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**Budget Controls for Program Effectiveness**  
**Effective Date: January 1, 2018**

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**Purpose:**

Northern Middle TN Workforce Board, Inc. (NMTWB) establishes the following policy to establish controls for evaluating program effectiveness in comparison with the approved budget.

**Background:**

The results of budget analysis are used to preclude overspending and/or to modify contracts and grant agreements. For non-formula grants, the information is also used to ensure compliance with the budget line item flexibility provision specified in the grant terms and conditions. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement. This information should be used in developing plans and monitoring.

The LWDA budget approval process is described in the LWDANM Interlocal Agreement, as well as the Partnership Agreement between the Consortium of Chief Elected Officials of LWDANM and the Northern Middle TN Workforce Board.

**Resources:**

2 CFR 200.301; 200.302; 200.308  
2 CFR 2900.9 to 2900.12

**Policy:**

**A. Budget vs Actual Analysis**

Budget amounts and performance goals will be reviewed periodically and compared with actual results. NMTWB staff will coordinate with subgrantees to analyze budget variances for continuous improvements. Budget and actual

financial information will be presented to the Northern Middle TN Workforce Board on a periodic basis.

**B. Account Alignment**

Chart of accounts should be aligned for NMTWB and subgrantee to funding sources, cost categories, and limitations specified in the grant or subaward.



**C. Prior Approvals**

Obtain prior grantor approvals as may be applicable on a timely basis.

**D. Data synchronization**

Synchronize data contained in grant contracts, modifications, budget revisions, changes in scope of work, etc. to improve program performance.

**CONTACT:**

For any questions related to this policy please contact Ginger Fussell, Fiscal Director at [gfussell@workforceessentials.com](mailto:gfussell@workforceessentials.com).

**Effective Date: January 1, 2018**

**Updated: July 1, 2019; June 1, 2020**

**Duration: Indefinite**

A handwritten signature in blue ink, reading "Marla Rye", is written over a horizontal line.

Marla Rye, Executive Director  
Northern Middle TN LWDB