



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
Department of Labor and Training
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WORKFORCE INVESTMENT NOTICE: 07-21

TO: WORKFORCE INVESTMENT AREAS

FROM: John J. O'Hare, Administrator-Workforce Investment Office

SUBJECT: Allocations for Industry Skill Development Initiative funds from the Job Development Fund for PY2008/FY 2009.

DATE: June 24, 2008

1. PURPOSE. To provide Locals with the Job Development Fund (JDF) Industry Skill Development Initiative allocations for FY 2009 based on budgeted amounts from the Governor's Workforce Board RI (GWBRI).

2. REFERENCES. Reference is made to WIN 07-10 that transmitted to you the JDF oversight policy compliance requirements, and grant agreement #G439 between GWBRI and DLT for the period July 1, 2008 through December 31, 2009. This grant agreement specifies the use of JDF for the purposes of developing the Industry Skill Initiative as detailed in the proposal submitted to the GWBRI by the two local Workforce Investment Boards at their January 2007 meeting.

3. BACKGROUND. The GWBRI has allocated \$279,100 to the Local Workforce Investment Boards (LWIB) for the period July 1, 2008 through December 31, 2009 to support costs for both Administrative and Programmatic staff to help develop and provide oversight of the Industry Skill Development Initiative. The LWIB Support Costs are listed below in the budget allocation section of this WIN. In addition, \$850,000 will be available to the locals for Industry Project Contracts, and another \$750,000 will be available for Training, bringing the total available for all Industry Skill Development at the Local level to \$1,879,100.

4. POLICY. Local Workforce Investment Areas receiving Job Development Funds for Industry Skill Development during Program Year 2007 and Program Year 2008 (including the chief elected official of the local area), and providers receiving funds under this title, shall comply with the applicable Circulars and Regulations of the Office of Management and Budget for the type of entity receiving Federal WIA funds and all applicable State and Local Laws.

Nothing in this policy shall preclude the entity that is receiving Job Development funds from adopting new policies and procedures or utilizing existing policies and procedures provided they are at least as restrictive as the Federal Circulars and Regulations. The SWIO, therefore, prescribes, at a minimum, the following administrative and fiscal requirements as State Policy:

- ◆ **Fiscal/Administrative Requirements:** The applicable requirements per federal citations listed below must be complied with by all subrecipient/vendors for both WIA and JDF allocations.

Cross Reference of Administrative Requirements

Requirement	State/Local Government	Nonprofit Organizations	Institutions of Higher Education	Commercial Organizations
Audit	29 CFR Part 99	29 CFR Part 99	29 CFR Part 99	20 CFR 667.200 (b) (ii) (WIA Regulations)
Audit Resolution	29 CFR Part 96	29 CFR Part 96	29 CFR Part 96	20 CFR 667.500 et. seq. (WIA Regulations)
Cost Principles	A-87	A-122	A-21	48 CFR Part 31
Allowable Costs	A-87	A-122	A-21	48 CFR Part 31
Uniform Administrative Requirements	29 CFR Part 97	29 CFR Part 95	29 CFR Part 95	29 CFR Part 95
Lobbying Restrictions	29 CFR Part 93	29 CFR Part 93	29 CFR Part 93	29 CFR Part 93
Suspension and Debarment	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98
Drug-Free Workplace	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98	29 CFR Part 98

- ◆ **Additional Administrative Requirements:**
- ◆ **Procurement-** Procurement transactions under the Job Development Fund grants between local boards and units of State or local governments shall be conducted only on a cost-reimbursable basis. All procurements will be “open and competitive” in compliance with the applicable OMB-Circular listed above.
- ◆ **Administrative Cost Limit-** Administrative costs for sub-recipients (LWIBs) receiving Job Development Funds shall not exceed the allocations listed in the budget section of this WIN. Contracted training vendors administrative cost shall not exceed 10% of the total contract.
- ◆ **Administrative Cost Definition-** the definition of administrative costs is pursuant to Section 667.220 of the Workforce Investment Act’s (WIA) Final Regulations dated August 11, 2000. If the cost of a function or activity in question is not listed as an administrative cost in 20 CFR 667.220, then such cost will be considered a programmatic cost.
- ◆ **Cost Allocation-** all costs will be appropriately allocated between all benefiting programs per the referenced and applicable federal guidance.
- ◆ **Monitoring -** The State will conduct on an annual basis on-site fiscal and programmatic monitoring of each local area within the State to ensure compliance with the uniform administrative requirements. In addition, the local Workforce Investment Boards shall conduct on a semi-annual basis both internal and on-site monitoring of each of their vendors to ensure compliance with both programmatic and the uniform administrative requirements. The Workforce Development Boards will forward a copy of the monitoring reports to the SWIO along with documented corrective action.
- ◆ A local plan modification must be submitted for approval by each Workforce Investment Area.
- ◆ **Action by the Governor** --- If the Governor determines that a local area is not in compliance with the uniform administrative requirements and/or State or Local Law, he shall:
 - (A) require corrective action to secure prompt compliance; and
 - (B) impose the sanctions; to include recapture of funds and termination of the grant award, etc.

5. BUDGET. The attached budget is per terms of agreement #G439 between GWBRI and DLT. The following chart will break out the budget allocation for each LWIB for staff support costs.

Category	WPGRI	WSPC	Total
Administration/ Program	\$147,065	\$132,035	\$279,100
Total	\$147,065	\$132,035	\$279,100

The \$850,000 reserved for Industry Project Contracts will be distributed to the LWIB based on the actual negotiated contract amounts by LWIB. If any of the \$850,000 remains unobligated after this process, the excess will become part of the Training category and distributed by formula.

The \$750,000 reserved for Training shall be distributed to the LWIBs based on PY2008 Adult formula distribution as transmitted to you via WIN 07-22.

WPGRI	55.52%	\$416,400
WSPC	44.48%	\$333,600

6. INQUIRIES. Questions regarding this WIN may be directed to me at 462-8782 (johare@dlt.ri.gov) or Bob Garofano at 462-8149 (bgarofano@dlt.ri.gov).