



*On Track with Trade Adjustment Assistance
Community College and Career Training (TAA-CCCT)*

**Grant and Financial Management
TAAA-CCCT Funding Restrictions**

February 22, 2012



TAA-CCCT Grants

Similar to other federal grants:

- Uniform Administrative Requirements
- Federal Cost Principles
- Grant Agreement

Different than other DOL ETA and Education grants:

- Indirect Cost Rate vs. F&A rate
- Administrative costs
- Prohibitions on wages, real property, tuition
- Supportive Services



Topics for today's session

- Prior Approval
 - Equipment
 - Alterations
- Indirect Costs
 - Definition
 - Indirect Cost Rate
- Administrative Costs
 - Definitions
 - Cap
 - Distinctions: Indirect costs vs. Admin Costs



Topics cont'd

- Prohibitions against wages, tuition, and real property
 - Definitions
- Supportive services
 - TACT Definition
 - WIA definition
 - Allowable costs



Certain Costs Require Prior Approval

- Examples
 - Equipment
 - Alteration of facilities
- Prior Approval
 - Needed BEFORE incurring cost
 - Needed even if already in grant agreement



Indirect Costs

- **Indirect Costs:** any costs shared between multiple programs for which a definitive amount can not be directly attributed to a specific grant.
- Indirect Cost Rate or Cost Allocation Plan
- May be both Administrative & Program costs



Examples: Direct and Indirect Costs

- Direct costs – Information/Data Collection System costs for a specific grant:
 - Administrative: all costs directly related to financial recording and reporting
 - Program: all costs directly related to performance tracking and reporting
- Indirect costs – Equipment maintenance and operational costs for an office working with multiple programs
 - Administrative: general office copiers and printers
 - Program: maintenance costs for lab equipment



Indirect Cost Rate



- Applicable to grantees receiving funds from multiple sources
- Need approved ICR or Cost Allocation Plan
 - First 90 days
 - No ICR or CAP = no reimbursement for indirect costs
- Division of Cost Determination contacts
- F&A Rate is the same as an ICR



Indirect Costs vs. F&A

- F&A costs are defined in 2 CFR 220
- Applicable to Educational Institutions only
- Specific categories for facilities
 - depreciation and use allowances,
 - interest on debt associated with certain buildings,
 - equipment and capital improvements,
 - operation and maintenance expenses
 - and library expenses.



Indirect Costs vs. F&A cont'd

- Specific categories for administration
 - general administration and general expenses,
 - departmental administration,
 - sponsored projects administration, student administration and services,
 - and all other types of expenditures not listed specifically under one of the subcategories of Facilities (including cross allocations from other pools).



ETA Administrative Costs

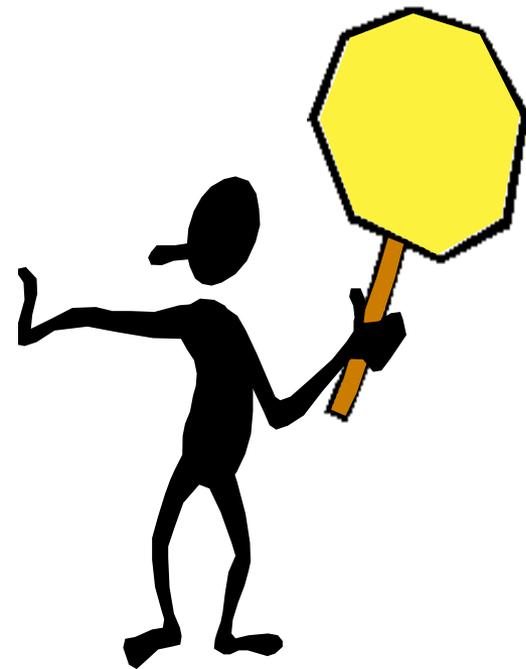
- Defined at 20 CFR 667.210(b) and (c)
- Can be:
 - Personnel
 - Non-personnel
 - Direct
 - Indirect
- List of specific functions
- Allocable portion of necessary and reasonable costs
- NOT related to the direct provision of services
- NOT the same as Administration costs under F&A

HANDOUT



Administrative Costs Limit

10% of total grant
award amount



Administrative Costs - Compliance

- Measured at conclusion of grant period
- If exceed 10% at end of grant, costs will be disallowed



Tuition, Wages, and Stipends

DEFINITIONS

- Tuition = the fee for instruction at an Institution of Higher Education
- Wages = compensation for services performed for an employer
- Stipends = fixed sum of money paid periodically for services or to defray expenses



Unallowable

- Participant wages **NOT** allowable
 - Includes wages of students in co-operative education programs
 - Registered Apprenticeship
 - Internships
- Stipends to training participants for the purposes of wage replacement is **NOT** allowable
- Page 9 of SGA



Unallowable

- Tuition (pg. 9 of SGA)
- Scholarships



Faculty and Instructors

- Stipend for a contracted grant product or service (instead of wage) is allowable
- Adjunct faculty hired replace instructor
 - **NOT** allowable
 - Does not benefit the grant



Supportive services

STUDENT SUPPORT
SERVICES



ALLOWABLE

WIA SUPPORTIVE
SERVICES



UNALLOWABLE



Supportive Services

- Student Support Services
 - I.e. career guidance systems
 - Hiring and/or training staff
 - Developing or procuring online systems



- WIA Supportive Services
 - Childcare
 - Transportation
 - Dependent Care
 - Housing
 - Needs Related payments



Real Property

PROHIBITED:

- Purchase of Real Property
- Construction



ALLOWABLE WITH CONDITIONS:

- Rearrangement and alteration costs (renovations)



What is Rearrangement and Alteration?

Minor alterations to facilities to make ready for the grant

Also referred to as renovations



Rearrangement/Alterations

- Addressed in 2 CFR 220 Appendix A Section J.40 – Rearrangement and Alteration Costs
- Cannot impact equity value
- Prior approval of the Grant Officer required
- Examples
 - Refitting laboratory – may be allowable depending on SOW
 - Internal reconfiguration of offices- may be allowable depending on SOW
 - HVAC system installation - unallowable



Other funding restrictions



- SGA lists unallowable activities on pg. 9, 21, and 22
- Why prohibitions? They may duplicate services, benefits, or stipends provided to workers eligible for assistance under the TAA, Unemployment Insurance, or Workforce Investment Act programs.
- Grantees may not use grant funds to supplant other funding sources they are currently using to fund existing activities



Questions??

