

**Office of State Budget and Management**  
**Establish New, Receipt-Supported Positions**  
(G.S. 143-34.1)

**Agency:** Commerce **Division:** Employment and Training

**Budget Code:** 4302 **Center Title:** 531212 **Center Number:** 2680-5860

**\*\*\* Position Information \*\*\***

**Proposed Classification:** Accountant II **Proposed Salary Grade:** 75

**Salary Range:** \$37,665.00-\$62,441.00 **Proposed Effective Date:** 06 / 01/04

**Number of Positions:** 1

	<u><b>Center Authorized Budget</b></u>	<u><b>Current Request (Salary and Fringe)</b></u>
Total Budget	\$ 2,906,727	\$ 45,181
Receipts	<u>2,906,727</u>	<u>45,181</u>
Appropriation	\$ 0	

Funding Source(s): Federal Funds – Workforce Investment Act – Center 2680, Account 538865

Justification for Position (including description of duties and responsibilities):

Federal regulations require recipients (grantees) of federal awards to obtain independent audits in accordance with the Single Audit Act Amendments of 1996 and revised OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). The Division of Employment and Training (DET) must determine whether subrecipients (subgrantees) spent Federal assistance funds in accordance with applicable laws and regulations. One way that this is accomplished is by reviewing an audit of the subgrantee. Appropriate corrective action must be taken in instance of noncompliance with Federal laws and regulations. Heretofore these functions have been shared by three accountants. These accountants' functions have steadily increased over the past fifteen years due to changes in Federal programs and regulations and DET organizational changes; therefore creating constant challenges to maintain financial integrity.

Indirect costs are normally charged to Federal awards by the use of an indirect cost rate. All departments or agencies of the governmental unit desiring to claim indirect costs under federal awards must prepare an indirect cost rate proposal and related documentation to support those costs. A governmental unit for which a cognizant agency assignment has been specifically designated must submit its indirect cost rate proposal to its cognizant agency. Where a local government only receives funds as a subrecipient, the primary recipient will be responsible for negotiating and /or monitoring the subrecipient's plan. Many agencies in one or the other situation list above no longer have cognizant agencies to which to submit their indirect plans. The Division of Employment and Training must establish a position to receive and review indirect cost rate proposals and related documents in addition to assuming the above mentioned functions.

A new position is required to fill the need created by increased Federal funding and regulatory changes and to maintain fiscal integrity and financial accountability.

Statutory Reference for Request : United States Department of Labor Workforce Investment Act of 1998

Robin D. Pasquarello

Presentation to be made by

Signature

Denise Sessoms Agency Head

Chief Fiscal Officer

Title

State Budget Officer Signature