

PY2019 RSAB Reference Guide

Pennsylvania Department of Labor & Industry

A Strategic Look at Pennsylvania's Workforce Development Policies

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The Workforce Innovation and Opportunity Act (WIOA) and its implementing regulations require the collaboration of many federally funded workforce development-related programs. WIOA and those same regulations further stipulate that PA CareerLink® program partners [see *20 CFR 678.400* and *678.410*] share in the costs of the one-stop system. The delivery of workforce development activities and services through partnerships, some of which are funded under different laws by various federal agencies, requires the uniform management of resource sharing methodologies for the paying and funding of allocable cost in the PA CareerLink® system.

The Bureau of Workforce Development Administration, or BWDA, is an administrative entity that provides governance and oversight as the designated entity to administer workforce development-related funds allocated to PA Department of Labor & Industry, or L&I. BWDA is tasked with ensuring policy and practice are aligned with WIOA and its promulgating regulations and applicable federal guidance. Accordingly, BWDA aligns L&I's workforce development policy and guidance with WIOA terminology and phrases in an on-going policy review process.

As part of the WIOA transition, BWDA released Workforce System Policy, or WSP, No. 121-03 Memorandum of Understanding (MOU) for the One-Stop Delivery System in June 2017 that replaced the *Resource Sharing Agreement* with a new name for the agreement (i.e. MOU). WIOA revised MOU elements thus providing greater emphasis on program partner funding of the one-stop system. [see *20 CFR 678.500* and *678.700*]

Note: L&I is currently revising the *MOU of the One-Stop Delivery System* policy.

Each program year, Local Workforce Development Board, or LWDB, Directors and Fiscal Agent staff are requested to develop annualized PA CareerLink® (site-specific) budgets that become effective at the start of the new program year (i.e. July 1st). The annual one-stop center budget is denoted as the *Resource Sharing Agreement Budget*, or *RSAB*. Each RSAB will still be centered around a PA CareerLink® service site; however, each budget will account for all the program funding streams used to operate and support the local area's one-stop system activities, career services, infrastructure, shared costs and additional costs. Commonwealth policy, guidance, templates and other documents will be revised accordingly to reflect this new terminology.

The Program Year, or PY, 2019 RSAB Reference Guide supplements guidance provided with L&I's Workforce System Policy No. 03-2015 Financial Management Policy and accompanying **Financial Management Guide**, or FMG. In the preparation for development of the RSAB, it is recommended to review FMG Chapter 7: PA CareerLink® Resource Sharing. The PY 2019 RSAB Reference Guide will prevail in the event of conflict between it and the FMG.

Note: L&I is currently revising the *Financial Management policy and FMG*.

Note: L&I is revising the *PY 2019 RSAB-FSR*.

If field staff require additional technical assistance please, submit questions to BWDA's PA CareerLink® Finance and Operations Resource Account, RA-LI-PACL-FINOP@pa.gov.

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RSAB SUBMISSION and REPORTING

RSABs, one-stop staffing surveys and expenditure reporting must be submitted on prescribed L&I templates. Guidance and templates, including the PY 2019 RSAB template, are posted online with L&I's Workforce System Policy No. 03-2015 Financial Management Policy. The local area's proposed PY 2019 RSAB(s); Cost Allocation Reimbursable System, or CARS, drawdowns information; expenditures reported on the quarterly RSAB-Financial Status Reports, or RSAB-FSR; current staffing levels and negotiations with one-stop program partners will be evaluated and used to determine the proposed PA CareerLink® funding level for each LWDA.

The submission due date for the PY 2019 RSAB(s) is Monday, July 15, 2019.

Note: The submission due date for the PY 2020 RSAB(s) will be May 1, 2020.

Local boards are responsible to ensure that submissions comply with L&I guidance and that current templates are used. RSABs, Staffing Surveys, RSAB-FSR and other supporting documentation must be submitted to BWDA's PA CareerLink® Finance and Operations Resource Account, RA-LI-PACL-FINOP@pa.gov.

RSAB GUIDELINES

It is critical that a local area team consisting of the local board, local fiscal agent staff, operator and each PA CareerLink® Site Administrator work together with all one-stop partners on PA CareerLink® funding. The local area team is responsible for ensuring that each PA CareerLink® workforce development system has the appropriate resources available to provide services and activities in accordance with PA's WIOA Combined Plan, as well as the WIOA regional/local plans. The subsequent discussions and/or negotiations between the local area team and the program partners, as always, should focus on the system; services; meeting the needs of employers, job seekers and other customers; and how the one-stop system can better meet customers' needs while recognizing budget constraints.

Preparing a New RSAB:

1. The local funding support analysis and partner negotiations of expected PA CareerLink® facility expenses should be based on previous year's expenditures and anticipated operational costs for the coming program year which should focus on the systemic workforce services required to meet the needs of employers, job seekers and other customers. In terms of state-level programs, it is these budget estimates that serve as the basis for the overall reserved state-level funding and subsequent local PA CareerLink® site-specific allocations and Notice of Obligations, or NOO.
2. When preparing the budget for a new PY, the final partner approved budget from the previous PY and received BWDA concurrence must be used to make the updates for the new PY budget. Each budget must reflect the previous year's final modified budget figures. For example, if the PY18 budget allocated \$100,000 initially, but there was a modification, use the modified budget as the basis of comparison against the PY19 proposed budget.
3. For local workforce development areas, or LWDA, that have multiple PA CareerLink® sites, the budget worksheets must be submitted in a single Excel workbook file that has a summary tab that aggregates all the information from the multiple PA CareerLink® sites.

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RSAB Modifications: A modification to the budget may be needed for a variety of reasons, including, but not limited to changes to: one-stop partners (e.g. the addition or removal of a partner), method of allocation, and agreed upon shared costs. BWDA may require a modification due to other factors.

Note: In addition to the close-out, local areas are permitted two (2) optional modifications per year.

1. Periodic reviews and budget adjustments are expected. Descriptions of reasons for submission of a budget modification must be identified in the governing local area Memorandum of Understanding, or MOU. However, all partners are financially liable for all shared expenditures incurred as part of the budget as outlined in the MOU. For example, if a partner reduces staff during a given quarter, that partner is still liable for all shared costs until the budget open modification period occurs. At that point, the partner can then request the modification to reduce the number of FTEs which in turn would lower that partner's cost.
2. Modifications to the budget must be approved by the partners in advance to submission. In limited circumstances, BWDA may be able to unilaterally approve state-level partner modifications if given the authority to do so. The budget should be numbered to reflect the most current budget modification for the current fiscal year. For example, the original budget will indicate the budget's *Modification* section as blank; for subsequent modifications, a numbering sequence (e.g. "1", "2") must be annotated within the budget's *Modification* section.
3. An explanation of the budget changes must be provided within the budget's *Comments* section.
4. Line-item budget changes that do not affect the total budget amount do not require a formal modification. However, all partners must be provided with the necessary information reflecting the revision.

PREPARING THE RSAB TEMPLATE

The L&I PY 2019 RSAB template may not capture the diversity in cost allocation methodologies; therefore, local boards and fiscal agent staff may propose methodologies for inclusion in the RSAB template revisions.

Note: Highlight (or change the font color to red) of any altered RSAB template row and/or column. RSAB template formulas must not be altered or deleted without identifying the changes that have taken place. If the local board has difficulty completing the RSAB template, including the use of additional cost allocation methodologies, then the local board must request technical assistance from BWDA's PA CareerLink® Finance and Operations unit.

Key Budget Sections

Shared Annual Costs (Part 1): There are two major classes of shared costs. The first is One-Stop Center Infrastructure Costs [See 20 CFR 678.700]; LWDBs are to identify the types of infrastructure related costs necessary to support the activities and services within the PA CareerLink® under two sub-categories *Facilities* and *Operations*. The second shared costs class is Additional Costs [See 20 CFR 678.760]; one-stop partners must use a portion of their program funds to pay the additional costs under two sub-categories *Personnel* and *Services*.

1. Partner programs are required to dedicate funding for infrastructure and other shared costs. All

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costs benefiting all partner programs should be shared and reflected on the budget. Sites should review current procured items to guarantee cost effectiveness and ensure duplicative procurement is not taking place. For example, many offices have multiple postage meters and copiers. Partners should review the need for multiple devices and share costs whenever possible.

2. The PA CareerLink® partners will identify the types of shared costs necessary to support the activities and services within the PA CareerLink®. The team may further detail the definitions as applicable; however, shared costs must be defined as Facility/Building; Operations; Personnel/Staff and Services.
 - A. *Facility/Building*: Includes building rent, maintenance costs, utilities, building improvements, non-personnel costs (e.g. security or janitorial services) or any other similar costs related to the physical structure of the PA CareerLink®.
 - B. *Operations*: Includes costs associated with the operations of a business office and the delivery of services. These types of costs may include, but are not limited to: office/facility supplies, printing, marketing, outreach, memberships, subscriptions, communications and equipment leases.
 - C. *Personnel/Staff*: Includes staff salaries, fringe benefits, and staff travel.
 - 1) Salary is calculated based on the actual and/or estimated annual salaries.
 - 2) The benefits are calculated based on historic or actual rates in relation to the total of the salaries.
 - 3) State partners will share the costs of the Site Administrator, one greeter or receptionist. State partners will share the cost of a security guard, if warranted, and if approved by a majority vote amongst all state partners.
3. Enter the budget amount on each line and identify if the cost is State (S) or Non-State (NS).

Methods of Allocation (Part 2): As agreed upon in the local area MOU, the method of allocation each partner program uses must be based upon each local one-stop partner program's proportionate use of the one-stop delivery system and relative benefit received, consistent with the Uniform Guidance found at 2 CFR part 200, including the Federal cost principles, the partner programs' authorizing laws and regulations, and other applicable legal requirements. Even though a one-stop partner may not be physically present in a one-stop site, they must provide access to their programs via the one-stop system and still contribute to infrastructure costs. [See 20 CFR 678.420]

1. There are various allocation methods that can be used to define the measure of benefit to programs. The allocation methodologies may be aggregated and allocated using a methodology agreed upon by the partners which reflects the best measure of benefit received by the partner programs.
2. The method of allocation may vary depending on the type of cost, and each method of allocation detailed on the budget must be identified.
3. If quantity of FTEs is the method of allocation, then the quantity of FTEs for each partner on the budget should match the quantities listed on the related *Staff Survey*.
4. If a program partner does not share in a method of allocation that all other partners share in, then an explanation must be provided in the comments section as to why the partner does not share in the

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method of allocation.

5. All one-stop program partners party to the local area MOU are considered “full” partners, and as such, must be represented on the RSAB.
6. Rent only Contributors: an entity that provides non-WIOA program services or activities.

Annual Allocation to Partners (Part 3): This section reflects the partner's annual budget allocation by line item based on the cost allocation methodology. The one-stop partners costs will populate based on the formulas found in section 2.

1. Partner names and the order of the names found in “**Annual Allocation to Partners**” must be consistent with names and order of the partner names in “**Methods of Allocation**”.
2. Line item totals in “**Annual Allocation to Partners**” should match the line item budget amounts listed in “**Shared Annual Costs**”.
3. Previous budget amounts should be equal to the direct previous budget that was officially approved by all partners and received BWDA concurrence.
4. Generic partner names (e.g. ABC, Inc. or ZYX Social Services) should be never be used. Indicate the partner’s authorized program name. LWDBs may associate a partner’s name with the program name.

Comments (Part 4): This is the portion of the budget that should be used to offer any further helpful information. This section should be used to explain budget modifications. In-kind contributions and reasons for modifications must be annotated in section. Program income is not documented within the RSAB unless there is a special condition that needs to be explained. Under no situation will this section of the budget be used to expend program income funds.

Noteworthy Budget Items

Rent:

1. Total quantity of square feet, or sq. ft., annual total cost of rent and cost per sq. ft. should be noted in the comment section.
2. Shared Rent line item should list the quantity of sq. ft., cost per sq. ft., and should note if the rent was reduced by any Direct Rent charges.
3. Direct Rent that is charged per sq. ft. should list the quantity of sq. ft. and cost per sq. ft.
4. Direct Rent that is a fixed annual rent cost (i.e. not charged per sq. ft.) should be annotated on the budget line item; note any supporting information within the comment section.
5. If there is escalation annotate on the budget line item; note within the comment section the item, amount and effective date.

State Local Area Network Connections:

1. A PA CareerLink® career resource center, or CRC, connections are shared and should be listed on a separate line item from non-state device connections to the state’s local area network, or LAN, which

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are a direct charge to the applicable local partner.

2. Quantity of printers and personal computers, or PCs, should be annotated on the line item. As a reminder, all state LAN connection costs are as follows: CRC PCs \$45 each per month, CRC Printers \$20 each per month, and any non-L&I state LAN connections are \$25 each per month.
3. With each new program year's budget or a budget modification, a site staff member should review the state CRC and non-state connections to the State LAN to ensure that the quantities charged on the budget are still accurate. BWDA should be made aware of any changes so that the inventory of the connections can be verified and updated accordingly.

Budget Line Item Increases and New Line Items:

1. Significant increases to a budget line item should be accompanied with a justification for the increase so that one-stop partners understand the reason for the increase since all partners will be contributing to the higher cost. The justification can be provided in an email when the budget is submitted for partner review and concurrence, or it can be annotated on the budget. BWDA will determine funding availability for all state-level partners prior to executing NOO increases.
2. New line items should be notated in the budget comments as a change/modification, and if the new line item is a significant amount, a justification should also be provided.

Staffing Survey:

1. A Staffing Survey with a current listing of partner staff, according to the survey's effective date, should be submitted with each new PY budget and any budget modifications.
2. Partner names referenced on the staffing survey should coincide with the partners listed on the related budget.
3. Partner FTEs reflected on the staffing survey should match the partner FTEs accounted for on the related budget if the budget uses a method of allocation based on FTEs.
4. If the FTEs on the staffing survey do not match the FTEs on the budget, the reason for the difference should be notated in some way on either the survey and/or the budget.
5. Staff that are agreed to be a shared cost should be reflected as shared on the staffing survey. The shared percentage of the shared staff must be annotated on the staffing survey and budget as not all shared staff are 100% shared. If a staff's salary is a 100% shared, do not include the staff as an FTE on the budget. Only the unshared positions or share of unshared salary should be reflected as FTEs on the budget.
6. Staff that split time between multiple locations should have the various locations notated on the staffing survey.
7. If staff that go to multiple locations are not counted as 1 full FTE on any staffing survey, but are on each relevant PA CareerLink® staffing survey as a portion of an FTE, then please ensure that the total sum of the FTE portions equal 1 FTE.

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Calculations: Before a budget is finalized and submitted for partner concurrence, the calculations should be double-checked to ensure the following:

1. Ensure FTE data, PCs and printers (LAN connected) and leasing costs are verified. This verification will eliminate unnecessary reviews at the local, regional and state-level.
2. The cell formulas reference the correct cells and method of allocation when allocating a line item budget to each partner.
3. The partner allocations line item totals equal the total for each line item budget.
4. The total budget for the sum of each line item budget should equal the total of the sum of each partner's budget allocation.

PROGRAM INCOME and the RSAB-FINANCIAL STATUS REPORT (FSR)

Program income earned in a PA CareerLink® system because of shared activities is attributable to all one-stop program partners participating in the cost. The program income must be allocated in the same proportion as the shared costs. Program income must be expended on allowable grant activities. Partners may agree to use program income to reduce their share of costs or resources needed to fund the one-stop center costs, or for other purposes, if allowable under the partners' authorizing statutes and regulations. If program income is earned from user or rental fees, the program income should be distributed to all partners on the budget. Program income must be expended within the program year it was earned; there can be no carry-over of program income to the next program year.

The **RSAB-FSR** worksheet must be utilized for quarterly expenditure reporting and is the only format that is to be used when submitting quarterly expenditures for each PA CareerLink® within each LWDA. The RSAB-FSR must be submitted within 45-days after the end of each quarter; however, the fourth quarter RSAB FSR is due no later than August 31st. Please note that once RSAB-FSRs are submitted to BWDA the local area does not need to wait upon BWDA's approval to draw funds. Normally, BWDA does not indicate RSAB-FSR approval; however, BWDA may contact the local area for clarification if questions arise. LWDA that have multiple PA CareerLink® sites, the RSAB-FSR worksheets must be submitted in a single Excel workbook file that has a summary tab that aggregates all the information from the multiple PA CareerLink® sites.

The earning, allocation, and use of program income must be addressed generally in the MOU and reported on the RSAB-FSR. The amount of quarterly program income earned and expended must be reported in the RSAB-FSR's "**(Part 2-A) Program Income**". The source description of each separate program income stream must be reported in "**(Part 2-B) Program Income**"; notate the partner program funding stream source(s) used to generate the program income, as well as, how, where and when the program income was earned. If an additional document is required to notate the program income source description then submit a document with the RSAB-FSR that is properly identified (i.e. same information as provided with the RSAB-FSR) and with the notations articulated. The amount of attributable program income for each partner must be reported in "**(Part 3) Partner Expenses**".

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NOTICES OF OBLIGATIONS (NOOs)

When the LWDB receives BWDA concurrence, it is recommended that LWDBs secure RSAB signatures from non-state PA CareerLink® partners. Once the RSAB concurrence is provided, BWDA will begin processing state-level partner program NOOs.

BWDA provides an administrative service on behalf of state-level PA CareerLink® partners by helping to allocate the portion of the partner's funding stream dedicated to the RSABs. The Bureau of Workforce Partnership & Operations, or BWPO and other state-level agencies authorize LWDBs to use the fully executed NOO, in-lieu of a RSAB signature page, for the following state-level partner program funding streams: Assistant Director for Veterans' Employment and Training Service (ADVET); Department of Community Economic Development (DCED) Community Services Block Grant (CSBG) programs; Department of Human Services (DHS) TANF Employment & Training programs; Disabled Veterans' Outreach Program (DVOP); Foreign Labor Certification (FLC); Local Veterans' Employment Representatives (LVER); Mediation; Office of Vocational Rehabilitation (OVR); Trade Act; Unemployment Compensation (UC) programs: Office of UC Service Centers (UCSC), UC Board of Review (UCBR), Office of UC Tax Services (OUCTS); Wagner-Peyser Act (WP) Employment Services program; WP Staff Development; WP Regional Staff; Rapid Response; and Worker's Compensation.

SUPPLEMENTAL PROGRAM PARTNER GUIDANCE

Foreign Labor Certification (FLC): A portion of an FTE will be permitted on the RSAB in PA CareerLink® sites that have FLC activity.

Rapid Response Services (RRS): A portion of an FTE will be permitted on the RSAB in PA CareerLink® sites that have RRS activity.

Unemployment Compensation (UC)

- Office of UC Service Centers (UCSC): In addition to the 25-sq. ft. per installed UC device (i.e. phone or computer), UC will contribute an additional allocated amount per PA CareerLink® sites based upon proportionate use and relative benefit received.
- UC Board of Review (UCBR) and the Office of UC Tax Services (OUCTS): These program partners provide funding based on rent allocation methods.
- UC Shared-Work Program: L&I will provide RSAB requirement information to local areas where Shared-Work activity occurs.