East Arkansas Planning & Development District
Board of Directors Agenda
Thursday, September 10, 2026
11:00 am

1. Call to Order

2. Roll Call

3. President Comments

4. EAPDD Minutes 06-11-26

5. EAPDD Financial Reports
   a. Financial Statements – July 1, 2025 to June 30, 2026
   b. Financial Statements – July 1, 2026 to July 31, 2026

6. EAPDD Department Reports/Items
   a. Financial Services
   b. ECD Services
   c. WIOA Services

7. EAPDD Accounting Policies & Procedures

8. Appropriations Training with Rick Crawford's Office
   Thursday, 10-22-26 at 1 p.m.
   RSVP Required - https://www.eapdd.org/rsvptraining10-22-26

9. Administrative Update

10. Other Business

11. Adjourn

Next Board Meeting Date:
Date: Thursday, December 10, 2026
Time: 11 am
Location: EAPDD 2905 King St, Jonesboro, AR 72401

Meeting dates and packets are also available at https://www.eapdd.org/meetings.

East Arkansas Planning & Development District
Board Meeting Minutes
06-11-26
11 a.m.
2905 King St, Jonesboro, AR 72401

Agenda Item 1. Call to Order
President Hobbs called the meeting to order.

Agenda Item 2. Roll Call
The Roll Call was as follows:

Name	Present	Absent
Barnhill, Judge Gary	X	
Blake, Judge Lynn	X	
Brick, Mayor Tracy	X	
Bryant, Mayor Larry	X	
Carter, Judge J.C.	X	
Creecy, Mayor Rick	X	
Day, Judge Marvin		X
Futrell, Mayor Keith	X	
Hicks-Gilbert, Mayor Lisa		X
Hobbs, Mayor Jennifer	X	
Hunter, Bevin	X	
Johnson, Mayor Danny	X	
Jones, Judge Craig		X
McCollum, Mayor Charles	X	
McMillon, Judge Rusty	X	
Neill, Mayor Dianne	X	
Patterson, Judge Mike		X
Sandefer, Judge Terry	X	
Shaw, Mayor Dan	X	
Sisco, Mayor Emily	X	
Snapp, Mayor Charles	X	
Stevens, Mayor Ora		X
Wheeless, Judge Woody	X	
Whitfield, Mayor Joseph	X	
Wicker, Judge Ben	X	
Total	20	5

There was a quorum.

Agenda Item 3 – President Comments
President Hobbs welcomed everyone to the meeting.

Agenda Item 4 – EAPDD Minutes – 03-12-26

President Hobbs said the minutes were included in the packet and would entertain a motion to accept the minutes as presented.

Judge Wheeless moved to accept the minutes as presented. Mayor Shaw seconded it. The motion passed unanimously.

Agenda Item 5. EAPDD Financial Statements

President Hobbs recognized Brent Cassady to present Agenda Item 5.a. Financial Statements – July 1, 2025 to April 30, 2026.

After some discussion, Mayor Snapp moved to accept the financial statements as presented. Mayor Shaw seconded it. The motion passed unanimously.

Brent presented on Agenda Item 5.b. Annual Budget – July 1, 2026 to June 30, 2027.

After some discussion, Mayor Creecy moved to accept the annual budget as presented. Judge Blake seconded it. The motion passed unanimously.

Agenda Item 6. EAPDD Department Reports/Items

President Hobbs recognized each department to make a report.

a. Financial Services – Mike Willyerd presented on Financial Services. The presentation provided a summary for July 2025 to April 2026 with jobs created, active loans, success story, loan applications received, and updates.
b. ECD Services - Sara Stocker presented on ECD Services. The presentation provided the project totals by agency, latest awards, latest news, and important information.
c. WIOA Services – Mike Willyerd presented on WIOA Services. The presentation provided the participants served by occupational skills training, supportive services, and work experience; WIOA spotlight success story; and area served.

The agenda item was informational only, and no motion was required.

Agenda Item 7. Community Awareness – Gabe Holmstrom, Principal of Capitol & Main

President Hobbs introduced Gabe Holmstrom to present on Issue #3: Gives Local Communities the Ability to Create Economic Development Districts in Arkansas. Gabe provided overview of the issue and the tools available if the issue is approved.

The agenda item was informational only, and no motion was required.

Agenda Item 8. Administrative Update

President Hobbs recognized James to present. The board was notified of the following updates:

- Appropriations Meeting - EAPDD staff announced an upcoming October meeting with Congressman Rick Crawford's office to help municipalities prepare early for federal appropriations requests.
- WIOA Funding - State proposed WIOA changes that could eliminate local workforce funding by June 30, 2027. James noted that these changes could result in staff reductions and that EAPDD is awaiting additional guidance from the State before communicating further details.
- Future Outlook - EAPDD has continued to streamline operations and maintain strong operational assets, positioning the organization to better manage future funding changes. He emphasized that EAPDD remains committed to supporting growth and providing valuable services throughout the 12-county district and thanked the Board for its leadership and guidance during this period of transition.

The agenda item was informational only, and no motion was required.

Agenda Item 9. Election of Officers
President Hobbs asked the board about the election of officers.

Judge Blake made the motion to keep the current officers for another year as follows:

- **President – Mayor Jennifer Hobbs**
- **1st Vice President – Judge Rusty McMillon**
- **2nd Vice President – Judge Woody Wheeless**
- **Secretary – Mayor Tracy Brick**
- **Treasurer – Mayor Dan Shaw**

Mayor Snapp seconded the motion. The motion passed unanimously.

Agenda Item 10. Other Business
President Hobbs asked the board if there was any other business.

No other business was discussed.

Agenda Item 11. Adjourn
President Hobbs asked if there was a motion to adjourn.

Mayor Shaw moved to adjourn the meeting. Judge Blake seconded the motion. The motion passed unanimously.

The next Board meeting date is 09-10-26.

____
President's Signature & Date

BRENT G. CASSADY

Certified Public Accountant, PLLC

108 E. Huntington, Ave., Jonesboro AR 72401 PH 870.932.1755

East Arkansas Planning & Development District
Board of Directors,

The accompanying financial statements of the East Arkansas Planning & Development District for the period July 1, 2025 through June 30, 2026 were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on them.

Brent Cassady

Brent G. Cassady, CPA, PLLC

August 18, 2026

East Arkansas Planning & Development District
Statement of Financial Position
Modified Cash Basis
As of June 30, 2026

ASSETS	
Current Assets	
Checking/Savings	
11100 · EAPDD Operating	$ 456,433.39
11310 · Revolving Loan Fund	1,048,800.83
11315 · Revolving Loan Fund - CARES Act	591,950.61
11325 · WIOA Program	330.28
Total Checking/Savings	2,097,515.11
Total Current Assets	2,097,515.11
Fixed Assets	
15000 · Building & Equipment	1,308,186.83
15500 · Accumulated Depreciation	(749,430.00)
Net Fixed Assets	558,756.83
Other Assets	
17310 · N/R - EDA-RLF	452,159.94
17315 · N/R - CARES Act RLF	1,260,921.72
Total Other Assets	1,713,081.66
TOTAL ASSETS	$ 4,369,353.60
LIABILITIES & NET ASSETS	
Liabilities	
Current Liabilities	
Credit Cards Payable	$ 3,905.87
24000 · Payroll Liabilities	8,934.61
Total Current Liabilities	12,840.48
Total Liabilities	12,840.48
Net Assets	
31000 · Net assets with Donor Restrictions	3,354,163.38
32000 · Net Assets without Donor Restrictions	1,002,349.74
Net Assets	4,356,513.12
TOTAL LIABILITIES & NET ASSETS	$ 4,369,353.60

See Accountant's Disclaimer

Substantially all disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting are not included.

East Arkansas Planning & Development District
Statement of Activities
Modified Cash Basis
July 1, 2025 through June 30, 2026

	Operations	E&CD	FS	WIOA	TOTAL
Revenue					
43501 · WIOA Grants	-	-	-	1,027,549.31	1,027,549.31
43600 · SHRM Admin Fee	-	-	-	10,500.00	10,500.00
43900 · DRA Technical Assistance	-	24,214.20	-	-	24,214.20
44100 · State	45,000.00	-	-	-	45,000.00
44200 · Local Dues	68,977.80	-	-	-	68,977.80
44400 · Interest on RLF Loans	-	-	117,967.24	-	117,967.24
44410 · RLF - Other Income	-	-	1,199.48	-	1,199.48
44610 · AEDC Grant Management	-	245,150.50	-	-	245,150.50
44640 · EDA Grant Administration	-	128,930.00	-	-	128,930.00
44650 · DRA Grant Administration	-	48,103.14	-	-	48,103.14
44800 · Interest Income	9,988.98	-	43,809.11	0.40	53,798.49
44900 · Miscellaneous Income	5,000.00	-	1,167.20	-	6,167.20
Total Revenue	128,966.78	446,397.84	164,143.03	1,038,049.71	1,777,557.36
Expense					
60120 · Wages	-	168,451.01	81,084.81	648,516.83	898,052.65
60122 · Payroll Tax Expense	203.71	13,168.26	6,335.18	50,135.06	69,842.21
60124 · Workers' Comp Insurance	3,042.61	-	-	-	3,042.61
60126 · Insurance - Group Medical	10,463.13	39,534.65	3,464.34	57,487.46	110,949.58
60128 · Retirement Plan Expense	5,715.62	6,738.03	3,243.27	11,036.74	26,733.66
60140 · Travel and Meetings	3,724.11	6,714.09	1,110.04	486.95	12,035.19
60142 · Mileage reimbursements	1,241.43	406.50	850.63	12,406.32	14,904.88
60144 · Fuel	46.72	1,426.33	89.43	-	1,562.48
60150 · Printing and Copying	1,710.33	1,693.48	-	1,053.17	4,456.98
60160 · Supplies	4,643.46	1,882.93	437.00	1,403.03	8,366.42
60170 · Advertising	134.80	-	-	-	134.80
60175 · Bank fees	623.56	-	994.98	485.45	2,103.99
60180 · Dues & Registrations	7,400.00	4,688.16	35.00	-	12,123.16
60190 · Contract Services	-	8,000.00	-	15,780.00	23,780.00
60230 · Legal Fees - Other	1,170.00	60.00	4,299.40	210.00	5,739.40
70120 · Accounting & Auditing	49,806.00	3,000.00	10,245.30	12,969.50	76,020.80
70130 · Insurance - General	22,853.08	-	4,823.80	4,971.89	32,648.77
70140 · Books, Subscriptions, Reference	3,956.77	27.85	189.00	711.89	4,885.51
70150 · Postage & Shipping	250.00	33.40	-	-	283.40
70160 · Repairs & Maintenance	8,617.09	2,426.01	120.41	1,656.33	12,819.84
70170 · Building Repairs & Maintenance	2,350.28	-	-	-	2,350.28
70180 · Telephone, Telecommunications	7,740.50	-	-	5,856.59	13,597.09
70185 · Telephone - Cellular	63.52	286.30	-	-	349.82
70220 · Utilities	4,657.70	-	499.48	755.29	5,912.47
70230 · Rent - Office Space	-	-	-	11,040.47	11,040.47
70240 · Miscellaneous Taxes & Fees	0.54	28.00	7.72	-	36.26
70260 · Education & Training	-	600.00	-	-	600.00
70270 · Marketing	-	-	5,000.00	-	5,000.00
70290 · System Upgrades	10,714.01	541.42	-	-	11,255.43
70310 · Individual Training Accounts	-	-	-	70,667.00	70,667.00
70320 · Supportive Services	-	-	-	33,219.79	33,219.79
Total Direct Expense	151,128.97	259,706.42	122,829.79	940,849.76	1,474,514.94
Net Ordinary Income	(22,162.19)	186,691.42	41,313.24	97,199.95	303,042.42
60820 · Indirect P/R expense applied	-	29,273.61	14,336.39	54,515.36	98,125.36
70830 · Indirect costs applied	(151,128.97)	44,313.31	22,238.35	84,577.31	-
Total 70800 · Allocated Indirect Costs	(151,128.97)	73,586.92	36,574.74	139,092.67	98,125.36
Total Expense	-	333,293.34	159,404.53	1,079,942.43	1,572,640.30
YTD Revenue over (under) expense	128,966.78	113,104.50	4,738.50	(41,892.72)	204,917.06

See Accountant's Disclaimer

Agenda Item 5.a.

Substantially all disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting are not included.

BRENT G. CASSADY
Certified Public Accountant, PLLC

108 E. Huntington, Ave., Jonesboro AR 72401 PH 870.932.1755

East Arkansas Planning & Development District
Board of Directors,

The accompanying financial statements of the East Arkansas Planning & Development District for the period July 1, 2026 through July 31, 2026 were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on them.

Brent Cassady

Brent G. Cassady, CPA, PLLC

August 18, 2026

East Arkansas Planning & Development District
Statement of Financial Position
Modified Cash Basis
As of July 31, 2026

ASSETS	
Current Assets	
Checking/Savings	
11100 · EAPDD Operating	$ 483,690.22
11310 · Revolving Loan Fund	1,142,411.52
11315 · Revolving Loan Fund - CARES Act	598,567.51
11325 · WIOA Program	289.64
Total Checking/Savings	2,224,958.89
Total Current Assets	2,224,958.89
Fixed Assets	
15000 · Building & Equipment	1,308,186.83
15500 · Accumulated Depreciation	(749,430.00)
Net Fixed Assets	558,756.83
Other Assets	
17310 · N/R - EDA-RLF	358,855.74
17315 · N/R - CARES Act RLF	1,251,604.17
Total Other Assets	1,610,459.91
TOTAL ASSETS	$ 4,394,175.63
LIABILITIES & NET ASSETS	
Liabilities	
Current Liabilities	
Credit Cards Payable	$ 1,556.58
24000 · Payroll Liabilities	1,593.44
Total Current Liabilities	3,150.02
Total Liabilities	3,150.02
Net Assets	
31000 · Net assets with Donor Restrictions	3,351,728.58
32000 · Net Assets without Donor Restrictions	1,039,297.03
Net Assets	4,391,025.61
TOTAL LIABILITIES & NET ASSETS	$ 4,394,175.63

Agenda Item 5.b.

See Accountant's Disclaimer

Substantially all disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting are not included.

East Arkansas Planning & Development District
Statement of Activities
Modified Cash Basis
July 1, 2026 through July 31, 2026

	Operations	E&CD	FS	WIOA	TOTAL
Revenue					
43501 · WIOA Grants	-	-	-	55,454.95	55,454.95
43900 · DRA Technical Assistance	-	14,062.77	-	-	14,062.77
44100 · State	11,250.00	-	-	-	11,250.00
44400 · Interest on RLF Loans	-	-	6,585.27	-	6,585.27
44620 · FEMA Grant Administration	-	35,000.00	-	-	35,000.00
44640 · EDA Grant Administration	-	32,584.86	-	-	32,584.86
44800 · Interest Income	1,230.38	-	4,184.12	0.02	5,414.52
44900 · Miscellaneous Income	-	-	186.59	-	186.59
Total Revenue	12,480.38	81,647.63	10,955.98	55,454.97	160,538.96
Expense					
60120 · Wages	-	13,846.37	5,584.49	51,885.10	71,315.96
60122 · Payroll Tax Expense	-	1,081.61	436.23	4,009.22	5,527.06
60126 · Insurance - Group Medical	2,401.90	7,388.79	554.22	10,919.12	21,264.03
60128 · Retirement Plan Expense	287.95	553.87	223.37	885.43	1,950.62
60140 · Travel and Meetings	-	147.90	450.00	-	597.90
60142 · Mileage reimbursements	-	-	57.28	755.45	812.73
60144 · Fuel	-	157.60	-	-	157.60
60150 · Printing and Copying	180.11	-	-	-	180.11
60160 · Supplies	531.54	18.05	-	-	549.59
60175 · Bank fees	52.95	-	80.13	40.66	173.74
70120 · Accounting & Auditing	2,854.00	250.00	745.75	1,063.50	4,913.25
70130 · Insurance - General	5,449.00	-	-	-	5,449.00
70140 · Books, Subscriptions, Reference	348.00	-	19.00	-	367.00
70160 · Repairs & Maintenance	267.31	-	-	-	267.31
70180 · Telephone, Telecommunications	525.76	-	-	71.35	597.11
70185 · Telephone - Cellular	-	31.76	-	-	31.76
70220 · Utilities	477.93	-	45.94	-	523.87
70290 · System Upgrades	1,082.69	-	-	-	1,082.69
70310 · Individual Training Accounts	-	-	-	2,368.00	2,368.00
70320 · Supportive Services	-	-	-	274.29	274.29
Total Direct Expense	14,459.14	23,475.95	8,196.41	72,272.12	118,403.62
Net Ordinary Income	(1,978.76)	58,171.68	2,759.57	(16,817.15)	42,135.34
60820 · Indirect P/R expense applied	-	2,388.22	963.21	4,271.42	7,622.85
70830 · Indirect costs applied	(14,459.14)	4,530.03	1,827.04	8,102.07	-
Total 70800 · Allocated Indirect Costs	(14,459.14)	6,918.25	2,790.25	12,373.49	7,622.85
Total Expense	-	30,394.20	10,986.66	84,645.61	126,026.47
YTD Revenue over (under) expense	12,480.38	51,253.43	(30.68)	(29,190.64)	34,512.49

Agenda Item 5.b.

See Accountant's Disclaimer

Substantially all disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting are not included.

Financial Services
September 2026

SUMMARY
July 2025 - June 2026

Active Cares Act RLF Loans
Total **$1,260,921**

Active Original RLF Loans
Total **$452,159**

CARES RLF Available for Lending
Total **$591,950**

Original RLF Available for Lending
Total **$1,048,800**

Loan Applications Received
Total **14**

89 CARES ACT RLF
DIRECT JOBS CREATED

22 REGULAR RLF
DIRECT JOBS CREATED

COMMUNITY ENGAGEMENT

EAPDD participated in a lender panel at the Arkansas Human Development Corporation's Small Business Development Conference on May 21, 2026, at Arkansas Northeastern College in Blytheville.

Alongside five other lenders, EAPDD provided information on its Revolving Loan Fund and answered questions regarding financing options, eligibility requirements, and resources available to support small business growth and expansion.

Meet the Panelists

Candence Brooks, Economic Development Loan Officer, Communities Unlimted. Email: Candence.Brooks@communitiesu.org

Max Gurley, City President, Southern Bancorp.
Email: max.gurley@banksouthern

Sam Jackson, Senior Vice President, Commercial Lending, Farmers Bank and Trust.
Email: sam.jackson@myfm.bank

Richard (Rick) Ricciardi, Vice President, Business Development Officer - SBA Lending, FNBC.
Email: rricciardi@fnbc.us

Latanyua Robinson, East Arkansas Regional Director, FORGE.
Email: Latanyua@forgefund.org

Mike Willyerd, Director of Financial Services, East Arkansas Planning and Development District.
Email: mwillyerd@eapdd.com

FINANCIAL SERVICES INFORMATION

East Arkansas Planning & Development District is dedicated to be a source of funding for start-up and growth of small businesses throughout Eastern Arkansas.

The Revolving Loan Fund (RLF) exists for the purpose of lending to business entities who are unable to obtain financing through traditional means at competitive interest rates and flexible terms, in turn, creating or retaining jobs across our region.

Continued collaboration and meetings with regional bank leaders, Chambers of Commerce, Community Based Organizations, partner agencies, and the Arkansas State Small Business and Technology Development Center (ASBTDC).

CONTACT INFORMATION

Mike Willyerd
Financial Services Director / mwillyerd@eapdd.com

For More Information, Visit:
www.eapdd.com/financialservices

Application:
www.eapdd.com/rlfapp

Economic & Community Development

September 2026

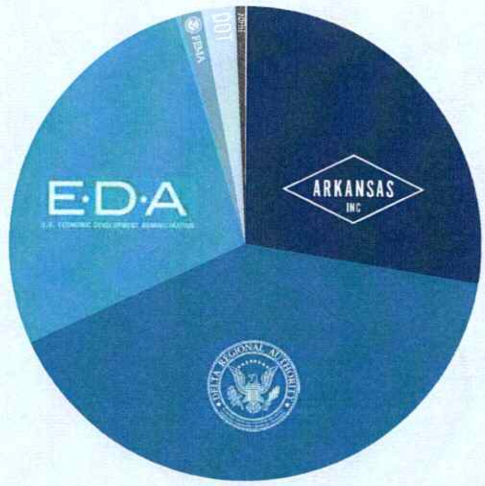
EAPDD
East Arkansas Planning & Development District

PROJECT TOTALS BY AGENCY

AEDC	27	$11,925,335
DRA	20	$17,457,818
EDA	5	$11,690,402
ADEM	2	$115,798
FEMA	2	$656,342
DOT	2	$999,000
PARKS	3	$298,625
OTHER	1	$51,700

62
TOTAL PROJECTS

$43,195,020
TOTAL AGENCY INVESTMENTS



LATEST NEWS

- **Arkansas Economic Development Commission (AEDC)**
  - The Arkansas Economic Development Commission deadlines for the following funding opportunities is October 16, 2026.
  - To allow EAPDD adequate time to review all documentation, address any missing or incorrect information, and prepare a complete and competitive application, all required application information and supporting documentation must be provided to our office no later than **Monday, October 5, 2026**.
    - **Community Development Block Grant**
      - Must have an active SAM.gov registration at time of application and throughout the project
      - $500,000 max ask, no match required
      - Must have a Low-to-moderate income percentage of 51% or higher OR the project must serve low-to-moderate income clientele (i.e. Homeless shelters, food pantries, senior centers, youth centers, health departments, etc.)
      - Must hold a public hearing at your city council or quorum court meeting for comments and to pass 4 required resolutions
      - Any construction projects must include a preliminary engineering report and cost estimate
      - Eligible projects: water / wastewater system improvements, drainage, streets, storm shelters, etc.
    - **Rural Services Block Grant**
      - Must have an active SAM.gov registration at time of application and throughout the project
      - Must have a Low-to-moderate income percentage of 51% or higher
      - Population requirement of 3,000 or less.
      - $100,000.00 max ask with a 10% required match
      - Eligible projects: new construction or renovation to community center, new construction or renovation to fire station, fire trucks, specialized life-saving equipment, turnouts, etc.
      - Must hold a public hearing at your city council or quorum court meeting for comments and to pass 4 required resolutions

IMPORTANT INFORMATION

- Any city, county, or eligible entity applying for federal or state funding **MUST** have an active **SAM.gov** registration. Registration must remain current from application through grant closeout. An expired registration may result in disqualification of a funding application or delays in receiving grant funds.
- **Rate Studies:** For any water or sewer projects, applicants **MUST** have a completed rate study and proof of implemented rate adjustments to be considered eligible for funding.
- **Arkansas Act 605:** All Water Service Providers **must** complete a rate study a minimum of every 5 years before any major development project. The upcoming deadline for providers that serve more than 1,000 customers is July 1, 2026.

Sara Stocker
Economic & Community Development Manager
sstocker@eapdd.com

Courtney Nance
Economic & Community Development Coordinator
cnance@eapdd.com

Miranda Sullens
Economic & Community Development Coordinator
msullens@eapdd.com

WIOA Services
September 2026

PARTICIPANTS SERVED

July 2025 - June 2026

66 Participants in Occupational Skills Training

- Adults - 58
- Dislocated Workers - 8
- Youth - 0

47 Participants in Supportive Services

- Adults - 39
- Dislocated Workers - 8
- Youth - 0

86 Participants in Work Experience

- Adults - 43
- Dislocated Workers - 2
- Youth - 41

WIOA SPOTLIGHT SUCCESS STORY

Donald Bauer - WIOA Adult | Work Experience | City of Osceola
Donald entered New Mt. Pleasant Outreach Ministries Shelter in Osceola as a homeless, long-term unemployed individual receiving SNAP benefits. Donald completed the work experience as a groundskeeper. The experience helped him develop workplace skills, secure stable housing, and gain employment with the City upon completion of the program.

Katelin Westbrook - WIOA Adult | Occupational Skills Training | Greene Acres Nursing Home
Katelin sought assistance from the Jonesboro Workforce Center after being accepted into the Licensed Practical Nursing (LPN) Program at Black River Technical College. Unemployed, supporting four children, and receiving SNAP benefits, she qualified for assistance. After completing the program and obtaining her license, Katelin secured full-time employment, achieving a stable career and greater financial security for her family.

AREA SERVED

The Northeast Arkansas Workforce Development Area (NEAWDA) comprises the following seven (7) counties:

STAFF CONTACTS

Charlotte Rose
870-930-2165
crose@neaworks.com

Teresa McDonald
870-203-7186
tmcdonald@neaworks.com

Jennifer McFarland
870-930-2163
jmcfarland@neaworks.com

Tanya McMillen
870-239-6531
tmcmillen@neaworks.com

WIOA Application for services - https://www.neaworks.com/application.html

EAPDD

East Arkansas
Planning & Development District

East Arkansas Planning & Development District's
Accounting Policies and Procedures
Approved by the EAPDD Board of Directors – ________________________________

Table of Contents

Section 1. Purpose, Authority, and Scope

A. Purpose:

Establish financial management standards for all programs and operations administered by EAPDD.

B. Authority/Compliance with:

- Generally Accepted Accounting Principles (GAAP) for Audit Purposes
- Uniform Guidance (2 CFR Part 200)
- Federal, State, and Local laws and regulations
- Grant agreements and contracts

C. Scope/Applies to:

- All EAPDD departments, programs, and administrative operations.
- All federal, state, local, and other funding sources administered by EAPDD.
- All grants, cooperative agreements, contracts, subawards, and other financial assistance awards received or managed by EAPDD.

Section 2. Governance and Financial Oversight

A. Board Responsibilities:

- Approves annual budgets
- Accept annual audits
- Review interim prepared financial statements
- Adopt accounting policies and procedures

B. The Executive Director shall:

- Ensure compliance with federal, state, and local financial requirements
- Administer approved budgets
- Approve expenditures
- Maintain internal controls
- Execute agreements and contracts

Section 3. Cost Principles

A. Purpose:

The purpose of this section is to establish uniform standards for determining whether costs incurred by EAPDD are allowable, reasonable, allocable, and properly documented.

These principles apply to all organizational activities and funding sources, including:

- Federal grants and cooperative agreements
- State grants and contracts
- Local government agreements
- EDA-funded programs
- WIOA-funded programs
- EDA-Revolving Loan Funds
- Private grants and contributions
- General operating activities

Where a specific grant, contract, or law imposes more restrictive requirements, the more restrictive requirement shall apply.

B. Allowability of Costs:

The purpose of this section is to outline the principles to be used in determining the allowability of specific cost items and, further, to define those cost items as applicable to EAPDD operations.

To be considered allowable, items of cost must first meet the following criteria:
§ 200.403 - Factors affecting allowability of costs.
Source - Uniform Guidance (2 CFR 200) – Super OMB Circular –
Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:
(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
(b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
(c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
(d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
(e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this Part.
(f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also § 200.306 Cost sharing or matching paragraph (b).
(g) Be adequately documented. See also §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance of this Part.

The items of allowability of cost specified below are those that have been proven necessary in past program experience. The list is not to be considered all-inclusive, as it may be necessary to add (or remove) items from time to time. In addition, the definitions used are from EAPDD's applications and, therefore, may be somewhat unique to this organization.

Items of allowable costs include:

- Wages - Compensation paid to individuals who perform services for EAPDD and are classified as EAPDD staff. These costs include only staff wages; payments made to program participants must be recorded under WIOA Work Experience.
- Payroll Tax Expense - Employer payroll tax obligations associated with wages paid to EAPDD staff. These include statutory taxes such as Social Security, Medicare, and unemployment taxes. Payroll taxes related to participant compensation must be charged to WIOA Work Experience.
- Insurance – Workers' Compensation - Fringe benefit costs for workers' compensation insurance covering EAPDD staff. Any workers' compensation costs associated with participant wages must be charged to WIOA Work Experience.
- Insurance – Group Medical - Fringe benefit costs for employer-provided medical, dental, vision, and other group insurance plans for eligible EAPDD staff.
- Retirement Plan Expense - Employer contributions to approved retirement plans for eligible EAPDD staff. This includes 401(k), or other qualified retirement benefit programs.
- Travel and Meetings - Expenses incurred for staff travel necessary to carry out EAPDD business. Allowable costs include lodging, meals, transportation, and registration fees for conferences, workshops, and meetings directly related to program operations.

- Mileage Reimbursements - Reimbursement to staff for the use of personal vehicles while conducting official EAPDD business. Reimbursement rates must follow the approved organizational or federal mileage rate.
- Fuel - Fuel purchases for EAPDD-owned or leased vehicles used for official program activities.
- Printing and Copying - Costs associated with printing, duplicating, or copying materials required for program operations, outreach, reporting, or administrative functions.
- Supplies - Consumable items necessary for daily operations, including office supplies, program materials, and other items that are used within a short period and are not classified as equipment.
- Advertising – Public Notice for Meetings - Costs for publishing required public notices, meeting announcements, or other mandated communications to ensure transparency and compliance with public meeting requirements.
- Bank Fees - Charges assessed by financial institutions for maintaining accounts, processing transactions, or providing banking services necessary for EAPDD operations.
- Dues and Registrations - Membership fees, professional dues, and registration costs for organizations, associations, or certifications that support staff development or are necessary for program compliance.
- Contract Services - Payments to external vendors or consultants for services that support program operations, third-party monitoring, administrative functions, or specialized tasks that cannot be performed by EAPDD staff.
- Legal Fees – Costs for legal services necessary to support EAPDD operations, excluding litigation or activities not allowable under program rules. This includes general counsel, contract review, and compliance-related legal guidance.
- Accounting and Auditing - Fees paid to external accountants or auditors for required financial reporting, annual audits, monitoring, or other professional accounting services that support compliance and fiscal integrity.
- Insurance – General - Premiums for general liability, property, vehicle, or other non-medical insurance policies necessary to protect EAPDD assets and operations.
- Subscription of Software - Costs for licensed software, cloud-based applications, and subscription services used for program administration, financial management, reporting, communication, or operational support.
- Postage and Shipping - Expenses for mailing, shipping, or courier services required for program operations, including postage for official correspondence and delivery of program materials.
- Repairs and Maintenance - Costs to maintain, repair, or service equipment, vehicles, or facilities used for EAPDD operations. This includes routine upkeep and minor repairs that do not meet capitalization thresholds.
- Telephone and Telecommunications - Expenses for landline, VOIP, internet, and other communication services required for daily operations and staff connectivity.
- Mobile Internet – Cellular - Costs for cellular phone service, mobile hotspots, or data plans used by staff to conduct official EAPDD business.
- Board Expense – District - Allowable costs associated with district board operations, including meeting expenses, required materials, and other costs necessary to support governance activities.
- Utilities - Expenses for electricity, water, sewer, gas, and other utility services required to operate EAPDD facilities.
- Rent – Office Space - Payments for leased office space used for administrative or program operations, including any associated fees required under the rental agreement.
- Miscellaneous Taxes and Fees - Non-income taxes, regulatory fees, permits, or other mandatory charges assessed by governmental entities that are necessary for EAPDD operations.
- Miscellaneous Expense - Minor or infrequent costs that do not fit within other defined categories but are necessary, reasonable, and allowable for program operations. These must be adequately documented and justified.
- Equipment Lease - Costs for leasing office equipment, vehicles, or other assets used in program operations, excluding purchases that meet capitalization requirements.
- Education & Training - Expenses for staff development, professional training, certifications, workshops, and other learning activities that enhance staff capacity to administer programs effectively.

- ➢ Marketing - Costs for outreach, public information, program promotion, and communication materials designed to inform the public or stakeholders about EAPDD programs and services.
- ➢ System Upgrades / Equipment Purchases - Costs for purchasing equipment, technology, hardware, or system upgrades necessary for program operations. Items must meet capitalization or inventory requirements as applicable.
- ➢ Work Experience - Wages, payroll taxes, workers' compensation, and related costs paid to program participants engaged in WIOA-funded work experience activities. These costs must be tracked separately from staff wages.
- ➢ Individual Training Accounts (ITAs) - Payments made on behalf of eligible participants for approved training programs, tuition and fees under WIOA guidelines.
- ➢ Supportive Services - Allowable assistance provided to participants to enable successful participation in program activities. This may include supportive services approved in the NEAWDB policy.

C. Non-Allowable Costs:

Costs not allowed include but are not limited to:

§ 200.441 - Fines, penalties, damages and other settlements.

Source - Uniform Guidance (2 CFR 200) – Super OMB Circular –

Costs resulting from non-Federal entity violations of, alleged violations of, or failure to comply with, Federal, state, tribal, local or foreign laws and regulations are unallowable, except when incurred as a result of compliance with specific provisions of the Federal award, or with prior written approval of the Federal awarding agency. See also § 200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements.

Section 4. Cost Allocation

A. Definition:

A cost allocation plan is defined as the documentation identifying, accumulating, and distributing allowable costs together with the allocation methods used.

§ 200.405 Allocable costs

Source - Uniform Guidance (2 CFR 200) – Super OMB Circular

(a) A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

(1) Is incurred specifically for the Federal award;

(2) Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and

(3) Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.

(b) All activities which benefit from the non-Federal entity's indirect (F&A) cost, including unallowable activities and donated services by the non-Federal entity or third parties, will receive an appropriate allocation of indirect costs.

(c) Any cost allocable to a particular Federal award under the principles provided for in this Part may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.

(d) Direct cost allocation principles. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost should be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the

Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also §§ 200.310 Insurance coverage through 200.316 Property trust relationship and 200.439 Equipment and other capital expenditures.
(e) If the contract is subject to CAS, costs must be allocated to the contract pursuant to the Cost Accounting Standards. To the extent that CAS is applicable, the allocation of costs in accordance with CAS takes precedence over the allocation provisions in this Part.

B. Classification of costs:

Within the scope of EAPDD's operations, the primary cost centers, or objectives, are defined as the various departments, funding streams and components. At the current time, the cost centers are listed on the Profit and Loss Statement. In general, costs may be classified as either direct or indirect costs.

§ 200.413 Direct costs

Source - Uniform Guidance (2 CFR 200) – Super OMB Circular

(a) General. Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (F&A) costs. See also § 200.405 Allocable costs.

(b) Application to Federal awards. Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. If directly related to a specific award, certain costs that otherwise would be treated as indirect costs may also include extraordinary utility consumption, the cost of materials supplied from stock or services rendered by specialized facilities or other institutional service operations.

(c) The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

(1) Administrative or clerical services are integral to a project or activity;

(2) Individuals involved can be specifically identified with the project or activity;

(3) Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and

(4) The costs are not also recovered as indirect costs.

(d) Minor items. Any direct cost of minor amount may be treated as an indirect (F&A) cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all Federal and non-Federal cost objectives.

(e) The costs of certain activities are not allowable as charges to Federal awards. However, even though these costs are unallowable for purposes of computing charges to Federal awards, they nonetheless must be treated as direct costs for purposes of determining indirect (F&A) cost rates and be allocated their equitable share of the non-Federal entity's indirect costs if they represent activities which:

(1) Include the salaries of personnel,

(2) Occupy space, and

(3) Benefit from the non-Federal entity's indirect (F&A) costs.

(f) For nonprofit organizations, the costs of activities performed by the non-Federal entity primarily as a service to members, clients, or the general public when significant and necessary to the non-Federal entity's mission must be treated as direct costs whether or not allowable, and be allocated an equitable share of indirect (F&A) costs. Some examples of these types of activities include:

(1) Maintenance of membership rolls, subscriptions, publications, and related functions. See also § 200.454 Memberships, subscriptions, and professional activity costs.

(2) Providing services and information to members, legislative or administrative bodies, or the public. See also §§ 200.454 Memberships, subscriptions, and professional activity costs and 200.450 Lobbying.

(3) Promotion, lobbying, and other forms of public relations. See also §§ 200.421 Advertising and public relations and 200.450 Lobbying.
(4) Conferences except those held to conduct the general administration of the non-Federal entity. See also § 200.432 Conferences.
(5) Maintenance, protection, and investment of special funds not used in operation of the non-Federal entity.
(6) Administration of group benefits on behalf of members or clients, including life and hospital insurance, annuity or retirement plans, and financial aid. See also § 200.431 Compensation—fringe benefits.

<u>§ 200.414 Indirect (F&A) costs</u>
<u>Source - Uniform Guidance (2 CFR 200) – Super OMB Circular</u>
(a) Facilities and Administration Classification. For major IHEs and major nonprofit organizations, indirect (F&A) costs must be classified within two broad categories: "Facilities" and "Administration." "Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable). For nonprofit organizations, library expenses are included in the "Administration" category; for institutions of higher education, they are included in the "Facilities" category. Major IHEs are defined as those required to use the Standard Format for Submission as noted in Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs) paragraph C. 11. Major nonprofit organizations are those which receive more than $10 million dollars in direct Federal funding.
(b) Diversity of nonprofit organizations. Because of the diverse characteristics and accounting practices of nonprofit organizations, it is not possible to specify the types of cost which may be classified as indirect (F&A) cost in all situations. Identification with a Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. However, typical examples of indirect (F&A) cost for many nonprofit organizations may include depreciation on buildings and equipment, the costs of operating and maintaining facilities, and general administration and general expenses, such as the salaries and expenses of executive officers, personnel administration, and accounting.
(c) Federal Agency Acceptance of Negotiated Indirect Cost Rates. (See also § 200.306 Cost sharing or matching.)
(1) The negotiated rates must be accepted by all Federal awarding agencies. A Federal awarding agency may use a rate different from the negotiated rate for a class of Federal awards or a single Federal award only when required by Federal statute or regulation, or when approved by a Federal awarding agency head or delegate based on documented justification as described in paragraph (c)(3) of this section.
(2) The Federal awarding agency head or delegate must notify OMB of any approved deviations.
(3) The Federal awarding agency must implement, and make publicly available, the policies, procedures and general decision making criteria that their programs will follow to seek and justify deviations from negotiated rates.
(4) As required under § 200.203 Notices of funding opportunities, the Federal awarding agency must include in the notice of funding opportunity the policies relating to indirect cost rate reimbursement, matching, or cost share as approved under paragraph (e)(1) of this section. As appropriate, the Federal agency should incorporate discussion of these policies into Federal awarding agency outreach activities with non-Federal entities prior to the posting of a notice of funding opportunity.
(d) Pass-through entities are subject to the requirements in § 200.331 Requirements for pass-through entities, paragraph (a)(4).
(e) Requirements for development and submission of indirect (F&A) cost rate proposals and cost allocation plans are contained in Appendices III-VII as follows:
(1) Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for
(2) Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations;

(3) Appendix V to Part 200—State/Local Government and Indian Tribe- Wide Central Service Cost Allocation Plans;
(4) Appendix VI to Part 200—Public Assistance Cost Allocation Plans; and
(5) Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals.
(f) In addition to the procedures outlined in the appendices in paragraph (e) of this section, any non-Federal entity that has never received a negotiated indirect cost rate, except for those non-Federal entities described in Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals, paragraph (d)(1)(B) may elect to charge a de minimis rate of) 10% of modified total direct costs (MTDC) which may be used indefinitely. As described in § 200.403 Factors affecting allowability of costs, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.
(g) Any non-Federal entity that has a federally negotiated indirect cost rate may apply for a one-time extension of a current negotiated indirect cost rates for a period of up to four years. This extension will be subject to the review and approval of the cognizant agency for indirect costs. If an extension is granted the non-Federal entity may not request a rate review until the extension period ends. At the end of the 4-year extension, the non-Federal entity must re-apply to negotiate a rate.

WIOA Public Law Section 185. Reports; Recordkeeping; Investigations.
(g) COST CATEGORIES.—In requiring entities to maintain records of costs by cost category under this title, the Secretary shall require only that the costs be categorized as administrative or programmatic costs.

C. Methodology:

EAPDD allocates shared costs using a time distribution methodology based on documented employee activity. Under this methodology, personnel expenses and related shared costs are assigned among benefiting cost objectives according to the percentage of time employees spend supporting each program, grant, contract, or administrative activity.

In situations where time distribution does not accurately reflect the relative benefit received, or where its use is impractical, EAPDD may implement an alternative allocation method. Any alternative methodology must be reasonable, consistently applied, adequately documented, and capable of demonstrating a clear relationship between the cost incurred and the benefit received.

EAPDD maintains a system of internal controls to ensure that costs are properly authorized, accurately recorded, and charged to the appropriate funding source. Costs may not be assigned to a program, grant, or contract unless the expenditure benefits that activity and meets all applicable allowability requirements. This helps ensure compliance with 2 CFR Part 200, grant agreements, and sound financial management practices.

D. Application:

The application of EAPDD's cost allocation methodology begins with identifying whether a cost can be directly associated with a specific program, grant, contract, project, or administrative activity. Costs that can be readily identified with a single cost objective are charged directly to that cost objective.

Costs incurred in the normal course of operations may be classified as either direct costs or indirect/shared costs. The determination is based on whether the cost can be assigned to a specific benefiting activity in a practical and cost-effective manner. When a cost benefits multiple programs or activities and the effort required to separately identify and distribute that cost would be unreasonable or disproportionate, the cost is treated as a shared cost and allocated accordingly.

Shared costs are accumulated monthly through the accounting system and recorded in the general ledger. At the end of each month, these costs are allocated among the benefiting programs and activities based on documented staff time distribution. The allocation percentages are derived from the monthly time allocation summary and are applied consistently to the shared cost pool. Each shared cost category is distributed to the applicable programs based on the percentage of total staff time devoted to each program or activity during the month.

This methodology is designed to ensure that costs are allocated equitably and in proportion to the relative benefits received by each funding source, program, or activity. EAPDD maintains supporting documentation for all allocations and applies allocation methods consistently to ensure compliance with applicable federal and state requirements.

E. WIOA-Specific Cost Allocation Requirements:

The following provisions apply specifically to WIOA-funded activities:

- Time reported as WIOA Administration, including Administrative Entity, Fiscal Agent, and One-Stop Administration activities, may be charged to WIOA administrative cost categories for Adult, Dislocated Worker, or Youth programs as appropriate. Distribution among these administrative funding streams is not required to follow the standard time-distribution methodology when permitted by applicable WIOA guidance.
- One-Stop Operator and WIOA Cost Pool expenditures shall be charged exclusively to WIOA Title I-B funding. These costs shall be allocated among the Adult, Dislocated Worker, and Youth programs based on each program's proportionate share of actual staff hours worked during the reporting period.
- Consistent with guidance provided by the Arkansas Division of Workforce Services, costs associated with the One-Stop Operator shall not be allocated to partner programs that do not provide funding for One-Stop Operator functions.

Any cost not specifically addressed in this policy shall be allocated using a methodology that is reasonable, consistently applied, adequately documented, and reflective of the relative benefit received by the programs or activities involved.

<u>Section 5. Accounting and Reporting:</u>

A. Requirements:

§ 200.302 Financial Management

Source - Uniform Guidance (2 CFR 200) – Super OMB Circular

(a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450 Lobbying.

(b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.333 Retention requirements for records, 200.334 Requests for transfer of records, 200.335 Methods for collection, transmission and storage of information, 200.336 Access to records, and 200.337 Restrictions on public access to records):

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to

establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.
(3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
(4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303 Internal controls.
(5) Comparison of expenditures with budget amounts for each Federal award.
(6) Written procedures to implement the requirements of § 200.305 Payment.
(7) Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles of this Part and the terms and conditions of the Federal award.

B. System description:

EAPDD's accounting system is a standard double-entry system that utilizes a general journal and general ledgers, whereby all transactions are recorded according to their effect on assets, liabilities, revenue, and expense accounts. The general ledger accounts have been computerized, but the records can be made available in paper form.

The accounting system records each transaction to identify the amounts allocated to the various cost centers and categories. Each transaction is posted to the journal from the source documentation (billing, etc.); the journal is then used to post the transaction to the appropriate ledger(s).

The system uses a chart of accounts and can be made available upon request.

Accruals are recorded through the use of general journal entries and are debited to the appropriate account and credited to Accounts Payable. Additional accounts may be added as needed.

In summary, the following general procedures are used in the accounting system:

- ➢ All invoices, bills, and statements are reviewed for allowability, accuracy, and reasonableness prior to payment. Leases and rental agreements are paid in accordance with the provisions contained therein.
- ➢ Checks are written in the appropriate amount; all checks are pre-numbered and dated in accordance with the date written (i.e. no checks are pre- or post-dated). Checks are signed after completion and preparation for immediate mailing. "Immediate" means the next mail pick-up date.
- ➢ All transactions are recorded in the General Journal, with the appropriate allocation to accounts indicated. All entries are made from source documents, for the sake of accuracy.
- ➢ All transactions are posted to the appropriate ledgers from the journal. Once posted, the account to which the transaction was posted is noted next to the entry, along with its account number.
- ➢ The monthly and year-to-date expenditures are entered from the Profit and Loss Report, and individual grants are maintained in the excel worksheet. The expenditures are entered into the AWIS Financial website for the State.
- ➢ An Excel Worksheet is maintained on each Contract to ensure that payment does not exceed subgrant award amount.

C. Receipts:

In order to comply with Federal and State requirements, the following general procedures are used:

- ➢ EAPDD has established bank accounts with a local bank with full FDIC coverage. If deposits exceed the maximum coverage, the bank has pledged sufficient collateral to cover the excess.
- ➢ All federal, state, and local funds are received via ACH deposit, wire transfer, and/or check. When funds are received, they are deposited in the appropriate account and recorded in the ledger.
- ➢ Any other funds received, such as insurance refunds, etc. are prepared for immediate deposit to the appropriate Operations account. All checks are stamped "For Deposit Only" for security purposes.

D. Disbursements:

The following general procedures are used:

- All disbursements of funds are made by check or ACH drawn from one of the EAPDD bank accounts. EAPDD does not maintain a petty cash fund, nor does the agency use cash in any transactions.
- Costs are normally made from the Operations checking account, and departments reimburse the Operations checking account after monthly reports are completed.
- All checks are pre-numbered and require dual signatures for validity. All checks are kept locked up until needed; checks that have been written but not delivered are treated the same way.
- Cancelled checks are filed in numerical sequence after accounts are balanced. Voided checks are defaced and filed in the same numerical sequence.
- Checks outstanding for long periods of time (60 days or more) are followed up by staff. Checks outstanding for longer than 6 months are considered "stale dated" and are no longer honored by the bank. Once a check has exceeded 6 months, it will no longer be valid, does not require a stop payment, and should be reversed from the checkbook and the accounting system.
- In circumstances where the check is reported as lost or stolen, it may be replaced only after a stop payment order is given to the bank.
- Disbursements are made only upon receipt and verification of proper documentation.

E. Payrolls:

The following general procedures are used:

- EAPDD payrolls are produced by QuickBooks. This includes ACH Deposits, W-2 forms, quarterly/annual reporting requirements, etc. The procedures described in this section reflect those necessitated by the service as well as those required by regulations.
- No cash payments are utilized at any time.
- Payees are enrolled for payment only upon receipt of the required federal and state documents.
- Payroll preparation: Payroll dates are bi-weekly. The Executive Director retains the right to modify the payroll dates.
- Payments through the payroll system are made only upon receipt of proper time and attendance records, signed by both the payee and supervisor.
- After collection, timesheets are proofed by staff for accuracy and completeness. If LWOP is determined, the employees will have the appropriate deduction made to their payroll. The LWOP is documented on the Timesheet.
- After all reviews and checks are completed, the following payroll reports are prepared:
  - Payroll Summary – Total
  - Payroll Summary – Employee Detail
  - WIOA Work Experience – Participant Pay Stubs
  - Timesheets
  - Travel
  - Retirement

F. Bank reconciliations:

Bank accounts are reconciled monthly.

- Any check outstanding for a long period of time (60 or more calendar days) is followed up by staff. Undeliverable checks will be voided and recorded in the general ledger.
- Reconciliation of all accounts includes an accounting for all numbered checks; outstanding checks are identified by number and follow up is as described above.

G. Grant/Program Specific Reporting:

- WIOA Financial Status Reports (FSRs) are due on the 15th of each month following the end of the report period. The report is prepared from the accounting records. A copy of each month's FSR is retained for records.
- EDA Cares Act RLF Reports are submitted biannually through EDA's website.

H. Cash Management

EAPDD operates on a cash reimbursement method, whereby expenditures are incurred and paid prior to requesting reimbursement from the State. Reimbursement requests are prepared and submitted after monthly financial reports have been completed and reviewed. This process ensures that only actual, allowable, and properly documented expenditures are claimed for reimbursement.

To maintain effective cash management and ensure compliance with WIOA and applicable state requirements, EAPDD follows these procedures:

- Reimbursement requests are based solely on actual expenditures recorded in the accounting system and reported through the monthly financial reporting process.
- Program expenditures and grant balances are monitored regularly to ensure costs are allowable, properly allocated, and within approved budget and funding limitations.
- Year-to-date expenditures and remaining grant balances are reviewed throughout the program year to ensure that expenditures do not exceed the funds awarded under each grant and funding stream.
- An Equity Journal is maintained for each funding stream to record reimbursements received from the State and to track funding activity by grant. Additionally, an Excel-based grant tracking file is maintained to monitor year-to-date expenditures and the remaining funds available for expenditure under each grant and program year allocation.

  The Equity Journal and grant tracking records are updated after reimbursement requests are processed and upon completion of each month's Financial Status Report (FSR). These records are reviewed regularly to ensure expenditure remains within grant award limits and comply with applicable cost restrictions and funding requirements.

I. Safeguards

- Bonding: EAPDD carries employee theft policy of $500,000.
- Audits and monitoring reviews are conducted.
- Lost/stolen checks:
  (i) All lost/stolen checks are reported to the Executive Director;
  (ii) An inquiry is directed to the bank to ascertain whether the check has cleared;
  (iii) If the check has not cleared, a stop-payment order is issued;
  (iv) A replacement check is issued under a new number;
  (v) If the check cleared, further investigation is initiated. Legal action, if appropriate could result.

J. Debt Collection Procedures:

1. Prevention and Identification of Debt

   The first step in debt collection is the prevention of disallowed costs and other questioned expenditures. EAPDD utilizes oversight, monitoring, and contract administration procedures designed to ensure compliance with WIOA requirements and to minimize the occurrence of improper expenditures.

   When EAPDD determines that an individual, agency, organization, or subrecipient has received funds for services, activities, or costs that are not allowable under WIOA, are inconsistent with the terms of a contract or subaward, or to which the party was otherwise not entitled, debt collection procedures shall be initiated.

2. Recovery Through Offset
   The preferred method of debt collection is recovery through offset against funds otherwise payable to the subrecipient.
   - Offset Procedures
     The amount determined to be due shall be deducted from current or future payments owed to the subrecipient. Written notification shall be provided identifying:
     - The amount of the debt;
     - The basis for the debt determination;
     - The specific violation(s), questioned cost(s), or disallowed expenditure(s); and
     - The method by which the debt will be recovered.
   - Right to Appeal
     Upon notification of the debt determination, the affected party shall be informed of its right to appeal the determination and the procedures for exercising that right.
   - Recovery Through Repayment
     When recovery through offset is not feasible or appropriate, EAPDD shall pursue repayment of the debt.
   - Written Demand for Repayment
     A written notice shall be issued to the responsible party that includes:
     - Description of the specific violation(s);
     - The amount owed;
     - A request for repayment from non-WIOA funds;
     - The deadline for repayment; and
     - Information regarding appeal rights and procedures.
   - Failure to Repay
     If repayment is not made within the required timeframe, EAPDD may take one or more of the following actions:
     - Pursue collection through available legal remedies;
     - Refer the debt to the cognizant agency or other appropriate state/federal agency for collection or further action;
     - Take any other action authorized by applicable federal, state, or local requirements.
   - Funds in Jeopardy
     If it is determined that funds are in jeopardy, EAPDD may suspend payments until a resolution can be achieved.

K. Record Retention:

1. Requirement
   <u>§ 200.333 Retention requirements for records</u>
   <u>Source - Uniform Guidance (2 CFR 200) – Super OMB Circular</u>
   Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:
   (a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
   (b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.

(c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
(d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.
(e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.
(f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
(1) If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
(2) If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

2. Records: The fiscal records are comprised of all ledgers, journals, books of entry, invoices, check registers, printouts, bank statements, leave records, work papers, reports, property records, procurement records, and any other documentation pertaining to the use of funds received under WIOA.

3. Filing system: The following systems are used for filing fiscal records:
   a. Voucher and invoices: Vouchers, invoices, and other billing forms documenting program expenditures are filed by month in the month in which reported.
   b. Checks Issued: A copy of the checks issued on all accounts are filed in numerical sequence.
   c. Check registers: Payroll journals and check registers are filed by activity.
   d. Leave records: A log of accumulated sick and annual leave is maintained for all employees.
   e. Property records: Inventory records are maintained and updated as changes occur.
   f. Work papers and statistical reports: Any necessary work papers or statistical reports are maintained with the fiscal records.
   g. Individuals' records: Fiscal documents pertaining to individual staff or participants are included in the individual's files. Documents included are time sheets, payroll checks, etc.

L. Forms preparation:
A handbook is maintained as an aid to staff in preparing the necessary forms involved in the fiscal system. This handbook includes instructions for FSRs, payroll, check writing, etc.

M. Fiscal Period:
EAPDD's fiscal period is from July 1st to June 30th each year.

RSVP: APPROPRIATIONS TRAINING

with Rick Crawford's Office — U.S. Representative from Arkansas's 1st Congressional District

MEETING OVERVIEW

The purpose of this meeting is to review the application process, discuss match requirements, and address general questions.

ELIGIBILITY

This training is limited to counties and municipalities located within the East Arkansas Planning & Development District (EAPDD). EAPDD serves the counties of Clay, Craighead, Cross, Crittenden, Greene, Lawrence, Lee, Mississippi, Phillips. Poinsett, Randolph, and St. Francis.

BACKGROUND

This year, the appropriations submission window has changed from approximately 30 days to just 10 days. As a result, the process will begin 4–5 months earlier to ensure sufficient time for preparation.

REGISTRATION

Due to space limitations, attendance is restricted and advance registration is required. Additional information will be provided upon confirmation of registration.

Date: Thursday, 10-22-26

Time: 1 p.m.

Location: 2905 King Street, Jonesboro, AR

RSVP

ADVANCE REGISTRATION IS REQUIRED

WWW.EAPDD.ORG/RSVPTRAINING10-22-26

STRONG COMMUNITIES. SMART INVESTMENTS. A BETTER ARKANSAS.