

OFFICE OF WORKFORCE OPPORTUNITY
WIOA POLICY ISSUANCE – 2021-004
Effective Date: July 1, 2020

CASH MANAGEMENT POLICY AND PROCEDURE

PURPOSE: To provide a framework for the transfer of federal funds and the payment of bills submitted to the Office of Workforce Opportunity (OWO) by subrecipients, contractors or sub-grantees. These policies and procedures outline the standard for payment and allocation of payment for the non-federal entity (State of New Hampshire – BEA – OWO) and its subrecipients and contractors.

BACKGROUND: Grant recipients are required to have a mechanism in place to minimize the time between the transfer of funds from PMS and the disbursement of funds to pay allowable costs, per [2 CFR 200.305\(b\)](#) and [2 CFR 2900.7](#). This payment and cash management system must accurately track the receipt, disbursement and recording of funds between the awarding agency and grant recipient. Such systems should readily track the handling of grant funds to subrecipients, contractors, and participants.

POLICY: It is the policy of the OWO to follow the [2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Final Rule \(Uniform Guidance\)](#), specifically [2 CFR Part 200 Subpart D – Post Federal Award Requirements – Standards for Financial and Program Management](#) ; [2 CFR 2900.7](#) for “Payment”; and US Department of Labor (US DOL) Employment and Training Administrations [regulation 29 CFR Part 97 Subpart C Post Award Requirements – Financial Administration](#). In particular, OWO will ensure [29 CFR 97.21](#) is adhered to where payment shall minimize the time elapsing between the transfer of funds and the disbursement by the grantee (OWO). OWO, subrecipients and contractors are aware of the availability of advances under 29 CFR 97.21 but at this time all choose to be reimbursed. If at any time there should be cash-on-hand, those funds will be disbursed prior to the request of additional funds for reimbursement.

The State of New Hampshire has a [Treasury State Agreement \(TSA\)](#) with the U.S. Department of the Treasury for the [Cash Management Improvement Act \(CMIA\)](#). At this time, funds received by BEA OWO are not included in this agreement as the funds received are below the agreed upon threshold (\$7,033,765 in SFY 2021); however, should this funding exceed the threshold in the future, OWO will adhere to all applicable rules and regulations under CMIA and will be incorporated into the TSA.

PROCEDURE:

1. Invoices are submitted to NH BEA – OWO from subrecipients and contractors on a **monthly** basis.
 - a. Invoices are processed following the ACCOUNTS PAYABLE (AP) INSTRUCTIONS.
 - b. Instances where an invoice received by NH BEA – OWO is incorrect or needs further attention will be resolved before the subrecipient or contractor is reimbursed and prior to federal funds being drawn.

2. NH BEA - OWO – processes federal draws at least **monthly**.
 - a. See policy 2021-009 – COLLECTION OF FEDERAL FUNDS THROUGH PMS
 - b. See Appendix II – DRAW DOWN STEP BY STEP PROCEDURES
 - c. See policy 2021-008 - EXPENSE AND ACCRUAL REPORTING