

Youth DET Contract Policy 14
Procedure for Processing In and Out of School Youth Payments

I. Purpose

This policy outlines the payment policies and procedures for In and Out of School Youth Programs funded with federal WIOA and state Blue Collar funds. These programs are provided on a contractual basis by a variety of organizations. This policy and procedure provides guidance to DET Fiscal Unit, DET Contract Unit, and Youth Program Providers. It is a result of a USDOL monitoring finding issued on March 23, 2020.

II. General Rules

1. No payment shall be made until a contract is fully executed with all signatures and DET fiscal has been provided a copy of this executed contract.
2. Monthly financial reports are necessary and trigger the disbursements of payment. Attachment A is the standard monthly financial report. See section III in this document for additional guidance.
3. Each executed contract will contain language regarding financial reporting and close out timeframes and at least two appendices that provide information regarding payment:
 - a. Cost Reimbursement Budget-line item budget approved. Contractors will request reimbursement in accordance with this budget on the monthly financial report. Contractors may request modification to the contract to adjust approved budget. Any approved modification will result in an executed contract modification.
 - b. Funding Source Summary-provides listing of all funding sources and amounts that support the contract.
4. An over expenditure of up to \$500 or 5% of the total line item whichever is greater, is allowable without contract modification if the total budget is not exceeded.
5. DET agrees to make payments within thirty (30) calendar days of receipt of all payment requests (submission of monthly financial report) if requests are in the manner prescribed, satisfactorily completed, and verification of services as described in section III.2.e. is completed. Once the payments are processed, it can take up to an additional 10 days for the funds to be disbursed.

One caveat here is if the Financial Report is submitted early. Financial Reports submitted prior to the 12th, will not be processed until monthly data validation is completed as this is required to authorize payment.

6. Generally, the Contract Specialist is the point of contact between Contractor and DET. If it is determined that DET Fiscal shall communicate with Contractor, Contract Specialist will help determine best personnel from Contractor for DET Fiscal to communicate with.
7. If an issue is identified in processing any request for payment, DET fiscal shall inform assigned Contract Specialist who will communicate issue and solution to Contractor or implement other agreed upon action.
8. First State Financial (FSF) is the state's accounting system that processes payments. For efficiency, the state will look to combine any payment to the same contractor based on a Vendor ID within FSF. A payment advice should come to contractor to show details of payments received.
9. Any State Entity with a contract will be required to use the Intergovernmental Voucher (IV) process in FSF to receive funds. Any requirement for State entities will be *italicized* within the outline procedures of this policy.

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10. DET Fiscal will maintain a payment tracking spreadsheet for contracts to use to determine if/when payments were processed. At a minimum this will include contract name, contract number, invoice type, invoice date, invoice amount, payment amount processed, payment process date, and payment reference number. This will be made available to the Contract Unit. This will be maintained on the W drive in the “Fiscal” folder.
11. DET Fiscal will provide draft 9130 to Contract Unit Administrator prior to submission to enable Contract Unit to review and communicate any concerns or provide any comments that should accompany the report. Once submitted, DET Fiscal shall maintain all submitted federal 9130 reports (specifically for youth) on the W drive in the “Federal Reports” folder.
12. Financial reports are expected monthly (even reporting zero or no new expenditures). If the Contractor does not submit monthly financial reports for three months (not necessarily consecutive), DET will place contractor on corrective action. No financial report can cover more than one month. If a month is missed, multiple financial reports shall be submitted.
13. A request to waive a portion of this policy including a request to edit the template forms attached must be submitted via email to the assigned Contract Specialist. DET has sole discretion to approve or deny requests.

III. Monthly Financial Report Procedure

1. Contractors will submit a monthly financial report for any cost reimbursement expenditures. This will be on the form prescribed (Attachment A) and any approved variations.
Due: 12th of every month for expenditures through the month prior. Financial Reports submitted prior to the 12th, will not be processed until monthly data validation is completed as this is essential to authorize payment.
Submitted: Emailed to DOL_DET_FISCAL_HELP@delaware.gov and cc the assigned contract specialist.
Responsible for Submitting: Contractor
2. Upon receipt, DET Contract Specialist will:
 - a. Check mathematical calculations;
 - b. Compare to cost reimbursement budget in contract or most recent modification to ensure the line items and amounts in the “Total Budget” column are the same;
 - c. Ensure the cumulative expenditures reported to not exceed the line item amounts in the approved budget. The exception to this is an over expenditure of up to \$500 or 5% of the total line item whichever is greater, is allowable without contract modification if the total budget is not exceeded;
 - d. Compare to the prior month’s financial report submission to determine any discrepancies;
 - e. Verify that services were provided for the period of reimbursement being requested (typically the month before the financial report submission date). This will be accomplished by any one of the following methods:

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- i. New services and/or enrollment(s) with start dates in the billing period are documented in Delaware JobLink and verified on the routine monthly data validation process (query); or
- ii. Participation Hours within the billing period are documented in Delaware JobLink and verified on the routine monthly data validation process (query); or
- iii. Review of Case Notes in Delaware JobLink for at least 5 randomly selected participants who have services that are either in “In-Progress” or have a Follow-up service with start and estimate ends that include the billing period documented in Delaware JobLink and verified on the routine monthly data validation process (query). Case notes shall include evidence that service delivery occurred; or
- iv. Completed file review or desk audit that supported services in the billing period. This will be documented in report or memo within the electronic contract file; or
- v. During the billing period Contract Specialist, was on site and witnesses service delivery through observation or participant interview. This will be documented in report or memo within the electronic contract file.

Note about verification: The methods described above are what DET will use to determine if services were provided to support processing payments. They do not verify that goods or services where received by the contractor. All documentation for expenditures will be maintained by the contractor in accordance with their contract. DET’s auditor will conduct monitoring of cost reimbursement reported expenditures to review documentation that supports reported expenditures on the Financial Reports. Nothing in this policy replaces the role and responsibility of DET’s auditor and the need to fiscally monitor contractors.

- f. Contract Specialist will complete Section VI on the submitted Financial Report by indicating which of the verification of services methods described in e. above was used. If denial of original submission occurs, Contract Specialist and Contractor will work to resolve issues with the goal of payment. These will be saved on the W drive in the appropriate folder.

Contract Specialist will send the completed Financial Report to the Fiscal Administrative Officer and the Fiscal email box

DOL_DET_Fiscal_Help@delaware.gov with subject line “Approved Contract Name Contract # and Month Year”.

Contract specialist will have 10 days from the date the Financial report is submitted to process authorization or denial if needed.

- g. DET Fiscal Unit will verify the approved amount due and process the payment within 20 days of receipt from the Contract Unit and update the internal payment tracking sheet.

State Entities: DET Fiscal Unit will email Contractor and copy Contract Specialist requesting the IV be initiated for the amount approved. The amount will be provided in the email. This should be the total amount indicated in the “Billed this Period” column. The comment section on the IV shall reference the contract

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number. If an IV needs to be adjusted, fiscal staff will contact the contractor to request adjustment.

IV. Questions

1. All questions shall be routed to the assigned Contract Specialist.
2. Some issues may need to be resolved at the Division of Accounting. This would include how a contractor is set up in FSF to receive payment, edit bank account information, change how payments are received, etc.. The contact number for Division of Accounting helpdesk is 302-526-5600 or via email at FSF_Supplier_maintenance@delaware.gov.

Delaware Division of Employment & Training MONTHLY FINANCIAL REPORT						
SECTION I - CONTRACTOR DATA						
Month Submitted:	March/2020	Billed this Period covers (one month period):			February/2020	
Contract Period:			Final Financial Report:			
	Start	End	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes			
Agency Name:						
Contract #:				SOURCE OF FUNDS	WIOA Youth	<input type="checkbox"/>
Program Name:					Blue Collar	<input type="checkbox"/>
					Pre-Apprenticeship	<input type="checkbox"/>
					TRAIN	<input type="checkbox"/>
					TANF	<input type="checkbox"/>
					Learning for Careers	<input type="checkbox"/>
					Other:	<input type="checkbox"/>
SECTION II - ACCOUNT OF EXPENDITURES BY LINE ITEM (INCLUDING ACCRUALS)						
	Expenditure for 01-20	Previously Reported	Billed this Period	Cumulative Expenses	Budget	Remaining Amount
1 Staff Salaries			-	-	-	-
2 Staff Fringe Benefits			-	-	-	-
3a Staff Salary & Fringe (1 + 2)	X		-	-	-	-
3b Salary and Fringe for WEX (of 3a)			-	-	-	-
4 Supportive Services to Participants			-	-	-	-
5 Rent			-	-	-	-
6 Custodial Services			-	-	-	-
7 Utilities			-	-	-	-
8 Consumable Office Supplies			-	-	-	-
9 Postage			-	-	-	-
10 Equipment & Furniture Purchase			-	-	-	-
11 Equipment & Furniture Rental			-	-	-	-
12 Tuition / Entrance Fees			-	-	-	-
13 Training Materials			-	-	-	-
14 Printing / Advertising			-	-	-	-
15 Travel - Student			-	-	-	-
16 Travel - Staff			-	-	-	-
17 Staff Training			-	-	-	-
18 Participant Wages	X	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
19 Participant Fringes	X					
20 Other Work Experience Expenses	X					
21 Insurance						
22 Professional Services						
23 Overhead / Indirect for Parent Org.						
24 Other						
25 Other						
TOTAL						

SECTION III - Comments						
Comments:						

SECTION IV - CONTRACTOR APPROVAL						
I certify that, to the best of my knowledge and belief, this report is correct and complete. All expenses reported here are for the purposes of this contract participants and this contract alone.						
Prepared By:				Authorized By:		
Name:				Name:		
Signatures:						

SECTION V - Submission Instructions						
This form must be submitted to: DOL_DET_Fiscal_Help@delaware.gov & cc your Contract Specialist						
REPORT IS DUE ON THE 12th OF EACH MONTH						

SECTION VI - DOL E&T REVIEW						
Received form via email on				IV# for payment of this Financial Report: (Entered by Fiscal for state entities only)		
<input type="checkbox"/> New services entered for the billing period (month prior)				<input type="checkbox"/>		
<input type="checkbox"/> New Enrollment(s) entered for the billing period (month prior)				<input type="checkbox"/>		
<input type="checkbox"/> Services in progress for the billing period (month prior) 5 participants checked for case notes to ensure services were delivered				<input type="checkbox"/>		
<input type="checkbox"/> Completed File Review or Desk Audit that supported services delivered				<input type="checkbox"/>		
<input type="checkbox"/> Site visit conducted during the billing period and service delivery observed				<input type="checkbox"/>		
<input type="checkbox"/> Approved for Payment by Contract Specialist Date				<input type="checkbox"/>		
<input type="checkbox"/> Denied for Payment Due to:				<input type="checkbox"/>		