TWC-funded grant award contracts, and related subawards.

Organization

This document contains twenty-four sections, as listed in the Main Table of Contents. The Main Table of Contents includes hyperlinks to each section. When a user opens a particular section, a separate table of contents appears at the beginning of that section. Each item in the Section Table of Contents is linked to the respective question and response within that section. Users may return to the Main Table of Contents by clicking the corresponding link in each section. An appendix lists deleted and revised items.

Use

Not all responses may be appropriate in all circumstances. In determining whether a particular cost or policy is allowable, users should consider the specific circumstances surrounding that particular cost or policy in conjunction with this guidance, federal and state statutes, regulations, rules, and other requirements applicable to the cost and entity. Failure to mention a particular item of cost or policy does not imply that it is either allowable or unallowable. If no similar item is discussed in applicable cost principles, program requirements, or related guidance, the general tests of allowability must be applied.

Updates

Fiscal-TA will periodically update this guidance, and may modify or delete responses that are no longer applicable (i.e. as a result of changes in federal state, or agency requirements). Given the susceptibility to change, users should document any decisions based on this guidance by retaining a hard copy of the particular question and response on which a particular decision was based. In the event of conflict between the Fiscal Technical Assistance Questions and Answers and federal or state law, the provisions of federal or state law apply.

Questions

Boards and TWC grantees may direct questions relating to the guidance in this document to Fiscal.TA@twc.state.tx.us. Recipients of subawards from Boards and TWC grantees should direct questions to the Board or TWC grantee from which it received its subaward of TWC funds. The Board or TWC grantee will address such questions or forward the questions to Fiscal-TA, as appropriate.

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A. Access to Records and Records Retention

A.1 Scanned Invoices

A.2 Prior Approval for Document Destruction

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A.1 Scanned Invoices (11/22/2002)

Should original documentation for payable invoices be kept or can scanned documentation be retained in its place?

A.1 Response

According to 29 CFR 97.42, Retention and Access Requirements for Records, records must be retained for three years unless otherwise specified. This section applies to records of grantees or subgrantees. As stated in Sec. 97.42 (d), "Substitution of microfilm. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records." The Uniform Grant Management Standards, Chapter III, Subpart C __.42 also uses the same language as stated in Sec. 97.42 (d). We interpret scanning to be a "similar method" that may be substituted for the original records.

Although the language above applies to grantees and subgrantees, grantees' and subgrantees' contracts must contain a provision requiring the retention of all required records for three years after final payments are made and all legal or other pending matters are closed (29 CFR 97.36). We would conclude that the retention of scanned documents (from the original documents) by the contractor is acceptable.

A.2 Prior Approval for Document Destruction (11/25/2003)

Is approval required from TWC for document destruction, provided the conditions in the FMGC are met?

A.2 Response

No, prior approval from TWC is not required for the destruction of documents; however, the Board and subcontractors must retain the documentation for the specified timeframe as noted in the Texas Workforce Financial Manual for Grants and Contracts (FMGC). The FMGC, Chapter 4.03 states: "The subrecipient must retain all records and supporting documents for a minimum of 3 years after the final audit report, unless any litigation or claim has been started before the expiration of the three-year period. Then records must

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be maintained until the completion of the action and resolution of all issues, or until the end of the regular three-year period, whichever is later." The FMGC Chapter 4.03 further identifies the types of records subject to the records retention policy which would "include financial, statistical, property, participant, program reports, award documents, budgets, all attachments, and all modifications." In addition, FMGC 18.10 states the auditor must keep their work papers and reports for three years from the date of the audit report.

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B. Allocation, Deobligation, and Reobligation

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Currently no questions or responses.

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C. Budget

C.1 Budget Shortfalls – Reclassification of Costs

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C.1 Budget Shortfalls – Reclassification of Costs (11/14/2003)

When a specific grant exceeds budget, is it allowable to either (1) reclassify specific program costs that are also allowed in another open grant to that grant, or (2) reclassify shared indirect costs to another open grant? Is it allowable when a certain grant reaches its budgeted administrative costs, to no longer charge shared costs to the related fund, even though the grant is still “open”. Instead, other grants would pick up these expenses.

C.1 Response

Indirect and/or administrative costs benefiting more than one grant must be shared relative to the benefit each received from the expenditure [see Uniform Grant Management Standards (UGMS), II Attachment A, Section F (1)]. Such costs may not be reclassified to avoid a budget deficit if doing so would create costs disproportionate to the relative benefits received. Section F (3)(b) states, "Amounts not recoverable as indirect costs or administrative costs under one Federal or state award may not be shifted to another Federal or state award, unless specifically authorized by Federal or state legislation or regulation." However, when federal or state program eligibility requirements allow an individual to participate in more than one program, costs for that participant may be reclassified to another program under certain circumstances.

Specific direct costs related to a program participant that are also allowable in another program grant may be reclassified to that grant if the participant was eligible and enrolled in each program at the time the cost was incurred. This may also be true for indirect costs. If an indirect cost allocation is based on participants, and certain eligible participants are reclassified to another grant program, a portion of the costs would shift from one program to the alternate program. This assumes all the indirect costs allocated are allowable under both grants.

For example, if the allocation of a workforce center's occupancy costs is based on the number of participants in each program administered by the center, and certain eligible participants are reclassified to an alternate program grant, the percentage allocated to each would change, less costs would be allocated to one grant and more of the allocation would be charged to the alternate grant. Such a transaction must be well documented to demonstrate that all participants are actually eligible for and enrolled in the alternate

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program at the time the costs are incurred and that the costs are allowable under both grants.

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D. Cash Management

D.1 In Kind Employer Contributions for WIA Customized Training

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D.1 In Kind Employer Contributions for WIA Customized Training (6/25/2003)

Can an employer use “in-kind” contributions as opposed to cash to satisfy the required employer contribution for customized training costs?

D.1 Response

Certain "in-kind" contributions may be used to satisfy employer-matching requirements for WIA customized training. The Department of Labor rules found in 29 CFR 97.24(a) state, "A matching or cost sharing requirement may be satisfied by either or both of the following: (1) Allowable costs incurred by the grantee, subgrantee or a cost-type contractor under the assistance agreement . . . (2) The value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirements applies." Section 97.24(b) establishes the qualifications and exceptions for allowable matching and cost sharing funds.

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E. Child Care Funds Management

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Currently no questions or responses.

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F. Closeout Requirements

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Currently no questions or responses.

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G. Contract Provisions and Assurances

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Currently no questions or responses.

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H. Cost Allocation

H.1 Allocation of Equipment Purchases

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H.1 Allocation of Equipment Purchases (3/13/2003)

How should the cost of equipment purchases be allocated among multiple programs?

H.1 Response

The equipment should be accounted for in a manner that is consistent with local accounting practices and applicable cost and accounting requirements for similar costs that are incurred in like circumstances. Specifically, “A cost may not be assigned to a federal or state award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal or state award as an indirect cost [UGMS, Part II, Attachment A, (C)(1)(f)].” Principles for classifying costs as either direct or indirect costs can be found at UGMS, Part II, Attachment A, (D)-(F). In general, however, federal and state cost principles allow that:

- the full cost of the equipment be charged as a direct cost to the final cost objectives with which it can be specifically identified;
- the equipment be depreciated over its useful life and recovered over time as either a direct or an indirect cost; or
- the cost of the equipment may be recovered over time through a use allowance that is charged as either a direct or an indirect cost.

See UGMS, Part II, Attachment B, Item 20(b) for further discussion of these options. Note that the total cost of the equipment may not be charged to the indirect cost pool at the time the equipment is acquired [see UGMS, Part II, Attachment D, (C)(2)(b) and ASMB C-10, Illustrations 6-1 and 6-3]. If the equipment is depreciated, limitations and principles for the use of depreciation and use allowances apply [see UGMS, Part II, Attachment B, Item 16]. If the cost of the equipment is allocated among multiple partners, the partners may fund their allocable share of the cost through resource sharing as described in the Federal Register, Volume 66, Number 105, Thursday, May 31, 2001, Notices [pp. 29638-29646]. [Note: This response has been modified from the original issuance in order to provide greater clarification.]

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I. Cost Principles and Selected Items of Cost

- [**I.1 Work-Related Damage to Employee’s Personally Owned Vehicle**](#)
- [**I.2 Interest on Financed “Build Out” Costs**](#)
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- [**I.4 Food for Planning Meetings and Seminars**](#)
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I.1 Work-Related Damage to Employee’s Personally Owned Vehicle (11/12/2002)

An employee of the Board, who works in the IT department, used his personally owned vehicle (POV) (a truck) to move some computers under the direction of his supervisor. The computers were not securely tied or padded in the bed of the truck and scratched the pickup bed casing. The cost of the repairs to the truck is \$187.70. The Board’s insurance company would not pay the claim because they felt that the owner of the truck failed to exercise due diligence in preventing the damage. Can the Board pay for the repairs?

I.1 Response

Because of the minimal amount of the damage claim, the Board may reimburse the employee for the cost of repair to the personal vehicle.

The State Uniform Grant Management Standards (UGMS), Part II, Attachment B, Section 26(c), and OMB Circular A-87, Attachment B, Section 25(c), both provide that minor losses not covered by insurance, such as spoilage, breakage, and disappearance of small hand tools, which occur in the ordinary course of operations, are allowable. However, if such losses result in an aggregate loss of \$1,000 or more within a twelve-month period, the grantee or subrecipient may be required to reimburse the grantor agency.

I.2 Interest on Financed “Build Out” Costs (1/15/2003) Updated 1/18/2012

We, a Local Workforce Development Board, are researching options concerning a building lease in about a year and a half. We anticipate build out costs to be large (\$1MM to \$1.8MM), so we

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are looking at possible financing alternatives, such as owner financed, etc. If we borrow money from a bank to cover some or all of the "build out" costs, would the interest be allowable?

I.2 Response

The Texas Workforce Commission's Financial Manual for Grants and Contracts, Chapter 8 state the allowability of costs for rearrangement and alteration of facilities and rental costs. "Rental costs are allowable to the extent that the rates are reasonable in light of such factors as:

1. rental costs of comparable property, if any;
2. market conditions in the area;
3. alternatives available; and
4. the type, life expectancy, condition, and value of the property leased."

"Costs incurred for rearrangement and alteration of facilities are allowable."

OMB Circular A-87, Attachment B, Section 26(b) states that "Financing costs (including interest) paid or incurred on or after the effective date of this Circular associated with the otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling completed on or after October 1, 1980 is allowable, subject to the conditions in (1)-(4)...

- (1) The financing is provided (from other than tax or user fee sources) by a bona fide third party external to the governmental unit;
- (2) The assets are used in support of Federal awards;
- (3) Earnings on debt service reserve funds or interest earned on borrowed funds pending payment of the construction or acquisition costs are used to offset the current period's cost or the capitalized interest, as appropriate. Earnings subject to being reported to the Federal Internal Revenue Service under arbitrage requirements are excludable.
- (4) Governmental units will negotiate the amount of allowable interest whenever cash payments (interest, depreciation, use allowances, and contributions) exceed the governmental unit's cash payments and other contributions attributable to that portion of real property used for Federal awards."

Therefore, a conclusion has been reached that interest would be an allowable cost under the condition that the building lease and "build out" costs have been approved in writing as an allowable cost by the Commission prior to the lease.

I.3 Insurance Deductibles (2/2/2003) Updated 1/18/2012

Our contractor has Director and Officer's liability insurance with a \$10,000 deductible. If an employee were to file a lawsuit against our contractor, would the deductible amount be an allowed cost?

I.3 Response

The cost of an insurance policy required pursuant to a Federal award or other insurance in connection with the general conduct of activities is allowable per OMB Circular A-87, Attachment B, Section 25; OMB Circular A-122, Attachment B, Section 22; and the Financial Manual for Grants and Contracts (FMGC). However, the deductible is not a cost of obtaining insurance.

The deductible is paid if the insured contractor is found liable. Pursuant to OMB Circular A-122, Attachment B, Section 10(f), "Costs incurred by the organization in connection with the defense of suits brought by its employees or ex-employees under section 2 of the Major Fraud Act of 1988 (Pub. L. 100-700), including the cost of all relief necessary to make such employee whole, where the organization was found liable or settled, are unallowable."

Therefore, if an employee were to file a lawsuit against the contractor and the contractor was found liable, the deductible would not be an allowable cost.

I.4 Food for Planning Meetings and Seminars (2/13/2003 and 8/27/2003)

Is food an allowable cost for planning meetings and seminars?

I.4 Response

Fiscal-TA has received several questions regarding the allowability of food for planning retreats and seminars, specifically those related to technical assistance provided to Boards in the area of Youth Programs, and seminars designed to disseminate information about services available to business. These questions were answered separately on 2/13/2003 and 8/27/2003, respectively. The following response applies to both.

The meeting or seminar, and its associated costs, must meet the criteria as stated in OMB Circular A-87, Section 30(c), be necessary and reasonable and not otherwise prohibited in order for such cost to be allowable. The Board must also ensure that such costs are adequately documented.

OMB Circular A-87, Section 30(c) states, "Costs of meetings and conferences where the primary purpose is the dissemination of technical information, including meals are allowable." However, the cost of food provided at meetings in which the primary purpose is to plan future meetings and seminars and not to disseminate technical information would not be allowable. Entertainment costs, including amusement, diversion, and social activities and any associated costs such as meals, lodging,

transportation, gratuities, etc. are generally not allowable under OMB Circular A-87, Section 18.

Additionally, as stated in OMB Circular A-87, costs must be allowable and thus meet the criteria of being "necessary and reasonable for proper and efficient performance and

administration of Federal awards. A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs."

I.5 Participant Traffic Fines, Late Fees and Court Costs (3/4/2003)

Under WIA, what is the official position for paying participant expenses such as:

- traffic fines and court costs;
- late drop fees pertaining to training; and
- late fees for utilities, rent, and the like for an emergency support service?

I. 5 Response

Cost principles for governments, non-profit and for-profit entities contained in the Office of Management and Budget Circulars A-87 and A-122 and the Code of Federal Regulations, 48 CFR Chapter 1, Part 31, classify fines and penalties as disallowed costs. These citations basically state that fines and penalties resulting from violations of, or failure to comply with Federal, State, and local laws and regulations are unallowable except when incurred as a result of compliance with specific provisions of an award or written instructions of the awarding agency. Under these rules, a violation of law resulting in traffic fines and court costs would not be allowable.

The Workforce Investment Act (WIA) Section 101A(46) defines supportive services as services such as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in activities authorized under WIA Title 1. Use of funds for WIA can also, of course, be used for allowable training activities. The comments and responses to the WIA Final Rules found in 20 CFR Part 652 state, "To ensure flexibility, the regulations afford local areas the discretion to provide supportive services as they deem appropriate with limitations only in the areas defined in the Act." The cost principles mentioned above limit expenditures to those that would be reasonably incurred by a prudent person under the circumstances and are necessary.

Therefore, expenditures for late drop fees to enable a participant to enroll in training, as well as housing costs, including late fees for utilities and rent, could be allowable if they are reasonable and necessary for an individual to participant in WIA activities. Each situation should be separately evaluated as to its necessity and reasonableness.

I.6 Allocation of Administrative Dollars – Adult Literacy (5/2/2003) Updated 1/18/2012

Since costs below the Board level, other than those of a workforce center operator, are considered program costs, should a Board allocate administrative dollars to the Adult Literacy project entities? *Note the Adult Literacy project is funded by an Incentive Grant used for WIA Title IIB activities.

I.6 Response

No, it is not necessary to allocate administrative dollars to the Adult Literacy project entities. The costs for entities that provide the actual training but that do not administer the award are classified as program costs.

For more information about WIA cost classification, see the "One Stop Comprehensive Financial Management Technical Assistance Guide" Chapter II-5. Use this link http://www.doleta.gov/grants/pdf/FinalTAG_August_02.pdf.

I.7 Training Costs Incurred Prior to Eligibility Determination (6/12/2003)

Can WIA funds be used to pay for the training costs of a WIA eligible student who was enrolled at a proprietary school prior to being determined eligible for WIA services?

I.7 Response

No. In order to be an allowable cost under a federal or state award, a cost must be "necessary and reasonable for proper and efficient performance and administration of federal or state awards" [UGMS, Part II, Attachment A, (C)(1)(a)]. Reasonable costs are those that are incurred in accordance with federal, state, and other laws and regulations; and with the terms and conditions of the award [UGMS, Part II, Attachment A, (C)(2)(b)]. The training costs violate federal regulations and are therefore not a reasonable cost under the award.

Training costs of students that were enrolled in training prior to completing any intensive services are in violation of the WIA Regulations at 20 CFR 663.310, and may be questioned. "Training services may be made available to employed and unemployed adults and dislocated workers who have met the eligibility requirements for intensive services, have received at least one intensive service under §663.240, and have been determined to be unable to obtain or retain employment through such services [20 CFR 663.310]...."

Additionally, a participant cannot receive training until the need for training has been identified and documented. "The case file must contain a determination of need for training services under §663.310, as identified in the individual employment plan, comprehensive assessment, or through any other intensive service received [20 CFR 663.240(b)]."

I.8 Classification of Workstations for Board Staff Processing Child Care Payments (8/19/2003)

Would expenditures for cubicle workstations that will be used by Board staff to process childcare provider billings and payments as well as self-arranged childcare be considered administrative costs or program costs?

I.8 Response

The cost of the cubicle workstations would be an administrative cost. In accordance with 45 CFR 98.52(a)(3), administrative activities may include...."administrative services, including such services as accounting services, performed by grantees or subgrantees or under agreements with third parties." Billing and payment activities are accounting services that are administrative in nature. Since the cubicle workstations are being used for administrative activities by the Board, the cost of the cubicle workstations is administrative.

I.11 Chamber of Commerce Dues (9/23/2003) Updated 1/18/2012

The Board is establishing a business service unit and would like to join the Chamber of Commerce. There are annual dues and a one-time membership fee. Are these costs allowable?

I.11 Response

The costs (annual dues and the one-time membership fee) to join groups, such as the Chamber of Commerce, are allowable as long as the Board does not use appropriated funds to pay membership dues to an organization that pays part or all of the salary of a person who is required by the Texas Government Code, Chapter 305, to register as a lobbyist (Texas Government Code, Chapter 556).

I.13 Background Checks for Program Participants (11/17/2003) Updated 1/18/2012

Can a Board use SNAP E&T, TANF and WIA funds to pay for background checks required by employers before hiring a program participant?

I.13 Response

Yes. Although not specifically addressed by statute, regulation, or rule, the use of SNAP E&T, TANF, and WIA funds to pay for background checks required by employers before hiring a program participant is consistent with the intent of the laws, to the extent that:

- it is the employer's normal business practice to require potential employees to pay such costs;
- the costs are necessary and reasonable in accordance with UGMS, Part II, Attachment A, (C)(1)(a) and (C)(2); and
- the costs are allocable to federal or state awards under UGMS, Part II.

Note: TANF funds may only be used to pay for such costs to the extent that the conditions above are met and no other resources are available.

I.14 Profit for Wagner Peyser (12/5/2003)

Is profit allowable under Wagner Peyser? If so, what is the limit?

I.14 Response

Yes, subject to the applicable administrative provisions at 29 CFR 97, a fair and reasonable profit is allowable for commercial (for-profit) organizations under Wagner Peyser. In accordance with 29 CFR 97.36(f)(2), profit must be negotiated, "...as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work."

The provisions do not specify a fixed limit or ceiling for the amount of profit that is considered fair and reasonable; however, industry profit rates for similar work, referred to in 29 CFR 97.36(f)(2) above, are generally limited to 10 percent of the contract's estimated cost, excluding fee. The 10 percent amount is also consistent with the provisions of the Federal Acquisition Regulation (FAR) at 48 CFR 15.404-4(c)(4)(i)(C) although the FAR should only be referenced as guidance since the provisions are generally not applicable to Wagner Peyser contracts made by grantees or subgrantees.

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J. Financial Reporting Requirements

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Currently no questions or responses.

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K. Fiscal Agent

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Currently no questions or responses.

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L. Indirect Cost Rates

L.1 Acceptance of Contractor's Approved Indirect Cost Rates

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L.1 Acceptance of Contractors' Approved Indirect Cost Rates (7/17/2003) Updated 1/18/2012

Does a Board have to allow the use of an indirect rate that has been approved by a cognizant agency even if it appears to the Board that the rate is too high?

L.1 Response

No. Both OMB Circular A-87 and UGMS state, "Once a rate [indirect rate] has been agreed upon, it will be accepted and used by all Federal and state agencies unless prohibited or limited by statute." Local Workforce Development Boards are not state agencies and are not required to accept the use of an approved indirect cost rate. During the evaluation of proposals and contract negotiations, Boards should evaluate all indirect costs to ensure that such costs are reasonable, are an appropriate addition to the direct cost of goods and services and that such costs adequately benefit the Board. Such costs should be reimbursed to the extent that it can be demonstrated that the costs are allowable. The steps in the negotiation process should be fully documented. This would include justification for any indirect costs that are not allowed by the Board.

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M. Individual Training Accounts

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Currently no questions or responses.

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N. Insurance and Indemnification

[N.1 Errors and Omissions Insurance](#)

[N.2 Insurance for Boards' Contractors and Participant Coverage](#)

[N.3 Insurance for the General Conduct of Activities](#)

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[N.1 Errors and Omissions Insurance \(2/11/2003\)](#) Updated 1/18/2012

Is an Errors and Omissions Insurance an allowable cost? If it is not allowable is there comparable insurance that would be allowable?

[N.1 Response](#)

The cost of Errors and Omissions (E&O) Insurance, also known as Professional Liability Insurance, is allowable for state and local governments in accordance with OMB Circular A-87, Attachment B, Paragraph 25 and the 2001 Uniform Grant Management Standards (UGMS), Attachment B, Paragraph 26. It is also a requirement under the Agency-Board Agreement (ABA) between the Texas Workforce Commission and the corresponding Boards. The ABA requires Boards to assure that all “workforce center subrecipient subcontractors” carry errors and omissions insurance, or the equivalent, and other insurance required by state or federal law or regulation.

[N.2 Insurance for Boards' Contractors and Participant Coverage \(8/12/2003\)](#)

Updated 1/18/2012

What insurance is the Board required to have for participants? Additionally, what insurance are Board contractors required to have?

[N.2 Response](#)

Boards must ensure WIA Title I participants have insurance coverage for work related injuries sustained while in a work experience activity. According to 20 CFR §667.274, if the employer's current employees are provided workers' compensation coverage, then the WIA participant involved in work experience must also be covered by workers' compensation. If the employer's current employees are not provided workers' compensation coverage, then the WIA participant is not required to be covered by workers' compensation. However, insurance coverage for injuries suffered on the job would have to be provided. The employer, the service provider, or the Board could provide this insurance.

Board contractors are contractually required to have the following insurance coverage:

- Fidelity bond coverage
- Errors and omissions insurance or the equivalent
- Property insurance for non-governmental subcontractors
- Commercially available insurance to cover any property or casualty claims, damages, or losses (including reasonable attorneys fees) resulting from the activities of the Board, its employees, contractors, agents or clients in any Agency facility in which the Board is co-located

N.3 Insurance for the General Conduct of Activities (9/12/2003) Updated 1/18/2012

What insurance may a contractor pay for with TWC funds?

N.3 Response

Board contractors are contractually required to have the following insurance coverage:

- Fidelity bond coverage
- Errors and omissions insurance or the equivalent
- Property insurance for non-governmental subcontractors
- Commercially available insurance to cover any property or casualty claims, damages, or losses (including reasonable attorneys fees) resulting from the activities of the Board, its employees, contractors, agents or clients in any Agency facility in which the Board is co-located

The above bulleted types of insurance are required, but that in accordance with UGMS, Part II, Attachment B, Paragraph 26, "costs of other insurance in connection with the general conduct of activities are allowable subject to the following limitations:

- (1) types and extent and cost of coverage are in accordance with the governmental unit's policy and sound business practice; and
- (2) costs of insurance or contributions to any reserve covering the risk of loss of, or damage to, Federal Government or state property are unallowable except to the extent that the awarding agency has specifically required or approved such costs."

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O. Internal Control

O.1 Financial Requirements for ETPS Training Providers

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O.1 Financial Requirements of ETPS Training Providers (11/19/2002)

Do Eligible Training Provider System (ETPS) training providers have to abide by the guidelines in the TWC Financial Manual for Grants & Contracts (FMGC)? What are ETPS providers answerable for in the financial arena?

O.1 Response

The Financial Manual for Grants and Contracts (FMGC) would only be applicable when contracts existed between the Board and the ETPS training providers, and in such cases, the contract should state whether the FMGC was to be followed. If a contract existed and required compliance with the FMGC, then you have the right to verify compliance based on the contract. We are not aware of any other requirements of a fiscal nature applicable to ETPS training providers since they are vendors and not subrecipients in most cases.

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P. Miscellaneous

P.2 Boards as Governmental Entities

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P.2 Boards as Governmental Entities (7/8/2003)

Under Texas law, are all Local Workforce Development Boards considered to be governmental entities?

P.2 Response

It depends on who is defining the entity. The most accurate statement is that a Board is not a governmental entity, but, by definition, some statutes and regulations apply to a Board as if it were a governmental entity.

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Q. Personnel

Q.1 Performance Incentives

Q.3 Location of State Salary Structure

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Q.1 Performance Incentives (12/19/2002, 10/1/2003 and 11/6/2003) Updated 1/18/2012

Is it allowable to provide Board and workforce center contractor staff with a performance incentive using TANF and/or SNAP E&T funds?

Q.1 Response

Fiscal-TA has received several questions regarding the allowability of incentive payments to Board and workforce center contract staff. These questions were answered separately, but the responses are combined below for clarity.

In general, performance incentives, including incentives provided in the form of bonuses or cash equivalents, are allowable costs to TANF and SNAP E&T provided that the compensation is allowable in accordance with applicable cost principles and other requirements (i.e. are not specifically prohibited, such as entertainment), and that:

- overall compensation, including the incentive, is reasonable for the services rendered;
- compensation is paid or accrued pursuant to an agreement entered into in good faith between the Board and its employees before the services are performed, or pursuant to an established plan followed by the Board so consistently as to imply, in effect, an agreement to make such payment;
- overall compensation is consistent with that paid for similar work in other activities of the organization or comparable to that paid for similar work in the area's labor market; and
- the compensation is adequately documented.

Specific guidance can be found in OMB Circular A-122, Attachment B, Item 7(c) and 7(i); OMB Circular A-87, Attachment B, Item 11; and UGMS, Part II, Attachment B, Item 11, as applicable.

In addition, the Board should have written policies and procedures for determining the reasonableness of overall and individual compensation amounts, allocation (including criteria), and payment. The policies and procedures must be approved by the Board in an

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open meeting (in accordance with local procedures for approving personnel policies and/or procedures), and in place to making any incentive awards to employees.

Q.3 Location of State Salary Structure (10/17/2003) Updated 1/18/2012

Where can I find the state salary structure?

Q.3 Response

The following website provides a current schedule:

<http://www.hr.sao.state.tx.us/Default.html>.

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R. Procurement Standards

[R.1 Determining Amount of Questioned Costs](#)

[R.3 Services Extended for Personal Use in Scope of Services](#)

[R.7 Use of Training Providers Procured by Another Entity](#) **New**

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[R.1 Determining Amount of Questioned Costs \(4/8/2003\)](#) **Updated 1/18/2012**

If an organization appropriately applies the small purchase procurement procedures for goods/services, but the final amount paid exceeds the small purchase procurement threshold what is the amount that is generally questioned?

[R.1 Response](#)

Understanding that each procurement of goods and services is unique; procurements that do not fully meet requirements do not necessarily result in questioned or disallowed costs. Findings on non-compliant procurements can result in a non-monetary or administrative finding that requires corrective action and follow-up. The decision as to whether or not to question costs (and how much cost to question) must be determined using professional judgment by the entity that is performing the monitoring or auditing function.

[R.3 Services Extended for Personal Use in Scope of Services \(7/3/2003\)](#)

Can the scope of services in a Request for Proposals (RFP) for depository services include a requirement that proposers include both the courtesy services available to the Board and to the Board's employees (as if the employees were acting independently on their own behalf) in their proposals? The information regarding courtesy services to employees will not be used in the evaluation process, and is only intended to promote competition.

[R.3 Response](#)

The RFP's scope of services may include the requirement for depository institutions to provide a listing of the courtesy services that it would offer to the Board, but should exclude the requirement to provide those courtesy services that individual employees acting on their own behalf could receive.

In accordance, with OMB Circular A-87, Attachment A, (C)(2)(a), "In determining reasonableness of a given cost, consideration shall be given to: whether the cost is of a type generally recognized as ordinary and necessary for the operation of the

governmental unit or the performance of the federal award." Although the cost of including the phrase is minimal, and the stated intent of the phrase is to increase competition, it creates an appearance of personal benefit to the Board's employees, and would therefore represent a cost that is neither ordinary nor necessary for the operation of the organization or for the performance of an award.

Additionally, OMB Circular A-122, Attachment B, Item 18 states that, "costs of goods or services for personal use of the organization's employees are unallowable regardless of whether the cost is reported as taxable income to the employees." The portion of the RFP that would appear to benefit the Board's employees for their personal benefit is considered to be a cost of goods or services for personal use and would not be allowable.

R.7 Use of Training Providers Procured by Another Entity (1/10/2012)

Our Board conducted a procurement for occupational training leading to a marketable skills award. Two training providers were selected and awarded contracts. Could a neighboring Board use these two training providers for training of individuals enrolled in their programs. The procurement conducted by our Board did not specify that the services procured would cover other Board areas.

R.7 Response

A Board that was not specified in the solicitation cannot use the contract(s) that result from the solicitation, because the service area specified in the solicitation can affect the number of potential respondents, the number of offers received, pricing, and other specifics. If one Board intends to procure a service on behalf of itself and one or more other particular Boards, all of the Boards that will be served by the resulting contract need to be specified in the solicitation and resulting contract(s). Additionally, efforts should be made to solicit offers from the entire area to be served by the resulting contract(s).

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S. Program Income

S.1 Use Fees for Equipment Used by Other Programs

S.2 Profit Earned from Entrepreneurial Youth Activity

S.3 Reporting Program Income

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S.1 Use Fees for Equipment Used by Other Programs (2/4/2003) Updated 1/18/2012

A training vendor used Wagner-Peyser funds to purchase equipment that is used to provide general education development (GED) training services. Fees for GED training to WIA participants are paid by WIA grant funds. How should the tuition fee income be recorded on the books of the training vendor?

S.1 Response

In cases where federal revenue enables the generation of additional revenue, the additional revenue is considered program income. In the situation described above, the tuition income is program income to the Wagner-Peyser grant.

Regarding the actual accounting entries to record these transactions, there are two methods: the net income method and the gross income method. The Department of Labor's (DOL) One-Stop Comprehensive Financial Management Technical Assistance Guide, Chapter II-7) describes these methods. The guide is located on the DOL web site at: http://www.doleta.gov/grants/pdf/FinalTAG_August_02.pdf.

S.2 Profit Earned from Entrepreneurial Youth Activity (5/13/2003) Updated 1/18/2012

Under a WIA Youth activity, youth participate in an entrepreneurial activity in which WIA funds the initial start-up costs of the project (e.g., materials). The youth then operate the business and sell the products they make in local consignment shops.

1. Does the project have to reimburse WIA?
2. If the income must be reimbursed, can the project reimburse WIA for initial start-up costs only and the students keep any subsequent profits?
3. Does the project have to give all profit to WIA, from start-up through the life of the business?

S.2 Response

Assuming these costs are allowable under the WIA Youth program, the income generated through this type of activity is considered program income and must be used to support the program that generated it. Both 29 CFR 95.2(bb) and 29 CFR 97.25 specifically includes income from the sale of commodities or items fabricated under an award as program income.

Program income in excess of incidental costs used to generate it must be used to defray all program costs, not just the start-up costs. This includes, not only material used to manufacture products, but also all administrative and program costs such as salaries, supplies, and indirect costs associated with and allocated to the award. Income may be retained by the administrative entity, not the participants, and used to continue to carry out the program [see WIA section 195(7)].

There is no federal requirement governing program income earned after the end of the award period (29 CFR 95.24b and 29 CFR 97.25(h)). It would be up to the Board or, if the Board so delegates, the service provider to determine the disposition of additional income.

Note: Program income generated by this activity should be incidental to training goals. The goal should not be product development, economic development, or speculative profit on the open market.

S.3 Reporting Program Income (10/14/2003)

A Board's Contractor earned program income in excess of total program costs through activities funded by a Wagner Peyser 7(b) grant. An amendment was executed to add this income to the budget and the contract period was extended. During the amendment period, the contractor earned additional income over program costs. How should these funds be classified and reported?

S.3 Response

Program income earned by activities funded with program income is still program income and should be reported as additional funds to the program. 29 CFR 95.2(bb) states, "Program income means gross income received by the recipient that is directly generated by a supported activity or earned as a result of the award. Furthermore, Section 95.24 states, "(a) . . . program income earned during the project period shall be retained by the recipient and added to funds committed to the project by DOL and recipient, and used to further eligible project or program objectives." Program funds and program income in excess of program costs and costs incidental to the generation of program income must be disbursed to the grantor at the end of the award period.

In contrast, income earned as a result of a federally funded activity after the award period is not considered program income of the award, does not have to be reported to the grantor and may be retained and used by the recipient. 29 CFR 95.24(b) states,

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"Recipients shall have no obligation to the Federal Government regarding program income earned after the end of the project period."

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T. Property Standards

T.1 Use of Federal Funds for Leasehold Improvements

T.6 Submission Requirements for Form 7300

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T.1 Use of Federal Funds for Leasehold Improvements (7/8/2003) Updated 1/18/2012

Can TANF/Choices dollars be used to expand the physical size of a classroom used for classroom training (i.e. a leasehold improvement to an existing building)?

T.1 Response

Federal funds (specifically TANF/Choices dollars) can be used for leasehold improvements as an allowable item of cost, provided such cost is a necessary, reasonable, and allocable cost of the TANF/Choices program. Principles to be applied in establishing the allowability or unallowability of certain items of cost are found under the Office of Management and Budget Circular A-87, Attachment B; Uniform Grant Management Standards, Attachment B; and the Financial Manual for Grants and Contracts, Chapter 8.

T.6 Submission Requirements for Form 7300 (10/3/2003) Updated 1/18/2012

What are the applicable use requirements and thresholds for Form 7300?

T.6 Response

The applicable use requirements are provided in FMGC §§13.4 (real property) and 13.12 (equipment). The requirements apply to Boards, grantees, and entities that receive subawards from either of these entities. Forms associated with property acquired under a subaward must be submitted to TWC through the Board or TWC grantee from which the subaward was received; subcontractors may not submit the form directly to TWC. Form 7300 does not apply to property that was purchased by the Agency and that has been loaned or surplused to a Board.

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U. Single Audit and Audit Resolution

U.1 Audit of Board Property Used by Board Contractor

U.2 Notifying TWC of Change to Fiscal Year

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U.1 Audit of Board Property Used by Board Contractor (12/17/2002)

How should property be reflected on audit reports when a Board purchases the property but it is used, tracked and insured by a Board's subrecipient?

U.1 Response

The entity making the purchase should record the transaction in its books of account, and the asset should be reflected on that entity's balance sheet as an asset on audit reports.

U.2 Notifying TWC of Change to Fiscal Year (5/13/2003) Updated 1/18/2012

A Board would like to change its fiscal year from a July/June fiscal year to a September/August fiscal year to simplify business and reporting. What paperwork is necessary with the Texas Workforce Commission to make this change?

U.2 Response

The Board can decide its own fiscal year with board approval. TWC would recommend coordinating with its outside auditor who performs the A-133 audit to obtain the necessary guidance on any impact it may have. Also, if the Board files a non-profit tax return each year, it will want to make sure any issues that affect the tax return and how it is filed after a 14-month transition are addressed.

Upon approval by the Board, notification of the fiscal year change should be sent to the Texas Workforce Commission's Single Audit Department. The notification should include a request for an extension of the OMB Circular A-133 audit to include the additional 2-month period that the fiscal year change would generate.

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V. Supportive Services and Participant Payments

V.1 Immunizations for WIA Youth

V.2 Timesheet for Deceased Participant

V.4 Gift Cards for FSE&T Incentives to Customers who Enter Employment

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V.1 Immunizations for WIA Youth (4/8/2003)

Can WIA Youth participant immunizations be paid as a supportive service?

V.1 Response

Yes, the cost of immunizations for a WIA Youth participant is an allowable expenditure provided it is necessary to enable the individual to participate in an allowable activity.

The rules for WIA Youth support services include the following:

- The WIA Act, Public Law 105-220, Section 101 defines supportive services as "services such as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in activities authorized under this title, consistent with the provisions of this title."
- 20 CFR Part 664.440 of the WIA Final Rules includes referrals to medical services as an allowable support service.

As an example of this rule, if the employment strategy for a WIA Youth participant called for enrollment in a special school that required tetanus vaccinations, the cost for such an immunization would qualify as an allowable support service cost. However, the cost of certain immunizations to enable a youth to visit relatives in a foreign country would not be allowable.

V.2 Timesheet for Deceased Participant (7/9/2003)

A WIA Youth participant died in a car accident after only working one day. He hasn't signed his timesheet, but he did work 8 hours. Please advise as to how to handle his check and timesheet concerning signatures that would be in compliance with monitoring rules.

V.2 Response

The participant's supervisor may verify and approve the participant's timesheet and attach a statement describing the reason the time sheet was not signed. Release of the

participant's check would depend on local policy and various legal status factors, including age, marital status, etc. Consultation with the Board's legal council is advised.

V.4 Gift Cards for SNAP E&T Incentives to Customers who Enter Employment **(11/6/2003)** Updated 1/18/2012

Can incentives in the form of gift cards be provided to SNAP E&T customers who enter employment?

V.4 Response

Incentives provided to SNAP E&T customers out of SNAP E&T funds are only allowable for items that are necessary to participate in the program. Therefore, if the Board or workforce center operator cannot ensure incentive gift cards are used for purchases meeting this requirement it is not allowable. 40 TAC 813.41(a) states, "Boards shall ensure that SNAP E&T support services are provided to mandatory work registrants and exempt recipients who voluntarily participate in SNAP E&T services, if the support services are reasonable, necessary, and directly related to participation in SNAP E&T activities" as set forth in the rules.

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W. Travel

[W.1 Prior Approval for Travel to Mexico by For-Profit Workforce Center Operator](#)

[W.2 Non-Mandatory Board Use of State-Contracted Airlines and Rates](#)

[W.3 Identification cards for Board Staff and Board Members](#)

[W.4 Airline Tickets Purchased by Board on Behalf of Its Contractors](#)

[W.7 Higher Reimbursement Rates for Boards' Executive Directors](#)

[W.9 Travel Costs of Prospective Board Members](#)

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[W.1 Prior Approval for Travel to Mexico by For-Profit Workforce Center Operator \(5/2/2003\) Updated 1/18/2012](#)

Does TWC have to give prior approval for a Board's for-profit workforce center operator to travel to Mexico?

[W.1 Response](#)

No, TWC would not have to give approval for subcontractor travel to Mexico. Note, however, that WIA Title IB funds cannot be used for foreign travel [WIA sec. 181(e); 20 CFR 667.264(b)]. Therefore, WIA Adult, WIA Dislocated Worker or WIA Youth funds cannot be used for this type of expenditure.

[W.2 Non-Mandatory Board Use of State Contracted Airlines and Rates \(6/13/2003\) Updated 1/18/2012](#)

Are Local Workforce Development Boards (Boards) required to use the State-contracted rates for airlines instead of lower airfare rates.

[W.2 Response](#)

Boards are not required to use the state-contracted airfare rates if there is a lower rate available that meets the traveler's needs. TWC does point out that there are costs that might be added to the lower fare if changes in travel require the cancellation and/or rebooking of the lower airline fare. These added costs could potentially exceed the costs for a state-contracted rate. All factors need to be considered as airline reservations are made.

W.3 Identification Cards for Board Staff and Board Members (6/17/2003) Updated 1/18/2012

Board employees and Board members can develop identification cards to avail themselves of state rates while traveling on official business. Any idea of the requirements for this card?

W.3 Response

TWC is recommending the boards laminate their business card with the definition of a state agency (as stated in Article IX, Section 5.01) printed on the back of the business card. One Board has developed a laminated card for their employees as described above and is willing to share their idea with other Boards. The Board also attached a photograph of the individual to the front of the business card.

W.4 Airline Tickets Purchased by Board on Behalf of its Contractors (6/30/2003) Updated 1/18/2012

If a Board makes travel arrangements and reimbursements for its child care contractor or workforce center operator, can the Board buy airline tickets on behalf of its contractors? If the Board does this, can it continue to provide travel advances to its contractors as well?

W.4 Response

The state-contracted rates that are available to the Board members and Board staff are not available to the staff of the Board's childcare contractor or workforce center operators. If the Board has a travel advance policy, it is up to the Board to determine if they want to continue to provide that service and to set policy on how that process will work.

W.7 Higher Reimbursement Rates for Boards' Executive Directors (8/27/2003) Updated 1/18/2012

Can the Executive Director of an LWDB be reimbursed up to twice the amount of regular state rates?

W.7 Response

Yes. The Executive Director of the LWDB is classified as "a chief administrative officer of a state agency," and LWDB staff is classified as "state employees" for the purposes of complying with state travel regulations. These regulations authorize the following individuals to receive a maximum reimbursement for meals and lodging up to twice the amount that could normally be reimbursed

- the chief administrative officer of a state agency,
- a state employee who travels with the chief administrative officer of a state agency, or
- a state employee that is designated by the chief administrative officer of a state agency to represent the chief administrative officer of a state agency at a particular meeting or conference.

LWDB Board members are excluded from this authorization.

Documentation should be maintained to demonstrate that a) the travel of a state employee other than, or in addition to, the chief administrative officer of a state agency; and b) the meals and lodging actually incurred by the chief administrative officer and/or state employee are necessary and reasonable.

W.9 Travel Costs of Prospective Board Members (10/24/2003) Updated 1/18/2012

Can a Board pay for the lodging, meals and travel (mileage) costs associated with a Board retreat for prospective Board Members that are awaiting appointment to the Board?

W.9 Response

Prospective employees (board members) may be reimbursed for travel related to the employment interview or evaluation only. If the purpose of travel is to attend a retreat, then the travel is not allowable.

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X. TWC Responsibilities

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Currently no questions or responses.

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Appendix: Deletions and Revisions

DELETIONS

Section	Topic	Date	Explanation
B.1	FY 2004 Alternative Funding for WIA Statewide Activities	1/18/2012	Expired. Question specific to expired fund source.
B.2	Fiscal Year 2004 Employment Services	1/18/2012	Expired. Question specific to expired fund source.
E.1	Child Care Administrative Costs	1/18/2012	Current guidance provided by WD Letter.
E.2	Calculation of 5% Carryover	1/18/2012	Expired. Rule rescinded on 8/23/2004.
E.3	Payments to Child Care Vendors	1/18/2012	Expired. TWIST Child Care replaced BAPA in CY 2011.
F.1*	Refunds Received After Contract Closeout	1/18/2012	Expired. Question specific to expired fund source.
I.9	Payment of Outstanding Invoices	1/18/2012	Expired. Question specific to expired fund source.
I.10	WIA Administrative Costs in the Workforce Centers	1/18/2012	Current guidance provided by WD Letter.
I.12	Classification of Child Care Monitoring Costs	1/18/2012	Current guidance provided by WD Letter.
J.1*	Obligation for Multi-Year Contracts	1/18/2012	Expired. Question specific to expired definition.
J.2*	Clarification of “Assistance” for TANF	1/18/2012	Expired. Question specific to expired WD Letters.
J.3	Definition of Obligation	1/18/2012	Expired. Question specific to expired definition.
L.2*	Indirect Costs WIA Title V	1/18/2012	Expired. Question specific to expired agreement.
P.1	Difference Between Fiscal-TA and Fiscal Policy	1/18/2012	Expired. Not applicable to current Fiscal-TA structure.
Q.2*	Applicability of Salary Classifications to Board Contractors	1/18/2012	Expired. Replacing expired cites in response with alternative text requires substantial edits.
R.2*	Formal Procurement When Only One Vendor Is Available	1/18/2012	Expired. Unique question specific to expired threshold.
R.4*	Texas Job Hunter’s Guide Booklet	1/18/2012	Removed. Pending further review.
R.5*	Procurement for Vehicle Lease	1/18/2012	Expired. Replacing expired cites requires substantial edits.
R.6	TBPC and DIR Purchasing Programs	1/18/2012	Current guidance provided by FMGC.
T.2	Capitalization of Fixed Assets	1/18/2012	Expired. Question specific to expired threshold.

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T.3	Certification of Use and Disposition of Non-Expendable Personal Property	1/18/2012	Expired. Question specific to expired threshold.
T.4	Difference Between GASB and FMGC Capitalization Threshold	1/18/2012	Expired. Question specific to expired threshold.
T.5*	Donation of Property in Lieu of Award	1/18/2012	Question specific to unique event./Response contains expired cites that require substantial edits to update.
U.3	OMB Circular A-133 Increase to Threshold for Cognizant Agency	1/18/2012	Expired. Question specific to past event.
V.3	Providing Transportation with TxDOT Funds	1/18/2012	Expired. Question specific to expired fund source.
V.5	Payment of Support Services to Project RIO Clients	1/18/2012	Expired. Question specific to expired fund source.
W.5*	Reimbursement to Board Employee for Mileage Between Home and Work	1/18/2012	Expired. Response contains expired cite with no known replacement; requires substantial edits to update.
W.6	Lodging that Exceeds Comptroller's Maximum Out-of-State Reimbursement Rates	1/18/2012	Current guidance provided by WD Letter.
W.8	Applicability of WD Letter 35-03 to Board Contractors	1/18/2012	Expired. Question specific to expired WD Letter.

REVISIONS/UPDATES

Section	Topic	Date	Explanation
Intro	Introduction	1/18/2012	Editorial changes.
I.2	Interest on Financed "Build Out" Costs	1/18/2012	Updated cites.
I.3	Insurance Deductibles	1/18/2012	Updated cites.
I.6	Allocation of Administrative Dollars—Adult Literacy	1/18/2012	Updated link to DOL One-Stop Financial Management TAG.
I.11	Chamber of Commerce Dues	1/18/2012	Removed unnecessary content.
I.13	Background Checks for Program Participants	1/18/2012	Changed FSE&T to SNAP E&T.
L.1	Acceptance of Contractor's Approved Indirect Cost Rates	1/18/2012	Removed outdated cites.
N.1	Errors and Omissions Insurance	1/18/2012	Removed outdated cites.
N.2	Insurance for Boards' Contractors and Participant Coverage	1/18/2012	Removed outdated cites.

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N.3	Insurance for the General Conduct of Activities	1/18/2012	Removed outdated cites.
Q.1	Performance Incentives	1/18/2012	Changed FSE&T to SNAP E&T. Changed “one-stop operator” to “workforce center operator.”
Q.3	Location of State Salary Structure	1/18/2012	Updated link to state salary schedules.
R.1	Determining Amount of Questioned Costs	1/18/2012	Removed expired content.
S.1	Use Fees for Equipment Used by Other Programs	1/18/2012	Updated link to DOL One-Stop Financial Management TAG.
S.2	Profit Earned from Entrepreneurial Youth Activity	1/18/2012	Removed outdated cites.
T.1	Use of Federal Funds for Leasehold Improvements	1/18/2012	Removed outdated cite. Removed expired content.
T.6	Submission Requirements for Form 7300	1/18/2012	Updated content.
U.2	Notifying TWC of Change to Fiscal Year	1/18/2012	Updated point of contact.
V.4	Gift Cards for FSE&T Incentives to Customers Who Enter Employment	1/18/2012	Changed FSE&T to SNAP E&T. Updated cite.
W.1	Prior Approval for Travel to Mexico by For-Profit One-Stop Operator	1/18/2012	Removed outdated cites. Changed “one-stop operator” to “workforce center operator.”
W.2	Non-Mandatory Board Use of State Contracted Airlines and Rates	1/18/2012	Removed expired content.
W.3	Identification Cards for Board Staff and Board Members	1/18/2012	Removed expired content. Updated content.
W.4	Airline Tickets Purchased by Board on Behalf of Its Contractors	1/18/2012	Changed “one-stop operator” to “workforce center operator.”
W.7	Higher Reimbursement Rates for Boards’ Executive Directors	1/18/2012	Removed outdated cites. Replaced “OMB Cir. A-87” with “applicable cost principles.”

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