

WIOA Guidance Letter 24 -01



DATE: April 3, 2024
TO: Kansas Office of Apprenticeship
1000 SW Jackson St, Topeka, KS 66612
FROM: Mike Beene, Assistant Secretary
CC: Workforce Services, Fiscal
RE: Apprenticeship Budgetary Controls

Purpose: To Establish Effective Budgetary Control Procedures for all Apprentice Grants and Apprenticeship Funding

References: 2 CFR 200.300 – 200.346

Background: The Kansas Office of Apprenticeship was established in 2022 and has been funded through competitive and highly specific federal grants as well as funding through the State of Kansas. With many different funding streams supporting Registered Apprenticeship activities, it is imperative to have a policy and procedure in place to ensure that budgetary controls are in place and cost are categorized correctly.

Policy Statement

As per Federal Regulations found at 2 CFR 200.300 – 200.3462, the Kansas Office of Apprenticeship financial management system must provide comparison of expenditures with budget amounts for each Federal award.

Kansas Office of Apprenticeship is also required to report deviations from budget or project scope or objective and request prior approvals from Federal awarding agencies for budget and program plan revisions in accordance with 2 CFR 200.308(c). The reasons are listed below.

Per these Federal Regulations, the Kansas Office of Apprenticeship must adopt the Procedures below to ensure effective budgetary controls for all the apprenticeship funding streams and to report any budget deviations and budget modifications accordingly.

Budget Deviations

Per Federal regulations found at 2 CFR 200.308(c), the Kansas Office of Apprenticeship will notify the Federal awarding agency of budget deviations for the following reasons:

- (1) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

- (2) Change in a key person specified in the application or the Federal award.
- (3) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.
- (4) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with 2 CFR 200 subpart E as applicable.
- (5) The transfer of funds budgeted for participant support costs to other categories of expense.
- (6) Unless described in the application and funded in the approved Federal awards, the sub-awarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards as described in [2 CFR 200.333](#). This provision does not apply to the acquisition of supplies, material, equipment or general support services.
- (7) Changes in the approved cost-sharing or matching provided by the non-Federal entity.
- (8) The need arises for additional Federal funds to complete the project.

The Kansas Office of Apprenticeship must request prior approvals from the Federal awarding agency using the process and forms required by the Federal awarding agency.

Budget Modifications

Per regulations at 2 CFR 200.308 (f) the Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for Federal awards in which the Federal share of the project exceeds the simplified acquisition threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency.

Per this regulation, the Kansas Office of Apprenticeship must notify the Federal awarding agency of any transfer of funds among direct cost categories or programs that is expected to exceed 10 percent of the total budget. The Kansas Office of Apprenticeship must request a formal budget modification and receive approval before transferring funds.

The Federal Project Officer will be notified of any budget deviations or changes within a cost category that do not require approval or when a formal budget modification is not triggered. The Federal Project Officer will be notified initially via email and again on the next Quarterly Narrative Reports.

Procedures

Grant budget monitoring will be done by the assigned Grant Managers on an ongoing basis.

Assigned Grant Managers and the Kansas Office of Apprenticeship (KOA) Director will meet at least monthly to monitor budget reports at their regular standing meetings.

KOA Director and Grants Analyst will meet to review all charges and budgets on the 15th of each month, or next business day if the 15th falls on a weekend, to review the previous month and inform Fiscal of any changes as necessary.

Commerce Fiscal will have 45 days from notice of changes and/or corrections to make any necessary changes and/or corrections to cost items.

The tools used to monitor expenditures will be Line-Item Budget, categorized budget reports from fiscal, Chart of Accounts, and other known or expected budget needs.

For questions or additional technical assistance, please email to: WorkforceSvcs@ks.gov