



## NEW YORK STATE WORKFORCE DEVELOPMENT SYSTEM TECHNICAL ADVISORY

### Workforce Development System Technical Advisory # 09-24

**TO:** Workforce Development Community

**DATE:** December 4, 2009

**SUBJECT:** Policy on the Ordering of Cash and Treatment of Excess Cash

***Purpose:***

To notify the Local Workforce Investment Areas (LWIAs) of the policy for timely and accurate submission of the required weekly Cash Requests and to provide clarification on the Department's policy for handling excess **cash on hand**.

***Background:***

New York State Department of Labor policy requires that financial Cash Reports for WIA, ARRA, WIRED and TAA funds awarded to local areas be submitted monthly. Cash Requests are required to be submitted weekly. LWIAs are required to order cash only for immediate cash need, therefore cash on hand over 5 days is considered excessive.

***Action:***

Effective immediately, the following guidelines shall apply:

Submission of Cash Request

Each LWIA must submit a Weekly Cash Request to Ms. Patricia Jabonaski via fax to: 518-485-6577 or scan the Request to Ms. Patricia Jabonaski at [Patricia.Jabonaski@labor.state.ny.us](mailto:Patricia.Jabonaski@labor.state.ny.us). All Cash Orders must be signed by an authorized signatory for the LWIA. Step by step instructions and a copy of the cash request form are attached.

Submission of Monthly Cash Reports

If applicable, each LWIA must submit the following reports for WIA, ARRA, WIRED and TAA cash:

Monthly Statement of Daily Cash Transactions (MSDCT)

Monthly Statement of Cash Receipts (MSCR)

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## Procedures and Penalties for more than 5 days cash on hand;

Based on the MSDCT, the Department calculates the number of days' cash on hand. The template used to calculate the number of days' cash on hand is attached. If this calculation shows that a LWIA has more than 5 days cash on hand\* the Department will:

1. Ask the LWIA to provide a plan of action regarding the excess cash within 5 days of discovery of excess cash on hand.
2. Review plan of action and take any further action necessary to resolve the situation.
3. Review Cash Orders weekly to ensure that the cash requested is necessary and require the LWIA to submit documentation and/or clarification as necessary.
4. Suspend the LWIA's cash until the Department has determined that the situation has been resolved.

\* Separate calculations are completed for WIA, WIRED and TAA. Note, WIA and ARRA funds are combined when the excess cash for WIA is calculated.

### ***Inquiries:***

Questions concerning this Technical Advisory can be directed to Maryrose Walsh at (518) 457-0505 or may be sent via e-mail to [Maryrose.Walsh@labor.state.ny.us](mailto:Maryrose.Walsh@labor.state.ny.us)

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### ***Attachments:***

- A. Cash Request Form
- B. Cash Request Instructions
- C. Cash on Hand Worksheet