

ATTACHMENT E1

Massachusetts Department of Workforce Development

ARRA Budget Instructions (WIA Title I Adult and Dislocated Worker, Wagner-Peyser and RES)

BACKGROUND

“In an effort to support states in their rapid deployment of funds and recognizing that normal plan submission and approval procedures may hamper such effort, US Department of Labor (USDOL) Employment and Training Administration (ETA) has determined that state approved PY2008 WIA and Wagner-Peyser (WP) Act Strategic State Plans qualify the state to receive American Recovery and Reinvestment Act (ARRA) allotments pursuant to WIA section 112. To qualify states for PY2009 allotments, ETA will grant extensions on current WIA and WP Strategic State Plans for PY2009. This strategy permits states to immediately receive and begin expending ARRA funds while providing a meaningful period in which to develop state/local plans for the most effective use of ARRA and formula funding” An excerpt from USDOL ETA TEGL 13-08.

These budget instructions provide the opportunity to demonstrate the meaningful and well thought out planning that local areas have done as it relates to the new infusion of ARRA funds.

Please complete the attached ARRA Budget to include;

ARRA WIA Title I Adult

ARRA WIA Title I Dislocated Worker

ARRA Wagner Peyser Employment Service funds 90%

ARRA Wagner Peyser Employment Service funds 10%

ARRA Re-employment Services funds (One Year of Funding included in this plan)

PURPOSES AND PRINCIPLES

In accordance with the intent of the ARRA, funds must be spent expeditiously and effectively, with full transparency and accountability in the expenditure of funds. The significant investment of stimulus funds presents an extraordinary and unique opportunity for the workforce system to accelerate its transformational efforts and demonstrate its full capacity to innovate and implement effective One-Stop service delivery strategies. As states and localities plan how their One-Stop systems will make immediate use of the ARRA funds, ETA encourages them to take an expansive view of how the funds can be integrated into transformational efforts to achieve a new level of effectiveness throughout the public workforce system. In this system, the needs of workers and employers are equally important in developing thriving communities where all citizens succeed and businesses prosper. Successful implementation of the ARRA includes not only quick and effective provision of services and training for workers in need, but also leveraging changes in the system's basic operations to emerge as a strong, invigorated, innovative

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public workforce system capable of helping enable future economic growth and advancing shared prosperity for all Americans. Workforce Investment Areas are advised that ARRA funds are intended to supplement, not supplant existing formula funds.

APPLICABLE AUTHORITY

Funds planned herein must be expended in accordance with all applicable federal statutes, regulations, policies, and guidance, including those of the ARRA of 2009 and the Workforce Investment Act of 1998 (*as presently in effect and as may become effective during the terms of this Agreement through reauthorization of the WIA Act or any other regulatory change*). In addition, ARRA funds must be spent in accordance with the applicable approved WIA plan including approved modifications and amendments and extensions to the plan.

GRANT EXPENDITURE PERIOD

Pursuant to the ARRA, the period of availability is effective February 17, 2009 through June 30, 2011, in accordance with existing terms and conditions of the PY 2008 funding agreement. However, ARRA funds under this agreement for Wagner Peyser are available for obligation through September 30, 2010. It is the intent of Congress, as well as that of the Administration, that the majority of these funds will be utilized within the first year of availability.

REQUIRED BUDGET SUBMISSION

1. ARRA Budget completed in its entirety
2. Integrated Budget Narrative
3. Cost Allocation methodology basis must be identified (either by submitting the local area cost allocation plan, or by describing the methodology)

The ARRA Budget submitted as part of this plan will delineate the planned expenditures for each category (Personnel, Premises and Non-Personnel Support) attributable to each funding stream. The budget submission will be incorporated into the ARRA contract agreement. Subsequently, the ARRA funding streams will become part of the integrated budget to be submitted by the LWIBs in their local FY10 plans.

COST CATEGORIES AND CALCULATIONS

The intent of this budget document is to get a detailed breakout of planned expenditures over the entire life of the ARRA funds. We recognize this is a budget only and may be updated as new information becomes available. **DWD/DCS will ensure from this document that the Training Floor minimum expenditure rate of 60% for the ARRA Adult and Dislocated Worker funds is adhered to.** The Fiscal Status Report (FSR) will be updated to include all the training categories contained herein to enable the tracking of expenditures in the same manner to ensure compliance with the Training floor minimum on expenditures as well.

LWIBs must provide a BUDGET NARRATIVE explanation of all non-staff costs as part of the budget submission. This will assure consistency and prevent delays in the plan review process. LWIBs must utilize the budget categories appearing on the ARRA

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Budget form, detailing the items contained in each category and fully explaining the calculations used to establish each budget estimate.

IMPORTANT NOTE: the ability to expedite the approval of your ARRA plan depends upon the completeness of supplied costs and any necessary accompanying explanations (cost basis and allocation basis identified). The cost allocation methodology must be described in the budget narrative (i.e. FTE based, program customers served, square footage) are all acceptable methodologies. The basis for the NPS costs on the Integrated Budget per program must be identified. If Resource Sharing is utilized sufficient detail from the Resource sharing plan should be included.

Number of Full time equivalent (FTE) positions must be completed on the ARRA Budget form. The number of new hire positions (which is a subset of the FTE's on the ARRA Budget form) must be identified in the budget narrative.