

ATTACHMENT K

Massachusetts Fiscal Year 2024 Local Annual WIOA Plan

Integrated Budget Instructions

A majority of the WIOA programs administered through the MassHire Department of Career Services (MDCS) had been identified as required partner programs or designated as affiliated partners by the Commonwealth. With the exception of Wagner-Peyser, the funds available from these program streams had been designated for specific labor exchange or customer service functions such as services to Veterans, Unemployment Insurance recipients and Dislocated Workers.

WIOA §361.700 emphasizes the mandate to ensure that Partners contribute to support infrastructure costs. Bearing in mind the impact of applicable WIOA and related COFAR principles, the basic premise is that *“Each entity that carries out a program or activities in a local one-stop center, described in §§361.400 through 361.410, must use a portion of the funds available for the program and activities to maintain the one-stop delivery system, including payment of the infrastructure of the one-stop center”*. As described in §361.710, *“Infrastructure costs are funded either through the local funding mechanism described in §361.715 or through the state funding mechanism described in §361.730”*. Please continue, as supported by state mandates, to utilize the COFAR concepts and the new WIOA Partner cost support mandate to guide your local area in executing local partner infrastructure support MOUs.

The following items identify commitments, changes or enhancements for FY 2024 regarding the submission of fiscal planning documents and tools:

1. Requirement to submit a Budget Narrative on unusual items only.
2. State budget/allocations for MassHire Career Centers will not be final until the Legislature approves the budget and a revised distribution methodology receives Association(s) and state approval.
3. The revised IB format requires a retained costs breakout but does not require a detailed budget breakout of local, contracted costs. Information will be sought as needed. In general, IB updates will be sought from local areas on a negotiated timeframe to facilitate budget uploading and make the Datamart budget vs actual reports more useful.
4. Effectiveness of the FY24 revised IB format requires state entry of Phase codes for each row in advance on Page 1 for formula and predicted annual grant funding and codes will be supplied as needed on Partner and special grants on page 2 of the IB form.
4. State budget/allocations for WFB WTF funds are anticipated to be \$95,000 per WFB area.
5. 80/20% split between regional and state level Wagner-Peyser 90 % funding will be continued for FY24.

6. 62/38% split between regional and state level will be in force for FY24 for Wagner Peyser 10% funding.
7. Carry-in of unexpended FY23 Wagner Peyser (90/10) and WIOA Title I funds will be locally identified for planning purposes and planned as separate rows on the Integrated Budget.
6. MDCS Salary Sheets will be separately issued by MDCS to Ops Managers and Fiscal Officers and reviewed and processed based upon local input.
7. SPECIAL IMPACT NOTICE: State union employee, non-manager positions will reflect an 8% increase for FY24. Salary sheets are currently being prepared by EOLWD Finance that will reflect both current Fringe and overhead rates and the union salary increases for each staff affected. These will be issued separately to each area.
8. There will be no MOSES fee or AWS costs assessed for FY24
9. FY24 Integrated Budget approvals will be issued following negotiations with each area based on the receipt of accurate projections and segregation of applicable retained costs.
10. Fringe (.4336), Payroll tax (.0245) and State Indirect (.0575) are in separate columns from AS&T (.0582).
11. AS&T (5.82) is in a separate row applied against all above the line costs.
12. Rows will be added to reflect WIOA Mandated Partner contributions
13. The issues specific to FY24 support for local Walk-in services have not been resolved.
14. Rows will be added for special grant situations as they occur.
15. Authorization is highlighted under Wagner-Peyser (29 U.S. Code § 49f; 20 CFR 652.205) to expend 10% earmark funds under provision 7c for career center services.
16. See SPECIAL BUDGET NOTICE on Page 8 of these instructions
17. All planning-related documents should be returned/submitted to Lisa Caissie (Lisa.J.Caissie@mass.gov)

A. Budget Narrative

2. No separate budget narrative will be required. Unusual budget items should be explained in the response.

IMPORTANT:

Accuracy and completeness of your FY 2024 plan, including necessary line item and cost basis explanations for unusual items will expedite the review and approval process. If Resource Sharing is permitted by the Uniform Circular and is utilized, sufficient detail from the Resource sharing plan should be included. The resource sharing agreement details will be verified through monitoring. The FY24 Contracts will be awarded as State/Federal funds become available from the State and USDOL subject to any locally-directed adjustments for retained costs; initial contracts will not be held back pending approval of the Integrated Budget. Clarification and negotiations may be required before Integrated Budget approval will be issued. MDCS/EOLWD Finance fiscal staff will work with local fiscal staff toward information clarification and resolution of any issues beginning with plan submission and continuing as long as necessary to complete the budget approval process for all areas.

B. Integrated Budget – Fund Sources

The Integrated Budget instruction provides the MassHire Workforce Board (LOCAL BOARD) guidelines for the use of MDCS-administered funds during FY 2024. All funding must be expended in accordance with the requirements of the source program and in a manner consistent with these guidelines. All allocations are subject to change based on decisions made at either the state and/or federal level. Should changes occur, an opportunity will be provided to amend projected spending plans.

Local negotiators for MDCS should bear in mind that the operation of each MassHire Career Center constitutes a partnership between MDCS and the Local Board. Whether in a collaborative or competitive model, the negotiators have a responsibility to ensure that resources available from MDCS are utilized based upon cost-sharing concepts and a fair and responsible allocation methodology. This methodology must maximize all resources available to the Center from all partners, avoid duplication, and improve the efficiency and quality of employment and training services available to both individuals and employers.

The Annual Integrated Budget submitted as part of the MOU between MDCS and the LOCAL BOARD will delineate the planned expenditures for each retained category attributable to each funding stream and become part of the integrated agreement to be submitted by the LOCAL BOARDS in their local plans.

Carry-in Note:

Where carry-in is authorized and exists (Wagner-Peyser and WIOA), LOCAL BOARDS should ensure the accuracy of locally-projected, carry-in data, reconcile any plans that do not equal allocations, and identify steps to maximize the use of available funds within prescribed periods while avoiding any possible overspending. The FY23 Carry-in column for Wagner-Peyser should be a net figure for prior year WP authorized carry-in not received nor expended as retained funds. Reconciling any issues with net Wagner-Peyser carry-out will be addressed on a case-by-case basis.

a. WIOA Title I – Please use your own estimates

- b. Wagner-Peyser** - Please use your own estimates. Reconciliation will occur through the FY23 closeout process and funds will be made available in October/November.
- c.** As agreed, where carry-in of unexpended Wagner Peyser funds exists, they may be carried into FY24 as authorized by and at the discretion of the LOCAL BOARD area.
- d.** Per Policy Issuance #100 DCS 01-101 (3/16/16), WIOA formula funds not expended within a two-year period must be recovered by the Commonwealth and redistributed or expended by the state. Adjustments will be made for prior year carry-in not received.
- e.** The Wagner-Peyser carry-in 90% and 10% funds estimate must be supplied by the Fiscal Officers.
- f.** The first year 80% Federal obligation/spending requirement for local formula funds is considered met by the identification of the allotment of funds to the local workforce areas as an obligation per Federal TEGL.

Specific Funding

1. Wagner-Peyser

Wagner-Peyser (WP) funds form the basis for the universal availability of labor exchange services within the MassHire Career Center (MCC) system. Each of the sixteen LOCAL BOARDS receives an allocation of Wagner-Peyser 90% and 10% funds.

For the past several years 80% of the Wagner-Peyser funds allotted to the State have been allocated to the field via formula. The same percentage will be in effect for FY 2024 for 90% funding. Sixty-two percent (62%) of the 10% WP funds allotted to the State have been allocated to the field via formula.

The FY23 allocation methodology for Wagner-Peyser 90% and 10% funds is continued for FY24.

GENERAL NOTE: Relative to the allowable uses of Wagner Peyser funding, the Commonwealth is exercising its authority to utilize Wagner Peyser 10% funds to supplement funding of workforce activities carried out under the Workforce Innovation and Opportunity Act (WIOA). Wagner-Peyser (29 U.S. Code § 49f; 20 CFR 652.205)

This authority is reflected in § 7(c) of the Wagner-Peyser Act as delineated below:

Funds authorized under Wagner-Peyser Act may be used under sec. 7(c) to provide additional funding to other activities authorized under WIOA if:

- (1) The activity meets the requirements of the Wagner-Peyser Act, and its own requirements;
- (2) The activity serves the same individuals as are served under the Wagner-Peyser Act
- (3) The activity provides services that are coordinated with services under the Wagner-Peyser Act; and
- (4) The funds supplement, rather than supplant, funds provided from non-Federal sources.

Wagner-Peyser and Title 1 allocations to be used to prepare the local FY 2024 Annual Integrated

Budget are reflected on the Issuances Website.

2. Veterans Services

Services for Veterans are provided through the Disabled Veterans Outreach Program (DVOP) as assigned to each region. These services must be provided by MDCS personnel who meet the criteria for these positions.

In FY2024, the monetary resources for the provision of staffing for Veterans services will be centrally managed by MDCS. The dollar amount for the FTEs in each area will be shared with the local area via MDCS staffing sheets. MassHire Boards should budget and will recover NPS costs according to an acceptable cost allocation methodology as put forth by the local area and negotiated with MDCS.

Premises costs related to Veterans services are available as a charge to FY2023-24 Veterans Employment and Training Administration funding. Premises costs will be carefully reviewed to ensure that the budgeted figure is within acceptable limits.

3. WIOA Title I

Please ensure that the fiscal plan corresponds with the program plan, i.e. number of participants, training enrollments, etc. Please utilize planning tools and provide an explanation in Budget Narrative Tab 3 as to how funds are budgeted in each line item for Adult, Dislocated Worker and Youth.

4. DUA Funding Activity

HEARINGS: (subject to DUA negotiation)

GENERAL: For FY23 the Hearings Department consisted of four regional hearing offices and several satellite offices. Benefit appeals were assigned to each region based on the claimant's zip code.

5. State One-Stop Funds

Due to the delays in the legislative process, the exact dollar amount available for this purpose is not yet available and will be supplied as soon as funding is determined.

Although special restrictions are not placed on these funds, it is important that awarded funds are used for Career Center operations in compliance with the LOCAL BOARD's Local Annual WIOA Plan.

Please note: The FY24 local plan narrative requires an explanation of the use of state MassHire Career Center funds in your local area with particular regard to jobseeker and employer services. These explanations will form the basis of language used to support the request for future continuation of these funds.

6. WFB Grant

The availability of WTF funding for each LOCAL BOARD has been clarified for FY 2024. These funds

should be budgeted at the same level as FY23. The FY 2024 Integrated Budget includes a separate row for the budgeting of WFB/WTF funds.

When these funds are awarded, LOCAL BOARDS may be required to provide a narrative explanation that clearly identifies the purpose for which these funds will be utilized in FY 2024. While these funds are made available with a level of flexibility as to their use, the explanation will need to demonstrate a direct correlation to activities that are consistent with federal and state priorities for the workforce investment system.

7. RESEA –allocations issued – Integrated budget row is supplied for budgeting

Integrated Budget – Cost Categories

1. Personnel Costs

The MDCS Field Salary sheets will be issued separately to local Operations managers and Fiscal Officers and should be returned to MDCS to Michael Williams and copy to Dave Manning.

2. Premises Costs-State property

Funds are reflected in the FY 2024 attachments to pay the costs of state premises. These costs include:

- ☐ Rent for leased facilities (or, in a case where the career center is in a facility owned and managed by MDCS/DUA, operating costs).
- ☐ Security Systems (including equipment, installation and security system maintenance and monitoring).
- ☐ Utilities (gas, oil, electricity, water, and sewage) if not included in the rent.
- ☐ Building repairs and maintenance (only in a case where the career center is in a facility owned and managed by MDCS/DUA).
- ☐ Building maintenance (janitorial, pest control, trash, signage, etc.) if not included in the rent.
- ☐ Landscaping and snow removal (only in a case where the career center is in a facility owned and managed by MDCS/DUA).
- ☐ Renovation and/or modular furniture.

MDCS/DUA owned or leased buildings:

For those locations owned or leased by MDCS/DUA, the estimated total FY2024 annual premises operating cost to be used in the preparation of your budget is delineated in the lease attachment. In addition to the costs delineated in the attachment there may be premises-related capital expenditures. Funds to be provided through MDCS/DUA will be retained and paid centrally. Funds from sources other than those administered through MDCS/DUA must be transferred to MDCS/DUA on a monthly basis to ensure lease obligations are met.

Non-MDCS/DUA owned or leased buildings:

For premises costs for buildings which are non-MDCS/DUA owned or leased, MDCS/DUA will

provide proportional support for their staff as allocated locally

Premises-related capital expenditures:

Facilities related “capital projects” (e.g. renovation work, including installations, removals, movers, cabling, build-outs, large scale replacements of furnishings, layout redesign, etc.) should be planned and budgeted in the appropriate categories. If the building is owned or leased by MDCS/DUA, the MDCS/DUA Facilities Management Department must be contacted.

Allocating premises costs:

The cost of premises must be allocated among all partners and tenants in the MassHire Career Center consistent with COFAR cost principles, Federal guidelines and WIOA.

LOCAL BOARDS must also utilize a cost allocation methodology and resource sharing as appropriate that are compliant with Federal Uniform Circular regulations.

As in the past, DCS will provide assistance to all LOCAL BOARDS and their partners in complying with Uniform Circular principles.

3. Non-Personnel Costs

The practice that began in FY2008, in which MDCS transferred procurement and management responsibility for specific NPS categories to local WDB areas, will continue for the FY24 period.

The areas that have already been transferred and are to be funded locally:

- Office Supplies (Paper, Writing materials, etc)
- Office Furniture
- Memberships
- Postage
- Postage Meter Rentals
- Copiers
- Fax machines & Maintenance
- Bottled Water
- Personal Computers/Laptops

The Following NPS costs will continue to be managed and retained by the State (above the line on IB):

- State Premises Leases & Maintenance (Attachment V)
- Related state-maintained Telephone Lines (Attachment U)
- NOTE: costs for the local DUA screen systems set up by IT for MDCS will continue to be supported by the MDCS central budget subject to negotiation on continued use.
- NOTE: MDCS will continue to review the inventory of additional Verizon lines supported by MDCS to determine that they are in active use and appropriately supported by MDCS central.

Costs supplied locally must be budgeted consistent with local budgeting processes and procedures

and follow local procurement rules. This will be verified through annual monitoring.

NOTE ON STATE ONE-DEVICE FOR LOCAL STATE EMPLOYEES

This will not be mandated for local state employees and locally procured equipment for these staff must observe local IT protocols in their set-up and use and observe state protocols in connecting with state systems.

Telephone Services:

The annualized figure should be used as the FY 2024 planning estimate. LOCAL BOARDS should include the estimated amounts as funds to be retained by MDCS for payment of telephone service costs.

AWS Costs:

No local contribution is required for FY24.

6. Budget rates for specific items

The following rates will be in effect (until receipt of formal approved rate) for planning submission and budgeting purposes only:

- AS&T – .0582
- State Indirect cost – .0575
- Payroll tax – .0245
- Fringe – .4336

D. Line Items

Contracted funds will not be separately budgeted but explanation for unusual items may be requested and use of contracted funds will be monitored for compliance during the annual monitoring review.

SPECIAL BUDGET NOTICE:

- Budgets must reflect projected FTEs on each funding line
- Budgets may not reflect deficit amounts for any known fund source
- Areas are advised that all funds should be budgeted as retained or contracted.
- In order to eliminate late year requests for the addition of unawarded funds to local contracts, funds that are not identified as retained or contracted in the initial local integrated budget must be identified as retained or contracted on a mid-year revised integrated budget that will be required to be submitted by all areas no later than January 30, 2024.
- Contract awards will be adjusted in February based upon the January Integrated budget submission.
- Support for local NPS allocations for locally-sited state employees will be issued in February based upon the January integrated budget submission.