

Attachment I

DEPARTMENT OF LABOR

Employment and Training Administration

20 CFR Part 652; Part 660 et al

RIN 1205-AB20

Workforce Investment Act

AGENCY: Employment and Training Administration (ETA), Labor

ACTION: Final Rule.

§ 667.220 What Workforce Investment Act title I functions and activities constitute the costs of administration subject to the administrative cost limit?

§ 667.220(a) The costs of administration are that allocable portion of necessary and reasonable allowable costs of State and local workforce investment boards, direct recipients, including State grant recipients under subtitle B of title I and recipients of awards under subtitle D of title I, as well as local grant recipients, local grant subrecipients, local fiscal agents and one-stop operators that are associated with those specific functions identified in paragraph (b) of this section and which are not related to the direct provision of workforce investment services, including services to participants and employers. These costs can be both personnel and non-personnel and both direct and indirect.

§ 667.220(b) The costs of administration are the costs associated with performing the following functions:

§ 667.220(b)(1) Performing the following overall general administrative functions and coordination of those functions under WIA title I:

§ 667.220(b)(1)(i) accounting, budgeting, financial and cash management functions;

§ 667.220(b)(1)(ii) procurement and purchasing functions;

§ 667.220(b)(1)(iii) property management functions;

§ 667.220(b)(1)(iv) personnel management functions;

§ 667.220(b)(1)(v) payroll functions;

§ 667.220(b)(1)(vi) coordinating the resolution of findings arising from audits, reviews, investigations and incident reports;

§ 667.220(b)(1)(vii) audit functions;

§ 667.220(b)(1)(viii) general legal services functions; and

§ 667.220(b)(1)(ix) developing systems and procedures, including information systems, required for these administrative functions;

§ 667.220(b)(2) Performing oversight and monitoring responsibilities related to WIA administrative functions;

§ 667.220(b)(3) Costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space;

§ 667.220(b)(4) Travel costs incurred for official business in carrying out administrative activities or the overall management of the WIA system; and

§ 667.220(b)(5) Costs of information systems related to administrative functions (for example, personnel, procurement, purchasing, property management, accounting and payroll systems) including the purchase, systems development and operating costs of such systems.

§ 667.220(c)(1) Awards to subrecipients or vendors that are solely for the performance of administrative functions are classified as administrative costs.

§ 667.220(c)(2) Personnel and related non-personnel costs of staff who perform both administrative functions specified in paragraph (b) of this section and programmatic services or activities must be allocated as administrative or program costs to the benefitting cost objectives/categories based on documented distributions of actual time worked or other equitable cost allocation methods.

§ 667.220(c)(3) Specific costs charged to an overhead or indirect cost pool that can be identified directly as a program cost are to be charged as a program cost. Documentation of such charges must be maintained.

§ 667.220(c)(4) Except as provided at paragraph (c)(1), all costs incurred for functions and activities of subrecipients and vendors are program costs.