Cash Management Improvement Act Agreement
between
The State of West Virginia
and
The Secretary of the Treasury,
United States Department of the Treasury

The Secretary of the Treasury, United States Department of the Treasury (hereafter 'Secretary'), and State of West Virginia (hereafter 'State'), in order to implement Section 5 of the Cash Management Improvement Act of 1990, as amended (hereafter 'Act'), agree as follows:

1.0 AGENTS OF THE AGREEMENT

1.1 The Authorized Official(s) for the State of West Virginia shall be the Misty Price Deputy Treasurer, Cash Management in all matters concerning this Agreement.

1.2 The Assistant Commissioner, Revenue Collections Management, Bureau of the Fiscal Service (Fiscal Service), U.S. Department of the Treasury, shall act as the Secretary's representative in all matters concerning this Agreement.

2.0 AUTHORITY

2.1 The authority for this Agreement is the Cash Management Improvement Act of 1990 (Public Law 101-453), as amended by the Cash Management Improvement Act of 1992 (Public Law 102-589), codified at 31 U.S.C. 6501 and 31 U.S.C. 6503.

2.2 The regulations codified at 31 CFR Part 205 shall apply to all matters pertaining to this Agreement, and are incorporated herein by reference. In the event of any inconsistency between this Agreement and 31 CFR Part 205, the regulations shall govern.

3.0 DURATION, AMENDING, TERMINATING, AND MISCELLANEOUS PROVISIONS

3.1 This Agreement shall take effect on 07/01/2021 and shall remain in effect until 06/30/2022.

3.2 This Agreement may be amended at any time by written, mutual consent of the State and the Fiscal Service. This Agreement shall be amended annually to incorporate new programs that qualify as major Federal assistance programs and remove programs that no longer qualify as major Federal assistance programs. A State must notify the Fiscal Service in writing within 30 days of the time the State becomes aware of a change that involves additions or deletions of programs subject to Subpart A, changes in funding techniques, and/or changes in clearance patterns. The notification must include a proposed amendment for review by the Fiscal Service.

3.3 Notwithstanding section 3.2, in the event of Federal or State non-compliance with Subpart B of 31 CFR, Part 205, the Fiscal Service may amend this Agreement at any time to incorporate additional programs and the entities that administer those programs.

3.4 This Agreement may be terminated by either party with 30 days written notice. If this Agreement is terminated, the Fiscal Service will prescribe the funding techniques, clearance patterns, and methods for calculating interest liabilities to be used by the State.

4.0 PROGRAMS COVERED

4.1 The State's threshold and its major Federal assistance programs shall be determined based on the State's most recent Single Audit for fiscal year ending 06/30/2020.

All major Federal assistance programs shall be covered by this Agreement, unless otherwise specified in section 4.4 of this Agreement.

4.2 The State's threshold for major Federal assistance programs is $47,711,961.

The following programs meet or exceed the threshold and are not excluded in Section 4.4:

CFDA	Program Name
10.551	Supplemental Nutrition Assistance Program
10.555	National School Lunch Program
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs
17.225S	Unemployment Insurance -- State Benefit Account
20.205	Highway Planning and Construction
84.010	Title I Grants to Local Educational Agencies
84.027	Special Education -- Grants to States
93.558	Temporary Assistance for Needy Families
93.658	Foster Care -- Title IV-E
93.659	Adoption Assistance
93.767	Children's Health Insurance Program
93.778	Medical Assistance Program

4.3 The following programs fall below the State's threshold but have been required to be covered by Fiscal Service in accordance with the non-compliance provisions of Subpart B of 31 CFR Part 205:

There are currently no programs listed for Section 4.3.

4.4 The following programs exceed the State's threshold but have been excluded from coverage for the reason indicated:

CFDA	Program Name	Exclusion Reason
84.063	Federal Pell Grant Program	Non-State
84.268	Federal Direct Student Loan	Non-State

5.0 ENTITIES COVERED

5.1 State agencies and instrumentalities that meet the definition of a State per 31 CFR Part 205, shall be subject to the terms of this Agreement. The following is a list of such entities that administer funds under the programs listed in Section

4.0 of this Agreement:

West Virginia Bureau of Employment Programs

West Virginia Department of Education

West Virginia Department of Health and Human Resources

West Virginia Department of Transportation

5.2 Entities that meet the definition of a Fiscal Agent per 31 CFR Part 205 shall be subject to the terms of this Agreement. The following is a list of Fiscal Agents that administer funds under the programs listed in the Section 4.0 of this Agreement:

Fiscal Agent	CFDA	Program Name
J P Morgan Electronic Financial Services, Inc.	10.551	Supplemental Nutrition Assistance Program

6.0 FUNDING TECHNIQUES

6.1 General Terms

6.1.1 The State shall request Federal funds in accordance with the appropriate cut-off times shown in Exhibit I to ensure funds will be received and credited to a State account by the times specified in the funding techniques. Exhibit I is incorporated by reference herein.

6.1.2 The State shall schedule the receipt of Federal funds such that the funds are received and credited to a State account in accordance with the clearance patterns specified in Exhibit II - List of State Clearance Patterns. Exhibit II is incorporated by reference herein.

6.1.3 In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. In instances where the receipt of Federal funds is scheduled for deposit on a day when the State is not open for business, the State shall request funds for deposit the day following the scheduled day; in instances where the receipt of Federal funds is scheduled for deposit on a day when the Federal Government is not open for business, the State shall request funds for deposit the day prior to the scheduled day.

6.1.4 Estimates and Reconciliation of Estimates:
Where estimated expenditures are used to determine the amount of the drawdown, the State will indicate in the terms of the State unique funding technique how the estimated amount is determined and when and how the State will reconcile the difference between the estimate and the State's actual expenditures.

6.1.5 Supplemental Funding:
Unless otherwise defined by program rules, Supplemental Funding is the award of additional funds to provide for an increase in costs due to unforeseen circumstances.

The State will comply with all Federal program agency policies and procedures for requesting supplemental grant funding.

The State will comply with the following guidelines when requesting supplemental funding for the Medical Assistance Program and associated administrative payments (CFDA 93.778):

The State must submit a revised Medicaid Program Budget Report (CMS-37) to request supplemental funding. The CMS guidelines and instructions for completing the CMS-37 are provided in Section 2600F of the State Medicaid Manual (SMM). The CMS/CO must receive the revised Form CMS-37 through the Medicaid Budget Expenditure System/Children's Budget Expenditure System (MBES/CBES) no later than 10 calendar days before the end of the quarter for which the supplemental grant award is being requested.

Additional guidance on this policy is available from the respective CMS Regional Office, U.S. Department of Health & Human Services.

The State will comply with the following guidelines when requesting supplemental funding for TANF (CFDA 93.558), CCDF (CFDA 93.575), CSE (93.563), and the FC/AA (CFDA 93.658 and CFDA 93.659) programs administered by the U.S. Department of Human Services, Administration for Children and Families (HHS/ACF):

a. Timing of the Request
A State should initiate its request for supplemental funding during a quarter as soon as it becomes aware of the fact that a shortfall does/will exist. For the TANF and CCDF grants, supplemental funding requests (estimates) may be submitted by a State, for consideration by ACF, up through and including the 15th day of the third month of the first, second or third quarter of any fiscal year. Since TANF and CCDF are block grant programs, all unawarded portions of the annual allotment will automatically be issued at the beginning of the fourth quarter. Therefore, supplemental funding requests will not be available during the fourth quarter for these programs. For the CSE and FC/AA programs, supplemental funding requests may be submitted by a state, for consideration by ACF, up through and including the 15th day of the third month of any quarter of a fiscal year.

b. Justification for the Request
The request for a supplemental funding for any of the above-mentioned programs should contain a justification clearly documenting the need for the additional funding authority during the current quarter. This documentation should be in the form of State accounting records or similar documents that will show the actual expenditures through the most recent month for which such data are available, as well as the State's most accurate projection of its anticipated expenditures during the remaining month(s) of the quarter. For either the TANF or the CCDF program, the State's justification should also include an explanation of the activities requiring the obligation and/or expenditure of amounts that exceed the normal quarterly grant award restrictions and why these activities could not have been delayed until the next quarter.

c. Form Submittal
Supplemental funding requests should be made by completing the appropriate ACF quarterly report of expenditures and estimates applicable to the particular program for which the grant award request is being made.

d. Approval Process
Upon receipt of the state's request for additional funding authority for a quarter, the ACF Regional Office will promptly review the supporting documentation. If the request is properly justified, so long as ACF has adequate funding availability, the State's request will be expedited and supplemental funding will be issued within 5 days of ACF receiving the request. The State will be notified by the Regional Office when the supplemental award has been transmitted to the Payment Management System (PMS) and when it may initiate drawdowns against the supplemental funding.

Additional guidance on this policy is provided in the U.S. Department of Health & Human Services, Administration for Children and Families, letter (May 19, 2004) to State Administrators from the Deputy Assistant Secretary for Administration.

6.2 Description of Funding Techniques

6.2.1 The following are terms under which standard funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Funding Technique Name	Description
Actual Clearance, ZBA - ACH	The State shall request funds such that they are deposited by ACH in a State account on the settlement date of payments issued by the State. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the amount of funds that clear the State's account on the settlement date. This funding technique is interest neutral.
Composite Clearance	The State shall request funds such that they are deposited on the dollar-weighted average number of days required for funds to be paid out for a series of disbursements, in accordance with the clearance pattern specified in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be the sum of the payments issued in the series of disbursements. This funding technique is interest neutral.
Estimated Clearance	The State shall request funds such that they are deposited in a State account in accordance with the clearance pattern specified in Exhibit II - EC (Estimated Clearance). The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of each request will be a percentage of the disbursement, according to the State's clearance pattern specified in Exhibit II - EC. This funding technique is interest neutral.
Pre-Issuance	The State shall request funds such that they are deposited in a State account not more than three business days prior to the day the State makes a disbursement. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be the amount the State expects to disburse. This funding technique is not interest neutral.

6.2.2 The following are terms under which funding techniques for administrative costs shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

There are currently no funding techniques listed in Section 6.2.2.

6.2.3 The following are terms under which miscellaneous funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

There are currently no funding techniques listed in Section 6.2.3.

6.2.4 The following are terms under which State unique funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Funding Technique Name	Description
After Cost Allocation	The State agency will make payments for programs purposes with state funds. Federal funds will be requested after actual costs are allocated to programs and funding sources or based on estimated allocations. The request will be made in accordance with cut-off times in Exhibit I (Funds Request and Receipt Time Schedule). All estimates will be reconciled within a 90 day period. The state will voluntarily not file a federal interest liability claim for the difference of federal funds earned versus funds estimated. This funding technique is interest neutral.
Direct Administrative Costs-Payroll Additive Rate	The State shall request funds for the payroll additive rate such that it is deposited on the dollar-weighted average as calculated in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The payroll additive rate is a portion of payroll that is set aside for Department of Highways personnel. It is not used by the State Department of Highways. The rate is used to allocate a cost for leave and benefits for West Virginia Department of Highways personnel working on a federal project, and is a percentage of direct labor

	costs. It is charged to the project and billed to the Federal Government at the pro rata established for the project. This funding technique is interest neutral.
In Advance of Issuance	The state agency will request funds such that they are deposited in a state account not more than one day before the transaction is completed in the Statewide accounting system and in accordance with cut-off times in Exhibit I (Funds Request and Receipt Time Schedule). The State will use a standard of 3 days prior to the day the State makes a disbursement. However, under exceptional circumstances checks may be disbursed from 3 to 6 days (i.e. holidays). This funding technique is not interest neutral.
Modified Pre-Issuance (DHHR Only)	The state shall request funds based upon estimated expenditures. The federal cash balance is based on the letter of credit for each grant and balanced in a DHHR specific database. The federal cash balance can change due to adjustments by the granting agency for approved/disapproved disbursements. The estimated draws are based upon past experiences and are reconciled 90 days after the quarter ends. The West Virginia State Treasurer's Office will apply a First-In First-Out method to match draws to expenditures and calculate the interest liability. Settlement draws and retro draws will be used to replenish the federal cash balance but will not match to expenditures. This technique is agency specific for the Department of Health and Human Resources due to the complexity of the programs covered and the State's Accounting System limitations. The request for funds shall be made in accordance with cut-off times in Exhibit I (Funds Request and Receipt Time Schedule). This funding technique is not interest neutral.

6.3 Application of Funding Techniques to Programs

6.3.1 The State shall apply the following funding techniques when requesting Federal funds for the component cash flows of the programs listed in sections 4.2 and 4.3 of this Agreement.

6.3.2 Programs

Below are programs listed in Section 4.2 and Section 4.3.

10.551 Supplemental Nutrition Assistance Program
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 100
Component: Program
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.555 National School Lunch Program
Recipient: West Virginia Department of Education
% of Funds Agency Receives: 100
Component: Program
Technique: In Advance of Issuance
Average Day of Clearance: N/A

17.225F Unemployment Insurance -- Federal Benefit Account and
Administrative Costs
Recipient: West Virginia Bureau of Employment Programs
% of Funds Agency Receives: 25
Component: Indirect
Technique: In Advance of Issuance
Average Day of Clearance: N/A

17.225F Unemployment Insurance -- Federal Benefit Account and
Administrative Costs

Recipient: West Virginia Bureau of Employment Programs
% of Funds Agency Receives: 25
Component: Payroll
Technique: In Advance of Issuance
Average Day of Clearance: N/A

17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
Recipient: West Virginia Bureau of Employment Programs
% of Funds Agency Receives: 50
Component: Direct Non-Payroll
Technique: In Advance of Issuance
Average Day of Clearance: N/A

17.225S Unemployment Insurance -- State Benefit Account
Recipient: West Virginia Bureau of Employment Programs
% of Funds Agency Receives: 100
Component: Benefits
Technique: Estimated Clearance
Average Day of Clearance: N/A

20.205 Highway Planning and Construction
Recipient: West Virginia Department of Transportation
% of Funds Agency Receives: 90
Component: Program
Technique: Composite Clearance
Average Day of Clearance: 1 Day

20.205 Highway Planning and Construction
Recipient: West Virginia Department of Transportation
% of Funds Agency Receives: 8
Component: Payroll
Technique: Composite Clearance
Average Day of Clearance: 1 Day

20.205 Highway Planning and Construction
Recipient: West Virginia Department of Transportation
% of Funds Agency Receives: 2
Component: Payroll Additive
Technique: Direct Administrative Costs-Payroll Additive Rate
Average Day of Clearance: 1 Day

84.010 Title I Grants to Local Educational Agencies
Recipient: West Virginia Department of Education
% of Funds Agency Receives: 50
Component: Program
Technique: In Advance of Issuance
Average Day of Clearance: N/A

84.010 Title I Grants to Local Educational Agencies
Recipient: West Virginia Department of Education
% of Funds Agency Receives: 50
Component: Payroll
Technique: In Advance of Issuance
Average Day of Clearance: N/A

84.027 Special Education -- Grants to States
Recipient: West Virginia Department of Education
% of Funds Agency Receives: 25
Component: Indirect
Technique: Pre-Issuance

Average Day of Clearance: N/A

84.027 Special Education -- Grants to States
Recipient: West Virginia Department of Education
% of Funds Agency Receives: 25
Component: Payroll
Technique: In Advance of Issuance
Average Day of Clearance: N/A

84.027 Special Education -- Grants to States
Recipient: West Virginia Department of Education
% of Funds Agency Receives: 50
Component: Program
Technique: In Advance of Issuance
Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 25
Component: Payroll, Administrative, Indirect
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 75
Component: Program
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

93.658 Foster Care -- Title IV-E
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 75
Component: Program
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

93.658 Foster Care -- Title IV-E
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 25
Component: Payroll, Administration, Indirect
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

93.659 Adoption Assistance
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 75
Component: Program
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

93.659 Adoption Assistance
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 25
Component: Payroll, Indirect, Admin
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

93.767 Children's Health Insurance Program
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 85

Component: Program
Technique: After Cost Allocation
Average Day of Clearance: N/A

93.767 Children's Health Insurance Program
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 5
Component: Administrative
Technique: After Cost Allocation
Average Day of Clearance: N/A

93.767 Children's Health Insurance Program
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 10
Component: Payroll
Technique: After Cost Allocation
Average Day of Clearance: N/A

93.778 Medical Assistance Program
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 75
Component: Program
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

93.778 Medical Assistance Program
Recipient: West Virginia Department of Health and Human Resources
% of Funds Agency Receives: 25
Component: Payroll, Administrative, Indirect
Technique: Modified Pre-Issuance (DHHR Only)
Average Day of Clearance: N/A

6.3.3 Materiality Exemptions

Agencies exempt from coverage on the basis of materiality:

No exemptions.

7.0 CLEARANCE PATTERNS

7.1 The State shall develop separate clearance patterns for each of the following:

Program and Payroll

7.2 The following shall develop the State's clearance patterns:

WV State Treasurer's Office

7.3 The sources of data the State shall use when developing its clearance patterns are as follows:

Actual Bank Data

7.4 The State shall use the following methodology when developing its clearance patterns:

When developing each clearance pattern, the State shall track at least 99% of the funds disbursed, from issuance to clearance, for a period of at least three months.

7.5 The State shall identify for each check or warrant (hereafter, check) in the population: (1) the date the check was released for payment; (2) the date the check was debited from the State's account, and, (3) the amount of the check.

7.6 The State shall use the following method to calculate the dollar-weighted average day of clearance:

To determine the number of days each check was outstanding (clearance time), the issue date shall be subtracted from the date the check cleared the State's account.

To determine the percentage of the disbursement paid out each day following issuance, the amount of the checks that clear the State's account each day shall be summed and then divided by the amount of the total disbursement.

For each day following issuance, the clearance time of the checks paid out that day shall be multiplied by the percentage of the total disbursement those checks represent. This product is the clearance factor.

The dollar-weighted average day of clearance for the disbursement shall be determined by summing the clearance factor of each day following the disbursement.

7.7 The State shall adjust each clearance pattern to reflect the dollar-weighted proportion of funds paid out by EFT/Direct payroll, with the following exceptions:

No Exceptions

The State shall also adjust each clearance pattern to reflect:

No Adjustments

7.8 Each of the State's clearance patterns is calculated in Calendar days.

7.9 An authorized State official shall certify that each clearance pattern developed by the State accurately corresponds to the clearance activity of the programs to which it is applied. This certification shall be provided to the Fiscal Service prior to the effective date of the Agreement. The State shall recertify its clearance patterns at least every five years.

7.10 The State shall follow the procedures of 31 CFR 205 if it has actual or constructive knowledge, at any time, that a clearance pattern does not correspond to a program's clearance activity.

8.0 INTEREST CALCULATION METHODOLOGY

8.1 General Terms

8.1.1 The State and the Secretary agree that no interest liabilities will be incurred for transfers of funds made in accordance with the procedures specified in section 6 of this Agreement where the following funding techniques are applied:

Actual Clearance, ZBA - ACH

After Cost Allocation

Composite Clearance

Direct Administrative Costs-Payroll Additive Rate

Estimated Clearance

8.1.2 The State shall maintain information on disbursements and receipts of funds to verify the implementation of any funding technique and document interest liabilities.
For each disbursement, the State shall be able to identify:

(1) amount of the issuance
(2) date of issuance
(3) date Federal funds are received and credited to a State account
(4) amount of Federal funds received
(5) date funds were requested

8.2 Federal Interest Liabilities

8.2.1 A Federal interest liability shall accrue from the day the State pays out its own funds for program purposes to the day Federal funds are credited to a State account. With regard to funds transferred out of the Federal Highway Trust Fund, if a State does not bill at least weekly for current project costs, the Federal interest liability shall not accrue prior to the day the State submits a request for funds.

8.2.2 The State shall use the following method to calculate Federal interest liabilities:

For all transactions where the State pays out its own funds for program purposes prior to receiving Federal funds, the State shall track each payment from the date it is paid out of a State account to the date Federal funds are subsequently credited to a State account to cover that outlay. The Federal interest liability on each payment shall be based on the difference in whole days between the two events. With Federal-State matching programs, interest shall be calculated on the Federal percentage of the disbursement.

8.3 The Unemployment Trust Fund

8.3.1 The State shall use the following method to calculate State interest liabilities on funds withdrawn from the several accounts in the Unemployment Trust Fund:

There are no interest earnings on funds withdrawn from the State account, as the State has implemented estimated clearance, an interest-neutral funding technique, for such transfers. For transfers UTF that do not follow the technique specified in section 6.2 and result in a positive balance of funds in a State account, the State's liability for interest on funds withdrawn from its account in the UTF shall consist of the actual interest earnings of the benefit payment account on the pro-rata share less the related banking costs attributed to such funds.

8.4 Refund Liabilities

8.4.1 The State shall be liable for interest on refunds from the date the refund is credited to a State account until the date the refund is debited from the State account for program purposes. The State shall apply a $50,000 refund transaction threshold below which the State shall not incur or calculate interest liabilities on refunds. A transaction is defined as a single deposit.

8.4.2 For each refund, the State shall maintain information identifying:
(1) date a refund is credited to a State account
(2) date of the subsequent deposit of Federal funds against which the refund is offset
(3) amount of the refund

8.4.3 The State shall use the following methodology to calculate interest liabilities on refunds:

Refunds Deposited to Non-Interest Neutral Programs - Part of Liability Captured Under State's Pre-Issuance Calculation:
With programs to which applicable interest neutral funding techniques are applied, the State interest liability shall be based on two periods: (1) the difference in whole days between the date the refund is deposited to a State account and the date the refund is offset against a subsequent deposit of Federal funds; (2) the difference in whole days between the date the refund is offset against a subsequent deposit of Federal funds and the date the refund is paid out for program purposes.

Interest on refunds during period 1 will be calculated using the information recorded in a separate account. Interest on refunds during period 2 will be captured under the State method for calculating interest under pre-issuance funding. Under this method, interest is calculated on totals disbursed, which includes refunds on hand as well as amounts drawn. The reported interest liability for refunds, therefore, will reflect period 1 only.

8.5 Exemptions

8.5.1 Where more than one State agency is a recipient of Federal funds under a program, a particular State agency's funding may be excluded from interest calculation procedures if the State agency receives an amount of funds less than 5 % of the State's threshold for major Federal assistance programs. Notwithstanding this potential exemption, however, in no case shall less than 90% of a program's total funding be subject to interest calculation procedures.

Proration of calculations: If less than total program funding is subject to interest calculation procedures, the resulting interest liability calculations shall be prorated to 100% of program funding.

8.6 State Interest Liabilities

8.6.1 The State shall be liable for interest on Federal funds from the date Federal funds are credited to a State account until the date those funds are paid out for program purposes.

8.6.2 The State shall use the following method to calculate State interest liabilities on Federal funds:

8.6.2.1 Measuring Time Funds Are Held

To determine the total time Federal funds are held, the State shall measure the time between the date Federal funds are received and credit to a State's account and the date those funds are debited from the State's account.

8.6.2.2 Source of Data

Bank or Agency:
The time period from deposit to payment shall be determined from information captured by the bank and the State's accounting system.

8.6.2.3 Standards Applied

To measure the time Federal funds are held in a State account prior to being disbursed, the State shall use statistical sampling. The sample shall be randomly selected, and shall be of sufficient size to ensure, at a minimum, a 95% confidence interval no wider than ą 0.3 dollar-weighted days about the estimated mean.

For each check in the sample population, the State shall:
1 subtract the deposit date from the issuance date
2 multiply the difference of step 1 by the check amount
3 divide the product of step 2 by the total amount of funds drawn in the sample to determine the dollar-weighted pre-issuance time for that check

The State shall then sum the dollar-weighted pre-issuance time for each check to arrive at the total dollar-weighted average pre-issuance time to be used for calculating State interest liabilities.

8.6.2.4 Calculation Procedure

I = P x r x {PI + CT}, where

I = State's total interest liability

P = Total annual expenditures of Federal funds for program or component cash flow of program

r = Annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during a State's fiscal year divided by 365 days

PI = Dollar-weighted average number of days Federal funds are held by State prior to issuance

CT = Dollar-weighted average number of days Federal funds are held by State between issuance and clearance of checks, as determined by the appropriate clearance pattern in Exhibit II

8.8.0 The State and the Secretary agree that no interest liabilities should be incurred or calculated for indirect costs.

9.0 REVERSE FLOW PROGRAMS

The State is not required to cover any reverse flow programs under the terms of this Agreement because the State does not participate in the program.

10.0 INTEREST CALCULATION COSTS

10.1 As set forth in 31 CFR 205.27, interest calculation costs are defined as those costs necessary for the actual calculation of interest, including the cost of developing and maintaining clearance patterns in support of the interest calculations. Interest calculation costs do not include expenses for normal disbursing services, such as processing of checks or maintaining records for accounting and reconciliation of cash balances, or expenses for upgrading or modernizing accounting systems. Interest calculation costs in excess of $50,000 in any year are not eligible for reimbursement, unless the State provides justification with the annual report.

10.2 The State expects to incur the following types of interest calculation costs:

Development and maintenance of clearance patterns.
Staff time to calculate interest liabilities.
Programming costs for clearance patterns and reports for covered programs.
Staff time for review of the annual report.

10.3 The State shall submit all claims for reimbursement of interest calculation costs with its Annual Report in accordance with 31 CFR 205.

11.0 NON-COMPLIANCE

11.1 The provisions of 31 CFR Part 205.29 and 31 CFR Part 205.30 shall apply in cases of non-compliance with the terms of this Agreement.

12.0 AUTHORIZED SIGNATURES

Misty Price
West Virginia State Deputy Treasurer, Cash Management

DocuSigned by:
Misty L Price
Signature: ADDC52D081BC4BA... Date Signed: 6/30/2021

Date Submitted 6/28/2021

Sandra R. Paylor
Acting Assistant Commissioner
Revenue Collections Management
Bureau of the Fiscal Service
U.S. Department of the Treasury

DocuSigned by:
Sandra Paylor
Signature: A4CB79795B9B48E... Date Signed: 7/11/2021

Exhibit I - Funds Request and Receipt Times Schedule

State of West Virginia

Federal Agency	Payment Type	Request Cut-Off Time	Receipt Window
Agriculture-FNS	ACH	11:59 PM	1 day
Agriculture-FNS	Fedwire	5:45 PM	0 day
Agriculture-FS	ACH	3:00 PM	1 day
Air National Guard	ACH	12:00 PM	15 days
Army National Guard	ACH	12:00 PM	15 days
Commerce-NOAA	ACH	2:00 PM	1 day
Dept of Homeland Security (FEMA)	Fedwire	2:00 PM	2 days
Dept of Homeland Security (ODP)	ACH	2:00 PM	2 days
Dept of Homeland Security (ODP)	Fedwire	2:00 PM	2 days
EPA	ACH	2:00 PM	2 days
EPA	Fedwire	2:00 PM	0 day
Education	ACH	3:00 PM	1 day
Education	Fedwire	2:00 PM	0 day
Energy	ACH	4:00 PM	1 day
Energy	Fedwire	3:00 PM	0 day
HHS	ACH	5:00 PM	1 day
HHS	Fedwire	3:00 PM	0 day
HUD	ACH	5:30 PM	2 days
HUD	Fedwire	3:00 PM	0 day
Interior-FWS	ACH	11:59 PM	1 day
Interior-FWS	Fedwire	5:45 PM	0 day
Interior-OSM	ACH	3:00 PM	1 day
Interior-OSM	Fedwire	1:00 PM	0 day
Justice	ACH	11:00 PM	6 days
Justice	Fedwire	2:00 PM	2 days
Labor-Non-UTF	ACH	3:00 PM	1 day
Labor-UTF	ACH	3:00 PM	1 day
Labor-UTF	Fedwire	3:00 PM	0 day
National Science Foundation (NSF)	ACH	8:00 PM	1 day
National Science Foundation (NSF)	Fedwire	5:45 PM	0 day
Social Security Administration	ACH	11:59 PM	1 day
Social Security Administration	Fedwire	5:45 PM	0 day
Transportation (FAA)	ACH	2:00 PM	1 day
Transportation (FHWA)	ACH	12:00 PM	3 days
Transportation (FHWA)	Fedwire	12:00 PM	0 day
Transportation (FTA)	ACH	2:00 PM	1 day
Veterans Administration	ACH	12:00 PM	3 days

Exhibit II - State of West Virginia
LIST OF STATE CLEARANCE TIMES
(Rounded Dollar-Weighted Average Day of Clearance)
Clearance Times Where the Timing of A Draw Down Is Based on A Clearance Pattern

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
10.551	Supplemental Nutrition Assistance Program	West Virginia Department of Health and Human Resources	100.0	Program	Actual Clearance, ZBA - ACH	1 Day
10.555	National School Lunch Program	West Virginia Department of Education	100.0	Program	In Advance of Issuance	N/A
17.225 F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	West Virginia Bureau of Employment Programs	25.0	Indirect	In Advance of Issuance	N/A
	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	West Virginia Bureau of Employment Programs	25.0	Payroll	In Advance of Issuance	N/A
	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	West Virginia Bureau of Employment Programs	50.0	Direct Non-Payroll	In Advance of Issuance	N/A
17.225 S	Unemployment Insurance -- State Benefit Account	West Virginia Bureau of Employment Programs	100.0	Benefits	Estimated Clearance	N/A
20.205	Highway Planning and Construction	West Virginia Department of Transportation	90.0	Program	Composite Clearance	1 Day
	Highway Planning and Construction	West Virginia Department of Transportation	8.0	Payroll	Composite Clearance	1 Day
	Highway Planning and Construction	West Virginia Department of Transportation	2.0	Payroll Additive	Direct Administrative Costs-Payroll Additive Rate	1 Day
84.010	Title I Grants to Local Educational Agencies	West Virginia Department of Education	50.0	Program	In Advance of Issuance	N/A
	Title I Grants to Local Educational Agencies	West Virginia Department of Education	50.0	Payroll	In Advance of Issuance	N/A
84.027	Special Education -- Grants to States	West Virginia Department of Education	25.0	Indirect	Pre-Issuance	N/A
	Special Education -- Grants to States	West Virginia Department of Education	25.0	Payroll	In Advance of Issuance	N/A

	Special Education -- Grants to States	West Virginia Department of Education	50.0	Program	In Advance of Issuance	N/A
93.558	Temporary Assistance for Needy Families	West Virginia Department of Health and Human Resources	25.0	Payroll, Administrative, Indirect	Modified Pre-Issuance (DHHR Only)	N/A
	Temporary Assistance for Needy Families	West Virginia Department of Health and Human Resources	75.0	Program	Modified Pre-Issuance (DHHR Only)	N/A
93.658	Foster Care -- Title IV-E	West Virginia Department of Health and Human Resources	75.0	Program	Modified Pre-Issuance (DHHR Only)	N/A
	Foster Care -- Title IV-E	West Virginia Department of Health and Human Resources	25.0	Payroll, Administration, Indirect	Modified Pre-Issuance (DHHR Only)	N/A
93.659	Adoption Assistance	West Virginia Department of Health and Human Resources	75.0	Program	Modified Pre-Issuance (DHHR Only)	N/A
	Adoption Assistance	West Virginia Department of Health and Human Resources	25.0	Payroll, Indirect, Admin	Modified Pre-Issuance (DHHR Only)	N/A
93.767	Children's Health Insurance Program	West Virginia Department of Health and Human Resources	85.0	Program	After Cost Allocation	N/A
	Children's Health Insurance Program	West Virginia Department of Health and Human Resources	5.0	Administrative	After Cost Allocation	N/A
	Children's Health Insurance Program	West Virginia Department of Health and Human Resources	10.0	Payroll	After Cost Allocation	N/A
93.778	Medical Assistance Program	West Virginia Department of Health and Human Resources	75.0	Program	Modified Pre-Issuance (DHHR Only)	N/A
	Medical Assistance Program	West Virginia Department of Health and Human Resources	25.0	Payroll, Administrative, Indirect	Modified Pre-Issuance (DHHR Only)	N/A

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Certification

I hereby certify that an authorized State official has certified at least every five years that the "Rounded Days of Clearance" listed in Exhibit 2 of this Treasury-State Agreement:

1. Have been prepared in accordance with the standards provided in 31 CFR 205.20;
2. Accurately represent the flow of Federal funds under the Federal assistance programs to which they apply;
3. Reflect seasonal or other periodic variations in the clearance activities; and,
4. Are auditable.

Date: 6/30/2021

Printed Name: Misty Price

Certifying Signature: DocuSigned by: Misty L Price ADDC52D081BC4BA...

Title: Deputy Treasurer of Cash Management

Cash Management Improvement Act - 2022 Treasury State Agreement
State of West Virginia

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Exhibit II Estimated Clearance

Effective 07/01/2021 until 06/30/2022

17.225S Unemployment Insurance -- State Benefit Account

Day	% Cleared
Day 1	3.22
Day 2	3.22
Day 3	3.22
Day 4	3.22
Day 5	3.22
Day 6	3.22
Day 7	3.22
Day 8	3.22
Day 9	3.22
Day 10	3.22
Day 11	3.22
Day 12	3.22
Day 13	3.22
Day 14	3.22
Day 15	3.22
Day 16	3.22
Day 17	3.22
Day 18	3.22
Day 19	3.22
Day 20	3.22
Day 21	3.22
Day 22	3.22
Day 23	3.24
Day 24	3.24
Day 25	3.24
Day 26	3.24
Day 27	3.24
Day 28	3.24
Day 29	3.24
Day 30	3.24
Day 31	3.24
Total	100.0

Certification

I hereby certify that the % Cleared listed in Exhibit II Estimated Clearance of this Treasury State Agreement:

1. Has been prepared in accordance with the standards provided in 31 CFR 205.20;
2. Accurately represents the flow of federal funds under the federal assistance programs to which they apply;
3. Reflects seasonal or other periodic variations in the clearance activities;
4. Is auditable; and,
5. Has been certified as accurate by an authorized State Official.

Date: 6/30/2021

Printed Name: Misty Price

Certifying Signature: DocuSigned by: Misty L Price ADDC52D081BC4BA...

Title: Deputy Treasurer of Cash Management