Financial Reporting for Recipients and Subrecipients
Uniform Guidance vs. OMB Circulars

- Prior to the Uniform Guidance, requirements governing cost principles, administrative requirements and single audit requirements were found in eight separate OMB Circulars.

- In addition to the Uniform Guidance, recipients and subrecipients of a DOL award must adhere to 2 CFR 2900 found at www.ecfr.gov.

- Adopted on December 19, 2014, includes a limited number of exceptions approved by OMB to ensure consistency with existing policy and procedures.

- Expanded at 2 CFR 2900.2, the exceptions definition of non-Federal entity includes for-profit or commercial and foreign entities.

- Grant recipients and subrecipients of DOL funds that are commercial or for-profit entities or foreign entities must adhere to 2 CFR 200 and 2 CFR 2900.
Purpose and Introduction

This course will focus on financial reporting topics that are often misunderstood or found to contain errors.

- Requirements for ETA-9130 financial reports
- Core concepts for tracking, recording and reporting
- Obligations, expenditures, match, indirect costs and program income.
- Improve the integrity and reliability of financial reports
- Enhance the ability to manage grant funds

A new ETA-9130 Form will be implemented on or after Sept 30, 2016. Visit: https://www.doleta.gov/grants/financial_reporting.cfm
Course Topics

SECTION 1: ETA Financial Reporting Requirements

SECTION 2: ETA-9130 Form Data Elements

SECTION 3: Subrecipient Reporting Requirements

SECTION 4: Common Mistakes and Their Consequences
At the end of this course, you should be able to:

- Describe basic DOL financial reporting requirements.
- Identify the data elements reported on the ETA-9130 Form.
- Identify subrecipient reporting requirements.
- Determine how to avoid common mistakes.
SECTION 1: DOL Financial Reporting Requirements
Why We Need Financial Data

- Are you spending in accordance with your performance?
- Are funds likely to be exhausted by the end of the grant period?
- Do actions need to be taken by the FPO or recipient to prevent future issues?
- Do you understand how to report your grant’s financial situation?
- Do you understand the report itself?

Assess financial “health” and technical assistance needs

Accurate reporting provides information that impacts future ETA funding levels

Analysis of financial and program data against target outcomes

Accurate reporting provides information that impacts future ETA funding levels

Analysis of financial and program data against target outcomes
General Requirements

2 CFR Part 200

GRANT AGREEMENT

200.302(b)(2) Financial Management
Accurate, current, complete disclosure of financial results

200.328 Monitoring Reporting
program performance

200.327 Financial Reporting
No less frequently than annually nor more frequently than quarterly per terms and conditions of Federal award, except in unusual circumstances
Recipients must develop accrual information through best estimates based on an analysis of the documentation at hand.
There are a number of citations in law and regulations regarding recordkeeping and reporting.

**SEC. 185: Reports, Recordkeeping, Investigations**

<table>
<thead>
<tr>
<th><strong>WIOA Statute</strong></th>
<th><strong>ETA-9130 Form</strong></th>
<th><strong>Other</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 185(e)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Recordkeeping requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Submit quarterly financial reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Submitted 45 calendar days following close of reporting period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Identify all program and activity costs by cost category</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• States and other direct grant recipient requirements may impose additional reporting requirements</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ETA Guidance on Financial Reporting

- Revised ETA-9130 Form, instructions and additional guidance
- 14 separate and unique ETA-9130 Form
- This TEGL is used as a supplement to the instructions of each version of the 9130 Forms.

TEGL 02-16

July 14, 2016

Can be found on the ETA website at wdr.doleta.gov/directives

Go to wdr.doleta.gov /directives to download TEGL 02-16
Basic Reporting Requirements

Basis
• Accrual

Frequency
• Quarterly

Due
• 45 Calendar days after end of reporting period

Closeout Report
• Due 90 calendar days after the expiration of the period of performance

Transmission Method
• ETA online reporting system
  https://www.etareports.doleta.gov/CFDOCS/grantee_prod/reporting/index.cfm

Go to www.doleta.gov/grants/resources.cfm to download a copy of the Uniform Guidance Applicability Chart for DOL or you can find it at the DOLETA website and our Grants page.
There are 45 calendar days from end of reporting period to complete and submit reports.

Reporting instructions must be issued and requirements passed down.

All ETA financial reports are cumulative for the life of the funds. ETA-9130 Forms are due each quarter once the grant is awarded.
Each report must reflect the cumulative total from the inception of the grant through the end of the current reporting quarter.

### Scheduled due dates for the ETA-9130 Form

<table>
<thead>
<tr>
<th>For Quarters Ending</th>
<th>Financial Reports Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 31</td>
<td>May 15</td>
</tr>
<tr>
<td>June 30</td>
<td>August 14</td>
</tr>
<tr>
<td>September 30</td>
<td>November 14</td>
</tr>
<tr>
<td>December 31</td>
<td>February 14</td>
</tr>
</tbody>
</table>
Examples of due dates for initial ETA-9130 Forms

<table>
<thead>
<tr>
<th>NOA Effective Date</th>
<th>NOA Date Signed</th>
<th>Initial Reporting Qtr End Date</th>
<th>Initial Report Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/1/15</td>
<td>7/1/15</td>
<td>9/30/15</td>
<td>11/14/15</td>
</tr>
<tr>
<td>10/1/15</td>
<td>12/28/15</td>
<td>12/31/15</td>
<td>2/14/16</td>
</tr>
<tr>
<td>8/1/16</td>
<td>9/28/16</td>
<td>9/30/16</td>
<td>11/14/16</td>
</tr>
</tbody>
</table>
1. Follow instructions in the Notice of Award

2. Provide requested reporting contact information
   • An e-mail is sent to primary contact with password and PIN

3. System is user-friendly and provides guidance to assist user in completing the form
   • System edits – hard and soft

Password and PINs

Password issued to access system and enter data

PIN issued to certify data

For internal controls, the person who enters the data and the PIN person certifying the report should be different.

Knowledge Check
Accurate and complete financial data provides an important tool for managing grantee and subrecipient budgets.

- A) True
- B) False
The answer is True.

Financial data is needed not only for Federal reporting purposes, but as a means of tracking actual financial results compared with budgeted amounts.
Estimated accruals should not be included in financial reports since they are not certain and quantifiable.

A) True
B) False
The answer is False.

Including reliable estimates of accruals in the financial report provides a more accurate picture of the financial position of the grant than would otherwise be available. Estimated amounts should include those accruals that are certain to occur, can be reasonably quantified, and are adequately documented.
Direct grantees may impose reporting requirements on subrecipients that go beyond the Federal requirements.

- A) True
- B) False
The answer is True.

A direct grantee has the authority to impose additional reporting requirements on its subrecipients.
SECTION 2: ETA-9130 Form Data Elements
The ETA-9130 Form has 14 versions:

- Basic ETA-9130 Form plus 13 program-specific versions
- Every funding source requires its own report
- Certified for accuracy when submitted to ETA

http://www.doleta.gov/grants/financial_reporting.cfm
Current ETA-9130 Forms for Each Program

- 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)
# Populating the ETA-9130 Form

## Basic Information

**Recipient's Information**
- **Name and Address**
- **Telephone**

## Federal Cash

- **Cash Transactions**
  - **Cash Discovery**
  - **Cash Withdrawal**

## Federal Cash Expenditures

- **Program Income**
  - **Unobligated Balance**

## Recipient Share

- **Recipient Share of Program Income**
- **Recipient Share of Indirect Expenditures**

## Program Income

- **Additional Expenditure Data Requirements**
  - **Date of Reporting Period End**

## Remarks

- **Remarks**
  - Include any explanations deemed necessary by the recipient's agency in compliance with governing legislation.

## Indirect Expenditures

- **Indirect Expenditure Data**
  - **Program Income**
    - **Unobligated**

## Certification

- **Certification**
  - **Signature**
  - **Position**

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**U.S. DOL ETA FINANCIAL REPORT**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Federal Agency and Organization Name to Which Report is Submitted</td>
</tr>
<tr>
<td>2.</td>
<td>Federal Code or Other Identifying Number Designated by DOL</td>
</tr>
<tr>
<td>3.</td>
<td>recipient's name and address (including tax ID)</td>
</tr>
<tr>
<td>4.</td>
<td>unique duty identifier (DUN)</td>
</tr>
<tr>
<td>5.</td>
<td>Recipient Account Number or Identifying Number</td>
</tr>
<tr>
<td>6.</td>
<td>Final Report (Y/N)</td>
</tr>
<tr>
<td>7.</td>
<td>Data of Reporting Period End (MM/DD/YYYY)</td>
</tr>
<tr>
<td>8.</td>
<td>Program Period End (MM/DD/YYYY)</td>
</tr>
<tr>
<td>9.</td>
<td>Reporting Period End (MM/DD/YYYY)</td>
</tr>
<tr>
<td>10.</td>
<td>Federal Cash Expenditures</td>
</tr>
<tr>
<td>11.</td>
<td>Recipient's Share of Program Income</td>
</tr>
<tr>
<td>12.</td>
<td>Indirect Expenditures</td>
</tr>
<tr>
<td>13.</td>
<td>Certification</td>
</tr>
</tbody>
</table>

**Note:** The ETA-9130 Form is used to report financial data and information about a federal agency's expenditures. It requires detailed information about cash transactions, program income, and indirect expenditures. The form also includes a certification section where the recipient must attest to the accuracy and completeness of the information provided.
# ETA-9130 Form: Basic Information

**Line items 1 – 9**

<table>
<thead>
<tr>
<th>U.S. DOL ETA FINANCIAL REPORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Follow instructions on the back)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1. Federal Agency and Organizational Element to Which Report is Submitted</th>
<th>2. Federal Grant or Other Identifying Number Assigned by DOL</th>
<th>OMB Approval No. 1205-0461 Expires 04/30/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Recipient Organization (Name and complete address including Zip code)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4a. Unique Entity Identifier</th>
<th>4b. EIN</th>
<th>5. Recipient Account Number or Identifying Number</th>
<th>6. Final Report</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8. Project/Grant Period From: (MM/DD/YYYY)</th>
<th>To: (MM/DD/YYYY)</th>
</tr>
</thead>
</table>
Federal cash is cash that comes from the U.S. Treasury to the reporting entity through the PMS.

<table>
<thead>
<tr>
<th>10. Transactions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Federal Cash:</strong></td>
<td></td>
</tr>
<tr>
<td>a. Cash Receipts</td>
<td></td>
</tr>
<tr>
<td>b. Cash Disbursements</td>
<td></td>
</tr>
<tr>
<td>c. Cash on Hand (line a minus b)</td>
<td></td>
</tr>
</tbody>
</table>

10a: Cash Receipts: What did you draw down from the PMS?

10b: Cash Disbursements: What cash has been disbursed?

10c: Cash on Hand: Automatic calculation of 10a minus 10b. If any excess cash requirements apply Item 12 Remarks needs to be completed.
10a Cash Receipts

For Non-Formula Programs
- Data Pre-Entered
- Quarter-end PMS drawdown records

WIOA Formula Programs
- Data required to be entered
- Quarter-end PMS drawdown records = total drawn from each subaccount
The ETA-9130 Form refers to FEDERAL cash only.

Line 10c Cash on Hand can never be less than zero.

Attention to detail is important.

What happened to the drawdown I made the day before the end of the quarter?
Federal Expenditures and Unobligated Balance:

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>d</td>
<td>Total Federal Funds Authorized</td>
</tr>
<tr>
<td>e</td>
<td>Federal Share of Expenditures</td>
</tr>
<tr>
<td>f</td>
<td>Total Administrative Expenditures</td>
</tr>
<tr>
<td>g</td>
<td>Federal Share of Unliquidated Obligations</td>
</tr>
<tr>
<td>h</td>
<td>Total Federal Obligations (sum of lines e and g)</td>
</tr>
<tr>
<td>i</td>
<td>Unobligated Balance of Federal Funds (line d minus h)</td>
</tr>
</tbody>
</table>

10h and 10i: Automatic calculation based on the amounts entered in lines 10e and 10g.
The Federal share of expenditures should include cumulative total accrued expenditures plus cash disbursements from all levels where funds are expended.

- Cannot exceed 10d (Federal funds) – hard edit
- Net of Refunds, Rebates and Credits

- Will usually be greater than 10b

- If less than prior reported cumulative amount
  - Soft Edit, Caution, Remarks must include explanations
Not every program uses the same definition

Not all grants have the same limits

Includes Direct and Indirect Administrative Costs

10f Total Administrative Expenditures
10g Federal Share of Unliquidated Obligations

- The sum/value of undelivered services/goods under a legal binding agreement
- The amount of obligations for which an accrued expenditure (line 10e) has not yet been incurred
### 10j, 10k and 10l Recipient Share

**Recipient Share:**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>j</td>
<td>Total Recipient Share Required</td>
</tr>
<tr>
<td>k</td>
<td>Recipient Share of Expenditures</td>
</tr>
<tr>
<td>l</td>
<td>Remaining Recipient Share to Be Provided (line j minus k)</td>
</tr>
</tbody>
</table>

10j: Only for grants or programs that have a match requirement

10k: Leveraged resources

10l: Automatic calculation, which is Line 10j minus Line 10k
Leveraged Resources
• Recipient does not report leveraged resources because there is no match requirement associated with the grant

Lack of Documentation
• In-kind contributions that are not supported by documentation

Stand-In Costs
• Recipient cannot use stand-in costs to address disallowed costs unless they report these costs in the period in which they occur on line 10k
### Program Income:

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>m.</td>
<td>Total Program Income Earned</td>
</tr>
<tr>
<td>n.</td>
<td>Program Income Expended in Accordance with the Addition Method</td>
</tr>
<tr>
<td>o.</td>
<td>Unexpended Program Income (line m minus line n)</td>
</tr>
</tbody>
</table>

**10m:** Total amount of project income earned

**10n:** Total cumulative amount of accrued expenditures incurred against the program income earned on **10m**

**10o:** An automatic calculation of **10m** minus **10n**
### 11. Additional Expenditure Data Required

<table>
<thead>
<tr>
<th>a. Other Federal Funds Expended</th>
</tr>
</thead>
</table>

- Vary from one program to another
- The only line item common to all 14 versions of the ETA-9130 Form
- Reporting of any other Federal leveraged funds expended by the recipient organization and subrecipients

#### Examples

- Real property proceeds expended (WIOA, ES, UI)
- Local Youth
Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.

- Excess cash on hand
- Reduction in cumulative expenditures
- Other significant expenditure adjustments
  - FIFO adjustments
  - Prior period changes
  - Etc.
- Expenditures for activities to facilitate the transition from WIA to WIOA
New lines for Indirect Expenditures reporting have been added to all 9130s, with the exception of the WIOA Local Youth, Local Adult, and Local Dislocated Workers 9130s.

- Indirect costs are costs incurred for a common or joint purpose.
- **Only** direct grant recipients with approved negotiated indirect cost rates fill out the new Indirect Expenditure lines, and only in the Final 9130 Form.
- Part of the Closeout process conducted between the recipient and the Closeout specialist.
- Multiple values may be entered in each Indirect Expenditure reporting line.
- Recipients that are subject to a SWCAP do **not** have to complete this section.
Done only by the person who has access to the PIN, and must be someone other than the person who has prepared the report. It is critical to update ETA if the certifying official changes. A new PIN must also be requested.

14. Certification. By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

<table>
<thead>
<tr>
<th>a. Typed or Printed Name and Title of Authorized Certifying Official</th>
<th>c. Telephone (Area code, number, and extension)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>b. Signature of Authorized Certifying Official</th>
<th>d. Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>e. Date Report Submitted (MM/DD/YYYY)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>15. Agency Use Only</th>
</tr>
</thead>
</table>
Knowledge Check
If the amount of accrued expenditures reported is equal to the amount of reported cash disbursements, accruals are likely not being reported properly.

- A) True
- B) False
The answer is True.

In most cases, accrued expenditures should exceed cash disbursements because accrued expenditures include both cash disbursements as well as unpaid accruals.
Question 2

For grants having a match requirement, match expenditures must be reported on line 10k (recipient share) of the ETA-9130 Form.

- A) True
- B) False
The answer is True.

Failure to meet the match requirement is a violation of the grant agreement and is subject to disallowed costs.
For grants having no match requirement, line 10k (recipient share) must be zero.

A) True

B) False
The answer is False.

Grantees should report any appropriate recipient share of the project costs in order to report the full costs of the project, and also to qualify these expenditures as potential stand-in costs to replace any disallowed costs. Line 10j will be zero.
SECTION 3: Subrecipient Reporting Requirements
Each entity with subrecipients is responsible for collecting/monitoring all required DOL reporting elements.

Direct grant recipient may impose different forms, shorter due dates, more frequent reporting requirements on subrecipients.

Monthly reporting better for managing subawards.

Certain data often missed/not collected – make sure report formats reflect required elements.
Subrecipient Reporting Considerations

Start with the reports you must prepare for ETA

Timing – Frequency and due dates
• Quarterly
• Due 45 days after the end of the quarter
• When would you need data from your subrecipients to meet your reporting deadlines

Data items
• Information required on the ETA-9130 Form
• Other data: by budget category, unique requirements

Other reporting requirements
• Accruals
How often do I need financial information to manage the program?

Questions to Ask

Is quarterly reporting sufficient?

Is there time to take appropriate corrective actions?
- Budget realignments
- Other modifications
- Implement corrective action plans
- Make other corrections

How are reports transmitted?
Timing Issues for Subrecipients

- Do subrecipients have subrecipients of their own?
- Are there accounting cycles to consider?
- How many subrecipients?
- What if reports are missing?

When do I need to receive subrecipient reports?

Is monthly reporting a better option?
Data Items

What information do I need?

- Cash
- Total expenditures
- Admin expenditures
- Unliquidated obligations

Same data as on Federal reports?

What data would allow me to effectively manage?
Data Items – Cost Item Breakouts

Requiring financial reports on a monthly basis and performing regular review and analysis of data can alert you to potential problems early.

**What about these items?**
- Costs by activities?
- Costs by budget line items?

**What is in the subagreement?**
- Line item restrictions?
- Prior approval requirements?
Reporting Requirements

- Reporting expenditures on the **accrual** basis
- Adhering to the requirements for program income
- Allocating costs to funding sources and cost categories/objectives
SECTION 4: Common Mistakes and Their Consequences
What information do I need from my subrecipients in order to manage the program effectively?

What is required on the Federal reports?

- Cash
- Obligations
- Program income – earned and spent
- Leverages Resources
- Other Federal funds

Do I have another way to get this?

- You need to ask for this information from your subrecipients to make sure you receive it.
Develop instructions and format for subrecipient reporting

Spell out the reporting requirements to your subrecipients

Provide definitions and explanations of each reporting item on your reporting format
Pass-through entities are responsible for ALL funds under the grant, including those in subgrants.

Pass-through entities need to provide guidance **in writing** to all subrecipients.

Pass-through entities also must provide appropriate training to subrecipient staff.

What do I need to worry about?

“My subrecipient is new to ETA grants, but has plenty of experience handling grants from other Federal agencies. I am sure they know how to fill out these reports....”
Common Reporting Issues

- Recipients and subrecipients are not reporting on accrual basis
- Cash disbursements exceed expenditures
- Inaccurate reporting at subrecipient levels, which results in inaccurate reporting by direct recipients
- Important data items not collected from subrecipients
- Lack of consistent reporting
- Underreporting of program expenditures
- Late Reporting
Accurate Financial Data

- Use accurate financial data to manage grant funds.
- Do not make budget decisions based on incomplete data.
- Failure to report completely and accurately could have negative outcomes.
Knowledge Check

Knowledge Check
The reporting quarter ends on Thursday. If funds are drawn on Tuesday for a Friday payroll they should not be reported as cash-on-hand.

A) True
B) False
The answer is False.

The cash is on hand since it arrives within the reporting period.
If I don’t receive a subrecipient financial report in time to include on my report to ETA, I should just report the amount in the following quarter.

A) True
B) False
The answer is False.

You should develop an estimated accrual and include those amounts in your report.
The “Recipient Share” line item should only include the expenditures of the direct reporting entity, not those of its subrecipients.

- A) True
- B) False
The answer is False.

The recipient share includes expenditures at all levels.
The report forms and instructions that I issue to my subrecipients must require that they report Program Income earned and disbursed.

- A) True
- B) False
The answer is True.

Program income must be reported at every level in which it is earned and disbursed.
SUMMARY
Section 1: DOL Financial Reporting Requirements
- Why we need financial data
- Reporting Requirements
- DOL Exceptions
- Program Statute and Regulatory Requirements
- Reporting Periods
- Online Reporting System

Section 2: ETA-9130 Form Data Elements
- ETA-9130 Form Requirements
- Required Categories
- How to Complete the Form
- Common Issues to Avoid
Section 3: Subrecipient Reporting Requirements
- Reminders for Subrecipient Reporting
- Subrecipient Reporting Considerations
- Timing Issues for Subrecipients
- Data Items

Section 4: Common Mistakes and Their Consequences
- Reporting Solutions
- Lack of Familiarity with ETA Grants
- Common Reporting Issues
This presentation is complete.