SECTION 1: FISCAL AGENT GOVERNANCE AND DIVISION OF AUTHORITY

1.1 Fiscal Agent Designation

The New River Valley Regional Commission (NRVRC) serves as Fiscal Agent for the New River/Mount Rogers Workforce Development Area Consortium Board (NRMRWDACB) pursuant to formal agreement.

Fiscal Agent Contact:
Jessica Barrett, Finance Director
New River Valley Regional Commission
6580 Valley Center Drive, Suite 124
Radford, VA 24141

1.2 Legal and Administrative Structure

NRMRWDACB is the Grant Recipient and retains full programmatic and fiduciary responsibility for:

- Proper use of federal and state funds
- Oversight of expenditures
- Compliance with Uniform Guidance
- Monitoring and corrective action
- Approval of budget modifications
- Oversight of subrecipients

NRVRC, as Fiscal Agent, is responsible for:

- Receiving grant funds
- Maintaining accounting records
- Fronting operating costs
- Disbursing funds
- Processing payroll
- Maintaining ledgers

- Preparing financial reports
- Coordinating annual audit
- Maintaining GAAP-compliant systems

1.3 Division of Responsibilities Matrix

Function	NRMRWDACB	NRVRC Fiscal Agent
Grant Acceptance	✓	
Budget Approval	✓	
Draw Request Authorization	✓	✓ (processing)
Accounting Entries		✓
Payroll Processing		✓
Invoice Payment	Direction ✓	✓ Execution
Allowability Review	✓	✓
Financial Reporting	✓ Review	✓ Preparation
Audit Coordination	✓ Oversight	✓ Execution
Subrecipient Monitoring	✓	Support

No financial transaction may be processed without appropriate authorization from NRMRWDACB leadership.

1.4 Fronting of Costs

The Fiscal Agent shall front operational costs including:

- Payroll
- Benefits
- Operating expenses
- Contractor payments

Disbursement shall be made from available funds at the direction of the Finance Manager, following receipt of complete documentation.

1.5 Internal Control Expectations of Fiscal Agent

The Fiscal Agent must maintain:

- Segregation of duties
- Written financial procedures
- Fund accounting software
- GAAP-compliant accounting
- Timely reconciliation
- Internal review mechanisms
- Audit-ready documentation

NRMRWDACB retains the right to review Fiscal Agent procedures.

1.6 Oversight of Fiscal Agent

NRMRWDACB shall:

- Review monthly financial reports
- Compare budget-to-actual expenditures
- Review drawdowns
- Review obligations
- Review match tracking
- Review subrecipient expenditures
- Participate in annual audit review
- Request corrective action if needed

1.7 Communication Protocol

Monthly coordination shall occur between:

- Executive Director

- Finance Manager
- Accounting Technician
- Fiscal Agent Finance Director

Topics shall include:

- Expenditure trends
- Budget projections
- Cash flow
- Outstanding obligations
- Pending invoices
- Audit items
- Federal reporting deadlines

1.8 Audit Responsibility

The Fiscal Agent shall:

- Arrange annual audit
- Provide full audit report to NRMRWDACB
- Respond to auditor inquiries
- Coordinate corrective actions

NRMRWDACB shall:

- Review audit findings
- Issue management decisions if applicable

Ensure corrective actions are completed