



CLEOs - Central Western Maine Workforce Development Board June 2, 2021

Topic: CLEO Meeting
Time: 9:00-10:00 AM

Meeting ID: 845 4302 8444
Call in #: +1 929 205 6099
Call Passcode: 632414

Zoom Passcode: cleo

Link: <https://us02web.zoom.us/j/84543028444?pwd=QjhYaXNYV0ZlTDN5T2kzVm9KUmRTQT09>

1. Call to Order
2. Minutes
3. Annual Operating Budget Review & Approval for Board (YR Ending 6/30/22) page 3
4. PY21 WIOA formula funding allocations and suggested agreement budget page 9
5. CWMWDB Financial Manual Revisions page 20
 - a. Change internal budget due date to June 30 each
 - b. Add an Annual Fiscal Planning & Reporting Component To Quarterly Meetings
6. Service Provider Update
7. Board Update: MOU, Long Range Plan and contract approval process.
8. New Business
9. Meeting Notice <https://cwmwdb.org/aboutus/upcoming-meetings/>



Central Western Maine Workforce Development Board

May 5, 2021

Cleo Monthly Update

Time: 9:00AM-10:00AM

Link: <https://us02web.zoom.us/j/84543028444?pwd=QjhYaXNYV0ZITDN5T2kzVm9KUmRTQT09>

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No quorum.

The minutes were reviewed & no updates were made.

The CLEOs moved to agenda item (1) Contracts. Commissioner Sezak and Crockett agreed to the transfer of EMDC funds from Adult to DW, modification request changes, and to give EMDC back all program funding for the Virtual Event Coordinator and Youth Re-Entry Program Specialist. CWMWDB will maintain Planning activities. It was determined that there was no vote needed for this decision.

There was a question about what to do about the \$5k PY20 WIOA funds that was set aside. The CLEOs agreed that it should be returned to EMDC.

The CLEOs moved to agenda item (2) Budget Process Improvements. A budget schedule with CWMWI & EMDC will allocate funds in mid-late May. There is an expected 5-10% reduction. All reports will be combined and include line items.

The CLEOs moved to agenda item (3) Scopes of Work in development for various Bidding Processes. The Executive Director explained that RFPs were ongoing.

Other points of discussion included the need to change the meeting time to accommodate all CLEO schedules, the Hinckley Career Center is not in a desirable location, and the opportunity to rotate Economic Development entities on the Board.

Central Western Maine Workforce Development Board
FY 6/30/22 Proposed Budget

Board Only Operating Budget
with Funding Grant & Forfeiture History

Funding Overview (Multi-Year)	2020 WIOA	2021 WIOA	NDWG COVID-19	NDWG Opioid II	Total
Contract No.	20200604*3712	TBD	20200820*0646	TBD	
Start Date	7/1/20	7/1/21	8/10/20	7/1/21	
End Date	6/30/22	6/30/23	6/30/22	2/28/22	
Award Amount	\$ 1,780,603	\$ 1,713,096	\$ 515,000	\$ 1,677,177	\$ 6,082,440
Admin	178,060	171,309	51,500	167,458	622,899
Program	1,602,543	1,541,787	463,500	1,509,719	5,459,541
Spent as of 4/30/21	30,482	-	80,502	-	345,904
Admin	30,482	-	14,713	-	99,767
Program	-	-	65,789	-	246,137
Estimated Spend May-Jun 2021	331,217	-	28,196	-	429,950
Admin	54,739	-	2,972	-	57,711
Program	276,478	-	25,224	-	372,239
Estimated Reserve for FY 23+	-	112,757	-	-	112,757
Admin	-	112,757	-	-	112,757
Program	-	-	-	-	-
FY 21-22	1,418,903	1,600,339	406,302	1,677,177	5,566,068
Admin	92,839	58,552	33,816	167,458	352,664
Program (Estimated)	1,326,065	1,541,787	372,487	1,509,719	5,213,404

Detailed Administrative Budget	2020 WIOA	2021 WIOA	NDWG COVID-19	NDWG Opioid II	Total
Salaries	\$ 14,407	\$ 9,086	\$ 21,400	\$ 103,283	\$ 148,177
Fringe Benefits	4,740	2,990	12,416	44,680	64,826
Travel	568	358	-	4,073	5,000
Supplies	568	358	-	4,073	5,000
Other					
Outreach, Mktg & Advertising	4,599	2,901	-	-	7,500
Bank Fees	153	97	-	-	250
Conferences	1,533	967	-	-	2,500
Contractual	852	538	-	6,110	7,500
Dues and Subscriptions	1,840	1,160	-	-	3,000
Insurance	1,533	967	-	-	2,500
Organization Expense	21	14	-	-	35
Payroll Processing Fees	862	543	-	-	1,405
Professional Fees					
Audit	6,132	3,868	-	-	10,000
Fiscal Mgmt.	35,875	22,625	-	-	58,500
Fiscal Monitoring	1,840	1,160	-	-	3,000
Legal	6,132	3,868	-	-	10,000
Postage & Delivery	61	39	-	-	100
Recruiting	284	179	-	2,037	2,500
Rent, Parking, Utilities	1,533	967	-	-	2,500
Software	8,962	5,652	-	757	15,372
Telephone and Network	341	215	-	2,444	3,000
Total, Administrative	92,839	58,552	33,816	167,458	352,664

Estimated Funding for NEXT Fiscal Year (2022-2023)

Carry-Out from this budget	112,757
Estimated formula funding 2022 (5% decrease)	162,744
Total	275,501
Variance from current year budget	(77,163)

Last year's budget	346,130
Increase/(Decrease)	2%

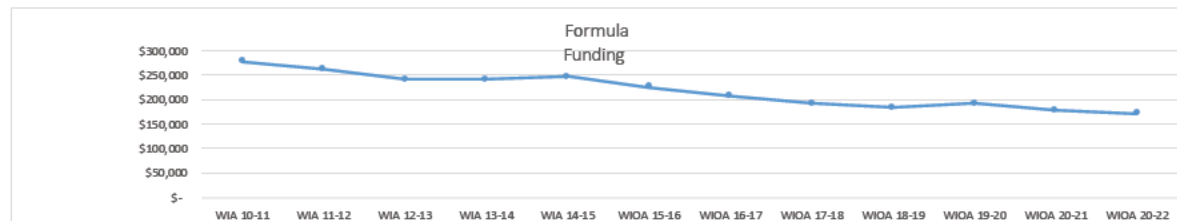
2020-2021	2020-2021	2020-2021
April YTD	Annualized	
102,258	122,710	
36,814	44,177	
658	790	
3,767	4,520	
	-	
5,740	6,888	
235	282	
47	56	
6,500	7,800	
2,530	3,036	
2,286	2,743	
-	-	
1,171	1,405	
7,250	8,700	
49,500	59,400	
-	-	
5,410	6,492	
76	91	
3,173	3,807	
4,600	5,520	
12,806	15,368	
2,451	2,941	
247,271	296,726	

PY21 WIOA Contract
65,061
28,464
600
600
-
4,855
162
1,618
900
1,942
1,618
23
909
6,473
37,867
1,942
6,473
65
300
1,618
9,460
360
171,309

Grant Funding Summary

Contract	Jul 10-Jun 11 Actual	Jul 11-Jun 12 Actual	Jul 12-Jun 13 Actual	Jul 13-Jun 14 Actual	Jul 14-Jun 15 Actual	Jul 15-Jun 16 Actual	Jul 16-Jun 17 Actual	Jul 17-Jun 18 Actual	Jul 18-Jun 19 Actual	Jul 20-Jun 21 Actual	Jul 21-Jun 22 Actual	Jul 22-Jun 23 Budget	Total
ARRA	\$ 299,684	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 299,684
Health Care Grant	228,635	652,739	419,673	-	-	-	-	-	-	-	-	-	1,301,047
WIA 10-11	221,941	55,345	-	-	-	-	-	-	-	-	-	-	277,286
AWI	66,316	46,604	2,137	-	-	-	-	-	-	-	-	-	115,056
WIA 09-10	62,621	-	-	-	-	-	-	-	-	-	-	-	62,621
United Way	5,000	5,000	-	-	-	-	-	-	-	-	-	-	10,000
WIA 11-12	-	259,562	2,174	-	-	-	-	-	-	-	-	-	261,736
Incentive 2011	-	39,972	-	-	-	-	-	-	-	-	-	-	39,972
WIA 12-13	-	30,476	204,141	6,800	-	-	-	-	-	-	-	-	241,417
NEG Associated Grocers	-	1,338	524	-	-	-	-	-	-	-	-	-	1,862
WIA 13-14	-	-	-	221,366	19,431	-	-	-	-	-	-	-	240,797
DEI	-	-	-	24,569	140,821	228,008	133,929	-	-	-	-	-	527,328
WIA 14-15	-	-	-	-	226,730	19,781	-	-	-	-	-	-	246,511
PSW - UTC	-	-	-	-	23,033	25,769	-	-	-	-	-	-	48,802
JD NEG	-	-	-	-	9,190	24,840	32,780	-	-	-	-	-	66,811
WIOA 15-16	-	-	-	-	-	188,917	37,281	-	-	-	-	-	226,198
SP NEG	-	-	-	-	-	50,360	72,505	27,406	-	-	-	-	150,270
PSW - Verso Paper	-	-	-	-	-	32,040	35,641	-	-	-	-	-	67,680
PSW - Madison Paper	-	-	-	-	-	1,944	34,988	-	-	-	-	-	36,932
WIOA 16-17	-	-	-	-	-	-	171,051	36,634	-	-	-	-	207,685
TechHire	-	-	-	-	-	-	49,088	28,725	-	-	-	-	77,813
WIOA 17-18	-	-	-	-	-	-	-	94,250	98,013	-	-	-	192,263
WIOA 18-19	-	-	-	-	-	-	-	-	56,113	126,691	-	-	182,805
WIOA 19-20	-	-	-	-	-	-	-	-	-	47,287	144,471	-	191,758
NDWG Opioid	-	-	-	-	-	-	-	-	-	54,572	98,385	167,458	320,415
WIOA 20-21	-	-	-	-	-	-	-	-	-	-	77,525	92,839	170,364
NDWG COVID-19	-	-	-	-	-	-	-	-	-	-	25,750	33,816	59,566
WIOA 21-22	-	-	-	-	-	-	-	-	-	-	-	58,552	58,552
Total	\$ 884,196	\$ 1,091,036	\$ 628,649	\$ 252,735	\$ 419,206	\$ 571,658	\$ 567,262	\$ 187,015	\$ 154,126	\$ 228,550	\$ 346,131	\$ 352,664	
# Contracts	6	8	5	3	5	8	8	4	2	3	4	4	

Contract	Formula Funding	Inc/(Dec)	n/a
WIA 10-11	\$ 277,286		n/a
WIA 11-12	\$ 261,736	(15,550)	-5.6%
WIA 12-13	\$ 241,417	(20,319)	-7.8%
WIA 13-14	\$ 240,797	(620)	-0.3%
WIA 14-15	\$ 246,511	5,714	2.4%
WIOA 15-16	\$ 226,198	(20,313)	-8.2%
WIOA 16-17	\$ 207,685	(18,513)	-8.2%
WIOA 17-18	\$ 192,263	(15,422)	-7.4%
WIOA 18-19	\$ 183,049	(9,214)	-4.8%
WIOA 19-20	\$ 191,758	8,709	4.8%
WIOA 20-21	\$ 178,060	(13,698)	-7.1%
WIOA 20-22	\$ 171,309	(6,751)	-3.8%



Personnel detail

<u>Executive</u>			
<u>Director</u>	<u>DPBESGP</u>	<u>DRSDL</u>	<u>Total</u>

Salaries:

Annual Salary	66,950	45,000	36,227	148,177
# Months	12.00	12.00	12.00	
Budgeted Salary	66,950	45,000	36,227	148,177

Contract Allocation:

WIOA	35%	0%	0%
Opioid	60%	100%	50%
COVID-19	5%	0%	50%
	100%	100%	100%

Salaries

WIOA	23,494	-	-	23,494
Opioid	40,170	45,000	18,113	103,283
COVID-19	3,286	-	18,113	21,400
	66,950	45,000	36,227	148,177

Fringe Benefits:

		2022				
		Proj. Inc.				
Payroll Tax	7.65%		5,122	3,443	2,771	11,336
Health	1,271.07	5%	15,634	15,634	15,634	46,902
Dental	43.36	5%	533	533	533	1,600
Vision	5.58	5%	69	69	69	206
403(b)	275.00		-	-	3,300	3,300
Workers Comp	1.00%		670	450	362	1,482
Total Fringe			22,027	20,129	22,670	64,826
Effective Fringe Rate			33%	45%	63%	44%

Contract Allocation:

WIOA	7,730	-	-	7,730
Opioid	13,216	20,129	11,335	44,680
COVID-19	1,081	-	11,335	12,416
	22,027	20,129	22,670	64,826

Total, Salaries & Fringe

Contract Allocation:

WIOA	31,223	-	-	31,223
Opioid	53,386	65,129	29,448	147,963
COVID-19	4,368	-	29,448	33,816
	88,977	65,129	58,896	213,002

Contract Balance

167,458	19,495
33,816	-

Technology services, cloud services, software or online retail

Central Western Maine Workforce Initiatives
Transaction Detail By Account
July 2020 through April 2021

Type	Date	Name	Class	Amount	
		Adobe Total		801.53	
		Airtable.com Total		570.54	
		Bambee Total		1,193.00	
		Book Your Data Total		831.00	
		DocuSign Total		573.78	
		Doodle Total		73.31	
		Dropbox Total		450.00	
		Evernote Total		-	
		Godaddy.com Total		997.11	
Credit Card Charge	01/11/2021	Hootsuite	WIOA 19/20 DW	-	no repeat per Stacy
		Hootsuite Total		-	
Bill	02/03/2021	IMPLAN Group, LLC	WIOA 20/21 Youth	-	no repeat per Stacy
		IMPLAN Group, LLC Total		-	
		LinkedIn Total		100.00	
		Microsoft Office 365 Total		342.79	
		Slack Total		400.00	
		Trello.com Total		60.00	
		Truthfinder.com Total		5.98	
		Zoom Total		577.28	
		Grand Total		6,976.32	10 months
				8,371.58	12 months
				7,000.00	Premier Virtual - 1 license purchased from EMDC
				<u>15,371.58</u>	

10 year Regional funding forfeiture history - \$1,443,977

Contract	Start	End	Award	Expended	Unexpended	Status
NEG San Antonio Shoe	04/01/08	09/30/10	266,252	227,559	38,693	closed
WIA 08-09	07/01/08	06/30/10	2,611,930	2,611,930	-	closed
NEG Manufac Housing	10/01/08	09/30/10	145,718	135,664	10,054	closed
NEG Wausau	02/17/09	06/30/11	248,731	226,652	22,079	closed
ARRA	04/01/09	06/30/11	2,704,681	2,615,086	89,595	closed
WIA 09-10	07/01/09	06/30/11	2,794,943	2,794,943	-	closed
NEG Formed Fiber	07/01/09	12/31/11	309,266	215,012	94,254	closed
NEG New Page	07/01/09	06/30/11	316,211	75,427	240,784	closed
NEG GE Security	10/01/09	09/30/11	364,365	90,188	274,177	closed
WIA 10-11	07/01/10	06/30/12	2,772,862	2,772,862	-	closed
WIA 11-12	07/01/11	06/30/13	2,641,507	2,641,507	-	closed
WIA 12-13	07/01/12	06/30/14	2,414,176	2,414,176	-	closed
WIA 13-14	07/01/13	06/30/15	2,404,662	2,404,662	-	closed
DEI	01/01/14	01/31/17	623,098	525,508	97,590	closed
WIA 14-15	07/01/14	06/30/16	2,465,108	2,465,108	-	closed
JD NEG	09/01/14	06/30/17	943,435	903,195	40,240	closed
WIOA 15-16	07/01/15	06/30/17	2,261,970	2,261,970	-	closed
SP NEG	07/01/15	06/30/18	919,348	652,116	267,232	closed
WIOA 16-17	07/01/16	06/30/18	2,076,851	2,076,851	-	closed
WIOA 17-18	07/01/17	06/30/19	1,922,638	1,865,329	57,309	closed
WIOA 18-19	07/01/18	06/30/20	1,830,518	1,618,547	211,971	closed
WIOA 19-20	07/01/19	06/30/21	1,917,585	1,303,941	613,644	as of 5/21/21
WIOA 20-21	07/01/20	06/30/22	1,780,603	56,530	1,724,073	as of 5/21/21
WIOA 21-22	07/01/21	06/30/23	1,713,096	-	1,713,096	as of 5/21/21

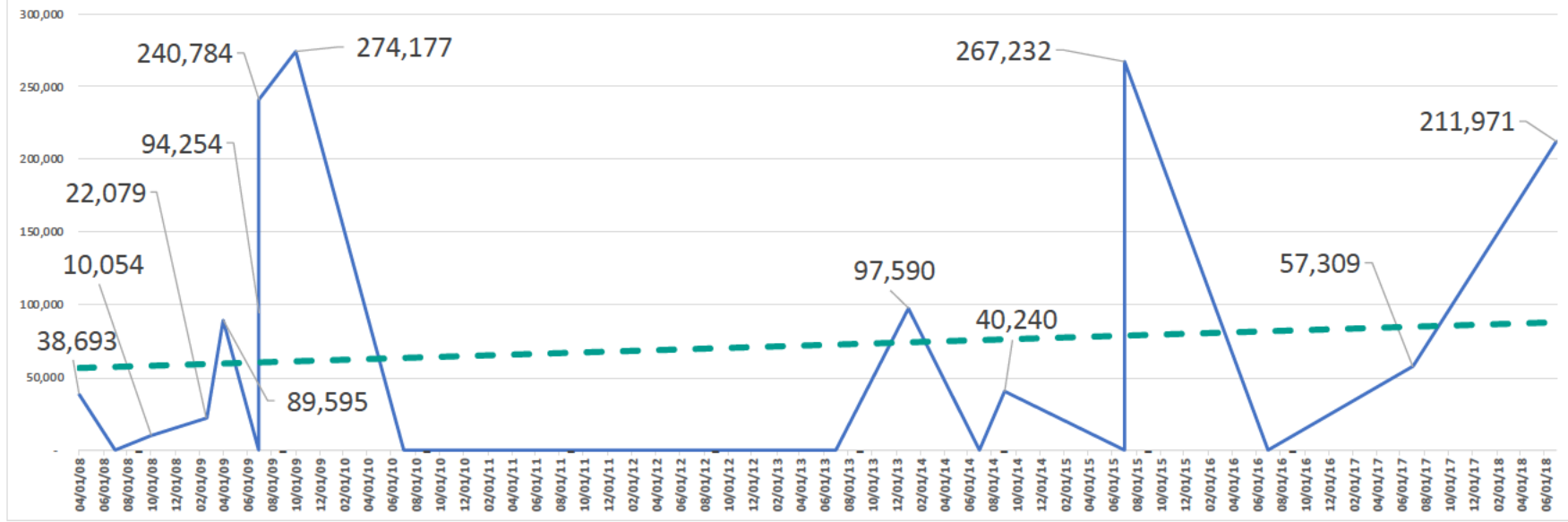
- **2008-2018 Total Revenue Loss \$1,443,977**

- **4.4% Forfeiture Rate**

- 57% of grants ; 21 grants since 2008; 12 grants had funds returned;
- \$91,925 Median grant amount returned
- \$188,146 Average grant amount returned

- Grants Agreed to in 2008 -2009 Lost \$769,636 **Last Economic Recession**
- Grants Agreed to in 2014 - 2018 Lost \$674,341 **No Recession**

Funding Loss 2008-2018 Agreements



PY21 Formula Funding CWM Allocations - WIOA Cluster Funding

CFDA: 17.258 WIOA PY21 Formula Adult Program Funds \$623,663

CFDA: 17.278 WIOA PY21 Formula DW Program Funds \$447,073

CFDA: 17.259 WIOA PY21 Formula Youth Program Funds \$642,360

2021 ALLOCATIONS				2020				Inc/(Dec)				
Adult	Program	Admin	Total	Adult	Program	Admin	Total	Adult	Program	Admin	Total	
Androscoggin	140,981.00		140,981.00	Androscoggin	139,451.00		139,451.00	Androscoggin	1,530.00		1,530.00	1%
Franklin	42,518.00		42,518.00	Franklin	39,979.00		39,979.00	Franklin	2,539.00		2,539.00	6%
Kennebec	130,541.00		130,541.00	Kennebec	121,971.00		121,971.00	Kennebec	8,570.00		8,570.00	7%
Oxford	95,230.00		95,230.00	Oxford	116,579.00		116,579.00	Oxford	(21,349.00)		(21,349.00)	-18%
Somerset	152,027.00		152,027.00	Somerset	149,623.00		149,623.00	Somerset	2,404.00		2,404.00	2%
Total	561,297.00	62,366.00	623,663.00	Total	567,603.00	63,067.00	630,670.00	Total	(6,306.00)	(701.00)	(7,007.00)	-1%
DW	Program	Admin	Total	DW	Program	Admin	Total	DW	Program	Admin	Total	
Androscoggin	82,005.00		82,005.00	Androscoggin	83,236.00		83,236.00	Androscoggin	(1,231.00)		(1,231.00)	-1%
Franklin	69,449.00		69,449.00	Franklin	73,164.00		73,164.00	Franklin	(3,715.00)		(3,715.00)	-5%
Kennebec	74,067.00		74,067.00	Kennebec	81,882.00		81,882.00	Kennebec	(7,815.00)		(7,815.00)	-10%
Oxford	76,753.00		76,753.00	Oxford	85,828.00		85,828.00	Oxford	(9,075.00)		(9,075.00)	-11%
Somerset	100,092.00		100,092.00	Somerset	126,909.00		126,909.00	Somerset	(26,817.00)		(26,817.00)	-21%
Total	402,366.00	44,707.00	447,073.00	Total	451,019.00	50,113.00	501,132.00	Total	(48,653.00)	(5,406.00)	(54,059.00)	-11%
Youth	Program	Admin	Total	Youth	Program	Admin	Total	Youth	Program	Admin	Total	
Androscoggin	152,444.00		152,444.00	Androscoggin	151,128.00		151,128.00	Androscoggin	1,316.00		1,316.00	1%
Franklin	53,625.00		53,625.00	Franklin	50,612.00		50,612.00	Franklin	3,013.00		3,013.00	6%
Kennebec	135,052.00		135,052.00	Kennebec	126,193.00		126,193.00	Kennebec	8,859.00		8,859.00	7%
Oxford	91,165.00		91,165.00	Oxford	113,607.00		113,607.00	Oxford	(22,442.00)		(22,442.00)	-20%
Somerset	145,838.00		145,838.00	Somerset	142,381.00		142,381.00	Somerset	3,457.00		3,457.00	2%
Total	578,124.00	64,236.00	642,360.00	Total	583,921.00	64,880.00	648,801.00	Total	(5,797.00)	(644.00)	(6,441.00)	-1%
Total	Program	Admin	Total	Total	Program	Admin	Total	Total	Program	Admin	Total	
Androscoggin	375,430.00		375,430.00	Androscoggin	373,815.00		373,815.00	Androscoggin	1,615.00		1,615.00	0%
Franklin	165,592.00		165,592.00	Franklin	163,755.00		163,755.00	Franklin	1,837.00		1,837.00	1%
Kennebec	339,660.00		339,660.00	Kennebec	330,046.00		330,046.00	Kennebec	9,614.00		9,614.00	3%
Oxford	263,148.00		263,148.00	Oxford	316,014.00		316,014.00	Oxford	(52,866.00)		(52,866.00)	-17%
Somerset	397,957.00		397,957.00	Somerset	418,913.00		418,913.00	Somerset	(20,956.00)		(20,956.00)	-5%
	\$ 1,541,787	\$ 171,309	\$ 1,713,096	Total	\$ 1,602,543	\$ 178,060	\$ 1,780,603	Total	\$ (60,756)	\$ (6,751)	\$ (67,507)	\$ (0)

Suggested Local Area Appropriation Parity Goals

2021 ALLOCATIONS		
ADULT + DW	Amount	%
Somerset	252,119	26%
Androscoggin	222,986	23%
Kennebec	204,608	21%
Oxford	171,983	18%
Franklin	111,967	12%
Total	963,663	100%

ADULTS	Year 1	Year 2
62	31	31
55	27	28
51	25	25
42	21	21
28	5	23
238	110	128

YOUTH	Amount	%
Androscoggin	152,444	26%
Somerset	145,838	25%
Kennebec	135,052	23%
Oxford	91,165	16%
Franklin	53,625	9%
Total	578,124	100%

YOUTH	Year 1	Year 2
32	16	16
30	15	15
28	14	14
19	9	10
11	5	6
120	59	61

Additional Goals	Year 1	Year 2	TOTAL	Note
Co Enrollment Goal	25%	30%	30%	Overall Enrollment % Goal
Disabled enrollments out of total	10%	15%	15%	Overall Enrollment % Goal
Increase local veteran	5%	5%	10%	Overall 2 year % Increase in a Category
Increase single parents	5%	5%	10%	Overall 2 year % Increase in a Category
Increase homeless/couchhoppers	2.5%	2.5%	5%	Overall 2 year % Increase in a Category
Increase immigrants	5%	5%	10%	Overall 2 year % Increase in a Category

PY 21 CWM WIOA Allocations

Planned Enrollments

PY 20 CWM Allocations

County	Adult Allocation	Percent of Total	PY21 Planned Enrollment	Adult Allocation	Percent of Total	Actual Enrollment (6/1/21)	PY 2020 Enrollment %
Androscoggin	140,981	25.1%	38	139,451	24.6%	56	44.8%
Franklin	42,518	7.6%	11	39,979	7.0%	17	13.6%
Kennebec	130,541	23.3%	35	121,971	21.5%	24	19.2%
Oxford	95,230	17.0%	25	116,579	20.5%	19	15.2%
Somerset	152,027	27.1%	41	149,623	26.4%	9	7.2%
Total	561,297		150	567,603		125	

County	DW Allocation	Percent of Total		DW Allocation	Percent of Total	Actual Enrollment (6/1/21)	PY 2020 Enrollment %
Androscoggin	82,005	20.4%	18	83,236	18.5%	21	21.9%
Franklin	69,449	17.3%	15	73,164	16.2%	30	31.3%
Kennebec	74,067	18.4%	16	81,882	18.2%	22	22.9%
Oxford	76,753	19.1%	17	85,828	19.0%	13	13.5%
Somerset	100,092	24.9%	22	126,909	28.1%	10	10.4%
Total	402,366		88	451,019		96	

County	Youth Allocation	Percent of Total		Youth Allocation	Percent of Total	Actual Enrollment (6/1/21)	PY 2020 Enrollment %
Androscoggin	152,444	26.4%	32	151,128	25.9%	40	75.5%
Franklin	53,625	9.3%	11	59,612	10.2%	3	5.7%
Kennebec	135,052	23.4%	28	126,193	21.6%	4	7.5%
Oxford	91,165	15.8%	19	113,607	19.5%	2	3.8%
Somerset	145,838	25.2%	30	142,381	24.4%	4	7.5%
Total	578,124		120	583,921		53	

County	Total Allocation	Percent of Total		Total Allocation	Percent of Total	Actual Enrollment (6/1/21)	PY 2020 Enrollment %
Androscoggin	375,430	24.4%	87	373,815	23.3%	117	42.7%
Franklin	165,592	10.7%	38	163,755	10.2%	50	18.2%
Kennebec	339,660	22.0%	79	330,046	20.6%	50	18.2%
Oxford	263,148	17.1%	61	316,014	19.7%	34	12.4%
Somerset	397,957	25.8%	93	418,913	26.1%	23	8.4%
Total	1,541,787		358	1,602,543		274	

RIDER D

CONSOLIDATED

WIOA LINE ITEM BUDGET

WIOA LINE ITEM BUDGET

PY 21 WIOA Cluster

OPERATING COSTS	Adult	Youth	DW	Admin	Total
A. Personnel					
a. Salary & Wages	91,930.00	95,150.00	75,845.00	65,061.39	327,986.39
b. Fringe & Benefits	34,110.00	35,305.00	28,140.00	28,463.64	126,018.64
B. Staff Travel					
a. In State	1,400.00	3,500.00	1,000.00	599.77	6,499.77
b. Out of State	-	-	-	-	-
C. Equipment (Copiers/Computers)					
a. Purchase	-	-	-	-	-
b. Lease/Fees	1,500.00	1,500.00	1,200.00	-	4,200.00
c. Maintenance	-	-	-	-	-
D. Materials /Supplies	1,400.00	1,800.00	900.00	599.77	4,699.77
E. Premises					
a. Rent	19,500.00	21,000.00	14,000.00	1,618.25	56,118.25
b. Utilities	-	-	-	-	-
c. Maint/Other	-	-	-	-	-
F. Communications					
a. Telephone	1,750.00	2,100.00	1,200.00	359.86	5,409.86
b. Postage	-	-	-	64.73	64.73
c. Outreach/Advertising	-	-	-	4,854.75	4,854.75
G. Operational Services					
a. Fiscal Audit	-	-	-	6,473.00	6,473.00
b. Fiscal Monitoring	-	-	-	1,941.90	1,941.90
c. Legal/Web/Other	-	-	-	6,495.66	6,495.66
d. Insurance	-	-	-	1,618.25	1,618.25
H. Subcontract					
a. Fiscal Management	-	-	-	37,867.05	37,867.05
b. Payroll Services	-	-	-	909.46	909.46
c. Other	122,932.00	178,529.00	74,466.00	899.66	376,826.66
I. Other					
a. Conference	-	-	-	1,618.25	1,618.25
b. Dues/Subscriptions	-	-	-	1,941.90	1,941.90
c. Software Subscriptions	-	-	-	9,460.00	9,460.00
d. Bank Fees	-	-	-	161.83	161.83
e. Recruiting	-	-	-	299.89	299.89
J. Indirect/ Shared Costs	35,595.00	36,840.00	29,365.00	-	101,800.00
TOTALS	310,117.00	375,724.00	226,116.00	171,309.00	1,083,266.00
DIRECT PARTICIPANT SERVICES COSTS					
A. Direct Training					
a. Occupational (Training/Tuition/Books/Fees)	103,230.00	64,500.00	77,110.00	-	244,840.00
b. OJT Training	61,660.00	30,100.00	44,600.00	-	136,360.00
c. Customized Training	-	-	-	-	-
d. Literacy in conjunction w/ Occ. Trng.	-	-	-	-	-
e. Entrepreneurial Training	-	-	-	-	-
f. Job Ready in conjunction w/Occ. Trng	-	-	-	-	-
g. Transitional Jobs	-	-	-	-	-
h. Work Based Trng w/related instruction	-	-	-	-	-
i. Work Experience	38,140.00	85,525.00	14,275.00	-	137,940.00
j. Support Services	48,150.00	22,275.00	40,265.00	-	110,690.00
B. Career Services	-	-	-	-	-
C. Youth Services (Not included above)	-	-	-	-	-
TOTALS	251,180.00	202,400.00	176,250.00	-	629,830.00
GRANT TOTALS	561,297.00	578,124.00	402,366.00	171,309.00	1,713,096.00
	561,297.00	578,124.00	402,366.00	171,309.00	1,713,096.00

RIDER D

CONSOLIDATED

WIOA LINE ITEM BUDGET

WIOA LINE ITEM BUDGET

PY 21 WIOA Cluster

WIOA ADULT IMPLEMENTATION PLAN				
ADULT Service Summary	Q1	Q2	Q3	Q4
A. New Enrollments	20.00	40.00	60.00	80.00
B. Carry-Ins	70.00	70.00	70.00	70.00
C. Total Adult Enrollments (A+B)	90.00	110.00	130.00	150.00
D. Total Exiters	25.00	50.00	65.00	85.00
E. Total Entered Employment	18.00	38.00	50.00	63.00
1. Placed w/ Employer-Assisted Benefits	13.00	27.00	36.00	45.00
2. Placed in NTO Employment	1.00	1.00	2.00	3.00
3. Placed in Apprenticeship	3.00	6.00	8.00	10.00
ADULT Standards/Goals				
	Q1	Q2	Q3	Q4
A. Direct Training	75.00	92.00	109.00	126.00
B. Career Services	90.00	110.00	130.00	150.00
C. Other				
ADULT Performance Measures				
	Q1	Q2	Q3	Q4
A. Employed 2nd Qtr. after Exit				73.00
B. Employed 4th Qtr. after Exit				71.50
C. Median Wage 2nd Qtr after exit.				5,300.00
D. Attained Credential				68.00
E. Measurable Skills Gains				55.00

WIOA YOUTH IMPLEMENTATION PLAN				
YOUTH Service Summary (Aged 14-21)	Q1	Q2	Q3	Q4
A. New In-School Enrollments	10.00	15.00	20.00	25.00
B. In-School Carry-Ins	5.00	5.00	5.00	5.00
C. New Out-of-School Enrollments	15.00	35.00	50.00	60.00
D. Out-of-School Carry-Ins	30.00	30.00	30.00	30.00
E. Total Enrollments (A+B+C+D)	60.00	85.00	105.00	120.00
F. Total Exiters	10.00	25.00	35.00	48.00
G. Total Employed or In Education	8.00	19.00	26.00	36.00
1. Placed w/ Employer-Assisted Benefits	6.00	13.00	18.00	25.00
2. Placed in NTO Employment	-	1.00	1.00	2.00
3. Placed in Apprenticeship	1.00	2.00	3.00	4.00
YOUTH Performance Measures				
	Q1	Q2	Q3	Q4
A. Employed / in Education 2nd Qtr. after exit				71.00
B. Employed / in Education 4th Qtr. after exit				73.00
C. Median Wage 2nd Qtr. After exit				3,800.00
D. Attained Credential				55.00
E. Measurable Skills Gains				45.00

RIDER D

CONSOLIDATED

WIOA LINE ITEM BUDGET

WIOA LINE ITEM BUDGET

PY 21 WIOA Cluster

WIOA DISLOCATED WORKER IMPLEMENTATION PLAN				
DW Service Summary	Q1	Q2	Q3	Q4
A. New Enrollments	15.00	30.00	40.00	48.00
B. Carry-Ins	40.00	40.00	40.00	40.00
C. Total DW Enrollments (A+B)	55.00	70.00	80.00	88.00
D. Total Exiters	16.00	28.00	38.00	52.00
E. Total Entered Employment	13.00	22.00	30.00	42.00
1. Placed w/ Employer-Assisted Benefits	10.00	17.00	23.00	32.00
2. Placed in NTO Employment	1.00	1.00	2.00	2.00
3. Placed in Apprenticeship	2.00	4.00	5.00	7.00
DW Standards/Goals	Q1	Q2	Q3	Q4
A. Direct Training	44.00	56.00	64.00	70.00
B. Career Services	55.00	70.00	80.00	88.00
C. Other				
DW Performance Measures				
A. Employed 2nd Qtr. after Exit				81.00
B. Employed 4th Qtr. after Exit				76.00
C. Median Earnings 2nd Qtr. after Exit				6,500.00
D. Attained Credential				68.00
E. Measurable Skills Gains				55.00
EMPLOYER EFFECTIVENESS				TOTAL
A. Repeat Employers Served				57
B. New Employers Served				50

RIDER D
WIOA LINE ITEM BUDGET

BOARD 10%

WIOA LINE ITEM BUDGET

PY 21 WIOA Cluster

OPERATING COSTS	Adult	Youth	DW	Admin	Total
A. Personnel					
a. Salary & Wages				65,061.39	65,061.39
b. Fringe & Benefits				28,463.64	28,463.64
B. Staff Travel					
a. In State				599.77	599.77
b. Out of State					-
C. Equipment (Copiers/Computers)					
a. Purchase					-
b. Lease/Fees					-
c. Maintenance					-
D. Materials /Supplies				599.77	599.77
E. Premises					
a. Rent				1,618.25	1,618.25
b. Utilities					-
c. Maint/Other					-
F. Communications					
a. Telephone				359.86	359.86
b. Postage				64.73	64.73
c. Outreach/Advertising				4,854.75	4,854.75
G. Operational Services					
a. Fiscal Audit				6,473.00	6,473.00
b. Fiscal Monitoring				1,941.90	1,941.90
c. Legal/Web/Other				6,495.66	6,495.66
d. Insurance				1,618.25	1,618.25
H. Subcontract					
a. Fiscal Management				37,867.05	37,867.05
b. Payroll Services				909.46	909.46
c. Other Subcontracted/Temp Labor				899.66	899.66
I. Other					
a. Conference				1,618.25	1,618.25
b. Dues/Subscriptions				1,941.90	1,941.90
c. Software Subscriptions				9,460.00	9,460.00
d. Bank Fees				161.83	161.83
e. Recruiting				299.89	299.89
J. Indirect/ Shared Costs					-
TOTALS	-	-	-	171,309.00	171,309.00
Check				171,309.00	
DIRECT PARTICIPANT SERVICES COSTS					
A. Direct Training					
a. Occupational (Training/Tuition/Books/Fees)					-
b. OJT Training					-
c. Customized Training					-
d. Literacy in conjunction w/ Occ. Trng.					-
e. Entrepreneurial Training					-
f. Job Ready in conjunction w/Occ. Trng					-
g. Transitional Jobs					-
h. Work Based Trng w/related instruction					-
i. Work Experience					-
j. Support Services					-
B. Career Services					-
C. Youth Services (Not included above)					-
TOTALS	-	-	-	-	-
GRANT TOTALS	-	-	-	171,309.00	171,309.00
Check	-	-	-	171,309.00	171,309.00

RIDER D
WIOA LINE ITEM BUDGET

BOARD 10%

WIOA LINE ITEM BUDGET

PY 21 WIOA Cluster

WIOA ADULT IMPLEMENTATION PLAN				
ADULT Service Summary	Q1	Q2	Q3	Q4
A. New Enrollments				
B. Carry-Ins				
C. Total Adult Enrollments (A+B)	-	-	-	-
D. Total Exiters				
E. Total Entered Employment				
1. Placed w/ Employer-Assisted Benefits				
2. Placed in NTO Employment				
3. Placed in Apprenticeship				
ADULT Standards/Goals	Q1	Q2	Q3	Q4
A. Direct Training				
B. Career Services				
C. Other				
ADULT Performance Measures	Q1	Q2	Q3	Q4
A. Employed 2nd Qtr. after Exit				
B. Employed 4th Qtr. after Exit				
C. Median Wage 2nd Qtr after exit.				
D. Attained Credential				
E. Measurable Skills Gains				

WIOA YOUTH IMPLEMENTATION PLAN				
YOUTH Service Summary (Aged 14-21)	Q1	Q2	Q3	Q4
A. New In-School Enrollments				
B. In-School Carry-Ins				
C. New Out-of-School Enrollments				
D. Out-of-School Carry-Ins				
E. Total Enrollments (A+B+C+D)	-	-	-	-
F. Total Exiters				
G. Total Employed or In Education				
1. Placed w/ Employer-Assisted Benefits				
2. Placed in NTO Employment				
3. Placed in Apprenticeship				
YOUTH Performance Measures	Q1	Q2	Q3	Q4
A. Employed / in Education 2nd Qtr. after exit				
B. Employed / in Education 4th Qtr. after exit				
C. Median Wage 2nd Qtr. After exit				
D. Attained Credential				
E. Measurable Skills Gains				

WIOA DISLOCATED WORKER IMPLEMENTATION PLAN				
DW Service Summary	Q1	Q2	Q3	Q4
A. New Enrollments				
B. Carry-Ins				
C. Total DW Enrollments (A+B)	-	-	-	-
D. Total Exiters				
E. Total Entered Employment				
1. Placed w/ Employer-Assisted Benefits				
2. Placed in NTO Employment				
3. Placed in Apprenticeship				
DW Standards/Goals	Q1	Q2	Q3	Q4
A. Direct Training				
B. Career Services				
C. Other				
DW Performance Measures				

RIDER D
WIOA LINE ITEM BUDGET

BOARD 10%

WIOA LINE ITEM BUDGET

PY 21 WIOA Cluster

A. Employed 2nd Qtr. after Exit				
B. Employed 4th Qtr. after Exit				
C. Median Earnings 2nd Qtr. after Exit				
D. Attained Credential				
E. Measurable Skills Gains				

EMPLOYER EFFECTIVENESS				TOTAL
A. Repeat Employers Served				57
B. New Employers Served				50

RIDER D / Section D

SERVICES PROVIDER - OSO EMDC

WIOA LINE ITEM BUDGET

PY 21 WIOA Cluster

OPERATING COSTS	Adult	Youth	DW	Admin	Total
A. Personnel					
a. Salary & Wages	91,930.00	95,150.00	75,845.00		262,925.00
b. Fringe & Benefits	34,110.00	35,305.00	28,140.00		97,555.00
B. Staff Travel					
a. In State	1,400.00	3,500.00	1,000.00		5,900.00
b. Out of State					-
C. Equipment (Copiers/Computers)					
a. Purchase					-
b. Lease/Fees	1,500.00	1,500.00	1,200.00		4,200.00
c. Maintenance					-
D. Materials /Supplies	1,400.00	1,800.00	900.00		4,100.00
E. Premises					
a. Rent	19,500.00	21,000.00	14,000.00		54,500.00
b. Utilities					-
c. Maint/Other					-
F. Communications					
a. Telephone	1,750.00	2,100.00	1,200.00		5,050.00
b. Postage					-
c. Outreach/Advertising					-
G. Operational Services					
a. Fiscal Audit					-
b. Fiscal Monitoring					-
c. Legal/Web/Other					-
d. Insurance					-
H. Subcontract					
a. Fiscal Management					-
b. Payroll Services					-
c. Other	122,932.00	178,529.00	74,466.00		375,927.00
I. Other					
a. Conference					-
b. Dues/Subscriptions					-
c. Software Subscriptions					-
d. Bank Fees					-
e. Recruiting					-
J. Indirect/ Shared Costs	35,595.00	36,840.00	29,365.00		101,800.00
TOTALS	310,117.00	375,724.00	226,116.00	-	911,957.00
DIRECT PARTICIPANT SERVICES COSTS					
A. Direct Training					
a. Occupational (Training/Tuition/Books/Fees)	103,230.00	64,500.00	77,110.00		244,840.00
b. OJT Training	61,660.00	30,100.00	44,600.00		136,360.00
c. Customized Training					-
d. Literacy in conjunction w/ Occ. Trng.					-
e. Entrepreneurial Training					-
f. Job Ready in conjunction w/Occ. Trng					-
g. Transitional Jobs					-
h. Work Based Trng w/related instruction					-
i. Work Experience	38,140.00	85,525.00	14,275.00		137,940.00
j. Support Services	48,150.00	22,275.00	40,265.00		110,690.00
B. Career Services					-
C. Youth Services (Not included above)					-
TOTALS	251,180.00	202,400.00	176,250.00	-	629,830.00
GRANT TOTALS	561,297.00	578,124.00	402,366.00	-	1,541,787.00

Check 561,297.00 578,124.00 402,366.00 - 1,541,787.00

RIDER D / Section D

SERVICES PROVIDER - OSO EMDC

WIOA ADULT IMPLEMENTATION PLAN				
ADULT Service Summary	Q1	Q2	Q3	Q4
A. New Enrollments	20.00	40.00	60.00	80.00
B. Carry-Ins	70.00	70.00	70.00	70.00
C. Total Adult Enrollments (A+B)	90.00	110.00	130.00	150.00
D. Total Exiters	25.00	50.00	65.00	85.00
E. Total Entered Employment	18.00	38.00	50.00	63.00
1. Placed w/ Employer-Assisted Benefits	13.00	27.00	36.00	45.00
2. Placed in NTO Employment	1.00	1.00	2.00	3.00
3. Placed in Apprenticeship	3.00	6.00	8.00	10.00
ADULT Standards/Goals				
ADULT Standards/Goals	Q1	Q2	Q3	Q4
A. Direct Training	75.00	92.00	109.00	126.00
B. Career Services	90.00	110.00	130.00	150.00
C. Other				
ADULT Performance Measures				
ADULT Performance Measures	Q1	Q2	Q3	Q4
A. Employed 2nd Qtr. after Exit				73.00
B. Employed 4th Qtr. after Exit				71.50
C. Median Wage 2nd Qtr after exit.				5,300.00
D. Attained Credential				68.00
E. Measurable Skills Gains				55.00
WIOA YOUTH IMPLEMENTATION PLAN				
YOUTH Service Summary (Aged 14-21)	Q1	Q2	Q3	Q4
A. New In-School Enrollments	10.00	15.00	20.00	25.00
B. In-School Carry-Ins	5.00	5.00	5.00	5.00
C. New Out-of-School Enrollments	15.00	35.00	50.00	60.00
D. Out-of-School Carry-Ins	30.00	30.00	30.00	30.00
E. Total Enrollments (A+B+C+D)	60.00	85.00	105.00	120.00
F. Total Exiters	10.00	25.00	35.00	48.00
G. Total Employed or In Education	8.00	19.00	26.00	36.00
1. Placed w/ Employer-Assisted Benefits	6.00	13.00	18.00	25.00
2. Placed in NTO Employment	-	1.00	1.00	2.00
3. Placed in Apprenticeship	1.00	2.00	3.00	4.00
YOUTH Performance Measures				
YOUTH Performance Measures	Q1	Q2	Q3	Q4
A. Employed / in Education 2nd Qtr. after exit				71.00
B. Employed / in Education 4th Qtr. after exit				73.00
C. Median Wage 2nd Qtr. After exit				3,800.00
D. Attained Credential				55.00
E. Measurable Skills Gains				45.00

RIDER D / Section D

SERVICES PROVIDER - OSO EMDC

WIOA DISLOCATED WORKER IMPLEMENTATION PLAN				
DW Service Summary	Q1	Q2	Q3	Q4
A. New Enrollments	15.00	30.00	40.00	48.00
B. Carry-Ins	40.00	40.00	40.00	40.00
C. Total DW Enrollments (A+B)	55.00	70.00	80.00	88.00
D. Total Exiters	16.00	28.00	38.00	52.00
E. Total Entered Employment	13.00	22.00	30.00	42.00
1. Placed w/ Employer-Assisted Benefits	10.00	17.00	23.00	32.00
2. Placed in NTO Employment	1.00	1.00	2.00	2.00
3. Placed in Apprenticeship	2.00	4.00	5.00	7.00
DW Standards/Goals	Q1	Q2	Q3	Q4
A. Direct Training	44.00	56.00	64.00	70.00
B. Career Services	55.00	70.00	80.00	88.00
C. Other				
DW Performance Measures				
A. Employed 2nd Qtr. after Exit				81.00
B. Employed 4th Qtr. after Exit				76.00
C. Median Earnings 2nd Qtr. after Exit				6,500.00
D. Attained Credential				68.00
E. Measurable Skills Gains				55.00
EMPLOYER EFFECTIVENESS				TOTAL
A. Repeat Employers Served				57
B. New Employers Served				50

**RC 2021-06 – CWMWDB FINANCIAL MANUAL
REVISION: INTERNAL BUDGET APPROVAL
DEADLINES**

BE IT RESOLVED: the CLEO Board of the Central Western Maine Workforce Development Board, after evaluating trusted consultant advice, revise the CWMWDB Financial Manual, Page 41, Budgeting, Preparation and Adoption, **to read:**

It is the policy of the Central Western Maine Workforce Development Board to adopt a final budget ~~at least 30 days before the beginning~~ by the start of the Organization's its fiscal year.

This revision takes place immediately for the year ending 6/30/2021. *End.*

First Motion: _____ Date: June 2, 2021

Second Motion: _____ Date: June 2, 2021

This item pass/fails by a unanimous #Y ____ #N____ with ____ abstaining.

Effective Date June 2, 2021

Stacy Kilroy, *Executive Director, as witness*

**RC 2021-07 – CWMWDB FINANCIAL MANUAL REVISION:
ADD FISCAL PLANNING & BUDGETING TO QUARTERLY
MEETINGS**

BE IT RESOLVED: the CLEO Board of the Central Western Maine Workforce Development Board approves of a revision to the CWMWDB Financial Manual by adding goals for fiscal planning, reporting and a defined budget workshop within the existing CLEO, Operational & Full Board meeting schedules on Page 73 to the Manual:

Budget Policies:

1. The Board will have Annual Board and Program Operating Budgets prepared for baseline and a 10% reduction in draft form by April 1, and sent out 14 to 21 days month in advance of the Q3 April Budget Workshop. This adds the requirement of line-item Service Providers Program Operating Budget, comprised of all revenue sources
2. The Board and CLEO Board will meet jointly for budget workshop in its Q3/April meeting to go over operational items of both the Board and Service Providers for the next year and approve a baseline and an alternative 10% reduction budget.
3. The Board will meet and adopt a budget in late Q4/June once annual formula allocations are announced and reconciled between the adopted budget and alternative. The Board will announce its most recent audit results at the Q4/June Meeting of each year.
4. The Board will review its annual report, and community benefit provided at the Q1/September meeting of each year.
5. The Board will review its subrecipient audits, CWM Audit Plans, Compliance at the Q2/January meeting of each year.
6. Annual Schedule to be programmed within Board meetings.

<u>April</u>	<u>Spring Joint Budget Workshop (Board + CLEOs)</u>	<u>Joint</u>
<u>June</u>	<u>Annual Board Budget Adoption & Audit Report</u>	<u>Board</u>
<u>Sept</u>	<u>Community Benefit Report (Annual Report)</u>	<u>Board</u>
<u>Jan</u>	<u>Subrecipient Audits, CWM Audit Plans, Compliance</u>	<u>Board</u>

This revision takes place immediately for the year ending 6/30/2021. *End.*

First Motion: _____ Date: June 2, 2021

Second Motion: _____ Date: June 2, 2021

This item pass/fails by a unanimous #Y ____ #N____ with ____ abstaining.

Stacy Kilroy, *Executive Director, as witness*

Effective Date June 2, 2021

THE CENTRAL WESTERN MAINE WORKFORCE DEVELOPMENT BOARD

Accounting & Financial Policies and Procedures Manual

Effective Date(s) of Fiscal Policies

The effective date of all Fiscal policies described in this manual is July 1, 2004. If a policy is added or modified subsequent to this date, the effective date of the new/revised policy will be indicated parenthetically immediately following the policy heading.

REVIEWED 6/19/07
REVISED 1/15/09
REVISED 6/15/09
REVISED 9/10/09
REVISED 10/24/10
REVISED 11/16/12
REVISED 7/8/2014
REVISED 4/7/2017

DEFINITIONS

WIOA	Workforce Innovation and Opportunities Act
CEO Board:	Chief Elected Officials
CWMWDB:	Central Western Maine Workforce Development Board
LWDB:	Local Workforce Development Board
ADA Coordinator:	Executive Director

INTRODUCTION

The following Fiscal manual is intended to provide an overview of the Accounting policies and procedures applicable to the the Central Western Maine Workforce Development Board, which shall be referred to as “The Central Western Maine Workforce Development Board” or “the Organization” throughout this manual.

The Central Western Maine Workforce Development Board is **incorporated** in the state of Maine. The Central Western Maine Workforce Development Board is exempt from federal income taxes under IRC Section 501(c)(3) as a nonprofit corporation. The Central Western Maine Workforce Development Board’s tax-exempt mission is to

Administer the 1998 Workforce Investment Act and its succeeding legislation.

This manual shall document the financial operations of the Organization. Its primary purpose is to formalize Fiscal policies and selected procedures for the Fiscal staff and to document internal controls.

The contents of this manual were approved as official policy of the Organization by the Board of Directors. All the Central Western Maine Workforce Development Board staff is bound by the policies herein, and any deviation from established policy is prohibited.

CORRECTION

The Central Western Maine Workforce Development Board is local workforce development board (LWDB), a quasi-governmental entity described in the Workforce Innovation and Opportunity Act of 2014 (WIOA). It is granted tax exempt status in WIOA sec 107(d)(12)(B)(iii). It operates its fiscal agent as the incorporated not-for-profit Maine corporation, Central Western Maine Workforce Initiatives (CWMWI), FEIN 65-1192940.

GENERAL POLICIES

ORGANIZATIONAL STRUCTURE

The Role of the Board of Directors

The Central Western Maine Workforce Development Board is governed by its Board of Directors, which is responsible for the oversight of the organization by:

1. Planning for the future
2. Establishing broad policies
3. Identifying and proactively dealing with emerging issues
4. Interpreting the organization's mission to the public
5. Soliciting prospective contributors
6. Contracting for the Executive Director
7. Establishing and maintaining programs and systems designed to assure compliance with terms of contracts and grants

The board is responsible for hiring and periodically evaluating the organization's Executive Director, who shall be responsible for the day-to-day oversight and management of The Central Western Maine Workforce Development Board members and staff.

Specific guidelines regarding the composition and election of the board of directors are described in the organization's by-laws.

ACCOUNTING DEPARTMENT OVERVIEW

Organization

The accounting department consists of the Treasurer of the Board, Executive Director who approves all expenditures, and the Fiscal Agent who manages and processes financial information for the Central Western Maine Workforce Development Board.

Responsibilities

The primary responsibilities of the accounting department consist of:

- General Ledger
- Budgeting
- Cash and Investment Management
- Asset Management
- Grants and Contracts Administration
- Purchasing approved by the Executive Director
- Cash Receipts
- Accounts Payable
- Cash Disbursements
- Payroll and Benefits
- Financial Statement Processing
- External Reporting of Financial Information

Bank Reconciliation
Reconciliation of Sub-Ledgers
Compliance with Government Reporting Requirements
Annual Audit that is done by an independent Auditor
Leases
Insurance

BUSINESS CONDUCT

Practice of Ethical Behavior

Unethical actions, or the appearance of unethical actions, are unacceptable under any conditions. The policies and reputation of the Central Western Maine Workforce Development Board depend to a very large extent on the following considerations.

Each employee must apply her/his own sense of personal ethics, which should extend beyond compliance with applicable laws and regulations in business situations, to govern behavior where no existing regulation provides a guideline. It is each employee's responsibility to apply common sense in business decisions where specific rules do not provide all the answers.

In determining compliance with this standard in specific situations, employees should ask themselves the following questions:

1. Is my action legal?
2. Is my action ethical?
3. Does my action comply with the Central Western Maine Workforce Development Board policy?
4. Am I sure my action does not appear inappropriate?
5. Am I sure that I would not be embarrassed or compromised if my action became known with the Organization or public?
6. Am I sure that my action meets my personal code of ethics and behavior?
7. Would I feel comfortable defending my actions on the 6 o'clock news?

Each employee should be able to answer, "yes" to all of these questions before taking action.

Each Director, Manager and supervisor is responsible for the ethical business behavior of her/his subordinates. Directors, Managers, and supervisors must weigh carefully all courses of action suggested in ethical as well as economic terms, and base their final decisions on the guidelines provided by this policy as well as their personal sense of right and wrong.

Conflicts of Interest

In addition, no employee, officer, or agent of the Central Western Maine Workforce Development Board shall participate in the selection, award, or administration of a contract involving the Central Western Maine Workforce Development Board if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, or any member of his/her immediate family, his/her partner, or an organization that employs, or is about to employ, any of the parties indicated herein, has a financial or other interest in the firm selected.

Compliance with Laws, Regulations, and Organization Policies

The Central Western Maine Workforce Development Board does not tolerate the willful violation or circumvention of any Federal, state, local, or foreign law by an employee during the course of that person's employment; nor does the Organization tolerate the disregard or circumvention of The Central Western Maine Workforce Development Board policy or engagement in unscrupulous dealings. Employees should not attempt to accomplish by indirect means, through agents or intermediaries, that which is directly forbidden.

Implementation of the provisions of this policy is one of the standards by which the performance of all levels of employees will be measured.

Disciplinary Action

Failure to comply with the standards contained in this policy will result in disciplinary action that may include termination, referral for criminal prosecution, and reimbursement to the Organization or to the government, for any loss or damage resulting from the violation. As with all matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation of this policy will be afforded an opportunity to explain his/her actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against any employee who authorizes or participates directly in actions that are a violation of this policy.
2. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this policy.
3. Against any Director, Manager or supervisor who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee who reports a violation of this policy.

FRAUD POLICY

Scope

This policy applies to any fraud or suspected fraud involving employees, officers or directors, as well as members, vendors, consultants, contractors, funding sources and/or any other parties with a business relationship with the Central Western Maine Workforce Development Board. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship with the Board.

Policy

Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his/her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any fraud that is detected or suspected must be reported immediately to the Executive Director or, alternatively, to the Chair of the Central Western Maine Workforce Development Board, who coordinates all investigations.

Actions Constituting Fraud

The terms fraud, defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

1. Any dishonest or fraudulent act
2. Forgery or alteration of any document or account belonging to the Central Western Maine Workforce Development Board.
3. Forgery or alteration of a check, bank draft, or any other financial document
4. Misappropriation of funds, securities, supplies, equipment, or other assets of the Board.
5. Impropiety in the handling or reporting of money or financial transactions
6. Disclosing confidential and proprietary information to outside parties
7. Accepting or seeking anything of material value from contractors, vendors, or persons providing goods or services to the The Central Western Maine Workforce Development Board. Exception: gifts less than a nominal in value.
8. Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment.
9. Borrowing of organization funds by an employee (loans). Employee loans are not allowed.
10. Any similar or related irregularity.

Investigation Responsibilities

The Board of Directors has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. The Directors may utilize whatever internal and/or external resources it considers necessary in conducting an investigation. If an investigation substantiates that fraudulent activities have occurred, the Directors will issue reports to appropriate designated personnel and, if appropriate, to the Central Western Maine Workforce Development Board, and/or its members.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel and senior management, as will final dispositions of the case.

If suspected fraud or other wrongdoing involves programs funded in whole or in part with federal funds, additional responsibilities, such as special reporting and disclosure to the awarding agency, may apply to the organization. It is the policy of the Central Western Maine Workforce Development Board to fully comply with all additional reporting, disclosure and other requirements pertaining to suspected acts of fraud as described in award documents.

Confidentiality

The Workforce Development Board will treat all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the Executive Director or the Chair immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act (see Reporting Procedures section below).

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but

subsequently found innocent of wrongful conduct and to protect the Central Western Maine Workforce Development Board from potential civil liability.

Authority for Investigation of Suspected Fraud

Members of the Central Western Maine Workforce Development Board Audit Committee will have:

1. Free and unrestricted access to all the Central Western Maine Workforce Development Board records and premises, whether owned or rented; and
2. The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities when it is within the scope of their investigations.

Reporting Procedures

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity will contact the Chair of the Board immediately. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual(s), his/her attorney or representative(s), or any other inquirer should be directed to the Chair or legal counsel. No information concerning the status of an investigation will be given out. The proper response to any inquiry is "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation", "the crime", "the fraud", "the forgery", "the misappropriation", or any other specific reference.

The reporting individual should be informed of the following:

1. Do not contact the suspected individual in an effort to determine facts or demand restitution.
2. Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Central Western Maine Workforce Development Board legal counsel.

Complaints involving criminal fraud, waste, abuse or other criminal activity must be reported immediately to MDOL and to USDOL through the Incident Reporting System, the office of Inspector General (OIG), OIG Hotline.

***Fraud / Abuse Reporting Policy** *Policy approved at CWMWIB Board meeting on June 20, 2014

INTRODUCTION:

The Central Western Maine Workforce Development Board (LWIB) maintains that detection of fraud and abuse in workforce investment programs for which it is responsible is of the highest priority. The LWIB must be made aware of any actual, potential or suspected fraud; gross mismanagement or misuse of program funds; conduct violations; violations of regulations; and abuse in any programs and operations overseen by this local area. 20 CFR 667.630 identifies how complaints and reports of criminal fraud and abuse are addressed under WIA, TEGL 02-12 provides updated policy and procedures for reporting and investigating allegations of wrongdoing or misconduct.

The Incident Report (IR) form, Office of Inspector General (OIG) 1-156 is the official form used for reporting allegations of criminal and other illegal or improper activities in workforce investment funded programs overseen by the LWIB. Allegations are to be reported to the OIG, and within the ETA (Employment and Training Administration), the Office of Financial and Administrative Management (OFAM) and the Office of Regional Management (ORM).

Incidents using the IR form may involve allegations of fraud, misfeasance, nonfeasance or malfeasance; allegations involving misapplication of funds, allegations of gross mismanagement; allegations of employee/participant misconduct and other potential or suspected criminal actions.

IR 1-156 form can be accessed at: http://wdr.doleta.gov/directives/attach/TEGL/TEGL_2_12_att_c.pdf

When the OIG receives an IR, they determine whether the allegations have merit and, when appropriate, conduct or arrange for an investigation or audit. If the OIG determines that the case does not have investigative or audit merit, the case is referred back to the ETA for resolution.

The LWIB or other entities wishing to report suspected fraud or abuse directly must use the following procedures for notifying the appropriate administrators of known or suspected cases of criminal or other illegal or improper activities involving grantees and other recipients or subrecipients of Federal funds from ETA. The OIG (Office of Inspector General) operates a **Hotline** to receive and process allegations of fraud, waste, and abuse concerning DOL grants, programs and operations. Allegations received directly through the Hotline, and written complaints from the public pertaining to ETA funded grants and programs, are referred by the OIG to OFAM when appropriate.

1. The CWMWIB or complainants must immediately document allegations, suspicions and complaints involving possible fraud, program abuse and criminal misconduct using the IR form available at: [http://wdr.doleta.gov/directive/attach/TEGL/TEGL_2_12_att\)c.pdf](http://wdr.doleta.gov/directive/attach/TEGL/TEGL_2_12_att)c.pdf).
2. Situations involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount larger than \$50,000 are considered emergencies and must immediately be reported to the OIG and OFAM by telephone and followed up with a written report in the form of an IR, no later than one (1) working day after the telephone report.

OIG Hotline Referrals: All LWIBs/subgrantees must notify their employees of the availability of the "OIG/DOL Hotline" to report information, confidentially. The Hotline (1-800-347-3756) or hotline@oig.dol.gov was established for employees and the public to notify the OIG of suspected fraud, abuse or waste without fear of reprisal, the Hotline permits reporting of matters anonymously.

Information supplied via the Hotline should be as specific as possible to enable the OIG to identify and solve the problem. The Hotline should not be used for resolving employee grievances, EEO compliance, labor disputes or other personal concerns.

OFAM must screen and record all Hotline referrals from the OIG pertaining to ETA and send the referrals to the appropriate regional administrator (RA/RD/NOA) for action. The Regional Administrator must send OFAM an initial response to all hotline referrals no later than two weeks after receiving the referral, and must continue to provide updates in the quarterly tracking report until the complaint is closed and a final response sent to OFAM.

No action of any kind will be taken against any complainant for providing information in accordance with these procedures or for disclosing information concerning criminal or improper activities or making a valid complaint to proper authorities. Complainants may remain anonymous. If a complainant considers that his/her position will be compromised by reporting information through the IR system, he/she may send the report directly to the OIG or OFAM.

LWIBs/subgrantees must be familiar with the content of this policy and TEGL 02-12 and follow the procedures set forth herein for documenting, immediately reporting to the OIG, and following up on instances of alleged, suspected or known fraud, program abuse and criminal misconduct involving grantees and other recipients or subrecipients of Federal funds from ETA.

RELATED DEFINITIONS:

Emergency: A situation involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount much larger than \$50,000.

Employee/Participant Misconduct: Actions occurring during or outside work hours that reflect negatively on the Department or its mission including, but not limited to: conflict of interest or the appearance of conflict of interest involving outside employment, business and professional activities; the receipt or giving of gifts, fees, entertainment, and favors; misuse of Federal property; and, misuse of official information and such other activities as might adversely affect the confidence of the public in the integrity of the government (See 29 CFR Part 0; 5 CFR Parts 2635 and 5201) as well as serious violations of Federal and State laws.

Fraud, Misfeasance, Nonfeasance or Malfeasance: Any alleged deliberate action which may be in violation of Federal statutes and regulations. This category includes, but is not limited to, indications of bribery, forgery, extortion, embezzlement, theft of participant checks, kickbacks from participants or contractors, intentional payments to a contractor without the expectation of receiving services, payments to ghost enrollees, misuse of appropriated funds, and misrepresenting information in official reports.

Gross Mismanagement: pertains to actions or situations arising out of management ineptitude or oversight and leading to a major violation of the legislative process, regulations, or contract/grant provisions. Such actions or situations have the potential to severely hamper accomplishment of program goals, waste government resources, and jeopardize future support for a particular project, including but not limited to: un-auditable records, unsupported costs, highly inaccurate fiscal reports or program reports, payroll discrepancies, payroll deductions not paid to the Internal Revenue Service and lack of good internal control procedures.

Incident Report Form IR-OIG 1-156: The primary form for reporting instances of fraud, misapplication of funds, gross mismanagement, and any other incidents of known or suspected criminal or other serious activities. This form may also be used for interim and final reports.

Misapplication of Funds: Any alleged deliberate use of funds, assets or property not authorized or provided for by legislation or regulations, grants or contracts. This category includes but is not limited to: nepotism, political patronage, use of participants for political activity, ineligible enrollees, conflict of interest, and failure to report income from Federal funds, violation of contract/grant procedures, and the use of Federal funds for other than specified purposes. An incident report should be filed when there appears to be an intent to misapply funds rather than merely for a case of minor mismanagement. Indian and Native American programs are excluded from the nepotism category, as cited in 20 CFR 632.118 subpart F of WIA regulations.

Open IR: An IR is considered open until the originating or responsible ETA office determines that it has been resolved and reports it as closed on the quarterly OFAM tracking report.

SPECIAL NOTES:

Any person or organization who knowingly submits false or fraudulent claims or written, certified statements, for money, services, or property is subject to the Program Fraud Civil Remedies Act. The LWIBs are required to maintain a fraud and abuse policy that complies with this regulation. This policy and procedure will be reviewed during the annual monitoring of the CWMWIB.

The LWIB has the responsibility to ensure that any subrecipients comply with this regulation. This policy and procedure should be reviewed during the annual subrecipient monitoring.

The LWIB must provide its subrecipients with written notification of their responsibility regarding instances and reporting of fraud, abuse, and criminal activity or noncriminal incidents, such as waste, committed by staff, contractors, or program participants and to report all such instances to the LWIB, BES, and OIG immediately. The LWIB will maintain a file of such written notification and provide clear and concise reports on any such activity or incident.

EMPLOYEE RIGHTS:

The State Whistle Blower Law protects employees reporting fraudulent or wrongful acts and those who cooperated with the investigation will be protected from retaliatory actions.

EXAMPLES OF FRAUDULENT OR WRONGFUL ACTS:

Fraudulent or wrongful acts include, but are not limited to, the following:

- Establishing claims with bogus wages
- Taking and processing unemployment claims of friends or relatives
- Conducting any type of audit of employers or claimants that are relatives or friends
- Intentionally authorizing an improper claim
- Initiating claims for fictitious claimants
- Misappropriating outgoing or returned benefit checks
- Pocketing repayment made by overpaid claimant.
- Extorting money or accepting favors from program participants
- Receiving kickbacks
- Diverting refund checks
- Receiving gifts from vendors or prospective vendors
- Initiating bogus refunds
- Misusing blank or voided checks
- Overstating travel expense reimbursements
- Forging checks or other source documents
- Misuse of Agency owned property
- Intentional authorization of ineligible participation in agency programs
- Deliberately inputting erroneous data
- Abuse of position for personal gain
- Obtaining conflicting secondary employment
- Intentional preparation of inaccurate fiscal or program reports
- Misuse of confidential information
- Failure to report income from Federal grants
- Destroying Agency records to conceal fraudulent or wrongful acts
- Authorizing invoices for which you know goods or services will not or have not been received
- Misuse of petty cash

Reporting Contacts**Main Address & Phone Number**

Office of Inspector General
200 Constitution Avenue, NW
Room S-5502
Washington, DC 20210
(202) 693-5100

OIG Complaints Analysis Hotline

200 Constitution Avenue, NW
Room S-5506
Washington, DC 20210
(202) 693-6999 or **1-800-347-3756**

Region 1- Regional Administrator
US Department of Labor
Employment & Training Administration
JFK Federal Building, Room E-350
Boston, MA 02203
(617) 788-0170

Office of Audit
Assistant Inspector General
200 Constitution Avenue, NW
Rm. S-5512
Washington D.C. 20210
(202) 693-5170

SECURITY

Accounting Department

All files over one year that have been audited will be kept at the Lewiston Career Center in the CWMWIB office. Current files and files that have not been audited will remain in the Fiscal Agent's office.

Backup and Access to Files

The Fiscal Agent scans all files except vendor files electronically, and all electronic files are backed up instantaneously utilizing Carbonite remote data backup software. Backed up files can be accessed from any computer at any time in the case of theft, fire or other catastrophic event.

Vendor files (invoices and bill payment check stubs) are stored at the Fiscal Agent's office for a minimum of one year or until the audit for each fiscal year is complete. When the audit is complete, the paper vendor files are transferred to the CWMWIB central office at the Lewiston Career Center.

TECHNOLOGY AND ELECTRONIC COMMUNICATIONS

Purpose and Scope

The purpose of this policy is to identify guidelines for the use of the Central Western Maine Workforce Development Board technologies and communications systems. This policy establishes a minimum standard that must be upheld and enforced by users of the organization's technologies and communications systems.

The term "user" as used in these policies refers to employees (whether full-time, part-time or limited-term), independent contractors, consultants, and any other user having authorized access to, and use of any of the organization's computers or electronic communications resources.

Computer and electronic communications resources include, but are not limited to, host computers, file servers, stand alone computers, laptops, printers, fax machines, phones, on-line services, E-mail systems, bulletin board systems, and all software that is owned, licensed or operated by the Central Western Maine Workforce Development Board.

Acceptable Use of Organization Property

Use of the organization's computers and electronic communications technologies is for program and business activities of the Central Western Maine Workforce Development Board. All use of such resources shall be in an honest, ethical, and legal manner that conforms to applicable license agreements, contracts, and policies regarding their intended use. Although incidental and occasional personal use of the organization's communications systems are permitted, users automatically waive any rights to privacy.

In addition, the information, ideas, concepts and knowledge described, documented or contained in the organization's electronic systems are the intellectual property of the Central Western Maine Workforce Development Board. The copying or use of the organization's intellectual property for personal use or benefit

during or after employment (or period of contract) with the Central Western Maine Workforce Development Board is prohibited unless approved in advance by the Executive Director.

All hardware (laptops, computers, monitors, mice, keyboards, printers, telephones, fax machines, etc) issued by the Central Western Maine Workforce Development Board is the property of the organization and should be treated as such. Users may not physically alter or attempt repairs on any hardware at any time.

Password Security

Users are responsible for safeguarding their login passwords. Passwords may not be shared, nor should they be printed or stored on-line. Users should not leave their computers unattended without logging off.

Other Prohibited Uses

Other prohibited uses of the organization's communication systems include, but are not limited to:

1. Engaging in any communication that is discriminatory, defamatory, pornographic, obscene, racist, sexist or that evidences religious bias, or is otherwise of a derogatory nature toward any specific person, or toward any race, nationality, gender, marital status, sexual orientation, religion, disability, physical characteristic, or age group.
2. Browsing or downloading and/or forwarding and/or printing pornographic, profane, discriminatory, threatening or otherwise offensive material from any source including, but not limited to, the Internet.
3. Engaging in any communication that is in violation of federal, state or local laws.
4. Proselytizing or promoting any religious belief or tenet.
5. Campaigning for or against any candidate for political office or any ballot proposal or issue.
6. Sending, forwarding, redistributing or replying to "chain letters."
7. Unauthorized use of passwords to gain access to another user's information or communications on the Central Western Maine Workforce Development Board systems or elsewhere.
8. Advertising, solicitation or other commercial, non-program uses.
9. Knowingly introducing a computer virus into the organization's communication system or otherwise knowingly causing damage to the organization's systems.
10. Using the organization's systems in a manner that interferes with normal business functions in any way, including but not limited to, streaming audio from the Internet during business hours, stock tickers, installing unauthorized software, etc.
11. Excessive personal use of the organization's technologies that preempts any business activity or interferes with organizational productivity.
12. Sending e-mail messages under an assumed name or obscuring the origin of an e-mail message sent or received.

Disciplinary Action for Violations

The Central Western Maine Workforce Development Board requires all users to adhere to this policy. Violations of this policy will result in disciplinary action, up to and including termination of employment or cancellation of contracts.

Reporting of Suspected Violations

Suspected violations of these policies should be immediately and confidentially reported to your immediate supervisor. If you prefer not to discuss it with your supervisor, you may contact the Executive Director or any member of the Board.

GENERAL LEDGER AND CHART OF ACCOUNTS

The general ledger is defined as a group of accounts that supports the information shown in the major financial statements. The general ledger is used to accumulate all financial transactions of the Central Western Maine Workforce Development Board, and is supported by subsidiary ledgers that provide details for certain accounts in the general ledger. The general ledger is the foundation for the accumulation of data and reports.

Chart of Accounts Overview

The chart of accounts is the framework for the general ledger system, and therefore the basis for the Central Western Maine Workforce Development Board's accounting system. The chart of accounts consists of account titles and account numbers assigned to the titles. General ledger accounts are used to accumulate transactions and the impact of these transactions on each asset, liability, net asset, revenue, expense, and gain and loss account.

The Central Western Maine Workforce Development Board's chart of accounts is comprised of five types of accounts:

1. Assets
2. Liabilities
3. Net Assets
4. Revenues
5. Expenses

Distribution of Chart of Accounts

All the Central Western Maine Workforce Development Board employees involved with account coding responsibilities (assignment or review of coding) or budgetary responsibilities will be issued a current chart of accounts. As the chart of accounts is revised, an updated copy of the chart of accounts shall be distributed to these individuals promptly.

Control of Chart of Accounts

The Central Western Maine Workforce Development Board's chart of accounts is monitored and controlled by the Fiscal Agent. Responsibilities include the handling of all account maintenance, such as additions and deletions.

Account Definitions

General Ledger <u>Account Range</u>	<u>Category</u>	<u>Definition</u>
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Assets

Assets are probable future economic benefits obtained or controlled by the organization as a result of past transactions or events. Assets of the Central Western Maine Workforce Development Board are classified as current assets, fixed assets, contra-assets, and other assets.

Current assets are assets that are available or can be made readily available to meet the cost of operations or to pay current liabilities. Some examples are cash, temporary investments, and receivables that will be collected within one year of the statement of financial position date.

Fixed assets are tangible assets with a useful life of more than one year that are acquired for use in the operation of the organization and are not held for resale.

Contra-assets are accounts that reduce asset accounts, such as accumulated depreciation and reserves for uncollectible accounts receivable.

Other assets include long-term assets that are assets acquired without the intention of disposing of them in the near future. Some examples are security deposits, property and long-term investments.

Liabilities

Liabilities are probable future sacrifices of economic benefits arising from present obligations of the organization to transfer assets or provide services to other entities in the future as a result of past transactions or events. Liabilities of the Central Western Maine Workforce Development Board are classified as current or long-term.

Current liabilities are probable sacrifices of economic benefits that will likely occur within one year of the date of the financial statements or which have a due date of one year or less. Some examples of current liabilities include accounts payable, accrued liabilities; short-term notes payable, and deferred revenue.

Long-Term Liabilities are probable sacrifices of economic benefits that will likely occur more than one year from the date of the financial statements. An example of a long-term liability is the non-current portion of a mortgage loan.

Net Assets

Net Assets is the difference between total assets and total liabilities. See the next section for the Central Western Maine Workforce Development Board's policies on classifying net assets.

Revenue

Revenues are inflows or other enhancements of assets, or settlements of liabilities, from delivering or producing goods, rendering services, or other activities that constitute an organization's ongoing major or central operations. Revenues of the Central Western Maine Workforce Development Board include contributions received from donors and grants received from government agencies, private foundations and corporations.

Expenses

Expenses are outflows or other using up of assets or incurrence of liabilities from carrying out activities that constitute the Central Western Maine Workforce Development Board's ongoing major or central operations.

Changes to the Chart of Accounts

Additions to, deletions from or any other changes to the Central Western Maine Workforce Development Board's standard chart of accounts shall only be done with the approval of the Fiscal Agent.

Fiscal Year of Organization

The Central Western Maine Workforce Development Board shall operate on a fiscal year that begins on July 1 and ends on June 30. Any changes to the fiscal year of the organization must be ratified by majority vote of the Central Western Maine Workforce Development Board's board of directors.

POLICIES ASSOCIATED WITH REVENUES AND CASH RECEIPTS

REVENUE

Revenue Recognition Policies

The Central Western Maine Workforce Development Board receives revenue from several types of transactions. Revenue from each of these types of transactions is recognized in the financial statements of the Central Western Maine Workforce Development Board in the following manner:

1. **Grant income** - Monthly accrual based on incurrence of allowable costs (for cost-reimbursement awards) or based on other terms of the award (for fixed price, unit-of-service, and other types of awards)
2. **Contributions** - Recognized as income when received, unless accompanied by restrictions or conditions.

Immaterial categories of revenue may be recorded on the cash basis of accounting (i.e. recorded as revenue when received) as deemed appropriate by the Fiscal Agent. Quarterly reports of all revenues are reviewed by the CWMWIB.

Receipts and Disclosures

The Central Western Maine Workforce Development Board and its donors are subject to certain disclosure and reporting requirements imposed under the Internal Revenue Code and the underlying Regulations. It is the policy of the Central Western Maine Workforce Development Board to comply with all current federal and state rules regarding solicitation and collection of charitable contributions, whether specifically addressed in this manual or not, as well as all future revisions to those rules.

Classification of Income and Net Assets

All income received by the Central Western Maine Workforce Development Board is classified as "unrestricted", with the exception of the following:

1. Grants and other awards received from government agencies or other grantors, which are classified as temporarily restricted
2. Special endowments received from donors requesting that these funds be permanently restricted for specific purposes

From time to time, the Central Western Maine Workforce Development Board may raise other forms of contribution income, which carry stipulations that the Central Western Maine Workforce Development Board utilize the funds for a specific purpose or within a specified time period identified by the donor of the funds. When this form of contribution income is received, the Central Western Maine Workforce Development Board shall classify this income as Temporarily Restricted income.

As with all Temporarily Restricted net assets, when the restriction associated with a contribution has been met (due to the passing of time or the use of the resource for the purpose designated by the donor), the Central Western Maine Workforce Development Board will reclassify the related net assets from "Temporarily Restricted" to "Unrestricted" in its Statement of Financial Position and reflect this reclassification as an activity in its Statement of Activities.

From time to time, the Central Western Maine Workforce Development Board of Directors may determine that it is appropriate to set funds aside for specific projects. To the extent these set-asides result from a Board action, rather than a donor-imposed requirement, the resulting set-aside shall be classified as "unrestricted". However, to identify these funds as being set aside for special projects, such set-asides shall be labeled "Board-Designated" funds within the unrestricted net assets of the Central Western Maine Workforce Development Board, and shall be reported as a separate component of unrestricted net assets on the Central Western Maine Workforce Development Board financial statements.

CASH RECEIPTS

Overview

Cash (including checks payable to the organization) is the most liquid asset an organization has. Therefore, it is the objective of the Central Western Maine Workforce Development Board to establish and follow the strongest possible internal controls in this area.

Processing of Checks and Cash Received in the Mail

For funds that are received directly at the Central Western Maine Workforce Development Board office (i.e. payments not mailed to a PO Box or electronic transferred by systems as *Pay mode*), check receipts are centralized to ensure that cash received is appropriately directed, recorded and mailed to the Fiscal Agent on a timely basis.

Endorsement of Checks

It is the policy of the Central Western Maine Workforce Development Board that all checks received that are payable to the Organization shall immediately be restrictively endorsed. The restrictive endorsement shall be a rubber stamp that includes the following information:

1. For Deposit Only
2. The Central Western Maine Workforce Development Board
3. Bangor Savings Bank
4. The bank account number of the Central Western Maine Workforce Development Board

Timeliness of Bank Deposits

It is the policy of the Central Western Maine Workforce Development Board that bank deposits will be made as soon as possible. All electronic transfers will be deposited only in the Central Western Maine Workforce Development Board Account at the bank of choice of the CWMWIB Board. Presently, the bank of choice is Bangor Savings Bank.

POLICIES ASSOCIATED WITH EXPENDITURES AND DISBURSEMENTS

PURCHASING POLICIES AND PROCEDURES

Overview

THE POLICIES DESCRIBED IN THIS SECTION APPLY TO ALL PURCHASES MADE BY THE CENTRAL WESTERN MAINE WORKFORCE DEVELOPMENT BOARD.

ADDITIONAL POLICIES APPLICABLE ONLY TO THOSE PURCHASES MADE UNDER FEDERAL AWARDS ARE DESCRIBED IN THE SECTION “POLICIES ASSOCIATED WITH FEDERAL AWARDS.”

It is the policy of the Central Western Maine Workforce Development Board to follow a practice of ethical, responsible and reasonable procedures related to purchasing, agreements and contracts, and related forms of

commitment. The policies in this section describe the principles and procedures that all staff shall adhere to in the completion of their designated responsibilities.

Responsibility for Purchasing

The Executive Director shall have the authority to initiate purchases on behalf of the Central Western Maine Workforce Development Board, within the guidelines described in this policies manual. In addition, the Executive Director may delegate purchasing authority to responsible individuals within their department. The Executive Director shall inform the Fiscal Agent of all individuals that may initiate purchases or prepare purchase orders. The Fiscal Agent shall maintain a current list of all authorized purchasers of the Central Western Maine Workforce Development Board. The approved individuals shall sign all claims for payment, thereby signifying authorization.

Non-Discrimination Policy

All vendors/contractors who are the recipients of Organization funds, or who propose to perform any work or furnish any goods under agreements with the Central Western Maine Workforce Development Board, shall agree to these important principles:

1. Vendors/Contractors will not discriminate against any employee or applicant for employment because of race, religion, color, sexual orientation or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the vendors/contractors.
2. Vendors/contractors agree, to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. Notices, advertisements and solicitations placed in accordance with Federal law, rule or regulation shall be deemed sufficient for meeting the intent of this section.

Authorizations and Purchasing Limits

All contracts in excess of \$10,000.00 between the Central Western Maine Workforce Development Board and outside parties must be reviewed and approved by the Board of Directors, as well as the Executive Director. The Executive Director is authorized to enter into any contract on behalf of the Central Western Maine Workforce Development Board.

Required Solicitation of Quotations from Vendors

Purchase decisions in excess of \$5,000 for labor, equipment, supplies or services purchased, leased or contracted for shall be made only after receiving, whenever possible, oral quotations from at least two (2) vendors.

Purchase decisions exceeding \$25,000 for labor, equipment, supplies or services purchased, leased or contracted for shall be made only after receiving whenever possible, written quotations from at least two (2) vendors. Specific selections shall be recommended by the Executive Director to the Board of Directors, for approval, with written quotations attached for review. Recommendations shall be based on consideration of all applicable criteria as described under "Evaluation of Alternative Vendors" below.

All Purchase decisions of \$100,000 or more shall be made by obtaining competitive proposals from at least three (3) responsible vendors. Sealed bids shall be utilized when required by a Federal-awarding agency.

Solicitations for goods and services (requests for proposals) should provide for all of the following:

1. A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features, which unduly restrict competition.
2. Requirements, which the bidder must fulfill, and all other factors to be used in evaluating bids or proposals (see the next section entitled "Evaluation of Alternative Vendors" for required criteria)
3. A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
4. The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitations.
5. The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.
6. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
7. A description of the proper format, if any, in which proposals must be submitted, including the name of the Central Western Maine Workforce Development Board person to whom proposals should be sent.
8. The date by which proposals are due.
9. Required delivery or performance dates/schedules.
10. Clear indications of the quantity (ies) requested and unit(s) of measure.

Extensions of Due Dates and Receipt of Late Proposals

Solicitations should provide for sufficient time to permit the preparation and submission of offers before the specified due date. However, in the event that a prospective bidder requests an extension to a due date specified in a solicitation, and such an extension is both justified and compatible with the requirements of the Central Western Maine Workforce Development Board, an extension may be granted by the purchasing representative.

Vendor proposals are considered late if received after the due date and time specified in the solicitation. All such late proposals shall be marked "Late Proposal" on the outside of the envelope and retained, unopened, in the procurement folder. Vendors that submit late proposals shall be sent a letter notifying them that their proposal was late and could not be considered for award.

Evaluation of Alternative Vendors

Alternative vendors shall be evaluated on a weighted scale that considers the following criteria:

1. Adequacy of the proposed methodology of the vendor
2. Skill and experience of key personnel
3. Demonstrated company experience
4. Other technical specifications (designated by department requesting proposals)
5. Compliance with administrative requirements of the request for proposal (format, due date, etc.)
6. Vendor's financial stability
7. Vendor's demonstrated commitment to the nonprofit sector
8. Results of communications with references supplied by vendor
9. Ability/commitment to meeting time deadlines

10. Cost
11. Minority- or women-owned business status of vendor
12. Other criteria (to be specified by department requesting proposal)

Not all of the preceding criteria may apply in each purchasing scenario. However, in each situation requiring consideration of alternative vendors, the department responsible for the purchase shall establish the relative importance of each criterion prior to requesting proposals and shall evaluate each proposal on the basis of the criteria and weighting that have been determined.

After a vendor has been selected and approved by the department director, the final selection shall be approved by the Executive Director prior to entering into a contract.

The contract will include a statement that specifies the work to be completed and milestones that must be measurable. Quarterly reports will be required to include current status of completion of milestones.

Affirmative Consideration of Minority, Small Business and Women-Owned Businesses

Positive efforts shall be made by the Central Western Maine Workforce Development Board to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. The following steps shall be taken in furtherance of this goal:

1. Ensure that small business, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
2. Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms and women's business enterprises.
3. Consider in the contract process whether firms competing for larger contracts tend to subcontract with small businesses, minority-owned firms and women's business enterprises.
4. Encourage contracting with consortiums of small businesses, minority owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
5. Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the minority-owned firms and women's business enterprises.

Procurement Under Federal Awards

Procurement of goods and services whose costs are charged to Federal awards received by the Central Western Maine Workforce Development Board, are subject to the specific policies of the Central Western Maine Workforce Development Board purchasing policies described earlier, under "Purchasing Policies and Procedures." In addition, procurements associated with Federal awards are subject to the following supplemental policies:

1. The Central Western Maine Workforce Development Board shall avoid purchasing items that are not necessary for the performance of the activities required by a Federal award.
2. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Federal government.
3. Documentation of the cost and price analysis associated with each procurement decision shall be retained in the procurement files pertaining to each Federal award.

4. For all procurements in excess of the small purchase acquisition threshold (currently \$100,000), procurement records and files shall be maintained that include all of the following:
 - a. The basis for contractor selection.
 - b. Justification for lack of competition when competitive bids or offers are not obtained.
 - c. The basis for award cost or price.
5. The Central Western Maine Workforce Development Board shall make all procurement files available for inspection upon request by a Federal Awarding Agency.
6. All contracts with vendors shall require the vendor to certify, in writing, that it has not been suspended or disbarred from doing business with any Federal agency.

In addition, no employee, officer, or agent of the Central Western Maine Workforce Development Board shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of her or his immediate family, his/her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award.

Special Purchasing Conditions

Emergencies:

Where equipment, materials, parts, and/or services are needed, quotations will not be necessary if the health, welfare, safety, etc., of staff and protection of Organization property is involved.

Single Distributor/Source:

Where there is only one (1) distributor for merchandise needed and no other product meets the stated needs or specifications, quotations will not be necessary.

Federally Funded Programs:

Purchases that will be charged to programs funded with Federal awards will be subject to additional policies. These policies are described in a separate section, "Policies Associated With Federal Awards."

Certification Regarding Debarment, Suspension and Other Responsibility Matters

This Certification is required by the Regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' Responsibilities. The Regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

1. The inability of a person to provide the Certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the Certification set out below. The Certification or explanation will be considered in connection with the US Department of Labor's (DOL) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a Certification or an explanation shall disqualify such person from participation in this transaction.
2. The Certification in this clause is a material representation of fact upon which reliance was placed when the US DOL determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous Certification, in addition

to other remedies available to the Federal Government, the DOL may terminate this transaction for cause of default.

3. The prospective primary participant shall provide immediate written notice to the DOL, if at any time, the prospective primary participant learns its Certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms “covered transaction”, “debarred”, “suspended”, “ineligible”, “lower tier covered transaction”, “participant”, “person”, “primary covered transaction”, “principal”, “proposal”, and “voluntarily excluded”, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the DOL for assistance in obtaining a copy of these regulations.
5. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
6. The prospective primary participant further agrees by submitting this proposal that it will include the clause entitled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Transactions”, provided by the DOL, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction, may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Lists of Parties Excluded from Procurement or Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may terminate this transaction for cause or default.)

The prospective primary participant certifies to the best of its knowledge and belief that it and its principles:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- b. Have not within a three-year period preceding this proposal been convicted of, or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement;
- c. Theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- d. Are not presently indicted for, or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph b of this Certification; and
- e. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

Where the prospective primary participant is unable to certify to any of the statements in this Certification, such prospective participant shall attach an explanation to the proposal.

Ethical Conduct in Purchasing

Ethical conduct in managing the Organization's purchasing activities is an absolute essential. Staff must always be mindful that they represent the Board of Directors and share a professional trust with other staff and the general membership.

Staff shall discourage the offer of, and decline, individual gifts or gratuities of value in any way that might influence the purchase of supplies, equipment, and/or services. Staff shall notify their immediate supervisor if they are offered such gifts. Gifts to the Organization, viewed as normal business incentives to obtain future Organization-approved business such as for meeting sites, are acceptable donations.

Conflicts of Interest Prohibited

No officer, board member, employee, or agent of the Central Western Maine Workforce Development Board shall participate in the selection or administration of a vendor if a real or apparent conflict of interest would be involved. Such a conflict would arise if an officer, board member, employee or agent, or any member of his/her immediate family, his/her spouse/partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the vendor selected.

Officers, board members, employees and agents of the Central Western Maine Workforce Development Board shall neither solicit nor accept gratuities, favors, or anything of monetary value from vendors or parties to sub-agreements. However, unsolicited gifts of a nominal value may be accepted with the approval of the Executive Director.

Receipt and Acceptance of Goods

Upon receipt of any item from a vendor, the following actions shall immediately be taken:

1. Review bill of lading for correct delivery point
2. Verify the quantity of boxes/containers with the bill of lading
3. Examine boxes/containers for exterior damage
4. Note on the bill of lading any discrepancies (missing or damaged boxes/containers, etc.)
5. Sign and date the bill of lading
6. Retain a copy of the bill of lading
7. Remove the packing slip from each box/container
8. Compare the description and quantity of goods to the purchase order to the packing slip
9. Examine goods for physical damage
10. Any goods transferred to another location will have the prior approval of the Executive Director

POLITICAL INTERVENTION

Prohibited Expenditures

Consistent with its tax-exempt status under the Internal Revenue Code, it is the policy of the Central Western Maine Workforce Development Board that the Organization shall not incur any expenditure for political intervention. For purposes of this policy, political intervention shall be defined as any activity associated with the direct or indirect support or opposition of a candidate for elective public office at the federal, state or local level. Political intervention does not include lobbying activities, defined as the direct or indirect support or

opposition for legislation, which is not prohibited under the Internal Revenue Code for the Central Western Maine Workforce Development Board. Examples of prohibited political expenditures include, but are not limited to, the following:

1. Contributions to political action committees
2. Contributions to the campaigns of individual candidates for public office
3. Contributions to political parties
4. Expenditures to produce printed materials (including materials included in periodicals) that support or oppose candidates for public office
5. Expenditures for the placement of political advertisements in periodicals

Endorsements of Candidates

It is the policy of the Central Western Maine Workforce Development Board not to endorse any candidates for public office in any manner, either verbally or in writing. This policy extends to the actions of management and other representatives of the Central Western Maine Workforce Development Board, when these individuals are acting on behalf of, or are otherwise representing the Organization.

Certification Regarding Lobbying

1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the Standard Form - LLL "Disclosure Form to Report Lobbying", in accordance with its instructions.

Submission of the certification is a prerequisite for making or entering into a transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of no less than \$10,000 and not more than \$100,000 for each such failure.

Prohibited Use of Organization Assets and Resources

It is the policy of the Central Western Maine Workforce Development Board that no assets or human resources of the Organization shall be utilized for political activities, as defined above. This prohibition extends to the use of Organization assets or human resources in support of political activities that are engaged in personally by board members, members of management, employees, or any other representatives of the Central Western Maine Workforce Development Board. While there is no prohibition against these individuals engaging in political activities personally (on their own time, and without representing that they are acting on behalf of the Organization), these individuals must at all times be aware that Organization resources cannot at any time be utilized in support of political activities.

ACCOUNTS PAYABLE MANAGEMENT

Overview

The Central Western Maine Workforce Development Board strives to maintain efficient business practices and good cost control. A well-managed accounts payable function can assist in accomplishing this goal from the purchasing decision through payment and check reconciliation.

It is the policy of the Central Western Maine Workforce Development Board that all expenses incurred by all CLEO, LWIB and CWMWIB board members, will be approved by the board prior to payment. Any expenses or estimated expenses in excess of \$150.00 by any CLEO, LWIB and CWMWIB board member will need preapproval from the Central Western Maine Workforce Development Board.

It is the policy of the Central Western Maine Workforce Development Board that, the recording of assets or expenses and the related liability, is performed by an employee independent of ordering and receiving. The amounts recorded are based on the vendor invoice for the related goods or services. The vendor invoice should be supported by an approved purchase order, and should be reviewed and approved by the Executive Director, prior to being processed for payment. The Executive Director will forward all approved bills to the Fiscal Agent for payment in a timely manner.

The primary objective for accounts payable and cash disbursements is to ensure that:

1. Disbursements are properly authorized
2. Invoices are processed in a timely manner
3. Vendor credit terms and operating cash are managed for maximum benefits

Recording of Accounts Payable

All valid accounts payable transactions, properly supported with the required documentation, shall be recorded as accounts payable in a timely manner.

Accounts payable are processed on a weekly basis. Information is entered into the system from approved invoices or disbursement vouchers with appropriate documentation attached.

It is the policy of The Central Western Maine Workforce Development Board that only original invoices will be processed for payment unless duplicated copies have been verified as unpaid by researching the vendor records. No vendor statements shall be processed for payment.

Accounts Payable Cut-Off

For purposes of the preparation of the Organization's quarterly financial statements, all vendor invoices that are received, approved and supported with proper documentation by the tenth day of the following month shall be recorded as accounts payable if the invoice pertains to goods or services delivered within that quarter.

Processing of Vouchers

The following procedures shall be applied to each voucher:

1. Check the mathematical accuracy of the vendor invoice
2. Compare the nature, quantity and prices of all items ordered to the vendor invoice, the purchase order, packing slip and receiving report
3. Attach an Accounts Payable Approval Form to each voucher. On each voucher:
 - a. Document the general ledger distribution, using the Organization's current chart of accounts
 - b. Obtain the review, approval, and signature of the department director, or designee associated with the goods or services purchased

Approvals by department directors indicate their acknowledgement of satisfactory receipt of the goods or services invoiced, agreement with all terms appearing on the vendor invoice, agreement with general ledger account coding, and agreement to pay vendor in full. Approvals shall be documented with initials or signatures of the approving individual.

Payment Discounts

To the extent practical, it is the policy of the Central Western Maine Workforce Development Board to take advantage of all prompt payment discounts offered by vendors. When availability of such discounts is noted, and all required documentation in support of payment is available, payments will be scheduled so as to take full advantage of the discounts.

Employee Expense Reports

Reimbursements for travel expenses, business meals, or other approved costs will be made only upon the receipt of a properly approved and completed expense reimbursement form (see further policies under "Travel and Business Entertainment"). All receipts must be attached, and a brief description of the business purpose of the trip or meeting must be noted on the form. Expense reports will be processed for payment in the next vendor payment cycle if received within two business days of the deadline. All Employee Expense reports must be approved and signed off by the Executive Director before any payment is processed. The Executive Director's expense report must be approved and signed by the Treasurer or Board Chair before any payment is processed.

Board Member Expense Reports

Any expense incurred by a CWMWIB Board Member will not be reimbursed without prior approval. If prior approval is obtained, Board Member will complete employee expense report as described above and will obtain approval and signature by the Treasurer or Board Chair before any payment is processed.

Use of Company Credit Card

The use of the Central/Western Maine Workforce Development Board (CWMWIB) credit card is limited by authorized personnel for CWMWIB purposes allowed by its established procurement and cost policies. Use of the CWMWIB credit card for an employee's personal costs that are later reimbursed is prohibited.

TRAVEL

Employee and Director Business Travel

At the conclusion of a Central Western Maine Workforce Development Board business trip, an employee or member of the board of directors that has incurred business-related expenses should complete an Expense Report in accordance with the following policies:

1. Identify each separately incurred business expense (i.e. do not group all expenses associated with one trip together)
 2. With the exception of tips, tolls and reimbursed mileage, all business expenses must be supported with invoices/receipts.
 3. For all lodging and any expenditure including meals, vendor receipts/invoices must be submitted. Credit card charge slips do not represent adequate supporting documentation – a hotel receipt must be obtained to substantiate all lodging expenditures.
 4. For airfare, airline-issued receipts should be obtained. If a traveler fails to obtain a receipt, other evidence must be submitted indicating that a trip was taken and the amount paid (for example, a combination of an itinerary, a credit card receipt, and boarding pass).
 5. Mileage may be reimbursed based at the GSA mileage rates (<http://www.gsa.gov/portal/content/100715>). Mileage calculation for travel reimbursement: The mileage starting point for work related travel is either from work (CWMWDB) to the end destination or from employee's house to the end destination IF the total mileage from employee's house is less than using work (CWMWDB) as a starting point.
 6. Lodging and meals may be reimbursed on a per diem rate based on the GSA Per Diem rates (<http://www.gsa.gov/portal/content/104877>) for the specific location in which the expense occurred.
 7. The business purpose of each trip must be adequately explained on each report.
 8. Project/function codes must be identified for all expenditures.
 9. For all meals and other business expenditures, the following must be clearly identified:
 - a. Names, titles, organizations, and business relationships of all persons entertained
 - b. The business purpose of the meal or other business event (topics discussed, etc.)
 10. All expense reports must be signed and dated by the employee.
 11. All expense reports must be approved by the Executive Director.
 12. Only one expense report form should be prepared for each trip.
 13. The Central Western Maine Workforce Development Board will only pay actual travel expenses except for mileage which is paid at the applicable GSA mileage rate.
 14. In-Travel Status: travel policies allow reimbursement for meals when traveling overnight and for breakfast or dinner when working an extended workday that is at least two hours longer than a normal day. When working out of the office during normal work hours, reimbursement for lunch would not be allowed.
- CWMWDB will reimburse actual costs not to exceed the per diem travel per location” as referenced at the following website: www.gsa.gov .
 - The Per Diem rate will be the rate for the location of the traveler at midnight on each night in overnight status. At 12:01 a.m., the rates change to the next destination. The meal reimbursement rate for the last day of travel (return day) would continue to be the rate for the location where the traveler last stopped for sleep.
 - If traveling by vehicle, the departure and return time shall be the actual time of departure from or return to headquarters or residence.

- If traveling by common carrier, reasonable time for travel to the point of departure or return is allowable. Two hours prior to flight departure in Portland for travel from Augusta shall be considered reasonable. A copy of the air travel itinerary MUST be attached to the Travel Expense voucher.
- The Per Diem of Meals & Incidental Expense (M&IE) allowance MUST be reduced for ALL meals provided at a conference, training or meeting. A copy of the agenda MUST be attached to the Travel Expense voucher.

Spouse/Partner Travel

It is the policy of the Central Western Maine Workforce Development Board not to reimburse any employee or board member for separate travel costs (air fare, etc.) associated with his/her spouse or partner. The cost of a shared hotel room need not be allocated between employee/director and spouse/partner for purposes of this policy.

CASH DISBURSEMENTS (CHECK-WRITING) POLICIES

Check Preparation

It is the policy of the Central Western Maine Workforce Development Board to print vendor checks and expense reimbursement checks on a weekly basis. All vendor and expense reimbursement checks shall be produced in accordance with the following guidelines:

1. Expenditures must be supported in conformity with the purchasing, accounts payable, and travel and business entertainment policies described in this manual
2. Timing of disbursements should generally be made to take advantage of all early-payment discounts offered by vendors
3. Generally, all vendors shall be paid within 30 days of submitting a proper invoice upon delivery of the requested goods or services unless there is a delay in receiving funds from its funding sources (ex. Maine Department of Labor). Payment will be made to any vendor once funds have been received from the funding source.
4. Total cash requirements associated with each check run is monitored in conjunction with available cash balance in bank prior to the release of any checks
5. Checks shall be utilized in numerical order. Unused checks are stored in a locked safe in the Fiscal Agent's Office.
6. Checks shall never be made payable to "bearer" or "cash".
7. Checks shall never be signed prior to being prepared.
8. All warrants must have supporting documentation of expenditures

Check Disbursements

1. Each week, checks processed by the Fiscal Agent will be provided to the CWMWIB Treasurer (or Acting Treasurer, if applicable) for review and signature.
2. Backup for each check, including the original invoice and Accounts Payable approval slip, will be attached to each check.
3. Checks over \$10,000.00 must have dual signature except for checks payable to the following service providers:

- a. Western Maine Community Action
- b. Maine Department of Labor, Bureau of Employment Services

The rationale behind this is that weekly payments to these service providers are expected to exceed \$10,000.

- 4. The following people are eligible for providing the second signature:
 - a. Executive Director
 - b. CWMWIB Chair
 - c. CWMWIB Vice Chair
- 5. In the absence of the CWMWIB Treasurer, a member of the CWMWIB Board will be appointed the Acting Treasurer.

Voided Checks and Stop Payments

Checks may be voided due to processing errors by making proper notations in the check register and defacing the check by clearly marking it as "VOID". All voided checks shall be retained to aid in preparation of bank reconciliations.

Stop payment orders may be made for checks lost in the mail or other valid reasons. Stop payments are processed by telephone instruction and written authorization to the bank by Fiscal personnel with this authority. A journal entry is made to record the stop payment and any related bank fees.

Record-Keeping Associated with Independent Contractors

The Central Western Maine Workforce Development Board shall obtain a completed Form W-9 or equivalent substitute documentation from all vendors to whom payments are made. A record shall be maintained of all vendors to whom a Form 1099 is required to be issued at year-end. Payments to such vendors shall be accumulated over the course of a calendar year.

PAYROLL AND RELATED POLICIES

Classification of Workers as Independent Contractors or Employees

It is the policy of the Central Western Maine Workforce Development Board to follow IRS regulations in making determinations about the classification of workers as independent contractors or employees.

If an individual qualifies for independent contractor status, the individual will be sent a Form 1099 if total compensation paid to that individual for any calendar year, on a cash basis, is \$600 or more, the amount reported on a Form 1099 is equal to the compensation paid to that person during a calendar year (on a cash basis). Excluded from "compensation" are reimbursements of business expenses that have been accounted for by the contractor by supplying receipts and business explanations.

If an individual qualifies as an employee, a personnel file will be created for that individual and all documentation required by the Central Western Maine Workforce Development Board personnel policies shall be obtained. The policies described in the remainder of this section shall apply to all workers classified as employees.

Payroll Administration

The Central Western Maine Workforce Development Board operates on a bi-weekly payroll. A personnel file is established and maintained with current documentation, as described throughout this section and more fully described in the Central Western Maine Workforce Development Board's Personnel Manual, for all Central Western Maine Workforce Development Board employees.

The following forms, documents and information shall be obtained and included in the personnel files of all new employees:

1. Form W-4 Employee Federal Withholding Certificate
2. Form I-9 Employment Eligibility Verification
3. Authorization for direct deposit of paycheck, along with a voided check or deposit slip,
4. Copies of insurance applications, including but not limited to health, life and retirement.
5. Signed copy of the personnel policy acknowledgement form

Changes in Payroll Data

It is the policy of the Central Western Maine Workforce Development Board that all of the following changes in payroll data are to be authorized in writing:

1. New hires
2. Terminations
3. Changes in salaries and pay rates
4. Voluntary payroll deductions
5. Changes in income tax withholding status
6. Court-ordered payroll deductions

New hires, terminations, and changes in salaries or pay rates shall be authorized in writing by the appropriate department director.

Voluntary payroll deductions and changes in income tax withholding status shall be authorized in writing by the individual employee.

Documentation of all changes in payroll data shall be maintained in each employee's personnel file.

Payroll Taxes

The Fiscal Agent is responsible for ensuring all required tax forms are properly completed and submitted, and that all required taxes are withheld and paid. The services of an outside payroll service center may be utilized for the processing of payroll. The payroll service will be required to complete and file all tax forms as needed by state and federal law.

Preparation of Timesheets

Each Central Western Maine Workforce Development Board employee shall keep timesheets on a bi-weekly basis. All employees must submit authorized timesheets on a bi-weekly basis, approved by the Executive Director, to the Fiscal Agent.

1. Each timesheet shall reflect all hours worked during the pay period (time actually spent on the job performing assigned duties), whether compensated or not
2. Timesheets shall be prepared in ink
3. Employees shall identify and record hours worked based on the nature of the work performed and shall allocate hours worked to the appropriate cost pool
4. Compensated absences (vacation, holiday, sick leave, etc.) should be clearly identified as such;
5. Timesheets shall be signed by the employee prior to submission.
6. Ex Director time sheet must be approved by the LWIB Chair and sent to the Fiscal Agent.
7. Fiscal Agent time sheet will be approved by the Ex Director.

After preparation, timesheets shall be approved by the Executive Director, prior to submission to the Fiscal Agent. Corrections identified by Executive Director shall be authorized by the employee by placing the employee's initials next to the change.

Processing of Timesheets

Processing of timesheets is performed by the Fiscal Agent. The Fiscal Agent checks all timesheets for accuracy, then forwards the payroll to the payroll service. All accruals will be e-mailed to the payroll service center by Monday of the week of payroll. All accruals will appear on the employee's paystub. Any changes on the accruals will be authorized by the Executive Director and forwarded to the Fiscal Agent.

Review and Distribution of Payroll

Upon return of payroll reports and checks from the payroll service center, the Fiscal Agent reviews payroll prior to its distribution to employees.

POLICIES PERTAINING TO SPECIFIC ASSET AND LIABILITY ACCOUNTS

CASH AND CASH MANAGEMENT

Cash Accounts

General Checking Account (operating account):

The primary operating account provides for routine business check disbursements. All funds are deposited to this account.

Bank Reconciliations

Bank account statements are received each month and reconciled by the Fiscal Agent. They are then reviewed and signed by the CWMWIB Treasurer every month.

Draw downs/Cash Management

Introduction

Cash drawdown procedures shall minimize the time between the transfer of funds and the disbursement of funds. Advance payments will be allowed provided that the sub grantee has demonstrated the ability to maintain minimal time between receipt and disbursement of funds.

Sub grantees that have failed to meet the above standards will be paid on a reimbursement basis. For Workforce Investment Act Title I programs, interest earned from an interest-bearing account is treated as program income.

Sub Grantee Cash Advances

Sub Grantees are required to submit "Request for Funds" form FR-99. As a general rule, requests will be processed once a week on Wednesday. All requests are to be submitted to the Central Western Maine Workforce Development Board Fiscal Agent via e-mail, and are due no later than 5:00 pm on Wednesday.

Sub Grantees are required to submit, with the signed FR-99, supporting documentation to back up all requested drawdown requests.

"Request for Funds" from all Sub Grantees will be compiled along with the requested amount to cover the Workforce Development Board Administrative Expenses, and in turn submitted to the Maine Department of Labor Office by signed e-mail, using form FR-99. The requested funds should be available 7 business days following the request. Requests should take into consideration the delay in time between making the request and the availability of funds.

Stale Checks

It is the policy of the Central Western Maine Workforce Development Board to write off checks of \$1,000 or less that are more than 6 months old and that have not cleared the Organization's bank. For uncashed checks that are more than 6 months old, and that exceed \$1,000, contact will be made with the payee to resolve the issue.

All stale checks that are written off within the same fiscal year they were written, shall be credited to the same expense or asset account that was debited when the check was written, or the expenditure incurred. For stale checks written off in fiscal years subsequent to the year in which the check was written, the credit shall be to miscellaneous income.

Petty Cash

It is the policy of the Central Western Maine Workforce Development Board to not operate a petty cash account.

Debt and Debt Collection

Establishment of Debt. A debt to Central Western Maine Workforce Development Board is established when costs are disallowed in writing by one of the following:

- a. Audit. An audit resolution findings and determinations letter;
- b. Ruling. A complaint and appeal ruling;
- c. Report. A report of an investigation;
- d. Closeout. A grant closeout report;
- e. Monitoring. A monitoring report.

Collection of Debt. Collection options available to Central Western Maine Workforce Development Board, include but are not limited to, the following:

- a. Cash Repayment. Requiring cash repayment from nonfederal sources;
- b. Withholding Funds. Withholding from current grant costs an amount equal to the disallowed costs to offset the debt;
- c. Noncash Repayment. Requiring repayment with the use of stand-in costs.

Stand-in costs are costs paid from non-federal sources that a grantee proposes to substitute for disallowed costs. In-kind contributions do not qualify as stand-in costs. To be valid substitutions, the proposed stand-in costs must:

- (1) Have been reported as uncharged program costs under the same title and program year as were the disallowed costs;
- (2) Have been incurred in compliance with laws, regulations, and contractual provisions governing expenditures;
- (3) Be accounted for in the grantee's financial system records; and
- (4) Not result in a violation of cost limitations.

Waiver of Sanctions Relating to Debt. CWMWIB or MDOL does not have the authority to waive a debt. The option to request a waiver of sanctions must be made through MDOL who in turn, reviews the request before submitting to USDOL. Waivers will only be issued by the US Department of Labor if the expenditure of grant funds:

- a. Occurred at the subgrantee level;
- b. Was not due to willful disregard, gross negligence. Failure to observe accepted administrative standards, or did not constitute fraud; or
- c. If fraud did exist, it was perpetrated against the grantee and its appeal and debt collection process has been exhausted with no repayment rendered. No waiver will be granted unless Central Western

Maine Workforce Development Board determines that further collection action would be inappropriate or would prove futile.

- d. A waiver request must be accompanied by the resolution reports that established the debt. If the DOL Employment and Training Administration (ETA) Grant Officer is resolving the finding, a request for waiver shall be made prior to the conclusion of the informal resolution period, normally 60 days from the date of the ETA Grant Officer's Initial Determination letter.

Additional Debt Collection Procedures

Collections are performed on a daily, weekly, and monthly basis, according to a review of the outstanding items shown on the accounts receivable aging report. This report shows the current month's activity for each customer and prior to months' balances outstanding for 30, 60, and 90 plus days.

Customers with unpaid balances may receive statements every thirty days. After a balance is unpaid for 60 days, a specific department employee contacts the customer by telephone and attempt to collect the amount due. A record is kept of all telephone contacts.

If 90 days have elapsed without payment, the Fiscal agent will send a letter to the customer requesting payment or documentation that payment has already been made. In addition, weekly telephone calls are placed in an attempt to collect the amount due.

If 120 days have passed without payment, the account may be turned over to a collection agency if the amount due is less than \$1,000.00. If the amount due is greater than \$1,000.00, the account may be turned over the organization's attorney or collection agency.

FIXED ASSET MANAGEMENT

Capitalization Policy

Physical assets acquired with unit costs in excess of \$5000.00 are capitalized as fixed assets on the financial statements. Items with unit costs below this threshold shall be expensed in the year purchased.

Capitalized fixed assets are accounted for at their historical cost, and all such assets, except land and certain works of art and historical treasures, are subject to depreciation over their estimated useful lives, as described later.

Establishment and Maintenance of a Fixed Asset Listing

All capitalized fixed assets shall be recorded in a property log. This log shall include the following information with respect to each asset:

1. Date of acquisition
2. Cost
3. Description (including color, model, and serial number)
4. Location of asset
5. Depreciation method
6. Estimated useful life

A physical inventory of all assets capitalized under the preceding policies will be taken on an annual basis by the Central Western Maine Workforce Development Board. This physical inventory shall be reconciled to the property log and adjustments made as necessary.

Repairs of Fixed Assets

Expenditures to repair capitalized assets shall be expensed as incurred if the repairs do not materially add to the value of the property, or materially prolong the estimated useful life of the property.

Expenditures to repair capitalized assets shall be capitalized if the repairs increase the value of property, prolong its estimated useful life, or adapt it to a new or different use. Such capitalized repair costs shall be depreciated over the remaining estimated useful life of the property. If the repairs significantly extend the estimated useful life of the property, the original cost of the property shall also be depreciated over its new, extended useful life.

Dispositions of Fixed Assets

In the event a non-expendable asset is sold, scrapped, donated or stolen, adjustments need to be made to the fixed asset listing and property log. If money is received for the asset, then the difference between the money received and the "book value" (purchase price less depreciation) of the asset will be recorded as a loss, if the money received is less than the book value, and a gain if the money received is more than the book value.

Write-Offs of Fixed Assets

The Executive Director approves the disposal of all capitalized fixed assets that may be worn-out or obsolete. Property that is discovered to be missing or stolen will be reported immediately to the Executive Director. If not located, this property will be written off the books with the proper notation specifying the reason.

LEASES

Classification of Leases

It is the policy of the Central Western Maine Workforce Development Board to classify all leases in which the Organization is a lessee, as either capital or operating leases. The Central Western Maine Workforce Development Board shall utilize the criteria described in the Statement of Financial Accounting Standards No. 13 in determining whether a lease is capital or operating in nature. Under these criteria, a lease shall be treated as a capital lease if, at the time of entering into the lease, any of the following factors are present:

1. The lease transfers ownership to the Central Western Maine Workforce Development Board at the end of the lease term.
2. The lease contains a bargain purchase option.
3. The lease term is equal to 75% or more of the estimated economic life of the leased property; or
4. The present value of the minimum lease payments is 90% or more of the fair market value of the leased property (using, as the interest rate, the lesser of the Central Western Maine Workforce Development Board's incremental borrowing rate or, if known, the lessor's implicit rate).

All leases that do not possess any of the four preceding characteristics shall be treated as operating leases. In addition, all leases that are immaterial in nature shall be accounted for as operating leases.

Accounting for Leases

All leases that are classified as operating leases and immaterial capital leases, shall be accounted for as expenses in the period in which the obligation to make a lease payment is incurred. For leases with firm commitments for lease payments that vary over the term of the lease (i.e. a lease with fixed annual increases that are determinable upon signing the lease), the amount that the Central Western Maine Workforce Development Board shall recognize as monthly lease expense shall equal the average monthly lease payment over the entire term of the lease. Differences between the average monthly payment and the actual monthly payment shall be accounted for as an asset or liability of the Central Western Maine Workforce Development Board.

All leases that are classified, as capital leases shall be treated as fixed asset additions of The Central Western Maine Workforce Development Board. As such, upon the inception of a capital lease, The Central Western Maine Workforce Development Board shall record a fixed asset and a liability under the lease, based on the net present value of the minimum lease payments (or the fair value of the leased asset, if it is less than the present value of the lease payments). Periodic lease payments shall be allocated between a reduction in the lease obligation and interest expense. The fixed asset recorded under a capital lease shall be depreciated over the term of the lease, using the straight-line method of depreciation.

The Central Western Maine Workforce Development Board shall also maintain a control list of all operating and capital leases. This list shall include all relevant lease terms.

ACCRUED LIABILITIES

Identification of Liabilities

The Fiscal Agent shall establish a list of commonly incurred expenses that may have to be accrued at the end of an accounting period. Some of the expenses that shall be accrued by the Central Western Maine Workforce Development Board at the end of an accounting period are:

1. Salaries and wages
2. Payroll taxes
3. Vacation pay (see policy below)
4. Rent
5. Goods, property & services received but unpaid

Accrued Leave

Personnel policies of the Central Western Maine Workforce Development Board permit employees having less than ten (10) years of completed service, may accumulate vacation leave to a total of twenty –four (24) working days. Those employees having more than ten (10) years of service, the last five of which have been continuous, may carry forward vacation time to a total of thirty (30) work days. Employees will receive cash

payment for unused leave time in excess of thirty (30) workdays up to a maximum of six (6) days, while continuing in the employ of the Central Western Maine Workforce Development Board. Employees may accumulate any number of hours, but upon separation an employee will not be paid for more than 240 hours.

Accordingly, it shall be the policy of the Central Western Maine Workforce Development Board to record a liability for accrued leave to which employees are entitled. The total liability at the end of an accounting period shall equal the total earned but unused hours of leave, up to a maximum of 192 hours, multiplied by each employee's current hourly pay rate.

Leave that does not "vest" with employees (i.e. leave that is not paid to employees if unused at the time of termination of employment), shall not be accrued as a liability of the Central Western Maine Workforce Development Board.* (*Language was deleted regarding "vesting" sick leave and approved by CWMLWIB at 9/10/2010 Board meeting).

POLICIES ASSOCIATED WITH FINANCIAL AND TAX REPORTING

FINANCIAL STATEMENTS

Standard Financial Statements of the Organization

Preparing financial statements and communicating key financial information is a necessary and critical fiscal function. Financial statements are management tools used in making decisions, in monitoring the achievement of financial objectives, and as a standard method for providing information to interested parties external to the organization. Financial statements may reflect year-to-year historical comparisons or current year budget to actual comparisons.

The basic financial statements of the Central Western Maine Workforce Development Board that are maintained on an organization-wide basis shall include:

1. **Statement of Financial Position** - reflects assets, liabilities and net assets of the organization and classifies assets and liabilities as current or non-current/long-term
2. **Statement of Activities** - presents support, revenues, expenses, and other changes in net assets of the organization, by category of net asset (unrestricted, temporarily restricted and permanently restricted)
3. **Statement of Cash Flows** - reports the cash inflows and outflows of the organization

Frequency of Preparation

The objective of the fiscal department is to prepare accurate financial statements in accordance with generally accepted accounting principles and distribute them in a timely and cost-effective manner. In meeting this responsibility, the following policies shall apply:

A standard set of financial statements shall be produced on a monthly basis, by the 15th of each month. The financial statements shall include the following:

1. Individual statements of activities on a departmental and functional basis (and/or program/grant basis)
2. Comparisons of actual year-to-date revenues and expenses with year-to-date budgeted amounts

The monthly set of financial statements shall be prepared on the accrual method of accounting.

Review and Distribution

All financial statements and supporting schedules shall be reviewed and approved by the CWMWIB Board and CLEO at their scheduled meetings. Reports are posted on the organization's website, www.mainefocus.org, by the 25th of each month.

GOVERNMENT RETURNS

Overview

To legitimately conduct business, the Central Western Maine Workforce Development Board must be aware of its tax and information return filing obligations and comply with all such requirements of federal, state and local jurisdictions. Filing requirements of the Central Western Maine Workforce Development Board include, but are not limited to, filing annual information returns with IRS and the State.

Filing of Returns

It is the policy of the Central Western Maine Workforce Development Board to become familiar with the obligations in each jurisdiction, and to comply with all known filing requirements. The Fiscal Agent shall be responsible for identifying all filing requirements and assuring that the Central Western Maine Workforce Development Board is in compliance with all such requirements.

It is also the policy of the Central Western Maine Workforce Development Board to file complete and accurate returns with all authorities. The Central Western Maine Workforce Development Board shall make all efforts to avoid filing misleading, inaccurate or incomplete returns.

Filings made by the Central Western Maine Workforce Development Board include, but are not limited to, the following returns:

1. **Form 990** - Annual information return of tax-exempt organizations, filed with IRS. Form 990 for the Central Western Maine Workforce Development Board is due on the fifteenth (15) day of the fifth (5) month following year-end. An automatic 3-month extension of time to file Form 990 may be obtained by filing Form 8868. Upon expiration of the first 3-month extension, a second 3-month extension may be requested filing form 8868.
2. **W-2's and 1099's** - Annual report of employee and non-employee compensation, based on calendar-year compensation, on the cash basis. These information returns are due to employees and independent contractors by January 31 of each year, and to federal government by February 28 of each year.
3. **Form 941** - Quarterly payroll tax returns filed with the IRS to report wages paid to employees and federal payroll taxes. Form 941 is due by the end of the month following the end of each quarter, or ten (10) days later if all payroll tax deposits have been made in a timely manner during the quarter.

The Central Western Maine Workforce Development Board's fiscal and tax year-end is June 30. All annual tax and information returns of the Central Western Maine Workforce Development Board (Form 990) are filed on the accrual basis of reporting.

Federal, and all applicable state payroll tax returns, are prepared by the Organization's external Payroll Service Center. These reports are reviewed and filed with the Fiscal Agent.

It is the policy of the Central Western Maine Workforce Development Board to comply with all state payroll tax requirements by withholding and remitting payroll taxes to the state of residency of each the Central Western Maine Workforce Development Board employee.

Public Access to Information Returns

Under regulations that became effective in 1999, the Central Western Maine Workforce Development Board is subject to federal requirements to make the following forms "widely available" to all members of the general public:

1. The three most recent annual information returns (Form 990) excluding the list of significant donors (Schedule B) that is attached to the Form 990, but including the accompanying Schedule A, and
2. The Central Western Maine Workforce Development Board's original application for recognition of its tax-exempt status (Form 1023 or Form 1024), filed with IRS, and all accompanying schedules and attachments.

It is the policy of the Central Western Maine Workforce Development Board to adhere to the following guidelines in order to comply with the preceding public disclosure requirements:

1. Anyone appearing in person at the offices of the Central Western Maine Workforce Development Board during normal working hours making a request to inspect the forms will be granted access to a file copy of the forms. The Fiscal Agent shall be responsible for maintaining a copy of each form and for making it available to the public.
2. For all written requests for copies of forms received by the Central Western Maine Workforce Development Board, the Organization shall require pre-payment of all copying and shipping charges. For requests for copies that are received without pre-payment, the Central Western Maine Workforce Development Board will notify the person requesting the form(s) of the policy by telephone or by letter, within seven (7) days of receipt of the original request.
3. The copying cost charged by the Central Western Maine Workforce Development Board for providing copies of shall be \$1.50 per page. All copies shall be shipped to the person requesting the form by mail.
4. After payment is received by the Central Western Maine Workforce Development Board, copies shall be mailed within 30 days. Making of all copies and shipping within the 30-day time period shall be the responsibility of the fiscal department.
5. The Central Western Maine Workforce Development Board shall accept certified checks and money orders for requests for copies made in person. The Central Western Maine Workforce Development Board shall accept certified checks, money orders and personal checks as payment for copies of forms requested in writing.

FINANCIAL MANAGEMENT POLICIES

BUDGETING

Overview

Budgeting is an integral part of managing any organization in that it is concerned with the translation of organizational goals and objectives into financial and human resource terms. A budget should be designed and prepared to direct the most efficient and prudent use of the organization's financial and human resources. A budget is a management commitment of a plan for present and future organizational activities that will ensure survival. It provides an opportunity to examine the composition and viability of the organization's programs and activities simultaneously in light of the available resources.

Preparation and Adoption

It is the policy of the Central Western Maine Workforce Development Board to prepare an annual budget on the accrual basis of Accounting. To prepare the Organization budget, the Fiscal Agent shall gather proposed budget information of the prior year's expenditures from the Executive Director and prepare the first draft of the budget.

A draft of the organization-wide budget is presented to the Executive Director for discussion, revision, and initial approval. The revised draft is then submitted to the CLEO Board for adoption, and then to the Central Western Maine Workforce Development Board of Directors for their input and approval.

It is the policy of the Central Western Maine Workforce Development Board to adopt a final budget at least 30 days before the beginning of the Organization's fiscal year. The purpose of adopting a final budget at this time is to allow adequate time for the fiscal department to input the budget into the accounting system and establish appropriate accounting and reporting procedures (including any necessary modifications to the chart of accounts) to ensure proper classification of activities, and comparison of budget to actual once the year begins.

Monitoring Performance

It is the policy of the Central Western Maine Workforce Development Board to monitor its financial performance by comparing and analyzing actual results with budgeted results. This function shall be accomplished in conjunction with the monthly financial reporting process described earlier.

ANNUAL AUDIT

Role of the Independent Auditor

It is the policy of the Central Western Maine Workforce Development Board to arrange for an annual audit of the Organization's financial statements to be conducted by an independent Accounting firm. The independent accounting firm selected by the Central Western Maine Workforce Development Board will be required to communicate directly with the Fiscal Agent upon the completion of their audit.

Audited financial statements, including the auditor's opinion, will be submitted and presented to the Board of Directors by the independent accounting firm at the Organization's Annual Meeting, after review and approval by the Fiscal Agent.

The independent audit will be completed within nine (10) months of the end of the fiscal year.

How Often to Review the Selection of the Auditor

The Central Western Maine Workforce Development Board shall review the selection of its independent auditor in the following circumstances:

1. Anytime there is dissatisfaction with the service of the current firm
2. When a fresh perspective and new ideas are desired
3. Every 5 years to ensure competitive pricing and a high quality of service (this is not a requirement to change auditors every five years; simply to re-evaluate the selection)

Selecting an Auditor

The selection of an accounting firm to conduct the annual audit is a task that should be taken very seriously. The following factors shall be considered by the Central Western Maine Workforce Development Board in selecting an accounting firm:

1. The firm's reputation in the nonprofit community
2. The depth of the firm's understanding of and experience with not-for-profit organizations [and federal reporting requirements under OMB Circular A-133]
3. The firm's demonstrated ability to provide the services requested in a timely manner
4. The ability of the firm personnel to communicate with Organization personnel in a professional and congenial manner

If the Central Western Maine Workforce Development Board decides to prepare and issue a written Request for Proposal (RFP) to be sent to prospective audit firms, the following information shall be included:

1. Period of services required
2. Type of contract to be awarded (fixed fee, cost basis, etc.)
3. Complete description of the services requested (audit, management letter, tax returns, etc.)
4. Identification of meetings requiring their attendance, such as staff or Board of Director meetings
5. Identification of need to perform audit in accordance with OMB Circular A-133
6. Other information considered appropriate
7. Description of proposal and format requirements
8. Due date of proposals

Minimum Proposal Requirements from prospective CPA firms shall be:

1. Firm background
2. Biographical information (resumes) of key firm member who will serve The Central Western Maine Workforce Development Board
3. Client references

4. Information about the firm's capabilities
5. Firm's approach to performing an audit
6. Copy of the firm's most recent quality/peer review report, including any accompanying letter of findings
7. Other resources available with the firm
8. Expected timing and completion of the audit
9. Expected delivery of reports
10. Cost estimate including estimated number of hours per staff member
11. Rate per hour for each auditor
12. Other information as appropriate

Copies of all proposals shall be forwarded to each member of the CLEO Board. After the Board narrows down the field of prospective auditors to three firms, the Fiscal Agent and CLEO Chairman, will make the final recommendation to the board of directors for approval.

Preparation for the Annual Audit

The Central Western Maine Workforce Development Board shall be actively involved in planning for, and assisting with the Organization's independent Accounting firm in order to ensure a smooth and timely audit of its financial statements. In that regard, the fiscal department shall provide assistance to the independent auditors in the following areas:

Involvement – The Fiscal Agent will do as much work as possible in order to assist the auditors and, therefore, reduce the cost of the audit.

Throughout the audit process, it shall be the policy of the Central Western Maine Workforce Development Board to make every effort to provide schedules, documents and information requested by the auditors in a timely manner.

Concluding the Audit

Upon receipt of a draft of the audited financial statements of the Central Western Maine Workforce Development Board from its independent auditor, the Fiscal Agent shall perform a detailed review of the draft, consisting of the following procedures:

1. Carefully read the entire report for typographical errors
2. Trace and agree each number in the financial statements and accompanying footnotes to the accounting records and/or internal financial statements of the Central Western Maine Workforce Development Board
3. Review each footnote for accuracy and completeness

Any questions or errors noted as part of this review shall be communicated to the independent auditor in a timely manner and resolved to the satisfaction of the Fiscal Agent.

It shall also be the responsibility of the CLEO Chairman to review and respond, in writing, to all management letter findings, or other internal control and compliance report findings and recommendations made by the independent auditor.

INSURANCE

Overview

It is fiscally prudent to have an active risk management program that includes a comprehensive insurance package. This will ensure the viability and continued operations of the Central Western Maine Workforce Development Board.

It is the policy of the Central Western Maine Workforce Development Board to maintain adequate general liability insurance, as well as coverage for buildings, contents, computers, fine arts, equipment, machinery and other items of value.

Coverage Guidelines

As a guideline, the Central Western Maine Workforce Development Board will arrange for the following types and levels of insurance as a minimum:

<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Comprehensive Liability	\$1,000,000
Employee dishonesty/bonding	\$100,000 for the Fiscal Agent
Damages to Premises	\$300,000
Directors and Officers	\$1,000,000
Workers' Compensation	To the extent required by law

The Central Western Maine Workforce Development Board shall maintain a detailed listing of all insurance policies in effect. This listing shall include the following information, at a minimum:

1. Description (type of insurance)
2. Agent and insurance company
3. Coverage
4. Policy effective dates

INSURANCE DEFINITIONS

Workers' Compensation and Employer's Liability

Contractors are required to comply with applicable Federal and State workers' compensation and occupational disease statutes. If occupational diseases are not compensated under those statutes, they shall be covered under the employer's liability insurance policy except when contract operations are so commingled that it would not be practical to require this coverage.

Fidelity Bond

For all personnel handling cash, preparing or signing checks, the Central Western Maine Workforce Development Board shall obtain insurance that provides coverage in a blanket fidelity bond. The specific needs of the organization will determine the dollar limit of this coverage.

Comprehensive Liability

This type of coverage may include directors, officers and employee general liability insurance, buildings, contents, computers, fine arts, boilers and machinery.

RECORD RETENTION

Policy

It is the policy of the Central Western Maine Workforce Development Board to retain records as required by law and to destroy them when appropriate. The formal records retention policy of the Central Western Maine Workforce Development Board is as follows:

Accident reports/claims (settled Cases)	7 Years
*Accounts payable ledgers and schedules	3 Years
*Accounts receivable ledgers and schedules	3 Years
Audit reports	Permanently
*Bank reconciliations	3 Years
*Bank Statements	3 Years
*Chart of Accounts	Permanently
*Cancelled Checks	7 Years

Contracts, mortgages, notes and leases:

Expired	7 Years
Still in effect	Permanently

Correspondence:

General	3 Years
Legal and important matters only	Permanently
Routine with customers and/or vendors	3 Years
Deeds, mortgages and bills of sales	Permanently
Depreciation schedules	Permanently
*Duplicate deposit slips	3 Years
Employment applications	3 Years
Expense analyses/expense distribution schedule	7 Years

Financial statements:

Year end	Permanently
Other	Optional
Garnishments	7 Years
General ledgers/year end trial balance	Permanently
Insurance policies (expired)	3 Years

Insurance records (policies, claims, etc.)	Permanently
*Internal audit reports	3 Years +
*Internal reports	3 Years
Inventories of products, materials and supplies	3 Years
*Invoices (to customers, from vendors)	3 Years
Journals	Permanently
Minute books of directors, bylaws and charters	Permanently
*Notes receivable ledgers and schedules	3 Years
*Payroll records and summaries	3 Years
Personnel records (terminated)	7 Years
*Petty cash vouchers	3 Years
Physical inventory tags	3 Years
Property records (incl. depreciation schedules)	Permanently
 <u>*Purchase orders:</u>	
Purchasing department copy	3 Years
Other copies	3 Year
*Receiving sheets	3 Year
Retirement and pension records	Permanently
Requisitions	3 Year
*Subsidiary ledgers	3 Years
 Tax returns and worksheets, examination reports and other documents relating to determination of income tax liability	
Time sheets/cards	Permanently
Training manuals	7 Years
*Voucher register and schedules	Permanently
*Withholding tax statements	3 Years

* All financial records will be retained for three (3) years from the date of the final financial report. If any litigations, claim, or audit is started prior to the expiration of the three (3) year period, the records shall be retained until all litigation, claims or audit findings have been resolved.

FUNCTIONAL EXPENSE ALLOCATIONS

Overview

As one of its financial management objectives, the Central Western Maine Workforce Development Board strives to determine the actual costs of carrying out each of its program service and supporting activities. In this regard, it is the policy of the Central Western Maine Workforce Development Board to charge expenses to the appropriate category of program service or supporting activity. Expenses that serve multiple functions or are not readily identifiable with one function shall be allocated between functions whenever possible.

Program and supporting service functions of the Central Western Maine Workforce Development Board are:

Programs:

1. Adult
2. Dislocated Worker
3. Youth

4. National Emergency Grants
5. Employer Assistance
6. Other Grants

Supporting Services:

1. Management and general

Allowable Costs

As the first source of reference, recipients and sub grantees of Federal awards should use the guidelines contained in the Office of Management and Budget (OMB) circulars for determining allowable costs.

Direct Charging of Costs

Certain internal costs shall be directly charged to the appropriate Central Western Maine Workforce Development Board function based upon underlying documentation. The following costs shall be directly charged based on the documentation or factor listed next to each:

<u>Cost</u>	<u>Basis For Charge</u>
Salaries	Timesheets (hours) or number of employees in a function
Occupancy (facilities) costs	Actual square footage used by each function
Long-Distance Telephone	Actual use
Photocopying	Actual use
Postage	Actual
Supplies	Actual

All other costs identified above shall be charged to the appropriate account(s) when incurred.

Allocation of Overhead Costs

On a monthly basis, an allocation of overhead costs to each program service and supporting activity area shall be recorded as a journal entry. Costs included in overhead to be allocated include all costs associated with building occupancy, building and equipment maintenance, and any other cost that benefits all functions of the Organization.

General and administrative costs shall not be allocated to program service or other supporting functions of the Organization.

POLICIES PERTAINING TO FEDERAL AWARDS

ADMINISTRATION OF FEDERAL AWARDS

Definitions

There are several types of agreements through which the Central Western Maine Workforce Development Board may receive financial assistance from a donor/grantor agency:

Grant: A financial assistance award given to the organization to carry out its program purpose.

Contract: A mutually binding legal agreement where the organization agrees to provide supplies or services and the donor agrees to pay for them.

Cooperative Agreement: A legal agreement where the organization implements a program with the direct involvement of the donor.

Throughout this manual, Federal assistance received in any of these forms will be referred to as a Federal "award."

Preparation and Review of Proposals

Individual departments are responsible for preparing proposals for projects that the department intends to pursue. However, all proposals shall be reviewed and approved in writing by the Executive Director prior to submission to government agencies or other funding sources.

Post-Award Procedures

After an award has been made, the following steps shall be taken:

1. Verify the specifications of the grant or contract. The Fiscal Agent shall review the terms, time periods, award amounts and expected expenditures associated with the award. A CFDA (*Catalog of Federal Domestic Assistance*) number shall be determined for each award. All reporting requirements under the contract or award shall be summarized.
2. Create new general ledger account numbers. New accounts shall be established for the receipt and expenditure categories in line with the grant or contract budget.
3. Gather documentation. A file is established for each grant or contract. The file contains the proposal, all correspondence regarding the grant or contract, the final signed award document and all reports submitted to the funding sources.

Compliance with Laws, Regulations and Provisions of Awards

The Central Western Maine Workforce Development Board recognizes that as a recipient of Federal funds, the Organization is responsible for compliance with all applicable laws, regulations, and provisions of contracts and

grants. To ensure that the Organization meets this responsibility, the following policies apply with respect to every grant or contract received directly or indirectly from a Federal agency:

1. For each Federal award, a Central Western Maine Workforce Development Board employee within the department responsible for administering the award will be designated as "Grant/Project Manager" (GPM).
2. The GPM shall take the following steps to identify all applicable laws, regulations, and provisions of each grant and contract:
 - a. Read each award and prepare a summary of key compliance requirements and references to specific laws and regulations.
 - b. Review the "OMB Circular A-133 Compliance Supplement" (updated annually) published by the Office of Management and Budget (OMB) for compliance requirements unique to the award and for compliance requirements common to all Federal awards.
 - c. Review the section of the Catalog of Federal Domestic Assistance applicable to the award.
4. The fiscal department shall forward copies of applicable laws regulations to the GPM (such as OMB Circulars, pertinent sections of compliance supplements, and other regulations).
5. The GPM and/or the Central Western Maine Workforce Development Board Fiscal Department shall identify and communicate any special changes in policies and procedures necessitated by Federal awards as a result of the review of each award.
6. The GPM shall take all reasonable steps necessary to identify applicable changes in laws, regulations, and provisions of contracts and grants. Steps taken in this regard shall include, but not be limited to, reviewing subsequent grant and contract renewals, reviewing annual revisions to the "OMB Circular A-133 Compliance Supplement", and communications with Federal awarding agency personnel.
7. The GPM shall cooperate with the Organization's independent auditors by informing the CPA firm as to applicable laws, regulations, and provisions of contracts and grants and communicating known instances of noncompliance with laws, regulations, and provisions of contracts and grants to the auditors.

Billing and Financial Reporting

The Central Western Maine Workforce Development Board strives to provide management, staff and funding sources with timely and accurate financial reports applicable to federal awards. These reports include monthly and cumulative expenditures, a project budget, and a balance remaining column.

The Central Western Maine Workforce Development Board shall prepare and submit financial reports as specified by the financial reporting clause of each grant or contract award document. Preparation of these reports shall be the responsibility of the Fiscal Agent, subject to review and approval by the CLEO Board.

The following policies shall apply to the preparation and submission of billings to federal agencies under awards made to the Central Western Maine Workforce Development Board:

1. It is the policy of the Central Western Maine Workforce Development Board to request reimbursement after expenditures have been incurred, unless an award specifies another method.
2. Each award normally specifies a particular billing cycle; therefore, a schedule is established for each grant and contract to ensure that reimbursement is made on a timely basis along with any other reporting that is required in addition to the financial reports.
3. Requests for reimbursement of award expenditures will use the actual invoice amounts.
4. All financial reports required by each Federal award will be prepared and filed on a timely basis. To the extent the Central Western Maine Workforce Development Board's year-end audit results in

adjustments to amounts previously reported to Federal agencies, revised reports shall be prepared and filed in accordance with the terms of each Federal award.

If a Federal award authorizes the payment of cash advances to the Central Western Maine Workforce Development Board, the Fiscal Agent may request that such an advance be made. Upon receipt of a cash advance from a Federal agency, The Central Western Maine Workforce Development Board shall reflect a liability equal to the advance. As part of the monthly closeout and invoicing process, the liability shall be reduced, and revenue recognized, in an amount equal to the allowable costs incurred for that period.

Cash Drawdown's

Cash drawdowns from Federal grants shall be made weekly in conjunction with the accounts payable and payroll schedule, based on need.

The Fiscal Agent shall request drawdowns from the State of Maine based on a listing of anticipated cash disbursements due to be paid within the next week.

In addition, the following schedule shall be completed to reconcile cash on hand and to estimate the organization's need for additional funds:

- + Federal cash drawn to date
- YTD expenses as of the end of the prior month
- Estimated disbursements this month to date
- = Subtotal (Estimated cash on hand today)
- Estimated disbursements this week
- = Amount to be requested

Solicitations of Bids from Vendors

All purchases in excess of \$5,000 but, less than \$25,000, shall be made by obtaining oral or written quotations from at least two responsible vendors.

All purchases of at least \$25,000, but less than \$100,000, shall be made by obtaining written quotations from at least two responsible vendors.

All purchases of \$100,000 or more shall be made by obtaining competitive proposals from at least three responsible vendors. Sealed bids shall be utilized when required by the Federal- awarding agency.

The Central Western Maine Workforce Development Board shall not utilize the "cost-plus-a-percentage-of-cost" method of contracting with vendors.

All other policies and procedures associated with procurement under Federal awards shall be governed by the policies applicable to all purchases of the Central Western Maine Workforce Development Board, described in the section of this manual on "Policies Associated With Expenditures and Disbursements."

Provisions Included in all Contracts

It is the policy of the Central Western Maine Workforce Development Board to include all of the following provisions, as applicable, in all contracts (including small purchases) with vendors and sub-grants to grantees:

1. **Equal Employment Opportunity:** All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
2. **Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c):** All contracts and sub-grants in excess of \$2,000 for construction or repair awarded by the Central Western Maine Workforce Development Board and its subcontractors shall contain a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations 29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States." This Act provides that each contractor or subcontractor shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. It is the policy of the Central Western Maine Workforce Development Board to report all suspected or reported violations to the Federal- awarding agency.
3. **Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7):** If included in the Federal agency's grant program legislation, all construction contracts of more than \$2,000 awarded by the Central Western Maine Workforce Development Board and its subcontractors shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors are required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. It is the policy of the Central Western Maine Workforce Development Board to place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The Central Western Maine Workforce Development Board shall also obtain reports from contractors on a weekly basis in order to monitor compliance with the Davis-Bacon Act. The Central Western Maine Workforce Development Board shall report all suspected or reported violations to the Federal -awarding agency.
4. **Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333):** All contracts awarded by the Central Western Maine Workforce Development Board in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Works Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor is required to compute wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible, provided that the worker is compensated at a rate of not less than 1-1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. **Rights to Inventions Made Under a Contract or Agreement:** Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the Central Western Maine Workforce Development Board.
6. **Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended:** Contracts and sub-grants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
7. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352):** For all contracts or sub-grants of \$100,000 or more, the Central Western Maine Workforce Development Board shall obtain from the contractor or sub-grantee a certification that it will not, and has not used Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Likewise, since each tier provides such certifications to the tier above it, the Central Western Maine Workforce Development Board shall provide such certifications in all situations in which it acts as a sub-recipient of a sub-grant of \$100,000 or more.
8. **Debarment and Suspension (E.O.s 12549 and 12689):** For all contracts in excess of the small purchase threshold fixed at 41 U.S.C. 403(11) (currently \$100,000), the Central Western Maine Workforce Development Board shall obtain from the contractor a certification that neither the contractor nor any of its principal employees are listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs.
9. **Remedies:** All contracts in excess of the small purchase threshold fixed at 41 U.S.C. 403(11) (currently \$100,000) shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms.
10. **Termination:** All contracts in excess of the small purchase threshold fixed at 41 U.S.C. 403(11) (currently \$100,000) shall contain suitable provisions for termination by the Central Western Maine Workforce Development Board, including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe the conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated due to circumstances beyond the control of the contractor.

Contracts/Subcontracts Issued to Service Providers

The Central Western Maine Workforce Development Board normally subcontracts services funded by public and/or private sources to appropriate contractors.

***Policy on % Training Expenditure Requirement of WIA Funds**

The goal of the Area 3 Local Workforce Development Board is to review annually the dollars for Direct Occupational Training, OJT and Supportive Services combined. At the beginning of each program year, the CWMWIB staff negotiates with the local service provider(s) on the targeted direct training and supportive services expenditure goals for the WIA program. This Area has established in the 2012 - 2014 program year an expenditure level for direct services of 25%. Service provider(s) submit fiscal reports to the Workforce Board. The Board staff reviews these reports to ensure that expenditures are in alignment with the 25% requirement. Annually, the Board will review and/or adjust this policy in light of available resources and other exigencies affecting service provision. ***Policy approved at the CWMWIB Board meeting on November 16, 2012**

Monitoring of Subcontractors

When the Central Western Maine Workforce Development Board utilizes Federal funds to make sub-awards to subcontractors, it is subject to a requirement to monitor each subcontractor in order to provide reasonable assurance that subcontractors are complying, in all material respects, with laws, regulations, and award provisions applicable to the program.

In fulfillment of its obligation to monitor subcontractors, the following policies apply to all sub-awards of Federal funds made by the Central Western Maine Workforce Development Board to subcontractors:

1. Subcontract agreements shall include all information necessary to identify the funds as Federal funding. This information shall include:
 - a. The applicable Catalog of Federal Domestic Assistance (CFDA) title and number
 - b. Award name
 - c. Name of Federal agency
 - d. Amount of award
2. *All contracts must be signed prior to the commencement of services. *Policy approved at the CWMWIB Board meeting on June 20, 2014
3. Subcontract agreements shall identify all applicable audit requirements, including the requirement to obtain an audit in accordance with OMB Circular A-133, if the subcontractor meets the criteria for having to undergo such an audit.
4. Subcontracts shall include a listing of all applicable Federal requirements that each subcontractor must follow.
5. Subcontracts shall require that subcontractors submit financial and program reports to the Central Western Maine Workforce Development Board on the schedule required by the funding agency.
6. The Central Western Maine Workforce Development Board shall be responsible for monitoring each subcontractor on an ongoing basis during the period of the contract.
7. Ongoing monitoring of subcontractors by the Central Western Maine Workforce Development Board will inherently vary from subcontractor to subcontractor, based on the nature of work assigned to each subcontractor. However, ongoing monitoring activities may involve any or all of the following:
 - a. Regular contacts with subcontractors and appropriate inquiries regarding the program.
 - b. Reviewing programmatic and financial reports prepared and submitted by the subcontractor and following up on areas of concern.
 - c. Monitoring subcontractor budgets.
 - d. Performing site visits to the subcontractor to review financial and programmatic records and assess compliance with applicable laws, regulations, and provisions of the subcontract.
 - e. Offering subcontractors technical assistance where needed.
8. Documentation shall be maintained in support of all efforts associated with the Central Western Maine Workforce Development Board's monitoring of subcontractors.

AUDIT RESOLUTION POLICY

This audit resolution policy is in effect for audits of sub recipients of the Central Western Maine Workforce Development Board. Each sub recipient shall obtain an audit that meets the requirements of the appropriate OMB circular and forward a copy of the report to the Fiscal Agent of the Central Western Maine Workforce Development Board.

Upon receipt of the audit report, the Fiscal Agent will review the audit and comments in the audit, to determine if there are any areas that require attention. For those comments that require attention, the Fiscal Agent, the Central Western Maine Workforce Development Board's auditor and the Board Chairman will determine if the response by the sub recipient is adequate for acceptance as a Corrective Action Plan. Should there be no

areas that require attention and/or should the responses be adequate for Corrective Action Plans, the Fiscal Agent will notify the sub recipient, thereby closing the file on the audit.

Should there be areas that require attention, or should the Fiscal Agent need further information, the sub recipient will be requested to submit the necessary information within thirty (30) working days. The Corrective Action Plan must be implemented by the sub recipient within six (6) months from the receipt of the audit report.

If the findings identify questioned costs that are subsequently disallowed during the audit resolution process, the Fiscal Agent shall require the sub recipient to repay the disallowed cost within sixty (60) working days of receipt of the notice of disallowance.

The sub recipient has the right under this policy to request a hearing on the decision concerning the findings of the audit. A written request for a hearing must be submitted to the Central Western Maine Workforce Development Board within thirty (30) calendar days of notification that the findings have been sustained. If the appeal request is found to be proper, a hearing official will be appointed, and the time and location of the hearing established. The sub recipient will be notified in writing of the hearing time and location, and the procedures of the hearing. Upon completion of the hearing, the hearing official will make a report to the Central Western Maine Workforce Board, who will then notify the sub recipient of the final decision.

At the end of the six (6) months from the receipt of the audit report by the sub recipient, a follow-up visit may be made to certify that the Corrective Action Plan has been implemented. If the sub recipient has not implemented the Corrective Action Plan, the Fiscal Agent will recommend that appropriate action be taken.

Equipment and Furniture Purchased With Federal Funds

The Central Western Maine Workforce Development Board may occasionally purchase equipment and furniture that will be used exclusively on a program funded by a Federal agency. In addition to those policies on Asset Management described earlier, equipment and furniture charged to Federal awards will be subject to certain additional policies as described below.

For purposes of Federal award accounting and administration, "equipment" shall include all assets with a unit cost equal to the lesser of \$5,000 or the capitalization threshold utilized by the Central Western Maine Workforce Development Board, described under Asset Management.

All purchases of "equipment" with federal funds shall be approved in advance in writing by the Federal-awarding agency. In addition, the following policies shall apply regarding equipment purchased and charged to Federal awards:

1. Any equipment that is owned by the Federal government and given to the Central Western Maine Workforce Development Board for use in a program shall be marked as such.
2. Adequate insurance coverage will be maintained with respect to equipment and furniture charged to Federal awards.
3. For equipment (or residual inventories of supplies) with a remaining per unit fair market value of \$5,000 or less at the conclusion of the award, the Central Western Maine Workforce Development Board shall retain the equipment without any requirement for notifying the Federal agency. If the remaining per unit fair market value is \$5,000 or more, the Central Western Maine Workforce Development Board shall gain a written understanding with the Federal agency regarding disposition of the equipment. This understanding may involve returning the equipment to the Federal agency, keeping the equipment and compensating the Federal agency, or selling the equipment and remitting the proceeds, less allowable selling costs, to the Federal agency.

4. The Central Western Maine Workforce Development Board Grant Manager shall determine whether a specific award with a Federal agency includes additional equipment requirements or thresholds and requirements that differ from those described above.
5. A physical inventory of all equipment purchased with Federal funds shall be performed at least once every two years. The results of the physical inventory shall be reconciled to the accounting records of and Federal reports filed by the Central Western Maine Workforce Development Board.

Standards for Financial Management Systems

In accordance with OMB Circular A-110, it is the policy of the Central Western Maine Workforce Development Board to maintain a financial management system that provides for the following:

1. Accurate, current and complete disclosure of the financial results of each Federally-sponsored project or program in accordance with the reporting requirements of Circular A-110 and/or the award.
2. Records that identify adequately, the source and application of funds for Federally-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.
3. Effective control over, and accountability for all funds, property and other assets. The Central Western Maine Workforce Development Board shall adequately safeguard all such assets, and assure they are used solely for authorized purposes.
4. Comparison of outlays with budget amounts for each award. Whenever possible, financial information shall be related to performance and unit cost data.
5. Written procedures to minimize the time elapsing between the transfer of funds to the Central Western Maine Workforce Development Board from the U.S. Treasury, and the issuance and redemption of checks, warrants or payments by other means for program purposes by the recipient.
6. Written procedures for determining the reasonableness of costs, allow ability of costs, and proper allocation of costs in accordance with the provisions of the applicable Federal cost principles and the terms and conditions of the award.
7. Fiscal records including, cost accounting records, that are supported by source documentation.

Budget and Program Revisions

It is the policy of the Central Western Maine Workforce Development Board to request prior approval from Federal -awarding agencies for any of the following program or budget revisions:

1. Change in the scope or objective of the project or program, even if there is no associated budget revision requiring prior written approval.
2. Change in a key person (project director, etc.) specified in the application or award document.
3. The absence for more than three (3) months, or a 10 percent reduction in time devoted to the project, by the approved project director or principal investigator.
4. The need for additional Federal funding.
5. The transfer of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa, if approval is required by the Federal-awarding agency.
6. The inclusion, unless waived by the Federal-awarding agency, of costs that require prior approval in accordance with OMB Circular A-122.
7. The transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense.

8. Unless described in the application and funded in the approved awards, the subcontract, transfer or contracting out of any work under an award (However, this provision does not apply to purchases of supplies, materials, equipment or general support services).

Close Out of Federal Awards

The Central Western Maine Workforce Development Board shall follow the close out procedures described in OMB Circular A-110 and in the grant agreements as specified by the granting agency.

The Central Western Maine Workforce Development Board and all subcontractors shall liquidate all obligations incurred under the grant or contract within ninety (90) days of the end of the grant or contract agreement.

CHARGING OF COSTS TO FEDERAL AWARDS

Overview

It is the policy of the Central Western Maine Workforce Development Board that only costs that are reasonable, allowable and allocable to a Federal award, shall be charged to that award directly or indirectly. All unallowable costs shall be appropriately segregated from allowable costs in the general ledger in order to assure that unallowable costs are not charged to Federal awards.

Segregating Unallowable From Allowable Costs

The following steps shall be taken to identify and segregate costs that are allowable and unallowable with respect to each Federal award:

1. The budget and grant or contract for each award shall be reviewed for costs specifically allowable or unallowable.
2. Accounting personnel shall be familiar with the allow ability of costs provisions of OMB Circular A-122, "Cost Principles for Non-Profit Organizations", particularly:
 - a. The list of specifically unallowable costs found in Attachment B (Selected Items of Cost), such as alcoholic beverages, bad debts, contributions, fines and penalties, lobbying, etc.
 - b. Those costs requiring advance approval from Federal agencies in order to be allowable in accordance with Attachment B, such as foreign travel, equipment purchases, etc.
3. No costs shall be charged directly to any Federal award until the cost has been determined to be allowable under the terms of the award and/or OMB Circular A-122.
4. For each Federal award, an appropriate set of general ledger accounts shall be established in the chart of accounts of the Central Western Maine Workforce Development Board to reflect the categories of allowable costs identified in the award or the award budget.
5. All items of miscellaneous income or credits, including the subsequent write-offs of uncashed checks, rebates, refunds, and similar items, shall be reflected for grant accounting purposes as reductions in allowable expenditures if the credit relates to charges that were originally charged to a Federal award or to activity associated with a Federal award. The reduction in expenditures shall be reflected in the year in which the credit is received (i.e. if the purchase that results in the credit took place in a prior period, the prior period shall not be amended for the credit.)

Criteria for Allow ability

It is the policy of the Central Western Maine Workforce Development Board that all costs must meet the following criteria in order to be treated as allowable direct or indirect costs under a Federal award:

1. The cost must be “reasonable” for the performance of the award, considering the following factors:
 - a. Whether the cost is of a type that is generally considered as being necessary for the operation of the organization or the performance of the award,
 - b. Restraints imposed by such factors as generally accepted sound business practices, arm’s length bargaining, Federal and state laws and regulations, and the terms and conditions of the award,
 - c. Whether the individuals concerned acted with prudence in the circumstances,
 - d. Consistency with established policies and procedures of the Organization, deviations from which could unjustifiably increase the costs of the award.
2. The cost must be “allocable” to an award by meeting one of the following criteria:
 - a. The cost is incurred specifically for a Federal award,
 - b. The cost benefits both the Federal award and other work, and can be distributed in reasonable proportion to the benefits received; or
 - c. The cost is necessary to the overall operation of the Organization, but where a direct relationship to any particular program or group of programs cannot be demonstrated.
3. The cost must conform to any limitations or exclusions of OMB Circular A-122 or the Federal award itself.
4. Treatment of costs must be consistent with policies and procedures that apply to both Federally-financed activities and other activities of the Organization.
5. Costs must be consistently treated over time.
6. The cost must be determined in accordance with generally accepted accounting principles.
7. Costs may not be included as a cost of any other Federally- financed program in the current or prior periods.
8. The cost must be adequately documented.

Direct Costs

Direct costs include those costs that are incurred specifically for one award or non-Federal function. The Central Western Maine Workforce Development Board identifies and charges these cost exclusively to each award or program.

Each invoice shall be coded with the appropriate account number reflecting which program received direct benefit from the expenditure. Invoices are approved by the appropriate project director and reviewed by the Fiscal Agent.

Time sheets or personnel activity reports, described earlier, are also submitted on a regular basis reflecting employees' work and which programs directly benefited from their effort. Time sheets or personnel activity reports shall serve as the basis for charging salaries directly to Federal awards and non-Federal functions.

Equipment purchased for exclusive use on a Federal award and reimbursed by a Federal agency shall be accounted for as a direct cost of that award (i.e. such equipment shall not be capitalized and depreciated).

Indirect Costs

Indirect costs are those costs that either benefit more than one award (overhead costs) or non-Federal function or that is necessary for the overall operation of the Central Western Maine Workforce Development Board (management and general costs).

The Central Western Maine Workforce Development Board does not currently maintain an annual indirect cost budget.

Accounting for Specific Elements of Cost

The Central Western Maine Workforce Development Board shall utilize the following methods of charging specific elements of cost to Federal awards as direct or indirect costs:

Salaries and Wages – Salaries and wages shall be charged directly and indirectly based on the functions performed by each employee, as documented on each employee's timesheet, as follows:

Direct costs – The majority of the employees of the Central Western Maine Workforce Development Board charge their time directly since their work is specifically identifiable to specific grants or other (non-Federal) programs or functions of the organization.

Mixed charges – The following employees may charge their salary costs to both direct and indirect activities:

Executive Director
Administrative assistant
Fiscal Agent

Employee Benefits – The Central Western Maine Workforce Development Board incurs costs for the following statutory and non-statutory employee benefits:

FICA
Unemployment insurance
Worker's compensation
Health insurance
Contributions to pension plan

The total cost of the preceding employee benefits shall be determined by summing the cost associated with each benefit. The total employee benefit costs shall then be allocated directly and indirectly in the same proportions as salaries and wages.

Occupancy Expenses – Monthly rent expense and related pass-through expenses shall be allocated directly and indirectly, based upon approximate square footage of space utilized, as follows:

Direct costs – The cost of space occupied by staff whose salaries are directly charged to Federal awards is charged directly to those same awards

Indirect costs – The costs of space occupied by staff whose salaries are indirectly charged is also charged indirectly. The cost of space for staff whose salaries are charged on a mixed basis (directly and indirectly) shall be allocated on a mixed basis in the same ratio as their salaries are allocated.

The cost of space associated with common areas, such as hallways, restrooms, and conference rooms, shall be accounted for as an indirect cost.

Utilities – Utilities costs incurred by the Central Western Maine Workforce Development Board include electricity and water. Such utilities costs shall be charged directly and indirectly in the same proportion as occupancy costs.

Supplies and Materials – To the maximum extent possible, office supplies and materials are charged directly to the grant or program/function that uses the supplies or materials, based on the completion of a supplies usage form. All supplies and materials used by staff that is engaged in indirect activities shall be charged indirectly.

Postage and Shipping – To the maximum extent possible, postage and shipping costs shall be charged directly to the grant or program/function that benefits from the postage or shipping costs, based on the postage log kept near the postage machine and the UPS/FedEx shipping logs.

Photocopying and Printing – Photocopying costs include all paper and copy supplies, copier maintenance charges and the actual lease cost [or depreciation expense] of the copier. Photocopying costs shall be charged directly and indirectly based on the user codes input into the copier prior to making photocopies.

All printing costs are charged directly to the benefiting grant or program/function.

Communications – Communications costs include the costs of local telephone service and long-distance telephone charges, including charges associated with telephone calls, facsimile transmissions, and Internet dial-up connections.

Local telephone service costs are charged directly and indirectly based upon the number of telephone units assigned to the Central Western Maine Workforce Development Board. Each telephone unit of the Central Western Maine Workforce Development Board is identified to either a direct or an indirect activity, as determined annually based on an approximation of time charges of employees associated with each telephone unit. No telephone units shall be charged as mixed-use units due to the immateriality of the costs involved. For example, if the Central Western Maine Workforce Development Board has 100 telephone units and 15 of those

units are assigned to employees who work directly on a particular grant, 15 percent of each month's local telephone service costs shall be allocated to that grant.

Long-distance telephone calls are charged either directly or indirectly based upon whether a direct or indirect activity benefits from the transmission.

Outside Services – The Central Western Maine Workforce Development Board incurs outside service costs for its annual audit, legal fees, and for staff development specialists. Outside service costs shall be charged as follows:

Audit fees – Cost of the financial statement audit and preparation of Form 990 shall be charged using the shared costs plan. Additional audit costs associated with that portion of the audit associated with OMB Circular A-133 shall be charged directly to the audited programs, based on estimates received from the independent CPA firm.

Legal fees – Legal fees shall be charged directly to the program/function that benefits from the services. Legal fees that are not identifiable with specific direct grants or programs shall be charged indirectly.

Staff Development Specialists – Costs associated with staff development specialists shall be charged directly to the program/function that benefits from the services. Fees that are not identifiable with specific direct grants or programs shall be charged indirectly.

Insurance – To the extent that insurance premiums are associated with insurance coverage for specific grants or programs, those premium costs shall be charged directly. All insurance costs that are not identifiable with specific direct grants or programs (such as the Organization's general liability coverage) shall be charged indirectly.

Credits – The applicable portion of any credits resulting from cash discounts, volume discounts, refunds, write-off of stale outstanding checks, trade-ins, scrap sales or similar credits shall be credited directly or indirectly in the same manner as the purchase that resulted in the credit.

EXHIBIT A-1

Identification No. CT-12A-_____

STATE OF MAINE
DEPARTMENT OF LABOR
Agreement to Purchase Services

THIS AGREEMENT, made this 30th day of June ****, is by and between the State of Maine, Maine Department of Labor, hereinafter called "Department," and the Central Western Maine Workforce Development Board, located at 5 Mollison Way, Lewiston ME 04240 hereinafter called "Provider," for the period of July 1, XXXX, through June 30, XXXX.

The Employer Identification Number of the Provider is XX-XXXXXXX.
DUNS Number: XXXXXXXXX

WITNESSETH, that for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the Department, the Provider hereby agrees with the Department to furnish all qualified personnel, facilities, materials and services and in consultation with the Department, to perform the services, study or projects described in Rider A, and under the terms of this Agreement. The following riders are hereby incorporated into this Agreement and made part of it by reference:

Rider A – Specifications of Work to be Performed
Rider B – Payment and Other Provisions
Rider C – Exceptions to Rider B
Rider D – Line Item Budget
Rider G – Provision of Contract Services by Foreign Nationals or Work Performed Abroad

IN WITNESS WHEREOF, the Department and the Provider, by their representatives duly authorized, have executed this agreement in four original copies.

DEPARTMENT OF LABOR
Bureau/Unit: Employment Services

By: _____ Date: _____
_____, Commissioner

and

PROVIDER
Central Western Maine Workforce Development Board

By: _____ Date: _____
_____, Executive Director

Total Agreement Amount: \$ *****

Approved: _____
Chair, State Purchases Review Committee

BP54 (Rev 4/98)

MDOL Advantage ME Contract Coding

Advantage Vendor Code (VC/VS):	VC1000026987
Work Flow Number:	WF30
Unencumbered	PR07 1 st yr, PR88 2 nd yr

3	3	4	2	4	4	3	5	4	5	\$
Fund	Dept.	Unit	Sub Unit	Object	Task (DOLLARS FL)	Sub Task (if applic.)	Order (DOLLARS Cost Center)	Program	Period	Amount
013	12A	K333	01	6401	K333		23999	K333	P2009	970,158
013	12A	K353	01	6401	K353		23999	K353	P2009	1,023,786
013	12A	K373	01	6401	K373		23999	K373	P2009	800,999

Required fields:

For Federal (013) grants, all fields should contain information, with the exception of Subtask. Subtask is only required for Bureau of Unemployment Compensation and Unemployment Insurance Commission.

Unless matching a federal grant, State (010) and Other Special Revenue (014) funded contracts do not need to include Subtask, program and period. If they are matching a Federal grant, program and period are required.

Advantage/DOLLARS Relationship:

Task = Fund Ledger

Subtask = Function Code

Task Order = Cost Center

RIDER A

SPECIFICATIONS OF WORK TO BE PERFORMED

- The Provider agrees to provide a complete Operational Line Item Budget, fully delineating its organizational budget for the Program Year beginning July 1, XXXX. This budget must be updated quarterly if there are major changes in overall provider funding and/ or operations.
- The Provider will ensure that their service providers furnish employment and training programs and services in alignment with the two-year Maine WIA Strategic Plan Modification that has been submitted to the USDOL Employment and Training Administration by the Department and is incorporated herein by reference.
- The Provider will ensure that their service providers furnish employment and training programs and services in accordance with its own approved Local Implementation Plan, also included herein by reference.
- The Provider and its service providers will comply with all the terms and conditions of the Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act, as amended, and the regulations promulgated there under, which are incorporated herein by reference. In the event of any conflict between the terms and conditions of this Agreement and the WIA and said regulations promulgated there under, the terms of the WIA and the regulations shall prevail and govern the performance of the parties hereunder.
- The Provider and its service providers will abide by the terms and conditions of the Maine WIA Strategic Plan Modification and the agreement between the Governor and United States Department of Labor as said agreement applies to the program services provided herein and all subsequent modifications to that agreement after receipt of written notice thereof from the Department.
- The Provider and its service providers shall submit an Annual Audit report completed in accordance with GAAP and WIA auditing standards as well as standards that are outlined in OMB Circular A-133, Audits of States, Local Governments and Non Profit Organizations.

RIDER B
METHOD OF PAYMENT AND OTHER PROVISIONS

1. **AGREEMENT AMOUNT:** \$ *****
2. **INVOICES AND PAYMENTS.** Payment shall be made by the Department within 15 days after receipt of an approved itemized invoice submitted by the Contractor on his usual billing forms or business letterhead.
3. **BENEFITS AND DEDUCTIONS.** If the Provider is an individual, the Provider understands and agrees that he/she is an independent contractor for whom no Federal or State Income Tax will be deducted by the Department, and for whom no retirement benefits, survivor benefit insurance, group life insurance, vacation and sick leave, and similar benefits available to State employees will accrue. The Provider further understands that annual information returns, as required by the Internal Revenue Code or State of Maine Income Tax Law, will be filed by the State Controller with the Internal Revenue Service and the State of Maine Bureau of Revenue Services, copies of which will be furnished to the Provider for his/her Income Tax records.
4. **INDEPENDENT CAPACITY.** In the performance of this Agreement, the parties hereto agree that the Provider, and any agents and employees of the Provider shall act in the capacity of an independent contractor and not as officers or employees or agents of the State.
5. **DEPARTMENT'S REPRESENTATIVE.** The Agreement Administrator shall be the Department's representative during the period of this Agreement. He/she has authority to curtail services if necessary to ensure proper execution. He/she shall certify to the Department when payments under the Agreement are due and the amounts to be paid. He/she shall make decisions on all claims of the Provider, subject to the approval of the Commissioner of the Department.
6. **AGREEMENT ADMINISTRATOR.** All progress reports, correspondence and related submissions from the Provider shall be submitted to:

, Director
Maine Department of Labor / Bureau of Employment Services
55 State House Station
Augusta, Maine 04333

Who is designated as the Agreement Administrator on behalf of the Department for this Agreement, except where specified otherwise in this Agreement.

7. **CHANGES IN THE WORK.** The Department may order reasonable changes in the work, the Agreement amount being adjusted accordingly. Any monetary adjustment or any substantive change in the work shall be in the form of an amendment, signed by both parties and approved by the State Purchases Review Committee. Said amendment must be effective prior to execution of the work.
8. **SUB-AGREEMENTS.** Unless provided for in this Agreement, no arrangement shall be made by the Provider with any other party for furnishing any of the services herein contracted for, without the consent and approval of the Agreement Administrator. Any sub-agreement hereunder entered into subsequent to the execution of this Agreement, must be annotated "approved" by the Agreement Administrator before it is reimbursable hereunder. This provision will not be taken as requiring the approval of contracts of employment between the Provider and its employees assigned for services hereunder.
9. **SUBLETTING, ASSIGNMENT OR TRANSFER.** The Provider shall not sublet, sell, transfer, assign or otherwise dispose of this Agreement or any portion thereof, or of its right, title or interest therein, without written request to and written consent of the Agreement Administrator. No subcontracts or transfer of agreement shall in any case release the Provider of its liability under this Agreement.

10. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, the Provider agrees as follows:

- a. The Provider shall not discriminate against any employee or applicant for employment relating to this Agreement because of race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation, unless related to a bona fide occupational qualification. The Provider shall take affirmative action to ensure that applicants are employed and employees are treated during employment, without regard to their race, color, religion, sex, age, national origin, physical or mental disability, or sexual orientation.

Such action shall include but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Provider agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause.

- b. The Provider shall, in all solicitations or advertising for employees placed by or on behalf of the Provider relating to this Agreement, state that all qualified applicants shall receive consideration for employment without regard to race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation.
- c. The Provider shall send to each labor union or representative of the workers with which it has a collective bargaining agreement, or other agreement or understanding, whereby it is furnished with labor for the performance of this Agreement a notice to be provided by the contracting agency, advising the said labor union or workers' representative of the Provider's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Provider shall inform the contracting Department's Equal Employment Opportunity Coordinator of any discrimination complaints brought to an external regulatory body (Maine Human Rights Commission, EEOC, Office of Civil Rights) against their agency by any individual as well as any lawsuit regarding alleged discriminatory practice.
- e. The Provider shall comply with all aspects of the Americans with Disabilities Act (ADA) in employment and in the provision of service to include accessibility and reasonable accommodations for employees and clients.
- f. Contractors and subcontractors with contracts in excess of \$50,000 shall also pursue in good faith affirmative action programs.
- g. The Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

11. **EMPLOYMENT AND PERSONNEL.** The Provider shall not engage any person in the employ of any State Department or Agency in a position that would constitute a violation of 5 MRSA § 18 or 17 MRSA § 3104. The Contractor shall not engage on a full-time, part-time or other basis during the period of this Agreement, any other personnel who are or have been at any time during the period of this Agreement in the employ of any State Department or Agency, except regularly retired employees, without the written consent of the State

Purchases Review Committee. Further, the Provider shall not engage on this project on a full-time, part-time or other basis during the period of this Agreement any retired employee of the Department who has not been retired for at least one year, without the written consent of the State Purchases Review Committee. The Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this

Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

12. **STATE EMPLOYEES NOT TO BENEFIT.** No individual employed by the State at the time this Agreement is executed, or any time thereafter, shall be admitted to any share or part of this Agreement or to any benefit that might arise there from directly or indirectly that would constitute a violation of 5 MRSA § 18 or 17 MRSA § 3104. No other individual employed by the State at the time this Agreement is executed, or any time thereafter, shall be admitted to any share or part of this Agreement or to any benefit that might arise there from, directly or indirectly, due to his employment by, or financial interest in, the Provider or any affiliate of the Provider, without the written consent of the State Purchases Review Committee. The Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

13. **WARRANTY.** The Provider warrants that it has not employed or contracted with any company or person, other than for assistance with the normal study and preparation of a proposal, to solicit or secure this Agreement and that it has not paid, or agreed to pay, any company or person, other than a bona fide employee working solely for the Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon, or resulting from the award for making this Agreement. For breach or violation of this warranty, the Department shall have the right to annul this Agreement without liability or, in its discretion to otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

14. **ACCESS TO RECORDS.** The Provider shall maintain all books, documents, payrolls, papers, accounting records and other evidence pertaining to this Agreement, and make such materials available at its offices at all reasonable times during the period of this Agreement and for such subsequent period as specified under Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP) rules. The Provider shall allow inspection of pertinent documents by the Department or any authorized representative of the State of Maine or Federal Government, and shall furnish copies thereof, if requested.

15. **TERMINATION.** The performance of work under the Agreement may be terminated by the Department in whole, or in part, for any reason, whenever the Agreement Administrator shall determine that such termination is in the best interest of the Department. Any such termination shall be effected by delivery to the Provider of a Notice of Termination specifying the extent to which performance of the work under the Agreement is terminated and the date on which such termination becomes effective. The Agreement shall be equitably adjusted to compensate for such termination, and modified accordingly.

16. **GOVERNMENTAL REQUIREMENTS.** The Provider warrants and represents that it will comply with all governmental ordinances, laws and regulations.

17. **GOVERNING LAW.** This Agreement shall be governed in all respects by the laws, statutes, and regulations of the United States of America and of the State of Maine. Any legal proceeding against the State regarding this Agreement shall be brought in the State of Maine administrative or judicial forums. The Provider consents to personal jurisdiction in the State of Maine.

18. **STATE HELD HARMLESS.** The Provider agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims, costs, expenses, injuries, liabilities, losses and damages of every kind and description (hereinafter in this paragraph referred to as "claims") resulting from or arising out of the performance of this Agreement by the Provider, its employees, agents, or subcontractors. Claims to which this indemnification applies include, but without limitation, the following: (i) claims suffered or incurred by any contractor, subcontractor, material men, laborer and any other person, firm, corporation or other legal entity (hereinafter in this paragraph referred to as "person") providing work, services, materials, equipment or supplies in connection with the performance of this Agreement; (ii) claims arising out of a violation or infringement of any proprietary right, copyright, trademark, right of privacy or other right arising out of publication, translation, development, reproduction, delivery, use, or disposition of any data, information or

other matter furnished or used in connection with this Agreement; (iii) Claims arising out of a libelous or other unlawful matter used or developed in connection with this Agreement; (iv) claims suffered or incurred by any person who may be otherwise injured or damaged in the performance of this Agreement; and (v) all legal costs and other expenses of defense against any asserted claims to which this indemnification applies. This indemnification does not extend to a claim that results solely and directly from (i) the Department's negligence or unlawful act, or (ii) action by the Provider taken in reasonable reliance upon an instruction or direction given by an authorized person acting on behalf of the Department in accordance with this Agreement.

19. **NOTICE OF CLAIMS.** The Provider shall give the Contract Administrator immediate notice in writing of any legal action or suit filed related in any way to the Agreement or which may affect the performance of duties under the Agreement, and prompt notice of any claim made against the Provider by any subcontractor which may result in litigation related in any way to the Agreement or which may affect the performance of duties under the Agreement.

20. **APPROVAL.** This Agreement must have the approval of the State Controller and the State Purchases Review Committee before it can be considered a valid, enforceable document.

21. **LIABILITY INSURANCE.** The Provider shall keep in force a liability policy, issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Agreement with adequate liability coverage to protect itself and the Department from suits. Providers insured through a "risk retention group" insurer prior to July 1, 1991 may continue under that arrangement. Prior to or upon execution of this Agreement, the Provider shall furnish the Department with written or photocopied verification of the existence of such liability insurance policy.

22. **NON-APPROPRIATION.** Notwithstanding any other provision of this Agreement, if the State does not receive sufficient funds to fund this Agreement and other obligations of the State, if funds are de-appropriated, or if the State does not receive legal authority to expend funds from the Maine State Legislature or Maine courts, then the State is not obligated to make payment under this Agreement.

23. **SEVERABILITY.** The invalidity or unenforceability of any particular provision or part thereof of this Agreement shall not affect the remainder of said provision or any other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

24. **INTEGRATION.** All terms of this Agreement are to be interpreted in such a way as to be consistent at all times with the terms of Rider B (except for expressed exceptions to Rider B included in Rider C), followed in precedence by Rider A, and any remaining Riders in alphabetical order.

25. **FORCE MAJEURE.** The Department may, at its discretion, excuse the performance of an obligation by a party under this Agreement in the event that performance of that obligation by that party is prevented by an act of God, act of war, riot, fire, explosion, flood or other catastrophe, sabotage, severe shortage of fuel, power or raw materials, change in law, court order, national defense requirement, or strike or labor dispute, provided that any such event and the delay caused thereby is beyond the control of, and could not reasonably be avoided by, that party. The Department may, at its discretion, extend the time period for performance of the obligation excused under this section by the period of the excused delay together with a reasonable period to reinstate compliance with the terms of this Agreement.

26. **SET-OFF RIGHTS.** The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any monies due to the Provider under this Agreement up to any amounts due and owing to the State with regard to

this Agreement, any other Agreement, any other Agreement with any State department or agency, including any Agreement for a term commencing prior to the term of this Agreement, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices

including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Controller.

27. **ENTIRE AGREEMENT.** This document contains the entire Agreement of the parties, and neither party shall be bound by any statement or representation not contained herein. No waiver shall be deemed to have been made by any of the parties unless expressed in writing and signed by the waiving party. The parties expressly agree that they shall not assert in any action relating to the Agreement that any implied waiver occurred between the parties, which is not expressed in writing. The failure of any party to insist in any one or more instances upon strict performance of any of the terms or provisions of the Agreement, or to exercise an option or election under the Agreement, shall not be construed as a waiver or relinquishment for the future of such terms, provisions, option or election, but the same shall continue in full force and effect, and no waiver by any party of any one or more of its rights or remedies under the Agreement shall be deemed to be a waiver of any prior or subsequent rights or remedy under the Agreement or at law.

OTHER CERTIFICATIONS

Certification Regarding Lobbying

The contract signatory certifies, to the best of his or her knowledge and belief, that:

1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL "Disclosure Form to Report Lobbying", in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award document for all sub awards at all tiers (including subcontracts, sub grants and contracts under grants, loans, and cooperative agreements) and that all sub Grantors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of no less than \$10,000 and not more than \$100,000 for each such failure.

Certification Regarding Debarment, Suspension and Other Responsibility Matters

This Certification is required by the Regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' Responsibilities. The Regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

Before signing this contract, please read the following instructions related to this certification that are an integral part of such:

By signing this contract, the prospective primary participant is providing the Certification set out below:

1. The inability of a person to provide the Certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the Certification set out below. The Certification or explanation will be considered in connection with the US Department of Labor's (DOL) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a Certification or an explanation shall disqualify such person from participation in this transaction.
2. The Certification in this clause is a material representation of fact upon which reliance was placed when the US DOL determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous Certification, in addition to other remedies available to the Federal Government, the DOL may terminate this transaction for cause of default.
3. The prospective primary participant shall provide immediate written notice to the DOL if at any time the prospective primary participant learns its Certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction", "debarred", "suspended", "ineligible", "lower tier covered transaction", "participant", "person", "primary covered transaction", "principal", "proposal", and "voluntarily excluded", as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the DOL for assistance in obtaining a copy of these regulations.
5. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
6. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions", provided by the DOL, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Lists of Parties Excluded from Procurement or Nonprocurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may terminate this transaction for cause or default.)

The prospective primary participant certifies to the best of its knowledge and belief that it and its principles:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- b. have not within a three-year period preceding this proposal been convicted of, or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted for, or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph b of this Certification; and
- d. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

Where the prospective primary participant is unable to certify to any of the statements in this Certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Drug-Free Workplace Requirements

The contractor certifies that it will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The contractor's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (1);
4. Notifying the employee in the statement required by paragraph (1) that, as a condition of employment under the grant, the employee will:
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (4) (B) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (4) (B), with respect to any employee who is so convicted:
 - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (1), (2), (3), (4), (5), (6).

RIDER C
Exceptions to Rider B

1. **TERMINATION WITHOUT CAUSE** – Termination of this agreement shall not be without cause. If the Department determines that the Provider is not complying with this agreement or any of the governing statutes, rules or laws as referenced in paragraph 17, “Governing Law” above, the Department shall inform the Provider in writing the nature of the non-compliance after which, the Provider shall have fourteen (14) days to provide the Department, in writing, a plan acceptable to the Department to remedy the non-compliance. Should the Provider fail to meet the terms of the plan, the Department shall have the right to terminate this agreement.
2. **SUB AGREEMENTS** – Provisions regarding Sub-agreements shall not be interpreted to apply to the recipient’s ability to contract with any of its service providers for services to be performed under this contract all other State and Federal oversight provisions notwithstanding.
3. ***As a condition to the award of financial assistance from the Department of Labor under Title I of WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:***

Section 188 of the Workforce Investment Act of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title I—financially assisted program or activity;

Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin;

Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and

Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

The grant applicant also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA Title I-financially assisted program or activity, and to all agreements the grant applicant makes to carry out the WIA Title I-financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

Revisions

- April 2017 – amended section on Travel to further define “in-travel status”
May 2017 – deleted Business Entertainment from title “Travel and ~~Business Entertainment~~” under section Employee and Director Business Travel.

June
2021

Change internal annual budget deadline to 6/30 each year to align better with release of revenue information from the State.

Addition of a defined budget schedule within the quarterly board meetings to provide consistent presentations of Budgeting information, Annual Community Benefit, Audit, and Subrecipient Fiscal Compliance.