

FISCAL ADMINISTRATIVE POLICY

To: work2future Staff & Subrecipients
From: work2future Director
SUBJECT: Budget and Control Modifications
Effective Date: May 2020
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OPERATIONAL DIRECTIVE

work2future Workforce Development Board
5730 Chambertin Dr. San Jose, CA 95118-3910
408-794-1200

Purpose:

This Operational Directive provides guidance on Budget and Control Modifications under *Workforce Innovation and Opportunity Act (WIOA)* and includes provisions of the Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; together with provisions of WIOA statutes together with its regulations (the Final Rule).

Scope:

The information in this Operational Directive applies to all work2future employees and its subrecipients.

Effective Date:

This policy is effective upon date of issue.

REFERENCES:

- Title 2 *Code of Federal Regulations* (CFR) Part 200 (Uniform Guidance) and 2900 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)
- Workforce Innovation and Opportunity Act (WIOA) 185, Reports; Recordkeeping; Investigations

BACKGROUND:

work2future is a division of the Office of Economic Development of the City of San José. The City of San José Budget Office has primary responsibility for the development, control, and monitoring of the operating and capital budgets.

The Budget Office also compiles performance measure information for the City. This information is incorporated into the City's annual budget process and is used throughout the year to measure progress in meeting performance goals.

work2future follows the City's Budget Policy which provides generalized and specific guidelines concerning various aspects of the City budget processes and timelines.

work2future develops and coordinates its Annual Operating Budget, including budget clean-ups and new budget requests with the City Budget Office. All work2future funds are submitted to the City Council for appropriation prior to utilization.

work2future's Annual Operating Budget summarizes the financial aspects of all projects or programs as approved and distributed by awarding organizations such as but not limited to: federal and state agencies, local, non-profit and for profit organizations. It may include either the federal and non-federal grant or only the federal grant, depending upon the awarding agencies requirements. It must be related to performance for program evaluation purposes whenever appropriate.

POLICIES AND PROCEDURES:

work2future and its subrecipients are required to formally request changes to the budget, including changes to the project scope or objectives. These changes include but are not limited to the following:

- Change in scope or the objective of the program or award. This includes additions and elimination of material components of the scope of work.
- Change in the key person specified in the application or the award.
- Changes in the approved cost-sharing or matching provided by the non-federal entity
- The transfer of funds budgeted for program costs as defined in the grant agreement.

These requests of change may or may not translate to budget revisions, but this policy requires an open and transparent disclosure of changes. The requests will allow for analysis and prior approval from awarding agencies, the City Budget Office, and in the case of subrecipients work2future.

work2future contracting agreements with its subrecipients covers general and specific provisions regarding the scope of work and budget requirements including:

- Program and Budget Coordination
- Compensation and terms and conditions for claiming reimbursement
- Subcontracting and Assignability of the Award of Contract
- Termination of award of contract for unavailability of funds
- Fiscal, Program Monitoring Reports and Audits
- Disallowed Costs
- Budget Transfers

ACTION:

Bring this directive to the attention of all appropriate staff and subrecipients.

INQUIRIES:

If you require further information regarding this policy, please contact work2future Finance Manager at (408) 794-1146.