	New Jersey Workforce Innovation Notice		WD-PY24-2
	Issued By:	Workforce Development, Division of Career Services	
	Approved By:	Dr. Yolanda Allen, Assistant Commissioner Workforce Development	
	Issued Date:	July 16, 2024	

SUBJECT: Workforce Innovation and Opportunity Act (WIOA) and WorkFirst New Jersey (WFNJ) Budget Guidelines and Requirements

PURPOSE: This policy provides specific guidance related to the development and oversight of Local Workforce Development Board (LWDB) budgets, inclusive of Workforce Innovation and Opportunity Act (WIOA) and WorkFirst New Jersey (WFNJ) which includes Employment and Training funds for Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), and General Assistance (GA).

EFFECTIVE DATE: This New Jersey Workforce Innovation Notice (NJWIN) is effective July 1, 2024.

POLICY RESCISSIONS: Rescinds and replaces WD-PY22-16 and WD-PY22-2.

FOR FURTHER INFORMATION: Questions about this policy can be directed to WIOApolicy@dol.nj.gov.

BACKGROUND: As part of its efforts to support New Jersey’s Local Workforce Development Boards (LWDBs) in developing budgets that support the full range of capacities expected of the board, related to both to local governance and service delivery updates, NJDOL has provided new tools and policies. This policy updates the information in WD-PY22-16. Specific changes include noting that many budget priorities and requirements will be included in annual Notices of Allocation (NOA) and accompanying documents; and outlining additional expectations for reporting.

WIOA specifically articulates, and allows for, significant investments in our local workforce systems, not only at the operational level, but also in supporting the development of systems and governance structures that support innovative approaches and high-quality service delivery to jobseekers, workers, and employers.

In May 2022, NJDOL issued a local governance policy, [WD-PY21-6](#), that outlined the key responsibilities of New Jersey’s LWDBs. Developing a budget for the activities of the LWDB that is “consistent with the local plan and the duties of the Local WDB” is one of the 14 core functions of LWDBs outlined in that policy and in [20 CFR 679.370](#) . In other words, budgets must include resources to support the LWDB itself in carrying out the responsibilities outlined in WIOA.

In addition to WIOA and WFNJ allocations, LWDBs in New Jersey also receive additional funding through other state workforce programs, county initiatives, and private grants.

Finally, in addition to the standard state allocations and additional program and initiative funding,

LWDBs may also receive funds from required One Stop partners as negotiated through Infrastructure Funding Agreements (IFAs) to support One Stop Career Center operations. Please see [WD-PY22-4.2](#) for more information regarding the development of IFAs, and corresponding Memoranda of Understanding (MOUs).

LWDBs must have processes in place for both allocating budgets and tracking expenditures regarding all funding sources. Additionally, LWDBs must have local policies in place that further detail and clarify allowable expenditures and budget expectations for contracted providers that (1) align with state and federal guidance and policy and (2) focus on the delivery of quality of services to participants.

This guidance focuses on specific requirements related to funds issued through standard state allocations in which NJDOL has oversight responsibilities, specifically WIOA and WFNJ.

BUDGET COMMUNICATIONS AND NOTIFICATIONS

NJDOL provides information about annual allocations and the use of WIOA and WFNJ dollars through several means:

Notice of Award (NOA). This is the formal notification to the Chief Elected Official (CEO) that the state is making an award of funds to the local area. It is a legally binding document that includes the amount of allocation, the dates by which funds must be obligated and spent, and some details of funding restrictions including maximum amounts dedicated to administrative costs and reimbursements for specific programs.

Sub-Recipient Agreement Details/Addendum. This legally binding document outlines federal and state requirements for funding, including minimum and maximum expenditures to be dedicated to specific activities or programs, and distribution of an award among WFNJ or WIOA programs. It may also contain direction on or restrictions on procedures for drawing down funds. The Addendum may vary from year to year depending on the priorities of NJDOL, past patterns of spending or documentation, or other factors.

Letter or other communication. NJDOL may opt to supplement these official communications with additional letters or email to CEOs, Workforce Development Board Directors, and/or Workforce Development Board chairs. Such communication may detail USDOL or NJDOL priorities for funding; recommended but not required minimum or maximum expenditures; highlight new requirements in the NOA or Addendum; and share plans for items that may be included as requirements in future years.

Training. NJDOL may provide or mandate training on budget policies and procedures as a condition of receiving funding.

BUDGET REPORTING SYSTEMS

With the start of PY24/FY25, NJDOL is transitioning to a new grants management platform – from SAGE/IGX (System for Administering Grants Electronically) to IGX (Intelligrants). All PY24/FY25 grant activities will be managed through IGX; all prior grant years will continue to be managed through SAGE/IGX.

While the goal is to move off SAGE/IGX fully and to conduct all grant activities in IGX moving forward, in PY24/FY25, given the two year cycles for spending down WIOA grants, LWDBs will be required to utilize

both systems for managing WIOA grants. All WIOA grant activities related to PY23/FY24 will continue to be managed through SAGE. Grant activities related to PY24/FY25 will now be managed in IGX.

All of the procedures and guidance articulated in this policy are applicable to both years of funding and both budget reporting systems.

An important note, data in SAGE and IGX are separate and any individuals responsible for allocating funds, reporting on expenditures, and signing agreements will need to log in and access each system individually. Requests for access to either platform can be sent to WIOAPOD@dol.nj.gov.

OVERVIEW OF BUDGET REQUIREMENTS

Budgets for WIOA and WFNJ are submitted in the form of “cost summaries” in SAGE/IGX. Cost summaries must be allocated before any WIOA or WFNJ funds are expended. **Submitted cost summaries are binding commitments to expend funds as indicated in line items.** Expenditures may not be moved from one line item to another without following the procedure outlined in the Expenditure Procedures section of this policy.

Table 1 below provides an overview of the line items that are included in SAGE/IGX for detailing PY24/FY25 and remaining PY23/FY24 budgets.

Please note, reporting for youth work experience has changed in PY24/FY25. Because youth work experience can reflect a number of different costs that align with existing budget categories, including staff supporting work experience, costs associated with running orientations for work experience, youth wages, and supportive services that help to support individuals’ success in work experiences, beginning with PY24, Youth Work Experience will be recorded as a “column” for a program area rather than as a single “row” expenses.

Table 1: Overview of SAGE/IGX Cost Summary Line Items

Funding Area	Cost Summary Line Items	
WIOA Title I Adult, DW, and Youth Services	<ul style="list-style-type: none"> • Total Salaries/ Wages • Total Fringe Benefits • Occupancy Costs • Travel • Conferences & Training • Training Contracts 	<ul style="list-style-type: none"> • Work-Based Training • Incumbent Worker Training • Pay for Performance • Supportive Services • Contracted Services • Other
WFNJ Services	<ul style="list-style-type: none"> • Subsidized Employment Staff and Participant Costs • Education and Training Staff and Participant Costs 	<ul style="list-style-type: none"> • Other Work Activities Staff and Participant Costs • Case Management • On-the-Job Training • Needs Based Work Support

In addition to these line items, LWDBs may find additional budget planning helpful in making investments in the LWBD’s capacity. Appendices A and B include worksheets that may support budget development. NJDOL may request these details be provided at any point in time. These details include the following:

WIOA Title I	WFNJ
<ul style="list-style-type: none"> • Staffing roles/description details • Contracted services details¹ 	<ul style="list-style-type: none"> • Staffing roles/description details • Service delivery details

Additional Budget Requirements

In addition to the WIOA-required budget guidelines described below, NJDOL may impose additional budget requirements, either permanently or on an annual basis. These requirements will be outlined in the annual Notice of Award (NOA) letter and sub-recipient agreement and accompanying documents. Additional requirements may include but are not limited to:

- Minimum proportion of expenditures directed to activities that directly support jobseekers and employers
- Expenditures dedicated to specific capacity-building activities, including professional development for staff
- Timetables for drawing down funds and limits on drawdowns
- Current executive rates of pay
- Dates by which funds must be expended
- Monitoring and compliance expectations
- Any requirements that may be specific to a local area based on past expenditure patterns or compliance concerns

Overview of WIOA Budget Guidelines

WIOA law and regulations guide the development of WIOA budgets. These guidelines include the following:

Administrative Expenditures: No more than 10% of WIOA Adult, Dislocated Worker, and Youth funds may be expended on administrative expenditures.² However, it is also important to note that the administrative costs of competitively procured provider contracts count as program costs, not administrative costs. LWDBs are responsible for setting and monitoring specific expectations regarding administrative costs for these contracts. Administrative costs are highlighted in [20 CFR 683.215\(b\)](#) and include a variety of costs related to fiscal, HR, legal, and information systems performing administrative functions.

Youth Work Experience Expenditures: Beginning with PY25, costs for Youth Work Experience (for both In-School and Out-of-School Youth) will be broken out across the same set of personnel, non-personnel, and participant services categories as other Title I programs. 20% of youth program funds (less admin costs) must support youth work experiences. WIOA defines a range of costs that count towards youth work experience requirements in [TEGL 21-16](#), and most recently [TEGL 9-22](#) expanded allowable costs related to youth work experience. Youth work experience costs include the following:

¹ Please see page 6 of this policy – personnel and non-personnel costs associated with One Stop Operator, One Stop Career Services, and Youth Services contracts must be recorded as contracted services with the exception of any personnel or non-personnel costs that count towards the Youth Work Experience line item.

² As defined in WIOA regulations at [20 CFR 683.215](#)

Allowable Youth Work Experience Costs	
Wages	When work experiences are classified as an employment situation, opposed to a training situation, wages are paid according to all applicable laws.
Incentives	20 CFR 681.640 states that “incentive payments to youth participants are permitted for recognition and achievement directly tied to training activities and work experiences.
Stipends	In general, stipends represent a fixed, regular small payment made to a youth to encourage participation in a WIOA Youth program.
Supportive Services	While not previously an allowable work experience cost, Training and Employment Guidance Letter (TEGL) 9-22 states that local WDBs may count funds spent on Youth Work Experience for supportive services if it has been determined the services are necessary for participation in the work experience.
Associated Staff Costs:	<ul style="list-style-type: none"> • Participant work experience orientation sessions • Employer work experience orientation sessions • Classroom training or the required academic education component directly related to the work experience • Employability skills/job readiness training to prepare youth for a work experience • Identifying and developing a work experience opportunity, including staff time spent working with employers to identify and develop the work experience • Working with employers to ensure a successful work experience, including staff time • Managing the work experience • Evaluating the work experience
Other Allowable Costs	<ul style="list-style-type: none"> • Participant work experience orientation sessions • Employer work experience orientation sessions • Classroom training or the required academic education component directly related to the work experience

Out-of-School Youth Expenditures: 75% of youth program funds (less admin costs) must support services to out-of-school youth across WIOA’s 14 program elements (highlighted in [20 CFR 681.460](#)). An out-of-school youth is defined as an individual age 16-24 at the time of WIOA enrollment that is not attending school and has one or more barriers to employment as detailed in [20 CFR 681.210](#)

Incumbent Worker Training Expenditures: Up to 20% of combined total adult and dislocated worker funds may be utilized to support Incumbent Worker Training. Incumbent Worker Training is training “designed to meet the special requirements of an employer (including a group of employers) to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment.”³

Staffing Expenditures: [TEGL 12-23](#) also highlights that salaries and bonuses cannot be paid out at a level in excess of the Executive Level II rate specified by the federal Office of Personnel Management; the specific level for that rate for the current year will be included in annual NOAs and/or sub-recipient agreement details. Furthermore, while LWDBs may braid funding to support the salaries and benefits of individual staff, funding levels must not exceed the actual cost of any individual’s compensation.

³ As defined in [20 CFR 680.790](#)

Direct Service Expenditures: Finally, NJDOL is recommending that all local areas allocate and spend at least 40% of WIOA Adult, Dislocated Worker, and Youth funds on expenditures that directly support jobseekers and employers. This includes:

- Individual Training Accounts (ITAs) which directly support training costs
- Subsidized wages for work-based learning opportunities
- Supportive Services that provide direct supports for addressing barriers to employment.

The SAGE/IGX system offers internal controls for ensuring that budgets and expenditures align with these expectations.

Overview of WFNJ Guidelines

WFNJ budget guidelines mirror specific guidelines highlighted above in relation to WIOA budgets. Specifically, WFNJ budget guidelines include the following:

Administrative Expenditures: Beginning with PY24/FY25, no more than 10% of WFNJ funds may be spent on administrative expenditures. As with WIOA funds, the administrative costs of competitively procured provider contracts count as program costs, not administrative costs. LWDBs are responsible for setting and monitoring specific expectations regarding administrative costs for any competitively-procured local contracts. Administrative costs include a variety of costs related to fiscal, HR, legal, and information systems performing administrative functions.

Staffing Expenditures: WFNJ funds follow the same requirements as WIOA. Salaries and bonuses cannot be paid out at a level in excess of the Executive Level II rate specified by the federal Office of Personnel Management; the specific level for that rate for the current year will be included in the NOA and/or sub-recipient agreement details. Furthermore, while LWDBs may braid funding to support the salaries and benefits of individual staff, funding levels must not exceed the actual cost of any individual's compensation.

Direct Service Expenditures: Finally, NJDOL is recommending that all local areas allocate and spend at least 40% of WFNJ funds on expenditures that directly support jobseekers and employers. This includes:

- Subsidized wages for work-based learning opportunities
- Supportive Services that provide direct supports for addressing barriers to employment.

BUDGET DEVELOPMENT RESOURCES

NJDOL has developed resources to support NJ's LWDBs in developing and planning comprehensive annual budgets that align with the NJDOL budgeting requirements highlighted in this policy. The use of these tools is not mandatory but LWDBs may find them helpful in generating budgeting details and informing submission of cost summaries and in better aligning budgets with capacity-building and service delivery priorities. The tools include the WIOA and WFNJ budget details form, Appendix A of this policy; and comprehensive budgeting tool, *NJDOL's Annual Budgeting Template*, available here: https://www.nj.gov/labor/assets/PDFs/WIOA/documents/resources/NJDOLBudgetingTemplate_Update_d6-7-23.xlsx

These tools have been designed to help LWDBs in:

1. *Detailing program vs. administrative costs at the LWDB level:* Many [functions](#) of the LWDB including strategy and design, procurement, data management and analysis, and monitoring related to program and service delivery may be classified as program costs, in addition to contracts with service delivery providers. Appendix B provides details from a USDOL desk guide providing an overview of considerations in establishing whether a cost is an administrative or program cost. *NJDOL's Annual Budgeting Template* includes separate tabs for planning and documenting administrative versus programmatic costs.
2. *Monitoring budget details related to resources directed toward contracts for any career, youth, and/or literacy service vendors:* For Title I Career Services and Youth Services, and One Stop Operators, these contracts must be competitively procured. Please see [WD-PY22-5](#) for NJ's competitive procurement policy. LWDBs are responsible for the monitoring and oversight of these contracted provider budgets separate from NJDOL reporting, which includes gathering detailed budgets from providers and tracking expenses against those budgets. The template includes tabs for detailing these provider budgets separately from SAGE/IGX.
3. *Documenting and detailing separate budget line items for LWDB activities from the activities of operational entities (for WIOA):* Program costs, specifically, include LWDB costs and costs associated with One Stop Operator, Career Services, and Youth Services contracts. To facilitate clearer differentiation between LWDB and contracted services costs, contracted services must be captured in the contracted services line items in SAGE/IGX. Please note, however, direct services to participants must be captured in individual line items in SAGE/IGX, such as Training Contracts, OJTs, and Supportive Services, separately from contracted service amounts. This is all reflected in *NJDOL's Annual Budgeting Template*.

EXPENDITURE AND REPORTING PROCESSES

The processes in this section are effective with the 2024 Program Year, beginning July 1, 2024. Specific procedures for notification and reporting may be updated; these updates will be clearly communicated and do not preclude compliance with requirements.

Drawdown Procedures

Local areas access their funds with requests to “draw down” the funds. They must adhere to the following processes to draw down funds:

- Subrecipients must draw down funds between the 1st and the 25th of each per month
- If a local area/subrecipient does not draw down funds in a particular month, it must provide NJDOL with written notification through email to the local area's fiscal contact by the 25th that they will not be drawing down that month and must also put a notification and explanation in the Notes section of SAGE/IGX.
- Subrecipients may draw down funds a maximum of three times per month. Funds from WIOA and WFNJ allocations may be requested in the same drawdown.

- Any program income must be expended in the same month in which it is earned. Subrecipients should not request a drawdown until program income is expended and must provide notification to NJDOL as described above if they will not request a drawdown in a particular month.
- If a subrecipient has positive cash on hand, any drawdown request must account for this cash on hand. In other words, subrecipients must first utilize this cash on hand before requesting additional drawdowns. If positive cash on hand exceeds expenditures in a given month, the area must notify NJDOL as described above that it will not be drawing down funds. When a local area has cash on hand, the area must put a note in SAGE/IGX with an explanation for the cash balance and a plan and date for projected expenditure of the cash.

Expenditure Procedures

NJDOL requires regular reporting of expenditures to facilitate state reporting to USDOL, identify areas where technical assistance may be required, and take prompt action on questionable expenditures.

- Subrecipients must submit expenditure reports no later than the 15th of each month, following the month when drawdowns were taken, using the established functions in SAGE/IGX. The WDB Director must attest to a review of the report and its accuracy. If the WDB Director prepares the expenditure report, the WDB Chair must complete the attestation. See Appendix C for a template for this attestation.
- If an expenditure report includes more than one month, the report must include a note in SAGE/IGX with an explanation for the comprehensive report and clear indication of the months that are included.
- The final expenditure report of the program year must include a list of all expenditures from the accounting system of record. The list must reconcile to the final expenditure report, and cash disbursements and payables must equal expenditures.

Non-Compliance Procedures

If a subrecipient fails to submit an expenditure report in a single month the following procedure will be followed.

- NJDOL will make initial informal notification that the subrecipient has five days to submit the expenditure report.
- Failure to submit a report by the 20th of the month in which it is due will result in notification to the WBD Director and WDB Chair.
- Failure to submit a report by the 15th of next month would constitute failure to submit expenditure reports for two consecutive months and would result in initiation of formal corrective action and a letter to the Chief Elected Official.
- If a subrecipient does not take action within 60 days of that notification, NJDOL may enact corrective actions or penalties as outlined in the Sanctions Policy [WD-PY24-1](#).
- A subrecipient's failure to submit reports, even failures which do not reach corrective action, may be noted on NJDOL's quarterly reports to USDOL on federal expenditures.

Changes to Budget Line Items

Cost summaries submitted to SAGE/IGX are binding commitments to expend funds as indicated per line items. After cost summaries are finalized at the beginning of the program year, Local Workforce Development Boards must notify New Jersey Department of Labor of any changes in allocations in any line items. Notifications must be sent to WIOAPOD@dol.nj.gov with a subject line that highlights the name of the Local Workforce Development Board and indicates a “Budget Allocation Change.” All notifications must include an explanation and justification for the change and an Excel spreadsheet with highlighting all line items that will be modified.

In addition to providing notification, changes that are 10% or more of a funding allocation and/or any transfer of funds out of line items providing direct services to participants require approval from NJDOL before making changes in SAGE/IGX. Direct services include the following line items, Individual Training Accounts, work-based learning wages, stipends, incentives, and supportive services. The percentage of funds allocated to direct services will be considered when a local board makes a budget modification or other request.

Requests for changes requiring approval must be submitted to WIOAPOD@dol.nj.gov with a subject line that highlights the name of the Local Workforce Development Board and indicates a “Budget Allocation Change Request.” The request for approval must have an explanation for the change and be accompanied by a run of expenses from the subrecipient’s or fiscal agent’s accounting system of record. NJDOL will respond to requests for approval within 10 business days. Additionally, any requests that would increase or decrease an item 10% of the allocation must comply with [New Jersey local budget law](#) in addition to NJDOL guidance.

In addition, any capital expenditures for (1) *general purpose* equipment, buildings, and land, and (2) *special purpose* equipment with a unit cost of \$5,000 or more, are unallowable without written approval of NJDOL, as per [2 CFR 200.439](#).

Finally, any request for transfer of funds between Adult and Dislocated Worker allocations and/or request for additional funds must follow NJDOL’s Transfer of Funds and Additional Funding Request guidance, [WD-PY22-15](#), including the submission of forms attached to the guidance.

ONGOING DEVELOPMENT OF BUDGET MONITORING PRACTICES


NJDOL’s Workforce Division, along with the Office of Internal Audit and Fiscal department, is continuing to develop strategies for supporting and overseeing WIOA and WFNJ budgets. These monitoring efforts focus on ensuring that the planning, development, and implementation of program budgets and the expenditure of funds align with federal, state, and local priorities and requirements.

While NJDOL intends to use the information provided in the [Expenditure and Reporting Process](#) above for much of its budget monitoring, NJDOL may request and require additional budget details as part of these ongoing monitoring activities.

A subrecipient/ local area's failure to comply with the reporting and notification procedures outlined in this policy, or other monitoring requested by NJDOL, may result in corrective actions or penalties as highlighted in N.J.A.C 12:42-3 and WD-PY24-1.

Attachments:

- WIOA Title I and WFNJ Budget Details Form
- USDOL Desk Reference Admin vs. Program Costs
- Expenditure Report Attestation Template

	<p style="text-align: center;">WIOA Title I Budget Details Form</p>
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To facilitate submission of cost summaries in SAGE/IGX, this worksheet includes (1) Staffing details, and (2) Contracted services details.

Staffing Details: All LWDB staff positions supported through WIOA funds, a breakdown of funding source, and the percentage of each position charged as admin costs (versus program costs).

Job Title/Brief Description	Total WIOA Funding	Title I Adult Funding	Title I DW Funding	Title I Youth Funding	% Charged to Admin

Electronic version available here: <https://www.nj.gov/labor/assets/PDFs/WIOA/documents/resources/Budget%20Details%20Worksheets.xlsx>

- I. **Contracted Services Details:** All contracted providers supported through WIOA funding and a brief description of services, whether these contracts are classified as admin or program, the total contract amount, the contract start and end dates, and what sources of funding are being leveraged.

Contracted Providers/Service Description	Admin or Program Funds	Total Contract Amount	Contract Start Date	Contract End Date	Sources of Funding (Title I Adult, DW, and/or Youth?)

Electronic version available here: <https://www.nj.gov/labor/assets/PDFs/WIOA/documents/resources/Budget%20Details%20Worksheets.xlsx>

	<p>WFNJ Budget Details Form</p>
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To facilitate submission of cost summaries in SAGE/IGX this worksheet includes (1) Staffing details, (2) Contracted services details, and (3) Youth work experience details.

- I. **Staffing Details:** All LWDB staff positions supported through WFNJ funds, a breakdown of funding source, and the percentage of each position charged as admin costs (versus program costs).

Job Title/Brief Description	Total Funding	TANF Funding	GA Funding	SNAP Funding	% Charged to Admin

Electronic version available here: <https://www.nj.gov/labor/assets/PDFs/WIOA/documents/resources/Budget%20Details%20Worksheets.xlsx>

II. **Service Delivery Details:** An overview of budget for WFNJ service delivery, including a description of costs directly connected to serving customers, total costs, and a breakdown by funding source.

Cost Category	Cost Description	Total Cost	TANF Funding	GA Funding	SNAP Funding
Personnel Costs (Staff salaries/wages and fringe benefits)					
Non-Personnel Costs (Facilities, equipment and materials, IT, professional development, travel)					
Work-Based Learning Wages					
Needs-Based Work Support					
Contracted Services					
Other Costs					

Electronic version available here: <https://www.nj.gov/labor/assets/PDFs/WIOA/documents/resources/Budget%20Details%20Worksheets.xlsx>

The Workforce Innovation and Opportunity Act

What WIOA title I functions and activities constitute the costs of administration subject to the administrative cost limitation at 20 CFR 683.215?

GENERAL GUIDELINES

Administrative costs are incurred by:

- State and Local Workforce Development Boards,
- Regions, and
- Direct grant recipients including:
 - State grant recipients,
 - Local grant recipients,
 - One-stop operators,
 - Local grant subrecipients, and
 - Local fiscal agents.
- Administrative costs are not related to the direct provision of workforce investment services, including services to participants and employers.
- Administrative costs can be:
 - Personnel,
 - Non-personnel,
 - Direct, and
 - Indirect.

ADMINISTRATIVE COSTS

- 1) **General administrative functions and coordination of the following functions (20 CFR 683.215(b)(1)(i-x)):**
 - accounting, budgeting, financial and cash management;
 - procurement and purchasing;
 - property management;
 - personnel management;
 - payroll functions;
 - resolution of findings arising from audits, reviews, investigations and incident reports;
 - audits;
 - general legal services functions;
 - information system development (see item # 5)
 - development of systems and procedures including information systems, for administrative functions; and
 - fiscal agent responsibilities.
- 2) **Performing oversight and monitoring related to WIOA Administrative functions (20 CFR 683.215(b)(2)).**
- 3) **Costs of goods and services required for administrative functions of the program, including goods and services such as (20 CFR 683.215(b)(3)):**
 - rental or purchase of equipment,
 - utilities,
 - office supplies
 - postage, and
 - rental and maintenance of office space.
- 4) **Travel costs incurred for official business in carrying out administrative activities (20 CFR 683.215(b)(4)).**
- 5) **Costs of information systems related to administrative functions including the purchase, development, and operating costs of such systems (20 CFR 683.215(b)(5)). For example:**
 - Personnel,
 - procurement and purchasing,
 - property management, and
 - accounting and payroll systems.
- 6) **Awards to subrecipients or contractors that are solely for the performance of administrative functions.**

The allowability and allocability of administrative costs must be consistent with the Cost Principles in the Uniform Guidance. Efforts must be made to streamline the services and functions to reduce administrative costs by minimizing duplication and effectively using information technology to improve services.



The Workforce Innovation and Opportunity Act

PROGRAM COSTS

- 1) **Costs tied to the direct provision of workforce investment services including services to participants and employers. Such costs may include the following:**
 - career services;
 - business services for employers;
 - performance measures/outcomes;
 - continuous improvement activities;
 - tracking or monitoring of participant and performance information;
 - employment statistics information, including job listing information, job skills information, and demand occupation information;
 - performance and program cost information on eligible training providers, youth activities, and appropriate education activities;
 - local area performance information;
 - information related to supportive services; and
 - information related to unemployment insurance claims for program participants.
- 2) **All costs incurred for functions and activities of subrecipients, except those entities listed in the box labeled "General Guidelines", and contractors are charged as program costs.**

For example, an entity contracted to provide youth services incurs incidental costs for processing youth work experience. The entity's payroll may charge all of its costs to program costs.
- 3) **Costs of the following information systems, including the purchase, systems development and operating (e.g. data entry) costs are charged as program costs. Unless funding, award or other notices say otherwise.**
- 4) **Negotiation of a Memorandum of Understanding (MOU) or Infrastructure Funding Agreement (IFA) ([20 CFR 683.205\(a\)\(5\)](#)).**

ADMINISTRATIVE OR PROGRAM COSTS

These costs might be charged as administrative or program costs depending on the circumstance.

- 1) **Personnel and related non-personnel costs of staff who perform both administrative functions and programmatic services are allocated to the benefitting cost objectives/categories. Allocation of cost are in accordance with equitable allocation methodologies outlined in the Uniform Guidance.**
- 2) **Continuous improvement activities are charged based on the purpose or nature of the activity to be improved. Documentation of such charges must be maintained.**
- 3) **Infrastructure costs for title I programs**

Title I WIOA partner programs can use administrative and program funds to pay for infrastructure costs. However, the definition of administrative costs may differ in other partner programs. Partner's contributions for infrastructure costs are subject to the partner programs' administrative cost definition and limitations. For title IV WIOA partner programs, such as Vocational Rehabilitation (VR), agencies must report funds spent for infrastructure costs as administrative costs ([20 CFR 678.720](#)).



Appendix C: Report Attestation

This template may be used to create a letter on the subrecipient’s letterhead to be attached to the report produced in SAGE/IGX.

This letter confirms the monthly financial report of [MONTH] [YEAR] for [AWARD].

I confirm that the electronically submitted report of expenditures (accrual basis), outstanding obligations, program income, and cash draws, disbursements (cash basis) and payables have been prepared and reconciled to the system of record. The report accurately reflects the financial position of the above programs and have been prepared in accordance with generally accepted accounting principles and appropriate local, state, and federal program regulations.

I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812.

Signature of Report Preparer

Date

Signature of WDB Director
(or WDB Chair if Director is Preparer)

Date