Unrestricted Funds (Non WIOA Funding) Policy

Approved & Published: April 2026

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The Central Oklahoma Workforce Innovation Board (COWIB) is the policy and guidance board for the Workforce Oklahoma system in Central Oklahoma. We are business leaders with a goal to establish a highly skilled, productive workforce in our 9-county area.

The Central Oklahoma Workforce Innovation Board (COWIB) complies with WIOA's Equal Opportunity and Nondiscrimination provisions which prohibit discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions), national origin (including limited English proficiency), age, disability, political affiliation or belief, or, the basis of citizenship status or participation in a WIOA Title-1 financially assisted program or activity.

COWIB is an Equal Opportunity Employer/ Program. Auxiliary aids and services are available upon request to individuals with disabilities. Central Oklahoma Workforce Innovation Board's Workforce Innovation and Opportunity Act Title I program funding statement can be found at https://cowib.org/funding/.

http://www.cowib.org/

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References

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200)
- COWIB- Accounting and Financial Policies and Procedures Manual

Purpose

To establish guidelines for the appropriate use, management, and oversight of unrestricted funds held by the Central Oklahoma Workforce Innovation Board (COWIB), ensuring these funds are utilized in a manner that aligns with the board's mission, strategic goals, and fiduciary responsibilities.

Scope

This policy applies to all unrestricted funds received or generated by the Central Oklahoma Workforce Investment Board, dba Oklahoma's Workforce Board, including but not limited to donations, sponsorships, interest income, or other non-federal funds not tied to specific grant requirements. Though COWIB serves as fiscal agent and employer of record for multiple local workforce development boards, this unrestricted funds policy applies only to OWB staff, service provider, and participants.

Definitions

- **Unrestricted Funds:** Financial resources that are not restricted by external entities (e.g., grantors or donors) and may be used at the discretion of the LWDB.
- **Designated Funds:** A subset of unrestricted funds that the board has internally allocated for specific purposes.

Policy

Acceptable Uses

Unrestricted funds may be used for but are not limited to:

- Strategic initiatives that support workforce development goals.
- Expenses not covered by restricted funds, such as board development, advocacy efforts, or community outreach.
- Emergency or contingency needs to sustain COWIB operations.
- Matching requirements for private, federal, or state grants.
- Investments in technology, infrastructure, or innovation to enhance service delivery.
- Staff engagement activities such as incentives, training, meals, etc.

Employee Retention Incentive

To promote workforce stability, reward organizational commitment, and ensure continuity of services, COWIB may allocate available unrestricted funds for an annual employee retention incentive, subject to approval by the Executive Committee and/or Board of Directors.

- Eligible employees may receive an annual retention incentive ranging from 5%–15% of their base salary, as approved by the Board.
- The specific percentage awarded each year will be determined based on:

  - Availability of unrestricted funds
  - Organizational performance
  - Financial sustainability
  - Labor market conditions and cost of living considerations
- Retention incentives are not considered base salary and do not permanently increase compensation.
- Employees must be actively employed on the final day of the fiscal year (or designated payout date) to qualify.

This incentive is intended to strengthen employee engagement, reduce turnover, and support long-term organizational effectiveness in alignment with COWIB's mission.

Retention Formula

Baseline Retention Rate % + Years of Service % + Criticality Role % = % of Salary for Incentive

- All eligible employees begin with a Baseline Retention Rate based on the current Cost of Living approved by the board or executive committee.
- Years of Service

Years of Service	Additional %
0 - 6 months	0%
7 - 12 months	1.0%
1-2 years	2.0%
3-4 years	3.0%
5-7 years	4.0%
8-10 years	5.0%
10+ years	6.0%

- Criticality Role Based on Importance to Unrestricted Projects

Project Role Level	Additional %
Standard Operational Role	2.0%
Key Program Contributor	3.0%
Critical Program Lead	4.0%
Executive / Mission-Critical Role	5.0%

Hard Cap Enforcement

- Under no circumstances shall an individual employee's retention incentive exceed 15% of their base salary.
- If the calculated incentive percentage exceeds the approved maximum, it will be automatically reduced to the 15% cap.
- In the event that total calculated incentives exceed the Board-approved funding pool, incentives may be prorated proportionally across eligible employees to remain within available funding.

Additional Considerations (Board Discretion)

The Board or Executive Committee may adjust final incentive amounts annually based on:

- Cost of Living / Inflationary Pressures (COLA)
- Employee performance and contributions
- Internal equity across staff
- Recruitment and retention challenges
- Overall financial position of the organization

Approval & Administration

The total incentive pool and methodology must be reviewed annually and approved by the Executive Committee and/or Board of Directors.

Leadership will present a recommendation including:

- Available funding
- Projected payout ranges
- Justification tied to retention and financial health

Human Resources will administer the program and maintain documentation for compliance and audit purposes.

Discretionary Nature

This program is fully discretionary and may be modified, reduced, or suspended at any time based on organizational needs and funding availability. Participation does not guarantee payment.

Prohibited Uses

Unrestricted funds shall not be used for:

- Personal expenses or benefits.
- Any activity that violates local, state, or federal laws.
- Any expenditure inconsistent with the board's mission or approved strategic plan.

Approval and Authorization

The Chief Executive Officer (CEO) or designated staff must develop an annual budget for unrestricted funds, subject to approval by the COWIB.

Expenditures outside the approved budget must receive prior approval from the Board, depending on the amount specified in this policy.

Spending Guidelines/ Limits

The following are examples of allowable unrestricted funds expenditures and their limits.

- Events costs [$5,000 per year]
- Special project/ item cost [$5,000 per year]
- Employee recognition costs [$5,000 per year]
- Unfunded program costs [$5,000 per year]

- All staff training expenses (ex. Meals, Supplies) [$2,500 per person]
- Advertising Costs [$5,000 per year]

Management and Oversight

The Accounting Staff shall track unrestricted funds separately in the accounting system to ensure transparency and accountability.

Quarterly financial reports on unrestricted fund activities shall be presented to the Board.

Transparency and Reporting

The COWIB will include information on unrestricted funds in its annual financial report, detailing sources, uses, and balances.

Donors or sponsors contributing to unrestricted funds will receive reports on the impact of their contributions if requested.

501(c)(3) Non-Profit Close-Out and Dissolution Policy

In the event COWIB ceases operations and initiates formal dissolution as a 501(c)(3) nonprofit organization, the following procedures shall apply:

Close-Out Period

COWIB shall budget for an estimated three (3) months of operating expenses to properly close out organizational activities. These costs may include:

- Approximately three (3) months of salary and benefits for essential close-out staff
- Final payroll processing and related payroll taxes
- Final audit and financial statement preparation
- Legal fees associated with dissolution and regulatory filings
- Insurance tail coverage, if applicable
- Final reporting to funders and stakeholders
- Record retention, document storage, and administrative wrap-up expenses
- Technology shutdown or contract termination fees

Settlement of Obligations

Before distributing any remaining assets, COWIB shall:

- Pay all outstanding debts and liabilities
- Fulfill contractual obligations
- Close all grants in accordance with funder requirements
- File all required federal and state dissolution documents

Distribution of Remaining Assets

Upon satisfaction of all liabilities and close-out expenses, any remaining unrestricted assets shall be distributed in accordance with Section 501(c)(3) of the Internal Revenue Code.

Upon dissolution COWIB or its executive committee will designate a non-profit to be the recipient of any remaining unrestricted funds.

Distribution shall be approved by the Board or executive committee and conducted in compliance with applicable state and federal laws governing nonprofit dissolution.

Equal Opportunity and Nondiscrimination Statement

All Recipients, and Sub-recipients / Sub-grantees must comply with WIOA's Equal Opportunity and Nondiscrimination provisions which prohibit discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions), national origin (including limited English proficiency), age, disability, political affiliation or belief, or, for beneficiaries, applicants, and participants only, on the basis of citizenship status or participation in a WIOA Title-I financially assisted program or activity.

Addenda / Revisions

The COWIB Chief Executive Officer is authorized to issue additional instructions, guidance, approvals, and/or forms to further implement the requirements of policy, without making substantive change to the policy, except in situations when a new or updated state and federal guidance is issued.

Questions about these procedures may be directed to the COWIB's Policy Analyst at (405) 622-2026.