

**U.S. DEPARTMENT OF LABOR  
EMPLOYMENT AND TRAINING  
ADMINISTRATION (DOL/ETA)**

**NOTICE OF  
AWARD (NOA)**

Under the authority of the *Trade Adjustment Assistance ReAuthorization Act, 2015 (TAARA 2015); Title IV of the Trade Preferences Extension Act of 2015 (P.L. 114-27)*, this grant or agreement is entered into between the above named **Grantor Agency** and the following named **Awardee**, for a project entitled - **Health Coverage Tax Credit**.

**Name & Address of Awardee:**  
EXECUTIVE OFFICE OF LABOR AND WORKFORCE  
DEVELOPMENT  
19 STANIFORD STREET  
1ST FLOOR  
BOSTON, MASSACHUSETTS 02114

**Federal Award Id. No. (FAIN):** HC-30305-17-60-A-25  
**CFDA #:** 17.245- Trade Adjustment Assistance  
**Amount:** \$109,252.89  
**EIN:** 046002284  
**DUNS #:** 947581567

**Accounting Code:** 1630-2017-050184090XBD201701840003175DW0R4A0000AOWI00AOWI00-A90200-410023-  
ETA-DEFAULT TASK-

**Payment Management System DOC#:** HC303056C8

The Period of Performance shall be from **January 01, 2017 thru December 31, 2019**.  
Total Government's Financial Obligation is **\$109,252.89** (unless other wise amended).

Payments will be made under the Payments Management System, and can be automatically drawn down by the awardee on an as needed basis covering a forty-eight (48) hour period.

In performing its responsibilities under this grant agreement, the awardee hereby certifies and assures that it will fully comply with all applicable Statute(s), and the following regulations and cost principles, including any subsequent amendments:

**Uniform Administrative Requirements, Cost Principles, and Audit Requirements:**

2 CFR Part 200; Uniform Administrative Requirements, Cost Principles, and Audit Requirements; Final Rule  
2 CFR Part 2900; DOL Exceptions to 2 CFR Part 200;

**Other Requirements (Included within this NOA):**

Condition(s) of Award (if applicable)  
Federal Award Terms, including attachments

**Contact Information**

The Federal Project Officer (FPO) assigned to this grant is Danielle Worthen-ramos. Danielle Worthen-ramos will serve as your first line point of contact and can be contacted via e-mail - [worthen-ramos.daniel@dol.gov](mailto:worthen-ramos.daniel@dol.gov). If your FPO is not available, please call your Regional Office at 617-788-0170 for assistance.

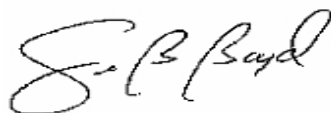
The awardee's signature below certifies full compliance with all terms and conditions as well as all applicable Statutes(s), grant regulations, guidance, and certifications.

Signature of Approving Official - **AWARDEE**

Signature of Approving Official - **DOL / ETA**

See SF-424 for Signature

No Additional Signature Required



**SERENA BOYD**, March 09, 2017  
GRANT Officer

# Health Coverage Tax Credit (HCTC) Grant

## TERMS AND CONDITIONS

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## **1. Parties**

Consistent with 20 CFR 601.6, this Annual Funding Agreement (grant agreement) is entered into between the Employment and Training Administration (ETA), U.S. Department of Labor (Grantor) and the Recipient for ensuring state data transmittals of eligible Trade Adjustment Assistance (TAA) and Alternative TAA/Reemployment TAA recipients to the Internal Revenue Service (IRS) for HCTC purposes authorized under the Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015) and portions of other related Federal program laws and regulations applicable to the funds authorized under the Trade Act of 1974, as amended, for Trade Readjustment Allowances (TRA); the Trade Adjustment Assistance Extension Act of 2011, The Omnibus Trade Act of 2010 and the American Recovery and Reinvestment Act of 2009 (ARRA).

## **2. Funding Announcement**

The Funding Announcement (Unemployment Insurance Program Letter (UIPL) NO. 1-17) is hereby incorporated into this Grant Agreement. Recipients are bound by the authorizations, restrictions, and requirements contained in the Funding Announcement.

## **3. Applicable Authority**

Funds provided under this Agreement must be expended in accordance with all applicable Federal statutes, regulations (including the Office of Management (OMB) and Budget Uniform Guidance), program directives, and the applicable provisions in the appropriations acts for these funds, and the terms and conditions of the award.

## **4. Approved Statement of Work**

The award recipient's project narrative is taken as the Statement of Work. If there is any inconsistency between items in this project narrative and any Department of Labor (DOL) regulation, guidance or OMB cost principle, the DOL regulation, guidance or cost principle will prevail.

## **5. Approved Budget**

The recipient's budget documents are attached in this Notice of Award Package. The documents are: 1) the SF-424; 2) the SF-424 A; and 3) Abstract. The recipient must confirm that all costs are allowable before expenditure. Pursuant 2 CFR 2900.1, approval of the budget as awarded does not constitute prior approval of those specified in 2 CFR 200 or this grant award as requiring prior approval. The Grant Officer is the only official with the authority to provide such approval.

## 6. Grant Expenditure Period

This grant expenditure period is October 1, 2016 through December 31, 2019, but will commence no sooner than execution of this Agreement by both parties, unless otherwise indicated in “Modification 0” supplement that simultaneously accompanies and is part of this Agreement. Also, this Agreement may be terminated sooner and be subject to closeout procedures if all allocated funds are fully expended at a date before the end date of December 31, 2019.

Expenditures must comply with the statutory/regulatory life of each fund source (subject to the availability of Federal Funds).

## 7. Electronic Funds Transfer

Cash payments shall be made to the Grantee under the Department of Health and Human Services (HHS) Payment Management System (PMS).

## 8. Resources and Information

Additional resources and information to assist you is located on the ETA website at <https://www.doleta.gov/grants/resources.cfm>. This site contains information about the Uniform Guidance, general terms and conditions, indirect cost assistance, recipient training resources and other relevant information.

## 9. Indirect Cost Rate and Cost Allocation Plan

☒ A. A **current** federally approved Negotiated Indirect Cost Rate Agreement (NICRA) or current federally approved Cost Allocation Plan (CAP) has been provided – copy attached. Regarding only the NICRA:

- (1) Indirect Rate approved: 3.42 %
- (2) Type of Indirect Cost Rate: Fixed
- (3) Allocation Base: See Attachment
- (4) Current period applicable to rate: See Attachment

Estimated Indirect Costs are shown on the SF-424A budget form. If a new NICRA is issued during the life of the grant, it must be provided to DOL within 30 days of issuance. Funds may be re-budgeted as necessary between direct and indirect costs consistent with institutional requirements and DOL regulations for prior approval, however the total amount of grant award funding will not be increased. Any budget changes impacting the Statement of Work and agreed upon outcomes or deliverables require a request for modification and prior approval from the Grant Officer.

- ☐ B. (1) ☐ Latest NICRA or CAP approved by the Federal Cognizant Agency<sup>1</sup> (FCA) is not current,  
or  
(2) ☐ No NICRA or CAP has ever been approved by an FCA.

**URGENT NOTICE:** Estimated indirect costs have been specified on the SF-424A, Section B, Object Class Category "j", however only \$ [ Use N/A or enter 10% of the Personnel line or the total Indirect line (whichever is less) ] will be released to support indirect costs in the absence of a NICRA or CAP approved by the cognizant agency. The remaining funds which have been awarded for Indirect Costs are restricted and may not be used for any purpose until the awardee provides a signed copy of the NICRA or CAP and the restriction is lifted by the Grant Officer. Upon receipt of the NICRA or CAP, ETA will issue a grant modification to the award to remove the restriction on those funds.

The awardee must submit an indirect cost rate proposal or CAP. These documents should be submitted to DOL's Division of Cost Determination (DCD), or to the awardee's Federal Cognizant Agency. In addition, the awardee must notify the Federal Project Officer that the documents have been sent. Contact information for the DCD is available at <http://www.dol.gov/oasam/boc/dcd/>. If this proposal is not submitted **within 90 days of the effective date of the award**, no funds will be approved for the reimbursement of indirect costs. Failure to submit an indirect cost proposal by the above date means the grantee will not receive further reimbursement for indirect costs until a signed copy of the federally approved NICRA or CAP is provided and the restriction is lifted by the Grant Officer. All indirect charges must be returned through the Payment Management System and no indirect charges will be reimbursed.

The total amount of DOL's financial obligation under this grant award **will not** be increased to reimburse the awardee for higher negotiated indirect costs.

- ☐ C. The organization elected to exclude indirect costs from the proposed budget. Please be aware that incurred indirect costs (such as top management salaries, financial oversight, human resources, payroll, personnel, auditing costs, accounting and legal, etc. used for the general oversight and administration of the organization) must not be classified as direct costs; these types of costs are indirect costs. Only direct costs, as defined by the applicable cost principles, will be charged. Audit disallowances may occur if indirect costs are misclassified as direct.
- ☐ D. The organization has never received a negotiated indirect cost rate and, with and pursuant to the exceptions noted at 2 CFR 200.414(f) in the Cost Principles, and has elected to charge a de minimis rate of 10% of modified total direct costs (see 2 CFR 200.68 for definition) which may be used indefinitely. This methodology must be used consistently for all Federal awards until such time as you choose to negotiate for an indirect cost rate, which you may apply to do at any time. (See 2 CFR 200.414(f) for more information on use of the de minimis rate.)

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<sup>1</sup> The Federal agency providing the organization the preponderance of direct Federal funds.

If DOL is your FCA, grantees should work with DOL's DCD, which has delegated authority to negotiate and issue a NICRA or CAP on behalf of the Federal Government. More information about DOL's DCD is available at <http://www.dol.gov/oasam/boc/dcd/>. This website has guidelines to develop indirect cost rates, links to the applicable cost principles, and contact information. The DCD also has Frequently Asked Questions providing general information about the indirect cost rate approval process and due dates for provisional and final indirect cost rate proposals at <http://www.dol.gov/oasam/faqs/FAQ-dcd.htm>.

## **10. Federal Project Officer**

The DOL/ETA Federal Project Officer (FPO) for this award is:

Name: Danielle Worthen-Ramos

Telephone: 617-788-0314

E-mail: [WorthenRamosDanielle@dol.gov](mailto:WorthenRamosDanielle@dol.gov)

The FPO is not authorized to change any of the terms or conditions of the award or approve prior approval requests. Any changes to the terms or conditions or prior approvals must be approved by the Grant Officer through the use of a formally executed award modification.

## **11. OTCnet Program Check Capture Legal Notices**

The Department of Labor, Employment Training and Administration will be using U.S. Treasury Paper Check Conversion. Henceforth, processing of Check Payments received in Person or by Mail will be converted into an electronic funds transfer (EFT).

## **12. Notice of Award**

Funds shall be obligated and allocated after execution of this Agreement via a Notice of Award/Notice of Obligation (NOA/NOO) in the "Modification 0" document which is a supplement to this Agreement. Funding made available under the initial NOA/NOO may be used to cover costs incurred on and after October 1, 2016. Obligations and costs may not exceed the amount obligated by the NOA/NOO in "Modification 0" unless otherwise modified by the Grantor. Funds are obligated for the amount indicated in the "Modification 0" document in accordance with the application procedures explained in the Unemployment Insurance Program Letter (UIPL) No. 1-17.

## 13. Funding Restrictions

### a. Budget Flexibility

As directed in 2 CFR 200.308(e), the transfer of funds among direct cost categories or programs, functions and activities is restricted such that if the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency, the recipient must receive prior approval from the Grant Officer.

Any changes within a specific cost category on the SF424a do not require a grant modification unless the change results in a cumulative transfer among direct cost categories exceeding 10% of total budget as noted above. It is recommended that your assigned FPO review any within-line changes to your budget prior to implementation to ensure they do not require a modification.

Any budget changes impacting the Statement of Work and agreed upon outcomes or deliverables require a request for modification and prior approval from the Grant Officer.

### b. Foreign Travel

Foreign travel is not allowable except with prior written approval. Prior written approval must be obtained from the Grant Officer through the process described in 2 CFR 200.407 and 2 CFR 2900.16. All travel, both domestic and Grant Officer-approved foreign travel, must comply with the Fly America Act ( 49 USC 40118), which states in part that any air transportation, regardless of price, must be performed by, or under a code-sharing arrangement with, a US Flag air carrier if service provided by such carrier is available.

### c. Mileage Reimbursement Rates

Pursuant to 2 CFR 200.474(a), recipients must have policies and procedures in place related to travel costs; however, for reimbursement on a mileage basis, this federal award cannot be charged more than the maximum allowable Mileage Reimbursement Rates for Federal employees. The 2016 Mileage Reimbursement Rates are:

Modes of Transportation	Effective/Applicability Date	Rate per mile
Privately owned automobile	January 1, 2017	\$0.535
Privately owned motorcycle	January 1, 2017	\$0.505

Mileage rates must be checked annually at <https://www.gsa.gov/portal/category/104715> to ensure compliance.



## 14. Administrative Requirements

### a. Assurances and Certifications

The signed SF-424, Application for Federal Assistance, has been included as an attachment to this grant. The individual that signed the SF-424 on behalf of the applicant is considered the Authorized Representative of the applicant. As stated in block 21 of the SF-424 form, the signature of the Authorized Representative on the SF-424 certifies that the organization is in compliance with the Assurances and Certifications form SF-424B (available at <http://apply07.grants.gov/apply/forms/sample/SF424B-V1.1.pdf> ). You do not need to submit the SF-424B form separately.

### b. Audits

Organization-wide or program-specific audits shall be performed in accordance with the Single Audit Act Amendments of 1996. Recipients that expend \$750,000 or more in a year in Federal awards shall have an audit conducted for that year in accordance with the requirements contained in 2 CFR 200.501. The provisions of 2 CFR Subpart F, Audit Requirements, will apply to audits of non-Federal entity fiscal years beginning on or after December 26, 2014. The revised audit requirements are not applicable to fiscal years beginning prior to that date.

### c. Closeout/Final Year Requirements

At the end of the grant period, the recipient will be required to close the grant with ETA. The recipient will be notified approximately 15 days prior to the end of the period of performance that the initiation of closeout will begin at the end of the grant. Information concerning the recipient's responsibilities at closeout may be found in 2 CFR 200.343.

### d. Equipment

The requirement that grant recipients obtain prior approval from the Federal Grantor agency for all purchases of equipment (as described in 2 CFR 200.439) is waived in accordance with 2 CFR 200.308(c)(4), and approval authority is delegated to the state administrator. Notwithstanding this waiver, the Grantor reserves the right to reimpose the requirement of prior approval by the Grantor, after providing advance notice to the State (Grantee).

### e. Federal Funding Accountability and Transparency Act

#### 1. Reporting of first-tier subawards.

- i. *Applicability.* Unless you are exempt as provided in paragraph [4.] of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph [5.] of this award term).
- ii. *Where and when to report.*
  - a. You must report each obligating action described in paragraph [1.i.] of this award term to <http://www.fsrs.gov>.

- b. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
  - iii. *What to report.* You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.
- 2. *Reporting Total Compensation of Recipient Executives.*
  - i. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—
    - a. the total Federal funding authorized to date under this award is \$25,000 or more;
    - b. in the preceding fiscal year, you received—
      - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
      - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
    - c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
  - ii. *Where and when to report.* You must report executive total compensation described in paragraph [2.i.] of this award term:
    - a. As part of your registration profile at <http://www.sam.gov>.
    - b. By the end of the month following the month in which this award is made, and annually thereafter.
- 3. *Reporting of Total Compensation of Subrecipient Executives.*
  - i. *Applicability and what to report.* Unless you are exempt as provided in paragraph [4.] of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—
    - a. in the subrecipient's preceding fiscal year, the subrecipient received—
      - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
      - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
    - b. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of

the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

- ii. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph [3.i] of this award term:
  - a. To the recipient.
  - b. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

4. *Exemptions*

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. Subawards, and
- ii. The total compensation of the five most highly compensated executives of any subrecipient.

5. *Definitions.* For purposes of this award term:

- i. *Entity* means all of the following, as defined in 2 CFR part 25:
  - a. A Governmental organization, which is a State, local government, or Indian tribe;
  - b. A foreign public entity;
  - c. A domestic or foreign nonprofit organization;
  - d. A domestic or foreign for-profit organization;
  - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
- ii. *Executive* means officers, managing partners, or any other employees in management positions.
- iii. *Subaward:*
  - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
  - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see [2 CFR 200.330]).
  - c. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
- iv. *Subrecipient* means an entity that:
  - a. Receives a subaward from you (the recipient) under this award; and
  - b. Is accountable to you for the use of the Federal funds provided by the subaward.
- v. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
  - a. *Salary and bonus.*

- b. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
- c. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
- d. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
- e. *Above-market earnings on deferred compensation which is not tax-qualified.*
- f. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

## f. Intellectual Property Rights

The Federal Government reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for federal purposes: i) the copyright in all products developed under the grant, including a subgrant or contract under the grant or subgrant; and ii) any rights of copyright to which the recipient, subrecipient or a contractor purchases ownership under an award (including but not limited to curricula, training models, technical assistance products, and any related materials). Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise. Federal funds may not be used to pay any royalty or license fee for use of a copyrighted work, or the cost of acquiring by purchase a copyright in a work, where the Department has a license or rights of free use in such work, although they may be used to pay costs for obtaining a copy which is limited to the developer/seller costs of copying and shipping. If revenues are generated through selling products developed with grant funds, including intellectual property, these revenues are program income. Program income must be used in accordance with the provisions of this grant award and 2 CFR 200.307.

If applicable, the following needs to be on all products developed in whole or in part with grant funds:

***“This workforce product was funded by a grant awarded by the U.S. Department of Labor’s Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it.”***

## **g. Managing Subawards**

*Subaward* means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

The provisions of the Terms and Conditions of this award will be applied to any subrecipient under this award. The recipient is responsible for the monitoring of the subrecipient, ensuring that the Terms and Conditions are in all subaward packages and that the subrecipient is in compliance with all applicable regulations and the terms and conditions of this award (2 CFR 200.101(b)(1)).

## **h. Personally Identifiable Information**

Recipients must recognize and safeguard personally identifiable information (PII) except where disclosure is allowed by prior written approval of the Grant Officer or by court order. Recipients must meet the requirements in Training and Employment Guidance letter (TEGL 39-11, Guidance on the Handling and Protection of Personally Identifiable Information (PII)), (located at [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7872](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7872))

## **i. Pre-Award**

All costs incurred by the recipient prior to the start date specified in the award issued by the Department are ***incurred at the recipient's own expense.***

## **j. Procurement**

The Uniform Administrative Requirements (2 CFR 200.317) require states to follow the same policies and procedures it uses for non-federal funds. The state will comply with §200.322 Procurement of recovered *materials* and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. Recipients must also follow the requirements regarding the competitive award of One-Stop Operators and youth service providers in the Workforce Investment and Opportunity Act at WIOA Sec. 121(d) and sec. 123.

## **k. Program Income**

The Grant Officer chooses the Addition method as described in 2 CFR 200.307 must be used in allocating any program income generated for this grant award. The recipient is allowed to deduct costs incidental to generating Program Income to arrive at a Program Income. Reporting on program income expenditures must be reported on the ETA-9130.

## **I. Publicity**

No funds provided under this grant shall be used for publicity or propaganda purposes, for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress or any state or local legislature or legislative body, except in presentation to the Congress or any state or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any state or local government, except in presentation to the executive branch of any state or local government itself. Nor shall grant funds be used to pay the salary or expenses of any recipient or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive Order proposed or pending before the Congress, or any state government, state legislature, or local legislature body other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a state, local, or tribal government in policymaking and administrative processes within the executive branch of that government.

## **m. Recipient Integrity and Performance Matters**

- A. General reporting requirement. If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal agencies exceeds \$10,000,000 for any period of time during the project period of this award, then you as the recipient during that period of time must maintain the currency of information in the Federal Awardee Performance and Integrity Information System (FAPIIS)(then you as the recipient during that period of time must maintain the currency of information in the Federal Awardee Performance and Integrity Information System (FAPIIS) about civil, criminal, or administrative proceedings described in paragraph B. of this award term by updating the information in SAM) about civil, criminal, or administrative proceedings described in paragraph B. of this award term. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 417b). As required by section 3010 of Public Law 111–212, all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available.
- B. Proceedings about which you must report. Submit the information required about each proceeding that:
  - 1. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from either the Federal Government or a State;
  - 2. Reached its final disposition during the most recent 5-year period; and
  - 3. Is one of the following:
    - 1. A criminal proceeding that resulted in a conviction, as defined in paragraph E. of this award term
    - 2. A civil proceeding that resulted in a finding of fault and liability and your paying a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
    - 3. An administrative proceeding, as defined in paragraph e. of this award term, that resulted in a finding of fault and liability and your payment of either monetary fine or penalty of \$5,000 or more or a reimbursement, restitution, or damages in excess of \$100,000; or

4. Any other criminal, civil, or administrative proceeding if:
  - i. It could have led to an outcome described in paragraph B.3.a, b, or c of this award term;
  - ii. It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
  - iii. The requirement in this award term to disclose information about the proceeding does not conflict with applicable laws and regulations.
- C. Reporting procedures. Enter in SAM Entity Management area (formerly CCR), or any successor system, the FAPIIS information that SAM requires about each proceeding described in paragraph B. of this award term. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM (formerly CCR) because you were required to do so under Federal procurement contracts that you were awarded.
- D. Reporting frequency. During any period of time when you are subject to the requirement in paragraph A. of this award term, you must report FAPIIS information through SAM no less frequently than semiannually following your initial report of any proceedings for the most recent 5-year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report.
- E. Definitions. For purposes of this award term:
  1. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level. It does not include audits, site visits, corrective plans, or inspection of deliverables.
  - a. Conviction, for purposes of this award term, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.
  - b. Total value of currently active grants, cooperative agreements, and procurement contracts includes —
    - i. Only the Federal share of the funding under any award with a recipient cost share or match; and
    - ii. The value of all options, even if not yet exercised.

## n. Reports

All ETA recipients are required to submit quarterly financial reports for each grant award.

- A. **Quarterly Financial Reports.** The recipient is required to report quarterly financial data on the ETA-9130 (M) – Trade Adjustment Assistance Program located here: [http://www.doleta.gov/grants/financial\\_reporting/pdf/ETA\\_9130\\_M\\_i.pdf](http://www.doleta.gov/grants/financial_reporting/pdf/ETA_9130_M_i.pdf). These reports are due no later than 45 calendar days after the end of each specified reporting quarter. Reporting quarter end dates are June 30, September 30, December 31, and March 31. A link

to the instructions for completing this form is located here:

[http://www.doleta.gov/grants/financial\\_reporting/pdf/ETA\\_9130\\_M\\_Instructions\\_i.pdf](http://www.doleta.gov/grants/financial_reporting/pdf/ETA_9130_M_Instructions_i.pdf). A final financial closeout report is required to be submitted no later than 90 calendar days after the grant period of performance ends. For guidance on ETA's financial reporting, reference TEGL No. 2-16.

ETA requires all grant recipients to submit the 9130 form electronically through an on-line reporting system. Expenditures are required to be reported on an accrual basis, cumulative from the beginning of the life of a grant, through the end of each reporting period.

The instructions for accessing both the on-line financial reporting system and the HHS Payment Management System can be found in the transmittal memo accompanying this Notice of Award. To gain access to the online financial reporting system, a request for a password and pin must be submitted via e-mail to [ETApasword.pin@dol.gov](mailto:ETApasword.pin@dol.gov). The Financial Report Access Document, copies of the ETA 9130, and detailed reporting instructions are available at [http://www.doleta.gov/grants/financial\\_reporting.cfm](http://www.doleta.gov/grants/financial_reporting.cfm).

**B. Quarterly Narrative Progress Reports.** Recipients are required to submit a narrative quarterly and final report to the designated Federal Project Officer (FPO) on grant activities funded under this award. All reports are due no later than 45 calendar days after the end of each specified reporting quarter. Reporting quarter end dates are June 30, September 30, December 31, and March 31.

The last quarterly progress report that recipients submit will serve as the grant's Final Performance Report. This report should provide both *quarterly and cumulative* information on the grant's activities. It must summarize project activities, deliverables, and related results of the project.

The recipient shall utilize standard reporting processes and electronic reporting systems to submit their quarterly progress reports as provided by ETA.

## **o. Requirements for Conference and Conference Space**

Conferences sponsored in whole or in part by the recipient of Federal awards are allowable if the conference is necessary and reasonable for the successful performance of the Federal Award. Recipients are urged to use discretion and judgment to ensure that all conference costs charged to the grant are appropriate and allowable. For more information on the requirements and allowability of costs associated with conferences, refer to 2 CFR 200.432. Recipients will be held to the requirements in 2 CFR 200.432. Costs that do not comply with 2 CFR 200.432 will be questioned and may be disallowed.



## p. System for Award Management and Universal Identifier Requirements

### 1. Requirement for System of Award Management

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the SAM until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

### 2. Requirement for unique entity identifier

If you are authorized to make subawards under this award, you:

- i. Must notify potential subrecipients that no entity (see definition in paragraph [3] of this award term) may receive a subaward from you unless the entity has provided its unique entity identifier to you.
- ii. May not make a subaward to an entity unless the entity has provided its unique entity identifier to you.

### 3. Definitions

For purposes of this award term:

- i. *System of Award Management (SAM)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
- ii. *Unique entity identifier* means the identifier required for SAM registration to uniquely identify business entities.
- iii. *Entity*, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
  - a. A Governmental organization, which is a State, local government, or Indian Tribe;
  - b. A foreign public entity;
  - c. A domestic or foreign nonprofit organization;
  - d. A domestic or foreign for-profit organization; and
  - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
- iv. *Subaward*:
  - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
  - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330).
  - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
- v. *Subrecipient* means an entity that:
  - a. Receives a subaward from you under this award; and
  - b. Is accountable to you for the use of the Federal funds provided by the subaward.

## **q. Travel**

This award waives the prior approval requirement for domestic travel as contained in 2 CFR 200.407. For domestic travel to be an allowable cost, it must be necessary, reasonable, allocable and conform to the non-Federal entities written policies and procedures. All travel must also comply with Fly America Act ( 49 USC 40118), which states in part that any air transportation, regardless of price, must be performed by, or under a code-sharing arrangement with, a US Flag air carrier if service provided by such carrier is available.

## **r. Vendor/Contractor**

The term “contractor”, sometimes referred to as a vendor, is a dealer, distributor, merchant or other seller providing goods or services that are required for the conduct of a Federal program. (2 CFR 200.23) These goods or services may be for an organization's own use or for the use of beneficiaries of the Federal program. Additional guidance on distinguishing between a subrecipient and a contractor (vendor) is provided in 2 CFR 200.330. When procuring contractor provided goods and services, DOL ETA recipients and subrecipients must follow the procurement requirements 2 CFR 200.319, which call for free and open competition.

## **15. Program Requirements**

The UIPL No. 1-17 contains the program requirements for this award.

## **16. 2016 Appropriations Requirements**

### **a. Funding for Travel to and from Meetings with an Executive Branch Agency**

Pursuant to P.L. 114-113, Division E, Title VII, Section 739, grant funds may not be used for the purposes of defraying the costs of a conference held by any Executive branch department, agency, board, commission, or office unless it is directly and programmatically related to the purpose for which the grant or contract was awarded.

No funds made available through DOL appropriations may be used for travel and conference activities that are not in compliance with Office of Management and Budget Memorandum M-12-12 dated May 11, 2012 or any subsequent revisions to that memorandum.

### **b. Prohibition on Contracting with Corporations with Felony Criminal Convictions**

Pursuant to P.L. 114-113, Division E, Title VII, Section 746, the recipient may not knowingly enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that was convicted of a felony criminal violation under any Federal law within the preceding 24 months, unless a Federal agency has considered suspension or debarment of the corporation and has made a

determination that this further action is not necessary to protect the interests of the Government.

**c. Prohibition on Contracting with Corporations with Unpaid Tax Liabilities**

Pursuant to P.L. 114-113, Division E, Title VII, Section 745, the recipient may not knowingly enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

**d. Prohibition on Procuring Goods Obtained Through Child Labor**

Pursuant to P.L. 114-113, Division H, Title I, Section 103, no funds may be obligated or expended for the procurement of goods mined, produced, manufactured, or harvested or services rendered, in whole or in part, by forced or indentured child labor in industries and host countries identified by DOL prior to December 18, 2015. DOL has identified these goods and services here: <http://www.dol.gov/ilab/reports/child-labor/list-of-products/index-country.htm> .

**e. Prohibition on Providing Federal Funds to ACORN**

Pursuant to P.L. 114-113, Division H, Title V, Section 522, these funds may not be provided to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, allied organizations or successors.

**f. Reporting of Waste, Fraud and Abuse**

Pursuant to P.L. 114-113, Division E, Title VII, Section 743, no entity receiving federal funds may require employees or contractors of such entity seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

**g. Requirement for Blocking Pornography**

Pursuant to P.L. 114-113, Division H, Title V, Section 521, no Federal funds may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

## **h. Requirement to Provide Certain Information in Public Communications**

Pursuant to P.L. 114-113, Division H, Title V, Section 505, when issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all non-Federal entities receiving Federal funds shall clearly state:

1. The percentage of the total costs of the program or project which will be financed with Federal money;
2. The dollar amount of Federal funds for the project or program; and
3. The percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

The requirements of this part are separate from those in the 2 CFR 200 and, when appropriate, both must be complied with.

## **i. Restriction on Health Benefits Coverage for Abortions**

Pursuant to P.L. 114-113, Division H, Title V, Sections 506 and 507, Federal funds may not be expended for health benefits coverage that includes coverage of abortions, except when the abortion due to a pregnancy that is the result of rape or incest, or in the case where a woman suffers from a physical disorder, physical injury, including life-endangering physical conditions caused by or arising from the pregnancy itself that would, as certified by a physician, place the women in danger of death unless and abortion is performed. This restriction does not prohibit any non-Federal entity from providing health benefits coverage for abortions when all funds for that specific benefit do not come from a Federal source. Additionally, no funds made available through this award may be provided to a State or local government if such government subjects any institutional or individual health care entity to discrimination on the basis that the health care entity does not provide, pay for, provide coverage of, or refer for abortions.

## **j. Restriction on the Promotion of Drug Legalization**

Pursuant to P.L. 114-113, Division H, Title V, Section 509, no Federal funds shall be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established under section 202 of the Controlled Substances Act except for normal recognized executive-congressional communications or where the grant agreement provides for such use because there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance.

## **k. Restriction on Purchase of Sterile Needles or Syringes**

Pursuant to P.L. 114-113, Division H, Title V, Section 520, no Federal funds shall be used to purchase sterile needles or syringes for the hypodermic injection of any illegal drug.

## **l. Salary and Bonus Limitations**

Pursuant to P.L. 114-113, Division H, Title I, Section 105 none of the funds appropriated under the heading "Employment and Training" shall be used by a recipient or sub-recipient of such

funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II. The Executive Level II salary may change yearly and is located on the OPM.gov website (<http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2016/executive-senior-level>). The salary and bonus limitation does not apply to contractors (vendors) providing goods and services as defined in 2 CFR 200.330. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost-of-living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer Federal programs involved including Employment and Training Administration programs. See Training and Employment Guidance Letter No. 5-06 for further clarification, available at [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2262](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2262)

## **17. Public Policy**

### **a. Architectural Barriers**

The Architectural Barriers Act of 1968, 42 U.S.C. 4151 et seq., as amended, the Federal Property Management Regulations (see 41 CFR 102-76), and the Uniform Federal Accessibility Standards issued by GSA (see 36 CFR 1191, Appendixes C and D) set forth requirements to make facilities accessible to, and usable by, the physically handicapped and include minimum design standards. All new facilities designed or constructed with grant support must comply with these requirements.

### **b. Buy American Notice Requirement**

None of the funds made available under this act may be expended by an entity unless the entity agrees that in expending the funds it will comply with sections 8301 through 8303 of title 41, United States Code (commonly known as the “Buy American Act”).

### **c. Drug-Free Workplace**

The Drug-Free Workplace Act of 1988, 41 U.S.C. 702 et seq., and 2 CFR 182 require that all organizations receiving grants from any Federal agency maintain a drug-free workplace. The recipient must notify the awarding office if an employee of the recipient is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for suspension or debarment.

### **d. Executive Orders**

**12928:** Pursuant to Executive Order 12928, the recipient is strongly encouraged to provide subcontracting/subgranting opportunities to Historically Black Colleges and Universities and other Minority Institutions such as Hispanic-Serving Institutions and Tribal Colleges and Universities; and to Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals.

**13043:** Pursuant to Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, recipients are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally owned vehicles.

**13166:** As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, dated August 11, 2000, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, recipients must take reasonable steps to ensure that LEP persons have meaningful access to programs in accordance with DOL's Policy Guidance on the Prohibition of National Origin Discrimination as it Affects Persons with Limited English Proficiency [05/29/2003] Volume 68, Number 103, Page 32289-32305. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. Recipients are encouraged to consider the need for language services for LEP persons served or encountered both in developing budgets and in conducting programs and activities. For assistance and information regarding your LEP obligations, go to <http://www.lep.gov>.

**13513:** Pursuant to Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, dated October 1, 2009, recipients and subrecipients are encouraged to adopt and enforce policies that ban text messaging while driving company-owned or -rented vehicles or GOV, or while driving POV when on official Government business or when performing any work for or on behalf of the Government. Recipients and subrecipients are also encouraged to conduct initiatives of the type described in section 3(a) of this order.

#### **e. Flood Insurance**

The Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4001 *et seq.*, provides that no Federal financial assistance to acquire, modernize, or construct property may be provided in identified flood-prone communities in the United States, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within 1 year of the identification. The flood insurance purchase requirement applies to both public and private applicants for DOL support. Lists of flood-prone areas that are eligible for flood insurance are published in the Federal Register by FEMA.

#### **f. Hotel-Motel Fire Safety**

Pursuant to 15 U.S.C. 2225a, the recipient must ensure that all space for conferences, meetings, conventions or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (P.L. 101-391, as amended). Recipients may search the Hotel Motel National Master List at <http://www.usfa.dhs.gov/applications/hotel/> to see if a property is in compliance, or to find other information about the Act.

## **g. Prohibition on Trafficking in Persons**

### **I. Trafficking in persons.**

#### **a. *Provisions applicable to a recipient that is a private entity.***

1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—
  - i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
  - ii. Procure a commercial sex act during the period of time that the award is in effect; or
  - iii. Use forced labor in the performance of the award or subawards under the award.
2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —
  - i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
  - ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—
    - A. Associated with performance under this award; or
    - B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 29 CFR Part 98.

#### **b. *Provision applicable to a recipient other than a private entity.*** We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or
2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—
  - i. Associated with performance under this award; or
  - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 29 CFR Part 98.

#### **c. *Provisions applicable to any recipient.***

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
  - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

- ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
- 3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.
- d. *Definitions.* For purposes of this award term:
  - 1. “Employee” means either:
    - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
    - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
  - 2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
  - 3. “Private entity”:
    - i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.
    - ii. Includes:
      - A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
      - B. A for-profit organization.
  - 4. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

## **h. Veterans’ Priority Provisions**

The Jobs for Veterans Act (Public Law 107-288) requires recipients to provide priority of service to veterans and spouses of certain veterans for the receipt of employment, training, and placement services in any job training program directly funded, in whole or in part, by DOL. The regulations implementing this priority of service can be found at 20 CFR part 1010. In circumstances where a grant recipient must choose between two qualified candidates for a service, one of whom is a veteran or eligible spouse, the veterans priority of service provisions require that the grant recipient give the veteran or eligible spouse priority of service by first providing him or her that service. To obtain priority of service, a veteran or spouse must meet the program’s eligibility requirements. Recipients must comply with DOL guidance on veterans’ priority. ETA’s Training and Employment Guidance Letter (TEGL) No. 10-09 (issued November 10, 2009) provides guidance on implementing priority of service for veterans and eligible spouses in all qualified job training programs funded in whole or in part by DOL. TEGL No. 10-09 is available at [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2816](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2816).



**i. Violation of the Privacy Act**

These funds cannot be used in contravention of the 5 USC 552a or regulations implementing that section.

**j. Age Discrimination Act of 1975**

The Age Discrimination Act of 1975, 42 U.S.C. 6101 et seq., prohibits discrimination on the basis of age in any program or activity receiving Federal Financial assistance.

**18. Attachments**

**Attachment A: SF-424**

**Attachment B: SF 424A**

**Attachment C: Budget Narrative**

**Attachment D: Statement of Work**

## **Attachment A: SF-424**

**Application for Federal Assistance SF-424**

**\* 1. Type of Submission:**

- ☐ Preapplication  
☒ Application  
☐ Changed/Corrected Application

**\* 2. Type of Application:**

- ☒ New  
☐ Continuation  
☐ Revision

**\* If Revision, select appropriate letter(s):**

**\* Other (Specify):**

**\* 3. Date Received:**

11/28/2016

**4. Applicant Identifier:**

**5a. Federal Entity Identifier:**

**5b. Federal Award Identifier:**

**State Use Only:**

**6. Date Received by State:**

**7. State Application Identifier:**

**8. APPLICANT INFORMATION:**

**\* a. Legal Name:**

Executive Office of Labor and Workforce Development

**\* b. Employer/Taxpayer Identification Number (EIN/TIN):**

04-6002284

**\* c. Organizational DUNS:**

9475815670000

**d. Address:**

**\* Street1:**

19 Staniford Street

**Street2:**

**\* City:**

Boston

**County/Parish:**

**\* State:**

MA: Massachusetts

**Province:**

**\* Country:**

USA: UNITED STATES

**\* Zip / Postal Code:**

02114-2502

**e. Organizational Unit:**

**Department Name:**

Department of Unemployment

**Division Name:**

**f. Name and contact information of person to be contacted on matters involving this application:**

**Prefix:**

Mr.

**\* First Name:**

Robert

**Middle Name:**

**\* Last Name:**

Cunningham

**Suffix:**

**Title:**

Director of DUA

**Organizational Affiliation:**

**\* Telephone Number:**

617-626-6618

**Fax Number:**

**\* Email:**

Robert.Cunningham@MassMail.State.MA.US

## Application for Federal Assistance SF-424

### \* 9. Type of Applicant 1: Select Applicant Type:

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

### \* 10. Name of Federal Agency:

HCTC National Funding

### 11. Catalog of Federal Domestic Assistance Number:

17.276

CFDA Title:

Department of Labor Employment Training and Administration

### \* 12. Funding Opportunity Number:

UIPL-1-17

\* Title:

Health Coverage Tax Credit (HCTC) for Eligible Trade Adjustment Assistance (TAA) Recipients and Alternative TAA (ATAA) and Reemployment TAA (RTAA) recipients

### 13. Competition Identification Number:

Title:

### 14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

### \* 15. Descriptive Title of Applicant's Project:

HCTC National Funding

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

**Application for Federal Assistance SF-424****16. Congressional Districts Of:**

\* a. Applicant

MA-8

\* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**

\* a. Start Date:

10/10/2016

\* b. End Date:

12/31/2019

**18. Estimated Funding (\$):**

\* a. Federal

109,252.89

\* b. Applicant

\* c. State

\* d. Local

\* e. Other

\* f. Program Income

\* g. TOTAL

109,252.89

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**☐ a. This application was made available to the State under the Executive Order 12372 Process for review on☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.☒ c. Program is not covered by E.O. 12372.**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

☒ \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:

Mr.

\* First Name:

Robert

Middle Name:

\* Last Name:

Cunningham

Suffix:

\* Title:

Director of Unemployment

\* Telephone Number:

617-626-6618

Fax Number:

\* Email:

Robert.Cunningham@MassMail.State.MA.US

\* Signature of Authorized Representative:

\* Date Signed:

1/30/17

**Attachment B: SF-424A**

# BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006  
Expiration Date: 01/31/2019

## SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.	17-276	\$ 109,252.88	\$	\$	\$	\$ 109,252.88
2.						
3.						
4.						
5. Totals		\$ 109,252.88	\$	\$	\$	\$ 109,252.88

# SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
a. Personnel	\$ 70,400.88	\$	\$	\$	\$ 70,400.88
b. Fringe Benefits	24,745.91				24,745.91
c. Travel					
d. Equipment					
e. Supplies	2,673.00				2,673.00
f. Contractual					
g. Construction					
h. Other	8,849.39				8,849.39
i. Total Direct Charges (sum of 6a-6h)	106,669.18				106,669.18
j. Indirect Charges	2,583.71				2,583.71
k. TOTALS (sum of 6i and 6j)	\$ 109,252.89	\$	\$	\$	\$ 109,252.89
7. Program Income	\$	\$	\$	\$	\$

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Prescribed by OMB (Circular A -102) Page 1A



SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS	
8. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	
9. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	
10. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	
11. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	
12. TOTAL (sum of lines 8-11)	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	
SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">73,196.83</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">46,154.89</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">9,013.98</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">9,013.98</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">9,013.98</div>
14. Non-Federal	\$ <div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>
15. TOTAL (sum of lines 13 and 14)	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">73,196.83</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">46,154.89</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">9,013.98</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">9,013.98</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">9,013.98</div>
SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT					
(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)				
	(b) First	(c) Second	(d) Third	(e) Fourth	
16. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">73,196.92</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">36,055.96</div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	
17. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	
18. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	
19. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	<div style="border: 1px solid black; width: 100px;"></div>	
20. TOTAL (sum of lines 16 - 19)	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">73,196.92</div>	\$ <div style="border: 1px solid black; width: 100px; text-align: right;">36,055.96</div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	\$ <div style="border: 1px solid black; width: 100px;"></div>	
SECTION F - OTHER BUDGET INFORMATION					
21. Direct Charges: <div style="border: 1px solid black; width: 150px; text-align: right;">106669.18</div>		22. Indirect Charges: <div style="border: 1px solid black; width: 150px; text-align: right;">2583.71</div>			
23. Remarks: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>					

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## **Attachment C: Budget Narrative**

**Grant for Health Coverage Tax Credit (HCTC) for Eligible Trade Adjustment Assistance (TAA) Recipients and Alternative TAA (ATAA) and Reemployment TAA (RTAA) Recipients.**

<b>State Name:</b>	Massachusetts	<b>Date:</b>	September 26, 2016
<b>Name and Title of the State Agency Administrator:</b>			
<b>Name:</b>	Robert Cunningham		
<b>Title:</b>	Director, Department of Unemployment Assistance		
<b>Address:</b>	19 Staniford Street, Boston, MA 02114		
<b>Telephone:</b>	617-626-6618		
<b>Email:</b>	Robert.Cunningham@MassMail.State.MA.US		
<b>HCTC Program Contact:</b> The person who can answer questions about the UI aspects of the grant proposal.			
<b>Name:</b> Wendy Hamlett			
<b>Director of :</b> DUA Integration		Department of Unemployment Assistance (DUA)	
<b>Telephone:</b> 617-626-6099			
<b>Email:</b> Wendy.Hamlett@MassMail.State.MA.US			

**Introduction: Budget Narrative Funding Request for Massachusetts Health Coverage Tax Credit (HCTC) Program and Process**

The Massachusetts Executive Office of Labor and Workforce Development (EOLWD) is the state Secretariat responsible for the oversight of the workforce programs in the Commonwealth and the Department of Unemployment Assistance (DUA) administers the program. DUA collaborates with the Department of Career Services (DCS) in the implementation of specific initiatives to serve UI claimants and employers.

HCTC Program budget narrative is to define the work and staff required to administer the HCTC program. This program is again starting as of January 1, 2017. In order for DUA and DCS to ensure that we are prepared and ready to administer this program there is work to be completed.

- 1.) Review of system requirements and documentation of any required changes
- 2.) Updating and revising requirements
- 3.) Software development
- 4.) Internal system testing between DUA and DCS
- 5.) External testing and coordination with ICON

## 6.) Implementing the software for January 1, 2017

### Program Reinstatement

DUA Manager	Hours	Tasks
	5	Project Meetings
	5	Reading and research of requirements
	1	Project kick off
	8/hrs for 8 wks	Oversee project work, coordination of testing and implementation
Total	75	Dollars \$3525.00

DUA Development Project Manager	Hours	Tasks
	1	Project Kick off
	10	Review of requirements
	20	Oversee development and testing
	8	Project Management and reporting
	11	Coordination of software builds system test, user acceptance and production
	3	
Total	50	Dollars \$2350.00

2 Business Systems Analyst	Hours	Tasks
	1	Project Kick off
	10	Review of requirements
	22	Updating and revising requirements and test plans
	4	Liaison with developer
	38	Testing DUA validation, DUA to DCS, DUA to DCS to ICON relay
Total	75	Dollars \$ 6255.00

TAA Manager	Hours	Tasks
	1	Project Kick off
	5	project meetings
	5	prep reading material and research
	8 hours per week for 8 weeks	Oversee project work, coordination of testing and

		implementation
Total	75	Dollars \$3375.00

1.5 Moses Business Analysts	Hours	Tasks
	1	Project Kick off
	15	Review of requirements
	44	Updating and revising requirements and test plans
	10	Liaison with developer
	80	Testing DUA validation, DCS to DUA, DUA to DCS to ICON relay
Total	150	Dollars \$9382.50

Moses IT Developers	Hours	Tasks
	1	Project Kick off
	15.5	Review of requirements
	23	Updating software and unit testing
	33	Coordination of environments creation of test data
	40	Support of testing executions
Total	112.5	Dollars \$5748.00

UA Developer	Hours	Tasks
	1	Project Kick off
	5	Review of requirements
	14	Updating software and unit testing
	20	Coordination of environments creation of test data
	35	Support of testing executions
Total	75	Dollars \$ 3832.50

Ongoing maintenance for both agencies will include audit resolution and support. Staff will review daily batch results and complete discrepancy resolution.

The Department of Unemployment Assistance (DUA) and Department of Career Services (DCS) will enable the eligibility HCTC interfaces of eligible TAA and ATAA/RTAA recipients in order to

comply with the reinstatement of the HCTC program beginning January 1, 2017 through January 1, 2020.

On a nightly basis there will be an interface between **MOSES**, a (DCS) System, and **UI Online**, a (DUA) system. **The UI Online System** will use the information to interface Health Coverage Tax Credit (HCTC) data to Interstate Connection (ICON), in the approved format. The data will be passed on to the Department of Treasury (Internal Revenue Service) (IRS).

The IRS will communicate with DUA via the ICON IB13 for HCTC unmatched data relating to individuals who were on the HCTC interface to the IRS. A return file will be sent to DUA consisting of matched individuals in the appropriate format. This return file will be forwarded to MOSES.

DUA staff will access the IB13 messages from the IRS via the IB13 Mail Boxes – MA HCTC mailbox. Messages which cannot be delivered to the mailbox will be placed in the mailbox titled MA UNKNOWN.

DUA Staff will select the IB13 process from the ICON Menu and select the desired search criteria and the system will display search results. DUA Staff will review the IRS messages. DUA staff will research the unmatched data being reported using both UI Online and MOSES. When the solutions have been determined, DUA staff will notify the DCS TAA Unit to resend the identified individuals with adjustments.

The interfaces and the IB13 process will be tested with Xerox State & Local Solutions, Inc. (Xerox), to ensure that any submittal, receiving, and format file errors will be identified and resolved. DUA will use File Transfer Protocol Secure (FTPS). DUA will begin the daily submission to the IRS on January 1, 2017.

Eligible individuals back to January 2014 through September 2015 were sent letters in September 2015 notifying them of the reinstatement of the HCTC. Beginning in September 2015, newly certified workers of companies covered under the Trade Programs were and continue to be notified of the potential eligibility for the HCTC and notified of how to take advantage of this tax credit. HCTC brochures will be made available at the 33 Career Centers throughout Massachusetts.

Daily, potential eligible are identified via MOSES based on an approved TAA eligibility determination, currently receiving a TAA benefit (i.e. training, RTAA, etc.) and approval dates for such benefits are within their respective deadline (this takes into account approved deadline extensions).

Those potential eligible are then sent to UIO for matching of a UI or TRA payment.

DCS will continue to conduct HCTC staff training as part of the Trade Programs training conducted at least yearly and on an as needed basis.

In addition to changes within the system, the business processes and its administration is to be funded from January 1, 2017 through December 31, 2019.

The remaining items that are ongoing maintenance over three years are as follows:

1. The resolution of IB13's errors
2. Troubleshooting, correcting and resending of failed transactions
3. Quarterly financial reporting

The DUA system already is programmed with the infrastructure and functionality for the HCTC program, however a cursory review of the requirements identified software changes for formatting the interface files. The purpose of the grant is to obtain the necessary funding for further analysis and enhance the DUA application so that it enables the HCTC interface process.

DUA staff and the system's vendor will participate in reviews of the specifications and validate the software is as defined and will make changes as required to ensure they adhere to the IRS and ICON requirements.

Staffing required are project managers from the DUA Systems Integration Department, DCS Trade Programs Manager and the DUA and DCS business analysts and developers. Managers from both agencies will oversee, coordinate, establish and assign appropriate resources to coordinate and implement the software changes, testing and implementation. Business systems analysts for DUA and DCS will validate the requirements, update documents and work with the DUA and DCS developers to make any software changes, test the software and implement the interfaces.

On-going Maintenance 3 years

DUA Project Manager	Hours	Tasks
	1/wkX52/wksX3/yrs	Review, analysis and resolve IB13 coordination of communication and handling of brochures
Total	156	Dollars \$7332.00

DCS TAA Manager	Hours	Tasks
	.72/wkX52/wksX3/yrs	Review, analysis and resolve IB13 coordination of communication and handling of brochures
Total	112.5	Dollars \$5062.50

1.5 DCS MOSES Business Analyst	Hours	Tasks
	.72 hours/whX52wksX3yrs	Review, analysis and resolution of system processing
Total	112.5	Dollars \$7036.88

Moses IT Developer	Hours	Tasks
	.72 hours/whX52wksX3yrs	Review, analysis and resolution of system processing
Total	112.5	Dollars \$5748.75

DUA Developer	Hours	Tasks
	.72 hours/whX52wksX3yrs	Review, analysis and resolution of system processing
Total	112.5	Dollars \$5748.75

ETA 9130 Financial Reporting	Hours	Tasks
	.77/hours/wkX52wksX3 yrs	Updating and revising requirements and test plans
Total	120	Dollars \$5004.00

Supplies Total Cost - \$2,673.00

Color brochures will be printed and mailed to the 33 Career Centers throughout Massachusetts over the 3 year period from 1/1/2017 to 1/1/2020. Six thousand six hundred, (6,600) HCTC Color brochures will be printed per year. The cost will be \$594.00 per year and \$1,782.00 for 3 years. 200 brochures will be mailed to each Career Center for a total of \$297 per year and \$891 for 3 years for mail preparation and delivery.

All procedures and file formats will be reviewed and updated as needed.



DUA Manager will direct and lead a project to verify requirements with team to ensure they meet specifications. At a cursory review we noticed that some of the data fields are not populated as stipulated in the file format correctly and will need to have the documents updated and the software changed.

The DUA Manager will coordinate staff and ensure that test scripts are written and that error processing is being handled correctly. The development of scripts are to evaluate whether systems or components pass data and control correctly to one another. It is to verify if all the interactions between these modules are working properly and errors are handled properly. That data is properly displayed on screens and or reports. The testing will be done first internally within DUA and DCS and a second time with Xerox ICON hub. Testing with the ICON hub communication and coordination is sometimes difficult because of network connectivity setup and in the past ICON did not have a test system therefore the pointing of the connection and the sending or transactions has to be coordinated with our production environment.

The DUA and TAA Managers will ensure and:

1. Develop project plan defining work, staff and timeline
2. Verify that communication between the systems are done correctly
3. Verify if all supported hardware/software has been tested
4. Verify if all linked documents be supported/opened on all platforms
5. Verify the security requirements or encryption while communication happens between systems
6. Check if a Solution can handle network failures between Web site and application server
7. Coordinating the migration of the code to the production environment

The business analysts will be responsible for:

1. Updating business requirement
2. Updating use cases
3. Attain sign off from the business
4. Develop test scripts
5. Conduct user acceptance testing first with between DUA and DCS
6. Conduct user acceptance testing between DUA, DCS and ICON

The DUA and MOSES developers will:

1. Define a solution document
2. Update the code
3. Unit test the code
4. Resolve any issues identified during testing

5. Aid in the coordination of batch processing and scheduling of infrastructure resources

The TAA and DUA Managers will collaborate with the financial staff to ensure that data for reporting on the 9130 are completed, correct and submitted timely throughout the program.

Fringe \$24745.91

Commonwealth's cost for employee-related expenses including health and life insurance and the administration of these benefit programs, pension liabilities, terminal leave salaries. The fringe benefit rate is the cost of fringe benefits as a percent of salaries paid.

Payroll taxes are unemployment insurance, universal health insurance and Medicare tax. A separate rate is calculated for payroll taxes. Both rates are the same for all departments, although there may be separate state and federal rates. The costs of fringe benefits are assessed against all funds except the General Fund. Payroll taxes are assessed against all funds.

The Comptroller notifies departments once the fringe benefit and payroll tax rates for the coming fiscal year are certified. Department heads are responsible for budgeting these costs from the applicable funds. The Comptroller charges departments for fringe benefit costs each month based on expenditures for personnel costs in the state accounting system for that month.

Indirect Costs \$2583.71

Indirect costs are the sum of department overhead costs, as determined in the Indirect Cost Rate Calculation prepared by the Comptroller, including for example administrative services of the Executive Office and other relevant costs associated with the department's programs, and the department's allocated share of statewide costs as set out in the SWCAP. The Comptroller is responsible for calculating a separate Indirect Cost Rate for each department receiving or anticipating receipt of federal funding. The rate may not exceed the federally approved rate as certified by the Comptroller.

The Comptroller will notify each department of its indirect cost rate, including all personnel and department costs allocated through the approved rate. Departments must ensure that they do not charge costs directly to federal grants, through the labor distribution systems or other cost allocation mechanisms, when such costs are also allocated through the indirect cost rate.

Indirect costs will be assessed against all federal, non-budgeted special revenue, and trust fund accounts unless an explicit exemption applies. All budgetary funds are exempt. For departments without a federally approved rate, the indirect cost rate will be equal to ten percent (10%) of the department's personnel costs, including both regular employees and contract employees.

As in the case of fringe benefits, department heads are responsible for budgeting for indirect costs from the appropriate funds. The Budget Director may waive assessment of indirect costs for a particular fiscal year, in whole or in part, when he determines that the waiver is in the best interest of the Commonwealth, as described further below.

**Administrative, Staff, and Technical Function Codes (AS&T)**

Time will be charged to AS&T functional activities only when such time cannot be directly charged to program (e.g., ES or UI) functional activities.

DUA DCS Intergration Implementation and Ongoing Support Costs					
POSITION TITLE	# OF HOURS	COST PER HOUR	COST PER FTE	# OF POSITIONS	TOTAL COSTS
<b>Program ReInstatement</b>					
DUA Manager	75	\$47.00	\$3,525.00	1	\$ 3,525.00
DUA Development Project Manager	50	\$47.00	\$2,350.00	1	\$ 2,350.00
Business Systems Analyst	75	\$41.70	\$3,127.50	2	\$ 6,255.00
TAA Manager	75	\$45.00	\$3,375.00	1	\$ 3,375.00
Moses Business Analyst	150	\$41.70	\$6,255.00	1.5	\$ 9,382.50
Moses IT Developer	112.5	\$51.10	\$5,748.00	1	\$ 5,748.00
UA Developer	75	\$51.10	\$3,832.50	1	\$ 3,832.50
<b>Ongoing Maintenance (over 3 years)</b>					
DUA Project Manager	156	\$47.00	\$7,332.00	1	\$ 7,332.00
TAA Manager	112.5	\$45.00	\$5,062.50	1	\$ 5,062.50
Moses Busienss Analyst	112.5	\$41.70	\$4,691.25	1.5	\$ 7,036.88
Moses IT Developer	112.5	\$51.10	\$5,748.75	1	\$ 5,748.75
DUA Developer	112.5	\$51.10	\$5,748.75	1	\$ 5,748.75
ETA 9130 Financial Reporting	120	\$41.70	\$5,004.00	1	\$ 5,004.00
<b>Subtotal</b>					<b>\$ 70,400.88</b>
Fringe (35.17%)					\$ 24,745.91
Indirect (3.67%)					\$ 2,583.71
AS&T (12.57%)					\$ 8,849.39
<b>Sub-Total Management Costs</b>					<b>\$ 106,579.88</b>
<b>NPS COSTS</b>					
Color Brochures Printing and Mailing					\$ 2,673.00
<b>Sub-Total NPS Costs</b>					<b>\$ 2,673.00</b>
<b>TOTAL</b>					<b>\$ 109,252.88</b>

<b>Program ReInstatement</b>
DUA Program Manager's time for meetings, testing.
Use Case review and updates for DUA & Moses
Software Development
<b>Ongoing Maintenance</b>
IB13 Review, Investigation, and Resolution
On going quarterly reporting

## **Attachment D: Statement of Work**

**Grant for Health Coverage Tax Credit (HCTC for Eligible Trade Adjustment Assistance (TAA) Recipients and Alternative TAA (ATAA) and Reemployment TAA (RTAA) Recipients.**

<b>State Name:</b>	Massachusetts	Date: September 26, 2016
<b>Name and Title of the State Agency Administrator:</b>		
<b>Name:</b>	Robert Cunningham	
<b>Title:</b>	Director, Department of Unemployment Assistance	
<b>Address:</b>	19 Staniford Street, Boston, MA 02114	
<b>Telephone:</b>	617-626-6618	
<b>Email:</b>	Robert.Cunningham@MassMail.State.MA.US	
<b>HCTC Program Contact:</b> The person who can answer questions about the UI aspects of the grant proposal.		
<b>Name:</b>	Wendy Hamlett	
<b>Director of :</b>	DUA Integration	Department of Unemployment Assistance (DUA)
<b>Telephone:</b>	617-626-6099	
<b>Email:</b>	Wendy.Hamlett@MassMail.State.MA.US	

**Introduction: Narrative Description of Funding Request and Purpose of Grant Application with General Overview of Activities for Massachusetts Health Coverage Tax Credit (HCTC) Program and Process**

The Massachusetts Executive Office of Labor and Workforce Development (EOLWD) is the state Secretariat responsible for the oversight of the workforce programs in the Commonwealth and the Department of Unemployment Assistance (DUA) administers the program. DUA collaborates with the Department of Career Services (DCS) in the implementation of specific initiatives to serve UI claimants and employers.

The system that supports the DUA business processing was modernized and implemented in July 2013. As part of the modernization the solution development the interfaces for HCTC were built and used until April 2014 because the program ended. This program is again starting as of January 1, 2017. The letter to establish proof of eligibility is currently being completed by DCS and sent to respective customers upon request. In order for DUA and DCS to ensure that we are prepared and ready to administer this program there is work to be completed.

- 1.) Review of system requirements and documentation of any required changes
- 2.) Updating and revising requirements

- 3.) Software development
- 4.) Internal system testing between DUA and DCS
- 5.) External testing and coordination with ICON
- 6.) Implementing the software for January 1, 2017

In addition to changes within the system, the business processes and its administration is to be funded from January 1, 2017 through to December 31, 2019.

The remaining items that are ongoing maintenance over three years are as follows:

1. The resolution of IB13's errors
2. The troubleshoot correcting and resending of failed transactions
3. Quarterly financial reporting

When the program is to be discontinued there is work to ensure a smooth shut down that is well coordinated with all parties and that the integrity of the individual and their coverage is not jeopardized as it is planned to be shutting down the program as of January 1, 2020.

The DUA system already is programmed with the infrastructure and functionality for the HCTC program, however a cursory review of the requirements identified software changes for formatting the interface files. The purpose of the grant is to obtain the necessary funding for further analysis and enhance the DUA application so that it enables the HCTC interface process.

DUA staff and the system's vendor will participate in reviews of the specifications and validate the software is as defined and will make changes as required to ensure they adhere to the IRS and ICON requirements.

Staffing required are project managers from the DUA Systems Integration Department, DCS Trade Programs Manager and the DUA and DCS business analysts and developers. Managers from both agencies will oversee, coordinate, establish and assign appropriate resources to coordinate and implement the software changes, testing and implementation. Business systems analysts for DUA and DCS will validate the requirements, update documents and work with the DUA and DCS developers to make any software changes, test the software and implement the interfaces.

Ongoing maintenance for both agencies will include audit resolution and support. Staff will review daily batch results and complete discrepancy resolution.

The Department of Unemployment Assistance (DUA) and Department of Career Services (DCS) will enable the eligibility HCTC interfaces of eligible TAA and ATAA/RTAA recipients in order to comply with the reinstatement of the HCTC program beginning January 1, 2017 through January 1, 2020.

On a nightly basis there will be an interface between **MOSES**, a (DCS) System, and **UI Online**, a (DUA) system. **The UI Online System** will use the information to interface Health Coverage Tax Credit (HCTC) data to Interstate Connection (ICON), in the approved format. The data will be passed on to the Department of Treasury (Internal Revenue Service) (IRS).

The IRS will communicate with DUA via the ICON IB13 for HCTC unmatched data relating to individuals who were on the HCTC interface to the IRS. A return file will be sent to DUA consisting of matched individuals in the appropriate format. This return file will be forwarded to MOSES.

DUA staff will access the IB13 messages from the IRS via the IB13 Mail Boxes – MA HCTC mailbox. Messages which cannot be delivered to the mailbox will be placed in the mailbox titled MA UNKNOWN.

DUA Staff will select the IB13 process from the ICON Menu and select the desired search criteria and the system will display search results. DUA Staff will review the IRS messages. DUA staff will research the unmatched data being reported using both UI Online and MOSES. When the solutions have been determined, DUA staff will notify the DCS TAA Unit to resend the identified individuals with adjustments.

The interfaces and the IB13 process will be tested with Xerox State & Local Solutions, Inc. (Xerox), to ensure that any submittal, receiving, and format file errors will be identified and resolved. DUA will use File Transfer Protocol Secure (FTPS). DUA will begin the daily submission to the IRS on January 1, 2017.

Eligible individuals back to January 2014 through September 2015 were sent letters in September 2015 notifying them of the reinstatement of the HCTC. Beginning in September 2015, newly certified workers of companies covered under the Trade Programs were and continue to be notified of the potential eligibility for the HCTC and notified of how to take advantage of this tax credit. HCTC brochures will be made available at the 33 Career Centers throughout Massachusetts.

Daily, potential eligible are identified via MOSES based on an approved TAA eligibility determination, currently receiving a TAA benefit (i.e. training, RTAA, etc.) and approval dates for such benefits are within their respective deadline (this takes into account approved deadline extensions).



These potential eligible are then sent to UIO for matching of a UI or TRA payment.

DCS will continue to conduct HCTC staff training as part of the Trade Programs training conducted at least yearly and on an as needed basis.

Color brochures will be printed and mailed to the 33 Career Centers throughout Massachusetts over the 3 year period from 1/1/2017 to 1/1/2020. Six thousand six hundred, (6,600) HCTC Color brochures will be printed per year. The cost will be \$594.00 per year and \$1,782.00 for 3 years. 200 brochures will be mailed to each Career Center for a total of \$297 per year and \$891 for 3 years.

All procedures and file formats will be reviewed and updated as needed.

**Attachment E:**  
**Negotiated Indirect Cost Rate Agreement or CAP**

**STATE DEPARTMENT/AGENCY  
NEGOTIATED INDIRECT COST RATE AGREEMENT**

**DEPARTMENT/AGENCY**

**EIN# 04-6002284**

**Commonwealth of Massachusetts**

**Department of Workforce Development**

**One Ashburton Place, Room 901**

**Boston, MA 02108**

**DATE: September 9, 2016**

**FILE REF: This replaces the  
negotiation agreement**

**DATED: June 16, 2015**

The indirect cost rate(s) contained herein are for use on grants and contracts with the Federal Government to which OMB Circular No. A-87 apply subject to the limitations contained in the Circular and in Section II, A, below. The rate(s) were negotiated by the **Massachusetts Department of Workforce Development** and the **U. S. Department of Labor** in accordance with the authority contained in Attachment A, Section F, of the Circular.

Indirect rates for fiscal years that begin on or after 12/26/2014 are subject to 2 CFR Part 200, Subpart E, in accordance with the authority contained in 2 CFR, Part 200, Appendix VII, D.1.

**SECTION I: RATES**

<u>TYPE</u>	<u>EFFECTIVE PERIOD</u>		<u>RATE*</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
	<u>FROM</u>	<u>TO</u>			
Fixed	7/01/16	6/30/17	3.42%	All	All Programs (1)
Fixed	7/01/16	6/30/17	9.57%	All	DCS and DUA (2)

(2) DCS - Department of Career Services; DUA - Department of Unemployment Assistance.

\*(See Special Remarks Section)

**\*BASE:**

(1) Direct salaries and wages including vacation, holiday, and sick pay, but excluding other fringe benefits. This rate is to recover external costs of Central departmental (SWCAP) costs, ITD costs, Health and Welfare costs and Benefit costs.

(2) Total direct costs, which include division payroll and total division non-personnel expenses for DCS and DUA. This rate is to recover internal costs for administrative, finance, HR, IT, and facilities.

**TREATMENT OF FRINGE BENEFITS AND PAID ABSENCES:** Fringe benefits are based on the rate contained in the State Wide Cost Allocation Plan (SWCAP) approved by the U.S. Department of Health and Human Services and are charged individually as direct costs. The fringe benefits are listed in the Special Remarks Section of this Agreement. Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts, and other agreements in accordance with acceptable leave allocations made under the MMARS Cost Accounting System.

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## SECTION II: GENERAL

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**A. LIMITATIONS:** Use of the rate(s) contained in this Agreement is subject to any statutory or administrative limitations and is applicable to a given Federal award or contract only to the extent that funds are available. Acceptance of the rate(s) agreed to herein is predicated upon the conditions:

- (1) that no costs other than those incurred by the non-Federal entity or contractor or were included in its indirect cost pool as finally accepted and that such incurred costs are legal obligations of the non-Federal entity or contractor and allowable under the governing cost principles;
- (2) that the same costs that have been treated as indirect costs have not been claimed as direct costs;
- (3) that similar types of costs have been accorded consistent treatment, and
- (4) that the information provided by the grantee/contractor which was used as a basis for acceptance of the rate(s) agreed to herein is not subsequently found to be materially inaccurate.
- (5) the rates cited in this Agreement are subject to audit.

**B. ACCOUNTING CHANGES:** This agreement is based on the accounting system purported by the non-Federal entity or contractor to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the Division of Cost Determination (DCD). Failure to obtain such prior written approval may result in cost disallowances.

**C. NOTIFICATION TO FEDERAL AGENCIES:** A copy of this document is to be provided by the non-Federal entity or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.

**D. FIXED RATE(S):** Fixed rate means an indirect cost rate, applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A fixed rate is not subject to adjustment, except that the difference between the estimated costs and the actual costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period.

**E. SPECIAL REMARKS:**

1. Indirect costs charged to Federal grants/contracts by means other than the rate(s) cited in this Agreement should be adjusted to the applicable rate cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.

2. Contracts/grants providing for ceilings as to the indirect cost rate(s) or amount(s) which are indicated in Section I above, will be subject to the ceilings stipulated in the contract or grant agreements. The ceiling rate or the rate(s) cited in this Agreement, whichever is lower, will be used to determine the maximum, allowable indirect cost on the contract or grant agreement.

3. Administrative costs consist of all **Direct** and **Indirect** costs associated with the management of an organization's programs. Organizations should refer to their contracts/grants terms and specific program legislation for the applicable definition of Administrative Costs and any related limitations.

4. Fringe benefits are approved by HHS and included in the Section II billed cost of the State-wide Cost Allocation Plan.

### ACCEPTANCE

#### **BY THE STATE/LOCAL DEPT/AGENCY GOVERNMENT:**

Commonwealth of Massachusetts  
Office of the Comptroller  
One Ashburton Place, Room 901  
Boston, Massachusetts 02108

\_\_\_\_\_  
(Grantee/Contractor)

\_\_\_\_\_  
(Signature)

Howard Merkowitz

\_\_\_\_\_  
(Name)

Deputy Comptroller

\_\_\_\_\_  
(Title)

September 19, 2016

\_\_\_\_\_  
(Date)

#### **BY THE COGNIZANT AGENCY ON BEHALF OF THE FEDERAL**

U.S. Department of Labor  
Division of Cost Determination  
200 Constitution Ave., S-1510  
Washington, DC. 20210

\_\_\_\_\_  
(Agency)

\_\_\_\_\_  
(Signature)

Victor M. Lopez

\_\_\_\_\_  
(Name)

Chief, Division of Cost Determination

\_\_\_\_\_  
(Title)

September 9, 2016

\_\_\_\_\_  
(Date)

Negotiated by: Robbin W. Powell  
Telephone No.: (202) 693-4107

Indirect Staff

fiscal_year	department	position_id	position_description	title_description	employee_name	unit	earnings	appropriation	type
2015	EOL	00020680	DEPUTY DIRECTOR	Administrator VI	Brown, Rex K	1110	\$ 1,843 70030100	1CS	1CS
2015	EOL	00002448	WORD PROCESSING	Word Processing Operator I	Collins, Ann M	1110	\$ 11,870 70030100	1CS	1CS
2015	EOL	00011930	OFFICE SUPPORT	Office Support Specialist I	De Los Santos, Xiomerkis	1110	\$ 11,597 70030100	1CS	1CS
2015	EOL	00040948	GENERAL COUNSEL	Program Manager Specialist X	Doheny, Michael	1110	\$ 69,512 70030100	1CS	1CS
2015	EOL	00021819	DIR COMM & CUST	Administrator VII	Dufresne Kuendig, Ann	1110	\$ 56,216 70030100	1CS	1CS
2015	EOL	00020680	DEPUTY DIRECTOR	Administrator VI	Gerlach-Brown, Rex K	1110	\$ 15,798 70030100	1CS	1CS
2015	EOL	00026801	ADMINISTRATOR V	Administrator VII	Johnson, Dennis	1010	\$ 56,133 70030100	1CS	1CS
2015	EOL	00204894	SECRETARY E.O.L	Secretary E.O Labor/Work	Kaprielian, Rachel	1110	\$ 5,218 70030100	1CS	1CS
2015	EOL	00195233	SECRETARY E.O.L	Secretary E.O Labor/Work	Kaprielian, Rachel	1110	\$ 62,124 70030100	1CS	1CS
2015	EOL	00028669	MANAGEMENT ANAL	Management Analyst III	Knight, Gina	1110	\$ 14,869 70030100	1CS	1CS
2015	EOL	00165323	DEPUTY GENERAL	Program Manager Specialist VII	Lyons, Paula A	1110	\$ 56,239 70030100	1CS	1CS
2015	EOL	00248684	UNDERSECRETARY,	Undersecretary, ELW	Marlow, Ronald	1110	\$ 20,923 70030100	1CS	1CS
2015	EOL	00025134	UNDERSEC FOR AD	Administrator X	McMahon, Timothy J	1110	\$ 52,984 70030100	1CS	1CS
2015	EOL	00044631	LEGISLATIVE DIR	Administrator V	Muradian, Jessica L	1110	\$ 7,500 70030100	1CS	1CS
2015	EOL	00248685	UNDERSECRETARY,	Undersecretary, ELW	Neal-Johnson, Stephanie	1110	\$ 26,538 70030100	1CS	1CS
2015	EOL	00044631	LEGISLATIVE DIR	Administrator V	Oftring, Robert	1110	\$ 25,138 70030100	1CS	1CS
2015	EOL	00042262	CHIEF OF STAFF	Administrator X	Pepin, Yashira	1110	\$ 54,359 70030100	1CS	1CS
2015	EOL	00039905	ADMINISTRATOR V	Administrator V	Quinn, Colleen	1110	\$ 5,846 70030100	1CS	1CS
2015	EOL	00001797	DIR WORKFORCE I	Administrator VII	Scott, Cheryl M	1110	\$ 45,073 70030100	1CS	1CS
2015	EOL	00028669	MANAGEMENT ANAL	Management Analyst III	Seto, Amy	1110	\$ 20,966 70030100	1CS	1CS
2015	EOL	00001651	MANAGEMENT ANAL	Management Analyst III	Seto, Amy	1110	\$ 3,494 70030100	1CS	1CS
2015	EOL	00057982	MANAGEMENT ANAL	Management Analyst III	Tainter, Anne Marie	1110	\$ 49,480 70030100	1CS	1CS
2015	EOL	00195233	SECRETARY E.O.L	Secretary E.O Labor/Work	Walker, Ronald L	1110	\$ 32,097 70030100	1CS	1CS

\$ 705,818