



Ohio Administrative Code

Rule 5101:9-31-01 General requirements for use and expenditures of workforce investment funds by local areas.

Effective: December 12, 2019

(A) Definitions.

The following definitions are applicable to this rule:

- (1) "Local area" means a geographic area of a state designated by the governor in accordance with section 106 of the Workforce Innovation and Opportunity Act (WIOA) that serves as a jurisdiction for the administration of workforce development activities delivered through a local workforce development system.
- (2) "Grant recipient" means the Ohio department of job and family services (ODJFS).
- (3) "Subgrantee" means local area chief elected officials. For purposes of this agreement, "subgrantee" has the same meaning as "grantee" as defined in division (A)(3) of section 5101.20 of the Revised Code and "grant recipient" as defined in section 107(d)(12)(B) of WIOA.
- (4) "Agreement" means contract, subgrant agreement, memorandum of understanding (MOU), and/or interagency agreement.
- (5) "Financial assistance" means all cash, reimbursements, allocations of funds, and cash draws provided by ODJFS to a local area. All requirements related to financial assistance shall also apply to public money used by the county to match state or federal funds.
- (6) "Chief local elected officials," when used in reference to a local area, means the chief elected executive officer of a unit of general local government in a local area; and in a case in which a local area includes more than one unit of general local government, the individuals designated under the agreement that specifies the respective roles of the individual chief elected officials.
- (7) "Fiscal agent" means an entity designated by the chief elected official in accordance with section



107(d)(12)(B)(i)(II) of WIOA to assist in the administration of workforce WIOA grant funds under the direction of the local workforce development board. The WIOA fiscal agent shall receive and manage all formula workforce development funds for the area and other federal, state, or local funds allocated to the local workforce area as detailed in rule 5101:9-7-05 of the Administrative Code.

(8) "Local workforce development board (LWDB)" means the board established by chief elected officials per section 107 of the WIOA to set policy and to be responsible for administration and oversight of the local workforce development system in collaboration with the required and additional partners and local workforce stakeholders.

(9) "Workforce development activity" as defined in section 6301.01 of the Revised Code, means an activity carried out through a workforce development system with the primary goal of achieving one or more of the following:

- (a) Help maximize employment opportunities;
- (b) Help employers gain access to skilled workers;
- (c) Help employers retain skilled workers;
- (d) Help develop or enhance the skills of incumbent workers;
- (e) Improve the quality of the state's workforce; and
- (f) Enhance the productivity and competitiveness of the state's economy.

(B) The subgrantee shall enter into a subgrant agreement with ODJFS before receiving workforce development funds. The subgrantee may only expend workforce development funds on activities and in a manner consistent with the approved WIOA local plan and subgrant agreement. The subgrantee shall ensure all workforce development funds included in the subgrant agreement are used in accordance with the following:

- (1) All U.S. department of labor (DOL) WIOA provisions and all federal regulations, including 20



C.F.R. 652 as promulgated by DOL and any amendments thereto;

(2) The administrative requirements and procedures established under 29 C.F.R. 97 and 2 C.F.R. 200, as they relate to the application, acceptance, audit, and use of federal funds, except where such administrative requirements and procedures have been superseded or augmented by WIOA legislation, state law, local regulations and laws, or other federal law;

(3) State and federal laws and regulations, including any applicable executive orders;

(4) The state plan for receipt of federal financial participation;

(5) The terms and conditions of the grant award; and

(6) Applicable grant agreements between ODJFS and federal agencies.

(C) The subgrantee shall make available for examination all records with respect to matters covered by this rule during normal business hours and as often as ODJFS may deem necessary. As the recipient of the federal grant and in accordance with state and federal regulations, ODJFS has the authority to:

(1) Examine all records of the subgrantee. Should records not meet the standards established by the generally accepted accounting practices, ODJFS reserves the right to withhold any or all of its funding to the subgrantee until such time as they do meet these standards;

(2) Examine all forms and documents used, including, but not limited to, purchase orders, supply requisitions, invoices, journal vouchers, travel vouchers, payroll checks, and other checks used by the subgrantee;

(3) Require the subgrantee to use any or all of ODJFS accounting or administrative procedures used in the planning, controlling, monitoring, procurement, and reporting of all fiscal matters;

(4) Dispatch auditors of its choosing to any site where any phase of the program is being conducted, controlled, or advanced in any way, tangible or intangible. Such sites may include the home office,



any branch office or other locations of the subgrantee and its subgrantees, if such sites or the activities performed thereon have any relationship to the WIOA program. The subgrantees' agreements with lower-tier subgrantees must allow for the same level of access by ODJFS and its auditors as described in this paragraph;

(5) Conduct physical inspections and require such physical safeguarding devices as locks, alarms, safes, fire extinguishers, etc., to safeguard property and/or equipment; and

(6) Attend any and all of the subgrantees' staff meetings, board of directors meetings, advisory committee meetings, and advisory board meetings if an item to be discussed relates to the operation of the local area.

(D) In the event that the federal government, directly or through its agencies, requires ODJFS to repay funds because of misfeasance, malfeasance, or nonfeasance by the subgrantee, the subgrantee shall be liable for any such funds that the federal government has ordered repaid. Disputes between ODJFS and the subgrantee shall be resolved according to section 5101.24 of the Revised Code. The subgrantee is the responsible entity or responsible county grantee for purposes of applying section 5101.24 of the Revised Code.

(E) The subgrantee shall be responsible for all workforce development funds received including all associated actions.

(1) The subgrantee shall ensure that every officer, director, agent or employee authorized to act on behalf of the subgrantee in receiving or depositing funds into program accounts, or in issuing financial documents, checks, or other instruments of payment for payment of program costs shall be bonded so as to provide adequate protection against loss.

(2) The subgrantee shall ensure prompt payment relating to employment including, but not limited to, unemployment compensation contributions or reimbursements, insurance premiums, workers' compensation premiums, all income tax deductions, social security deductions, public employment retirement system contributions, and any and all other employer taxes and payroll deductions required by law or contract for all employees, trainees, work experience participants, and anyone receiving monetary benefits as a result of participation in WIOA programs.



(3) The subgrantee shall establish such management and fiscal controls and reports as are necessary to maintain effective controls and safeguards to prevent abuses or misuse of funds and be in compliance with the subgrantee monitoring rule, rule 5101:9-1-88 of the Administrative Code, and prevent any misuse of funds by any entity with whom it subcontracts. All provider subcontracts entered into by the subgrantee are subject to review and shall be made available upon request by the recipient.

(4) The subgrantee shall appoint a fiscal agent that receives and manages all workforce development funding. On behalf of the subgrantee the fiscal agent shall:

(a) Establish and maintain separate accounting records for the management of the workforce development funds in accordance with the rules of funding for workforce development activities;

(b) Utilize the county finance information system (CFIS) as a unified financial reporting system as set forth in 20 C.F.R. 683.300;

(c) Utilize the random moment sample (RMS) system for reporting staff and/or administrative costs as detailed in rule 5101:9-7-20 of the Administrative Code and ODJFS U.S. department of health and human services (DHHS) cost allocation plan in compliance with 2 C.F.R. part 200. All WIOA stand alone areas shall allocate their costs in accordance with rule 5101:9-31-17 of the Administrative Code; and

(d) Implement fiscal practices in accordance with rules 5101:9-7-04, 5101:9-7-04.1, and 5101:9-7-05 of the Administrative Code.

(F) The subgrantee shall adhere to procurement requirements for all goods and services as outlined in rule 5101:9-4-07 of the Administrative Code, unless the local area requirements are more restrictive.

(G) Subgrantees shall not purchase personal property or equipment for administrative and/or programmatic purposes with federal funds without written approval from ODJFS if the purchase exceeds five thousand dollars. Purchase of real property or new construction is prohibited. The



subgrantee shall not loan any workforce development funds.

(H) The subgrantee may be reimbursed for necessary and reasonable indirect costs if:

(1) The local area is included in a county-wide central cost allocation plan developed and maintained by the board of county commissioners (BOCC).

(2) In the case of all other local areas, the subgrantee has obtained prior approval of an indirect cost allocation plan from a federal agency from which the subgrantee is receiving funds and that has been assigned responsibility by the U.S. office of management and budget (OMB) for approving the subgrantees' indirect cost proposal. The subgrantees without a federal cognizant agency must receive approval of an indirect cost allocation plan from ODJFS before charging indirect costs.

(I) The subgrantee in administering its local area, shall comply with the standards of conduct for maintaining the integrity of the project and avoiding any conflict of interest in its administration including, but not limited to, federal WIOA regulations and Ohio ethics law.

(1) Every reasonable course of action will be taken by the subgrantee in order to maintain the integrity of all expenditures of public funds and to avoid any favoritism or questionable or improper conduct.

(2) The local area will be administered in an impartial manner, free from personal, financial, or political gain. The subgrantee, its executive staff and employees, in administering any and all subgrants, will avoid situations that give rise to a suggestion that any decision was influenced by prejudice, bias, special interest, or personal gain.

(3) Members of the subgrantee who are either executive agency lobbyists or who employ one must register and be in compliance with sections 121.61 to 121.69 of the Revised Code.

(J) The subgrantee shall retain all records in accordance with rule 5101:9-9-21 of the Administrative Code pertaining to this program for at least a period of three years or longer as required by local, state, and federal laws.