

# Workforce Development Board

## *of Eastern Arkansas*

### EXECUTIVE COMMITTEE MEETING - AGENDA

Arkansas Workforce Center – 300 Eldridge Road, Suite 2, Forrest City

June 16, 2016 – 10 a.m.

PAGE

**CALL TO ORDER** – Marion Littlejohn, *Chairman*

**EXECUTIVE DIRECTOR'S REPORT** - *Dave Brady, Executive Director*

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- 2. PROMISE PY15 Allocation vs. PY16 Allocation .....2
- 3. Workforce Development Area – Organizational/One-Stop Operator Discussion
- 4. Phillips County Representation – Staff/Workforce Center Presence Discussion

**FINANCIAL REPORT** – *Calvin Goshen, Finance Director*

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**ACTION ITEMS**

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- 2. Workforce Development Board of Eastern Arkansas (WDBEA) Proposed Line Item Budget PY16 .....4
- 3. Supplemental Nutrition Assistance Program (SNAP) E&T Budget PY16 .....4
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- 5. Cost Allocation Plan – 4<sup>th</sup> Quarter .....5

**ATTACHMENTS**

- ATTACHMENT A WDBEA PERCENT EXPENDED BUDGET TO DATE (BTD) EXPENDITURES .....6
- ATTACHMENT B MINUTES OF PREVIOUS MEETING .....13
- ATTACHMENT C WDBEA PROPOSED LINE ITEM PY16 BUDGET .....16
- ATTACHMENT D SNAP PROPOSED LINE ITEM PY16 BUDGET .....18
- ATTACHMENT E COST ALLOCATION PLANS .....20

**ANNOUNCEMENTS**

- 1. WDB meeting Tuesday, June 21, 2016 at 10 a.m., at the Arkansas Workforce Center in Forrest City.

**ADJOURN**

**EXECUTIVE DIRECTOR'S REPORT**  
**Workforce Development Board of Eastern Arkansas**  
**Executive Committee Meeting – June 16, 2016**

1. **WIOA - Program Year 15 vs. Program Year 16:** The WDBEA's PY16 Workforce Innovation and Opportunity Act (WIOA) funding will be decreased by an average of 20 percent from the previous year.

The grant allocations for PY15 vs. PY16 are as follows:

	Adult	DLW	Youth	Total
<b>PY15 Allocations</b>	\$492,694.00	\$499,069.00	\$438,913.00	\$1,430,676.00
<b>PY16 Allocations</b>	\$442,779.00	\$278,227.00	\$421,350.00	\$1,142,356.00
<b>Difference (+)(-)</b>	-\$49,915.00	-\$220,842.00	-\$17,563.00	-\$288,320.00
<b>% Difference (+)(-)</b>	-10 Percent	-44 Percent	-20 Percent	-20 Percent

**Note:** Percentages are rounded to nearest whole number.

2. **PROMISE - Program Year 15 Youth Allocation vs. Program 16 PROMISE Youth Allocation:** The PY16 PROMISE Youth funding allocation was increased by approximately 110 percent from last year's funding. The Subgrant modification will allow for a

PY15	PY16	Difference
\$151,573.00	\$318,082.93	+\$166,509.93

**FINANCIAL REPORT**  
**Workforce Development Board of Eastern Arkansas**  
**Executive Committee Meeting – June 16, 2016**

1. **Financial Report:**

The Workforce Development Board of Eastern Arkansas (WDBEA) serves as the grant recipient of funds in the Eastern Arkansas Local Workforce Development Area. The WDBEA's operating budget for PY15 was \$1,274,936.12. The funds are used for the administration, programmatic oversight and service delivery of Adult, Dislocated Worker and Youth services throughout Eastern Arkansas. The WDBEA program year begins July 1 and goes through June 30.

As of April 30, 2016, the WDBEA has expended 73 percent (\$935,025.38) of its annual budget of \$1,274,936.12 with a remaining balance of \$339,910.74. (see **Attachment A**, page 6)

The WDBEA is also administering the Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) grant. The SNAP E&T grant has a total budget of \$82,459.48. As of April 30, 2016, the WDBEA has expended 81 percent (\$67,162.74) of this grant with a remaining balance of \$15,296.74. (see **Attachment A**, page 6)

The WDBEA is also administering the PROMISE Grant. The PROMISE Grant has a total budget of \$151,573.00. As of April 30, 2016, the WDBEA has expended 64 percent (\$96,261.04) of this grant with a remaining balance of \$55,311.96. This grant period for this grant extends through September 30, 2018. (see **Attachment A**, page 6)

The WDBEA is also administering the GMACW Grant. The GMACW Grant has a total budget of \$206,748.00. As of April 30, 2016, the WDBEA has expended 23 percent (\$46,710.44) of this grant with a remaining balance of \$160,037.56. The grant period for this grant extends through September 30, 2018. (see **Attachment A**, page 6)

The WDBEA is also administering the (Arkansas Sector Partnership) ASP Grant. The ASP Grant has a total budget of \$7,291.20. As of April 30, 2016, the WDBEA has expended 24 percent (\$1,746.56) of this grant with a remaining balance of \$5,544.64. The grant period for this grant extends through June 30, 2017. (see **Attachment A**, page 6)

**ACTION ITEMS**  
**Workforce Development Board of Eastern Arkansas**  
**Executive Committee Meeting – June 16, 2016**

**1. Minutes of Previous Meetings**

**Action Recommended:** It is recommended that the Executive Committee approve the minutes from the January 14, 2016 meeting. (see Attachment B, page 13).

**2. Cost of Living (COL)**

**Action Recommended:** Approve a proposed 3 percent cost of living (COL) increase for the current nine WDBEA staff members.

**Information/Rationale:** It has been two years since staff has received a cost of living increase. The employees of the State of Arkansas have received cost of living increases and merit bonuses the last several years which was voted on and approved by the Arkansas legislature.

**3. WDBEA Proposed Line Item PY15 Budget**

**Action Recommended:** It is recommended that the Executive Committee approve the WDBEA PY16 line item budget.

**Information/Rationale:** The proposed WDBEA budget amount includes both administrative and program costs. This budget is also based on projections and may require a modification during the year. (see Attachment C, page 16).

**4. Supplemental Nutrition Assistance Program (SNAP) Employment and Training Grant**

**Action Recommended:** It is recommended that the Executive Committee approve the \$88,063.35 SNAP Employment and Training grant line item budget. (see Attachment D, page 18).

**Information/Rationale:** The Arkansas Department of Human Services (DHS) awarded the Workforce Investment Board of Eastern Arkansas (WDBEA) with a Supplemental Nutrition Assistance Program (SNAP) Employment and Training grant for \$88,063.35 to serve Crittenden County residents. The goal of the grant is to assist adults referred by the DHS office with the tools they need to gain meaningful employment and/or get their GED or training to become self-sufficient.

This is the third round of funding for the SNAP grant. The grant period is July 1, 2016 through June 30, 2017 with funding of \$88,063.35. At the end of the initial 12 month contract term the professional services contract may be extended for up to six additional years, in one year increments, contingent upon approval by the Division of County Operations, review by the legislature, approval by the Arkansas Department of Finance and Administration, appropriation of necessary funding, and all necessary federal reviews and approvals.

**5. Insurance Renewal**

**Action Recommended:** It is recommend that the CEOs approve the renewal of all insurances for PY16 (July 1, 2016 – June 30, 2017).

**Information/Rationale:** The WDBEA staff requested competitive quotes from area insurance agents for the insurance coverage as listed below.

The following are the types of insurance and costs for PY16:

HEALTH INSURANCE	PY15	PY16
Blue Cross Health Ins.	\$98,634.00	\$98,634.00

<b>GENERAL INSURANCE</b>	<b>PY15</b>	<b>P16</b>
Delta Dental Insurance	\$5,000.00	\$5,000.00
Standard Disability Insurance	\$7,678.08	\$8,158.00
Scottsdale Property & Liability Insurance	\$3,205.00	\$3,500.00
U.S. Liability Officer's and Director's Liability Insurance/Bonding	\$1,859.00	\$1,326.00
Worker's Compensation	\$5,000.00	\$5,000.00
<b>TOTAL</b>	<b>\$22,742.08</b>	<b>\$22,948.00</b>

Note: There is an increase of \$205.92 for general insurance.

**6. Cost Allocation Plans**

**Action Recommended:** It is recommended that the Executive Committee approve the revisions to the Program Year Funding – Funding Source and the allocations presented in the following WDBEA's Cost Allocation Plans. (see Attachment D, page 20).

- 4<sup>th</sup> Quarter Program Year 2015

**Information/Rationale:** The Cost Allocation Plan is a document used by the WDBEA to allocate direct and indirect costs within its programs. It is also a measuring tool for the board to make decisions on future funding. The Cost Allocation Plan will be revised when there are changes to funding streams or cost allocation distributions.

# ATTACHMENT A

## OVERVIEW OF ALL GRANT EXPENDITURES

WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS  
 BUDGET TO DATE (BTD) EXPENDITURES  
 PROGRAM YEAR 2015  
 JULY 1, 2015 – APRIL 30, 2016

### Workforce Innovation and Opportunity Act (WIOA) Funding

	ADULT	DLW	YOUTH	TOTAL
<b>BUDGET</b>	\$476,837.00	\$359,186.12	\$438,913.00	\$1,274,936.12
<b>EXPENDITURES</b>	\$413,600.34	\$267,649.27	\$253,753.27	\$935,002.88
<b>REMAINING BUDGET</b>	\$63,236.66	\$91,536.85	\$185,159.73	\$339,933.24
<b>PERCENTAGES EXPENDED</b>	87%	75%	58%	73%

**Note:** The percentages expended have been rounded to the nearest whole number.

### Discretionary Grants

	SNAP	PROMISE	GMACW	ASP
<b>BUDGET</b>	\$82,459.48	\$151,573.00	\$206,748.00	\$7,291.20
<b>EXPENDITURES</b>	\$74,235.33	\$101,244.26	\$62,707.22	\$2,287.81
<b>REMAINING BUDGET</b>	\$8,224.15	\$50,328.74	\$144,040.78	\$5,003.39
<b>PERCENTAGES EXPENDED</b>	81%	67%	30%	31%

**Note:** The percentages expended have been rounded to the nearest whole number.

**WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS PY 2015 BUDGET**

General Ledger	Budget Amount	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total Expenses PY 15	Remaining Balance
<b>Salaries</b>	\$ 383,850.55	\$ 30,784.38	\$ 27,437.90	\$ 26,126.54	\$ 27,890.22	\$ 29,552.76	\$ 29,048.76	\$ 40,001.11	\$ 26,788.74	\$ 26,662.74	\$ 27,166.74	\$ -	\$ -	\$ 291,459.89	\$ 92,390.66
Fringe	\$ 28,495.84	\$ 3,364.58	\$ 2,208.53	\$ 2,161.55	\$ 2,320.07	\$ 2,254.61	\$ 2,219.12	\$ 4,854.62	\$ 2,204.07	\$ 1,104.79	\$ 2,550.37	\$ -	\$ -	\$ 25,242.31	\$ 3,253.53
FICA/Medicare	\$ 4,323.60	\$ -	\$ 12.28	\$ 36.96	\$ -	\$ 40.88	\$ 20.72	\$ 1,962.09	\$ 1,779.98	\$ 750.85	\$ 329.99	\$ -	\$ -	\$ 4,933.75	\$ (610.15)
State Unemployment	\$ 745.41	\$ 106.95	\$ (220.13)	\$ 69.56	\$ 69.56	\$ 74.46	\$ 128.72	\$ 128.66	\$ 83.94	\$ 4,009.83	\$ -	\$ -	\$ -	\$ 4,451.55	\$ (3,706.14)
Workers Comp	\$ 68,787.14	\$ 5,480.83	\$ 5,440.83	\$ 5,402.56	\$ 5,402.56	\$ 6,088.09	\$ 5,983.92	\$ 5,977.69	\$ 5,289.71	\$ 5,972.41	\$ 4,614.92	\$ -	\$ -	\$ 55,653.52	\$ 13,133.62
Health Insurance	\$ 5,629.15	\$ 489.77	\$ 489.77	\$ 482.97	\$ 483.17	\$ 522.79	\$ 478.15	\$ 478.15	\$ 469.76	\$ 469.76	\$ 470.06	\$ -	\$ -	\$ 4,834.35	\$ 794.80
Disability	\$ 3,586.60	\$ 298.19	\$ 298.19	\$ 295.68	\$ 295.68	\$ 337.14	\$ 335.54	\$ 335.54	\$ 291.82	\$ 291.82	\$ 292.24	\$ -	\$ -	\$ 3,071.84	\$ 514.76
Dental Insurance	\$ 37,800.92	\$ 3,181.28	\$ 3,181.28	\$ 3,141.36	\$ 3,350.82	\$ 3,409.89	\$ 3,375.08	\$ 3,375.08	\$ 3,082.04	\$ 3,087.32	\$ 3,087.76	\$ -	\$ -	\$ 32,271.71	\$ 5,529.21
Retirement Plan	\$ 2,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,225.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,225.00	\$ 2,000.00
Advertising	\$ 12,225.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,225.00
Audit	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000.00
Board Materials	\$ 6,000.00	\$ 475.10	\$ 918.00	\$ -	\$ -	\$ -	\$ 495.60	\$ -	\$ -	\$ 350.53	\$ 1,273.32	\$ -	\$ -	\$ 3,512.55	\$ 2,487.45
Board Travel/Fees	\$ 1,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500.00
Board Training/Fees	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000.00
Consulting	\$ 20,000.00	\$ -	\$ 528.50	\$ 9.95	\$ 9.95	\$ 9.95	\$ 259.95	\$ 791.11	\$ 4,109.95	\$ 1,747.16	\$ 636.95	\$ -	\$ -	\$ 8,103.47	\$ 11,896.53
Contractual	\$ 4,987.41	\$ 289.38	\$ 213.64	\$ 110.04	\$ 183.72	\$ 114.22	\$ 203.12	\$ 248.12	\$ 177.14	\$ 822.72	\$ 157.50	\$ -	\$ -	\$ 2,519.60	\$ 2,467.81
Data Processing	\$ 2,500.00	\$ -	\$ -	\$ -	\$ -	\$ 80.00	\$ -	\$ 50.00	\$ 1,217.00	\$ 2,230.50	\$ 3,681.77	\$ -	\$ -	\$ 7,259.27	\$ (4,759.27)
Dues & Subscription	\$ 12,000.00	\$ 990.87	\$ (990.87)	\$ -	\$ -	\$ -	\$ -	\$ 948.21	\$ 8,626.77	\$ 533.00	\$ -	\$ -	\$ -	\$ 9,574.98	\$ 2,425.02
Equipment-New	\$ 10,000.00	\$ 4,135.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,668.41	\$ 5,331.59
Insurance-Lia&Prop	\$ 500.00	\$ -	\$ -	\$ -	\$ 49.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49.39	\$ 450.61
Maintenance & Rep	\$ 500.00	\$ 51.74	\$ 83.25	\$ 24.80	\$ 41.90	\$ 33.10	\$ 27.00	\$ 209.24	\$ 49.00	\$ 45.05	\$ 60.65	\$ -	\$ -	\$ 625.73	\$ (125.73)
Miscellaneous	\$ 67,564.00	\$ 3,161.93	\$ 23,521.54	\$ 4,430.55	\$ 4,430.55	\$ 4,430.55	\$ 4,681.25	\$ 5,810.55	\$ 4,430.55	\$ 4,430.55	\$ 4,430.55	\$ -	\$ -	\$ 63,758.57	\$ (1,194.57)
Rent/RSR	\$ 8,456.00	\$ 706.29	\$ 705.96	\$ 720.47	\$ 1,234.42	\$ 723.42	\$ 1,042.06	\$ 795.61	\$ 696.06	\$ 696.73	\$ 517.79	\$ -	\$ -	\$ 7,839.61	\$ 616.39
Rent-Equipment	\$ 3,487.50	\$ 683.54	\$ 413.27	\$ 110.85	\$ 710.51	\$ 560.00	\$ 17.37	\$ 253.57	\$ -	\$ 753.71	\$ 70.21	\$ -	\$ -	\$ 3,573.03	\$ (85.53)
Supplies	\$ 1,200.00	\$ -	\$ 49.00	\$ -	\$ -	\$ 57.75	\$ -	\$ 98.00	\$ -	\$ 55.96	\$ -	\$ -	\$ -	\$ 260.71	\$ 939.29
Postage	\$ 7,480.00	\$ 549.22	\$ 485.43	\$ 605.19	\$ 546.43	\$ 420.97	\$ 425.47	\$ 411.20	\$ 427.36	\$ 435.16	\$ 449.40	\$ -	\$ -	\$ 4,755.83	\$ 2,724.17
Telephone/Internet	\$ 10,000.00	\$ 1,000.00	\$ -	\$ 60.00	\$ (200.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 960.00	\$ 9,140.00
Staff Training	\$ 24,360.00	\$ 2,469.45	\$ 1,670.65	\$ 2,456.52	\$ 2,180.13	\$ 4,535.54	\$ 1,344.56	\$ 1,886.60	\$ 2,568.46	\$ 5,770.50	\$ 1,895.13	\$ -	\$ -	\$ 26,777.54	\$ (2,417.54)
Staff Travel	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00
Business Services	\$ 736,979.12	\$ 58,218.91	\$ 65,447.02	\$ 45,245.55	\$ 48,998.88	\$ 53,246.12	\$ 50,087.19	\$ 78,840.15	\$ 62,292.35	\$ 60,221.09	\$ 51,685.35	\$ -	\$ -	\$ 576,292.61	\$ 160,686.51
<b>TOTAL ADMIN &amp; PROGRAM</b>	\$ 300,000.00	\$ -	\$ 16,395.96	\$ 17,676.98	\$ 40,532.65	\$ 10,230.00	\$ 634.26	\$ 10,498.71	\$ 78,919.74	\$ 14,706.32	\$ 20,611.41	\$ -	\$ -	\$ 210,206.03	\$ 89,793.97
Adult	\$ 76,636.00	\$ 5,830.41	\$ 3,527.72	\$ 1,023.52	\$ 9,662.39	\$ -	\$ 1,727.07	\$ 6,820.00	\$ 948.70	\$ 1,395.29	\$ 1,303.92	\$ -	\$ -	\$ 32,239.02	\$ 44,396.98
DLW	\$ 161,321.00	\$ 45,048.29	\$ 3,648.50	\$ 292.62	\$ 8,812.50	\$ 1,306.42	\$ 6,044.63	\$ 7,843.24	\$ 21,979.25	\$ 14,179.55	\$ 7,120.22	\$ -	\$ -	\$ 116,275.22	\$ 45,045.78
Youth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

<b>TOTAL PARTICIPANT SERVICES AND TRAINING</b>	\$ 537,957.00	\$ 50,878.70	\$ 23,572.18	\$ 48,993.12	\$ 59,007.54	\$ 11,536.42	\$ 8,405.96	\$ 25,161.95	\$ 101,847.69	\$ 30,281.16	\$ 29,035.55	\$ -	\$ -	\$ 368,720.27	\$ 179,236.73
<b>BUDGET TOTAL</b>	\$ 1,274,836.12	\$ 109,097.61	\$ 90,019.20	\$ 85,236.67	\$ 108,066.42	\$ 64,782.54	\$ 58,483.15	\$ 104,002.10	\$ 164,140.04	\$ 90,502.25	\$ 80,720.90	\$ -	\$ -	\$ 935,002.88	\$ 339,833.24

**WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS PY 2015 - SNAP**

General Ledger	Budget Amount	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total Expenses PY 15	Remaining Balance
Salaries	\$ 48,391.45	\$ 4,401.11	\$ 3,864.32	\$ 4,055.04	\$ 4,019.46	\$ 4,019.46	\$ 4,019.46	\$ 6,029.19	\$ 4,019.46	\$ 4,019.46	\$ 4,019.46	\$ -	\$ -	\$ 42,466.42	\$ 5,925.03
Fringe	\$ 22,345.44	\$ 2,128.89	\$ -	\$ 2,036.63	\$ 1,977.29	\$ 2,037.29	\$ 2,137.82	\$ 2,340.52	\$ 2,239.39	\$ 3,355.10	\$ 2,114.35	\$ -	\$ -	\$ 22,368.48	\$ (23.04)
Staff Travel	\$ 300.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42.94	\$ -	\$ -	\$ -	\$ 59.22	\$ -	\$ -	\$ 102.16	\$ 197.84
Rent	\$ 5,436.00	\$ 505.50	\$ 453.00	\$ 453.00	\$ 453.00	\$ 453.00	\$ 453.00	\$ 590.67	\$ 453.00	\$ 453.00	\$ 453.00	\$ -	\$ -	\$ 4,720.17	\$ 715.83
Network/Internet/Email, Tel, Fax	\$ 880.00	\$ 36.57	\$ 29.75	\$ 29.47	\$ 29.98	\$ 29.80	\$ 23.30	\$ 29.28	\$ 29.39	\$ 29.32	\$ 26.00	\$ -	\$ -	\$ 292.86	\$ 587.14
Postage	\$ 1,875.00	\$ 197.64	\$ 3.40	\$ -	\$ 2.74	\$ 149.74	\$ 150.18	\$ 150.18	\$ 150.62	\$ 2.96	\$ 145.40	\$ -	\$ -	\$ 952.86	\$ 922.14
Copy Services	\$ 744.00	\$ 61.67	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ -	\$ -	\$ 619.67	\$ 124.33
Expendable Office Supplies	\$ 1,000.00	\$ 386.02	\$ -	\$ 297.72	\$ -	\$ -	\$ -	\$ 89.22	\$ -	\$ -	\$ 140.59	\$ -	\$ -	\$ 913.55	\$ 86.45
Data Processing	\$ 512.59	\$ 45.92	\$ 34.02	\$ 38.96	\$ 51.03	\$ 36.90	\$ 34.02	\$ 125.27	\$ 36.39	\$ 412.02	\$ 9.63	\$ -	\$ -	\$ 824.16	\$ (311.57)
Audit	\$ 975.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 975.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 975.00	\$ -
<b>TOTAL ADMIN &amp; PROGRAM</b>	\$ 82,459.48	\$ 7,763.32	\$ 6,447.59	\$ 6,972.82	\$ 6,595.50	\$ 6,788.19	\$ 6,922.72	\$ 10,391.33	\$ 6,990.25	\$ 8,333.86	\$ 7,029.65	\$ -	\$ -	\$ 74,235.33	\$ 8,224.15
Expenses through 4/30/2016															
Updated 5/18/2016															

**WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS PY 2015 - PROMISE**

Budget Categories	Budget Amount	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	Total Expenses PY 15	Remaining Balance
Participant Wages	\$ 65,600.00	\$ -	\$ -	\$ 14,894.00	\$ 20,644.00	\$ 4,612.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,150.00	\$ 25,450.00
Participant Fica	\$ 5,018.40	\$ -	\$ -	\$ -	\$ 2,718.66	\$ 352.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,071.49	\$ 1,946.91
Participant Workers Comp	\$ 3,280.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,280.00
Job Coach Salaries & Fringe	\$ 42,384.12	\$ -	\$ 2,194.17	\$ 3,957.06	\$ 3,934.52	\$ 3,559.93	\$ 3,561.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,207.56	\$ 25,176.56
Travel/Training	\$ 2,172.84	\$ -	\$ -	\$ 377.78	\$ 593.45	\$ 429.82	\$ 448.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77.97	\$ 1,927.72	\$ 245.12
Local Admin. Services	\$ 28,285.14	\$ -	\$ 1,551.49	\$ 2,098.72	\$ 1,787.78	\$ 1,554.60	\$ 1,554.60	\$ 2,598.70	\$ 1,830.50	\$ 1,905.99	\$ 5,656.36	\$ 4,884.50	\$ 4,795.39	\$ 4,887.14	\$ 35,105.77	\$ (6,820.63)
Salaries and Fringe	\$ 512.50	\$ 2.24	\$ 367.54	\$ 0.75	\$ 243.23	\$ -	\$ -	\$ -	\$ -	\$ (250.70)	\$ -	\$ -	\$ -	\$ -	\$ 613.76	\$ (101.26)
Supplies																
RENT----																
Payroll Processing Fees	\$ 1,500.00	\$ -	\$ 4.80	\$ 4.50	\$ 229.65	\$ 128.31	\$ 6.18	\$ -	\$ 3.60	\$ -	\$ 504.71	\$ -	\$ 218.39	\$ 3.18	\$ 1,103.32	\$ 396.68
Audit Fees	\$ 1,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,800.00	\$ -	\$ -	\$ -	\$ 1,800.00	\$ -
Postage	\$ 80.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80.00
Copier	\$ 800.00	\$ -	\$ 40.76	\$ 65.48	\$ 41.61	\$ 41.61	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14.89	\$ 14.93	\$ 219.28	\$ 580.72
Telephone/VOIP/Fax/Email	\$ 140.00	\$ -	\$ -	\$ 28.07	\$ 9.35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.94	\$ -	\$ -	\$ -	\$ 45.36	\$ 94.64
<b>TOTAL ADMIN &amp; PROGRAM</b>	\$ 151,573.00	\$ 2.24	\$ 4,158.76	\$ 21,426.36	\$ 30,452.95	\$ 10,619.10	\$ 5,571.36	\$ 2,598.70	\$ 1,834.10	\$ 1,655.29	\$ 7,969.01	\$ 4,884.50	\$ 5,028.67	\$ 4,983.22	\$ 101,244.26	\$ 50,328.74
Expenses through 4/30/2016																
Updated 5/16/2016																

**WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS PY 2015 - GMACW**

General Ledger	Budget Amount	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total Expenses PY 15	Remaining Balance
Salaries-GMACW Personnel	\$ 120,333.00	\$ -	\$ -	\$ 4,623.41	\$ 3,068.94	\$ 3,076.94	\$ 3,132.40	\$ 4,467.84	\$ 3,132.40	\$ 3,132.40	\$ 3,132.40	\$ -	\$ -	\$ 27,766.73	\$ 92,566.27
Fringe	\$ 25,303.00	\$ -	\$ -	\$ 349.26	\$ 357.15	\$ 1,424.97	\$ 821.82	\$ 1,022.69	\$ 1,062.19	\$ 946.68	\$ 906.61	\$ -	\$ -	\$ 6,891.37	\$ 18,411.63
Travel	\$ 14,287.00	\$ -	\$ -	\$ 60.00	\$ 842.30	\$ 1,126.67	\$ 2,100.00	\$ 83.56	\$ 471.70	\$ 3,242.12	\$ 3,385.49	\$ -	\$ -	\$ 11,311.84	\$ 2,975.16
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 26,151.00	\$ -	\$ -	\$ 1,190.87	\$ 329.90	\$ 259.80	\$ 299.89	\$ 362.65	\$ 263.30	\$ 297.62	\$ 343.42	\$ -	\$ -	\$ 3,347.45	\$ 22,803.55
Contractual	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration	\$ 20,674.00	\$ -	\$ -	\$ 1,062.34	\$ 838.60	\$ 891.43	\$ 476.63	\$ 4,350.51	\$ 4,778.77	\$ 590.00	\$ 401.55	\$ -	\$ -	\$ 13,389.63	\$ 7,284.37
<b>TOTAL ADMIN &amp; PROGRAM</b>	\$ 206,748.00	\$ -	\$ -	\$ 7,285.88	\$ 5,436.89	\$ 6,779.81	\$ 6,830.74	\$ 10,287.25	\$ 9,709.36	\$ 8,208.82	\$ 8,169.47	\$ -	\$ -	\$ 62,707.22	\$ 144,040.78
Expenses through 4/30/2016															
Updated 5/16/2016															

**WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS PY 2015 - ASP**

General Ledger	Budget Amount	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Total Expenses PY 15	Remaining Balance
<b>Salaries-ASP Personnel</b>	<b>\$ 4,526.94</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 592.41	\$ 394.94	\$ 394.94	\$ 394.94	\$ -	\$ -	\$ 1,777.23	\$ 2,749.71
Fringe	\$ 1,438.64	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12.45	\$ 184.81	\$ 167.01	\$ 134.43	\$ -	\$ -	\$ 498.70	\$ 939.94
Travel	\$ 500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11.67	\$ -	\$ -	\$ 11.67	\$ 488.33
Equipment	\$ 115.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115.00
Supplies	\$ 710.62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.21	\$ -	\$ -	\$ 0.21	\$ 710.41
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL ADMIN &amp; PROGRAM</b>	<b>\$ 7,291.20</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 604.86	\$ 579.75	\$ 561.95	\$ 541.25	\$ -	\$ -	\$ 2,287.81	\$ 5,003.39
Expenses through 4/30/2016															
Updated 5/18/2016															

# **ATTACHMENT B**

## **MINUTES OF PREVIOUS MEETINGS**

# Workforce Development Board

## *of Eastern Arkansas*

### EXECUTIVE COMMITTEE MEETING MINUTES

<b>Meeting</b>	Executive Committee
<b>Date/Time</b>	January 14, 2016, 3 p.m.
<b>Location</b>	Conference Call
<b>Board Members Attending</b>	Buddy Billingsley, Marion Littlejohn, Wayne Davis, Curtis McFarland, Robert Thorne
<b>Absent</b>	
<b>Quorum</b>	Yes
<b>WDB Staff Attending</b>	Dave Brady, Calvin Goshen
<b>Others Attending</b>	N/A
<b>Prepared By</b>	Dave Brady

The meeting was called to order at 3 p.m. by Marion Littlejohn, WDBEA Chairman..

**CALL TO ORDER** - Marion Littlejohn, WDB Chair

Dave Brady explained the following information.

#### **ACTION ITEM**

1. Abila MIP Fund Accounting Solution - Payroll and Direct Deposit Modules

**Action Recommended:** Approve the Payroll Module (\$2,796), Direct Deposit Module (\$956) and pro-rated maintenance/support fee of \$400 for a combined total of \$4,152 and a two-day training cost of \$2,960 and on-site travel expense (i.e. travel, mileage, lodging, and per diem for meals) at an estimated cost of \$1,675 which may be negotiated by the Executive Director. The estimated total cost is \$8,787. (Please see quote on page 3. NOTE: The quote includes a 20 percent discount for the Payroll and Direct Deposit Modules.)

**Information/Rationale/Benefit:**

*Payroll Module*

The nonprofit payroll system tracks types of payments, benefits, deductions, and leave time for each employee. Payroll Processing Groups allow the production of payrolls divided by process cycle, department, program or other type of grouping. Whether employees are hourly or salaried, part-time or full time, the Payroll module can produce a payroll with minimum effort and maximum efficiency.

Automatically allocate labor costs—The nonprofit payroll module allows you to easily record the hours worked in each program and department during timesheet entry so your costs are accurately distributed in the general ledger. Users have a choice to distribute earnings by percentages, dollar amounts or units. And fringe benefits and taxes can be allocated using the same criteria or their own separately-defined criteria.

The Payroll module features timesaving tools like the default timesheet, which allows entry of all applicable payroll codes and regular earnings for each employee. With this feature, employee timesheet data entry is required for only those timesheets that change from cycle to cycle. This module also provides full reporting for internal controls, federal, state other withholding tax reports, and W-2 and W-3 production using Tax Forms and eFiling by Aatrix.

## *Payroll Processing with the Direct Deposit Module*

The Direct Deposit Module lets you exercise more control over payroll processing disbursements while giving your employees the convenience of electronically deposited pay. Direct Deposit is designed to complement the Payroll module and integrates seamlessly with the General Ledger.

### *Direct Deposit*

- Split deposits into multiple accounts - Allow your employees to deposit pay into multiple bank accounts, including both checking and savings account types.
- Simple payroll processing - Process checks and direct deposits in a single payroll processing step. Audit trail clearly tracks payment type issued to employees.
- Transmit payments directly to your bank - The Direct Deposit module provides a terminal interface that allows you to dial and send your NACHA formatted direct deposit file automatically from the Abila MIP Fund Accounting system.
- Improve cash management - With Direct Deposit, you designate when payments are taken from your account, making cash flow predictable.
- The Direct Deposit payroll processing module allows payroll personnel to override direct deposit for special circumstances.

### *Benefits*

- Increase financial staff production by 50 percent
- Increased fund allocation functionality
- The ability to manage the payroll processing period in a timeframe that is more conducive to our operation (i.e., ability to process live checks at any time)
- The ability to process own payroll for multiple grant or funding streams
- The ability to process payroll, quarterly and year end reports to include W-2s, 940 and 941s
- Estimated annual savings in following year of approximately \$4,000.00

NOTE: If this request is approved by the executive committee, the proposed modules will run side-by-side with our current ADP accounting system over a 6 - 12 month period to ensure all processes and functionality is in place and we are self-sufficient. It was also discussed that no other vender could provide the specific products/modules for our existing financial system.

**ACTION:** Curtis McFarland made a motion to approve the Payroll Module (\$2,796), Direct Deposit Module (\$956) and pro-rated maintenance/support fee of \$400 for a combined total of \$4,152 and a two-day training cost of \$2,960 and on-site travel expense (i.e. travel, mileage, lodging, and per diem for meals) at an estimated cost of \$1,675 which may be negotiated by the Executive Director. The estimated total cost is \$8,787. **Motion was seconded and approved unanimously.**

**MEETING ADJOURNED AT 3:40 P.M.**

**ATTACHMENT C**  
WIOA PROPOSED  
LINE ITEM PY16 BUDGET

## Workforce Development Board of Eastern Arkansas/WIOA - Proposed Budget

WDB/WIOA BUDGET	Proposed PY15	Proposed PY16	Budget
Salaries	\$383,850.55	\$448,560.06	Salaries for 11 WIBEA staff members
FICA/Medicare	\$28,495.84	\$34,314.83	Company pays 7.65% of each employee gross salary as required by law
State Unemployment	\$4,323.60	\$5,400.00	State unemployment insurance is 5% of the first \$12,000 earned by each employee.
Worker's Comp	\$745.41	\$819.74	Paid in the event of a work related injury of staff.
Health Insurance	\$68,787.14	\$79,777.76	Health insurance for staff members and dependents
Disability	\$5,629.15	\$6,254.32	Long term disability goes into effect after 90 days
Dental	\$3,586.60	\$5,586.60	Dental Insurance for staff members. Staff approximately 25% of his/her coverage.
Retirement Plan	\$37,800.92	\$40,800.92	Each full-time employee receives 11% of gross salary for retirement after 1 year of service
Advertising	\$2,000.00	\$2,000.00	Meeting notices, Request for Proposals (RFP), Legal notices
Audit	\$12,225.00	\$12,225.00	Annual audit
Board Materials	\$1,000.00	\$1,000.00	Meeting rooms, board packets, postage, etc.
Board Travel	\$6,000.00	\$8,000.00	Travel, hotel lodging and meal costs for board members
Board Training/Fees	\$1,500.00	\$3,000.00	Board member conference fee, training seminar registration
Consulting	\$3,000.00	\$3,000.00	Professional consulting
Contractual	\$20,000.00	\$20,000.00	IT Maintenance and Service Agreements, general labor contracts, MIP system consulting, update program services computers
Data Processing	\$4,987.41	\$5,000.00	Payroll and W-2 processing
Dues & Subscription	\$2,500.00	\$3,000.00	Periodicals, professional and national workforce membership
Equipment-New	\$12,000.00	\$9,000.00	Staff equipment replacement
Insurance-Lia & Property	\$10,000.00	\$10,000.00	Property (contents) liability and Directors' and Officers'
Maint. & Repairs	\$500.00	\$500.00	Small maintenance jobs that the WIB may incur
Miscellaneous	\$500.00	\$1,000.00	General costs associated with administering the programs
Rent/RSA	\$62,564.00	\$80,000.00	WIB office rent and storage facility
Rent-Equipment	\$8,456.00	\$10,000.00	Xerox copier and postage machine lease
Supplies	\$3,487.50	\$4,500.00	Copy paper, pens, staples, folders, postage, etc.
Postage	\$1,200.00	\$1,200.00	Postage for mailing contracts, monitoring report responses, monthly bills, etc
Telephone/Internet	\$7,480.00	\$7,480.00	Office telephone, ISDN and internet access
Staff Training	\$10,000.00	\$10,000.00	Local, State, DOL ETA, National Conferences
Staff Travel	\$24,360.00	\$30,000.00	Travel to conduct monitoring, attend meetings or training in the state, national conferences, etc.
Business Services	\$10,000.00	\$10,000.00	Job fairs, recruiting, etc.
<b>Total Admin &amp; Program</b>	<b>\$736,979.12</b>	<b>\$852,419.23</b>	<b>SUBTOTAL</b>
Adult	\$300,000.00	\$400,000.00	ITA's, Work Experience, Supportive Services
Dislocated Worker	\$76,636.00	\$50,000.00	ITA's, Work Experience, Supportive Services
Youth	\$161,321.00	\$250,000.00	Provide a year round youth program to include ten youth elements and a Summer Work Experience Component
<b>Total Participant Services &amp; Training</b>	<b>\$537,957.00</b>	<b>\$700,000.00</b>	<b>SUBTOTAL</b>
<b>OVERALL BUDGET TOTAL</b>	<b>\$1,274,936.12</b>	<b>\$1,552,419.23</b>	<b>OVERALL BUDGET TOTAL</b>

**ATTACHMENT D**  
SNAP E&T PROPOSED  
LINE ITEM PY16 BPUDGET

**SUPPLEMENTAL NUTRITION ASSISTANCE  
EMPLOYMENT AND TRAINING PROGRAM  
(SNAP E&T) BUDGET PY16**

<b>Budget Item</b>	<b>Narrative</b>	<b>Total</b>
<b>Salaries</b>	Salaries for 6 staff members	\$49,725.25
<b>Fringe Benefits</b>	Fringe Benefits include social security and Medicare, State Unemployment Insurance, annual cost of medical, dental, worker's compensation, long term disability and retirement.	\$23,740.51
<b>Data Processing</b>	Cost associated with bi-weekly payroll processing, quarterly tax reporting and annual W-2	\$512.59
<b>Travel</b>	Reimbursement for travel.	\$300.00
<b>Rent</b>	Rent for office and common space at the Arkansas Workforce Center in West Memphis, AR, cleaning and facility maintenance	\$5,436.00
<b>Network / Internet/Email/ Telephone/FAX</b>	Annual service costs, antivirus software maintenance, internet, email, telephone and fax service costs	\$880.00
<b>Audit</b>	Required review of the revenues received for the previous year	\$975.00
<b>Postage</b>	Postage & freight	\$3,750.00
<b>Copy Services</b>	Use of copy machine.	\$744.00
<b>Expendable Office Supplies</b>	Purchase supplies needed to operate the program on a daily basis such as paper goods, printer ink cartridges, pens, business cards, letterhead, envelopes, etc.	\$2,000.00
<b>Total</b>		<b>\$88,063.35</b>

# **ATTACHMENT E**

## **COST ALLOCATION PLAN**

# WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS

## **WDBEA Cost Allocation Plan** Workforce Development Board of Eastern Arkansas

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**For the period**  
**July 1, 2015-June 30, 2016**

**4<sup>th</sup> Quarter**

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**I.**

**Background**

The Workforce Development Board of Eastern Arkansas (WDBEA) is charged with the provision of administration and programmatic oversight of services provided in eastern Arkansas. The sources of funding for the provision of these services include the following grants, programs, cost categories and amounts:

<i>Program Year Funding Fund Source</i>	<i>PY14</i>	<i>FY15</i>	<i>PY15</i>	<i>FY16</i>	<i>Total Funding Amount</i>
<u>Workforce Investment Act (WIA), Workforce Innovations Opportunity Act (WIOA), SNAP E&amp;T, PROMISE and GMACW</u>					
ADULT FY15		\$58,517.61			\$58,517.61
YOUTH PY15			\$387,649.95		\$387,649.95
SNAP E&T	\$15,253.80				\$15,253.80
PROMISE	\$55,311.96				\$55,311.96
GMACW	\$154,178.52				\$154,178.52
ADULT PY15			\$41,177.00		\$41,177.00
DLW PY15			\$4,812.57		\$4,812.57
ADULT FY16				\$451,517.00	\$451,517.00
DLW FY16				\$413,951.35	\$413,951.35
ASP			\$5,544.64		\$5,544.64
<b>WDBEA Budget Total</b>	<b>\$224,744.28</b>	<b>\$58,517.61</b>	<b>\$439,184.16</b>	<b>\$865,468.35</b>	<b>\$1,587,914.40</b>

\*Note: The funding amounts are effective April 1, 2016.

**II. Scope**

**Allocation Parameters**

Measuring benefit is the critical requirement and central task to be performed in allocating costs. Therefore WDBEA will adhere to the following parameters in the allocation of its costs.

- Allocate costs to a particular cost objective or grant/program only to the extent of benefits received by that grant/program.
- Costs that do not benefit a particular cost objective are not allocable to and will not be charged to that cost objective.
- For a cost to be allocable to a particular cost objective, it will be treated consistently with other costs incurred for the same purpose in like circumstances. A cost will not be assigned to a grant/program as a direct cost if it has been previously treated as an indirect cost.
  - Costs identified specifically with a grant/program are direct costs of that grant/program and will be assigned accordingly.
- Costs identified specifically with other final cost objectives of WDBEA are direct costs of those cost objectives and are not to be assigned to other awards directly or indirectly.
- Each grant/program is charged an amount equal to its allocable share of the costs,
- No grant/program will be charged for a cost that does not benefit the grant/program as determined in the cost allocation process,
- No grant/program will be charged for a cost that is unallowable under its governing statutes and regulations,
- Costs will not be allocated if they benefit only one grant/program or if the costs of the activity serve a single grant/program purpose.

- The Generally Accepted Accounting Principle (GAAP) matching principle will be followed in determining an allocation basis. The base will be drawn from the same period, in which the costs to be allocated have been incurred.
- The GAAP materiality principle will be followed in the allocation process. The complexity of the base and the time and effort to pool and allocate costs will not exceed the materiality of the costs involved.
- Allocation bases used will be simple enough to be an efficient accounting method while still attaining a fair and equitable distribution of costs.
- All costs included in the scope of this cost allocation plan will be evaluated, prior to allocation/application, to ensure they are:
  - Reasonable: To be determined reasonable costs must be, ordinary and necessary and do not materially deviate from established practices
  - Authorized by the grant or program
  - Allocable to the grant or program
  - Accorded consistent treatment
  - Adhere to any statutory or contractual limitations
  - An appropriate charge for the affected period
  - Net of all applicable credits
  - Not duplicated in any other program, grant or category
  - Not included as match for another Federal program (unless statutorily allowed)
  - Supported with adequate documentation
  - Incurred specifically for the contract or project
  - The total costs and net of all applicable credits
  - Allocated to each cost objective to the extent of benefits received by such objective
- Although the following list is not all-inclusive, the following costs are strictly prohibited from inclusion in any cost pool for allocation: lobbying; memberships in organizations engaged in lobbying; entertainment; fines and penalties; fund raising and investment management costs; use allowance and depreciation in excess of allowable amounts, or use allowances/depreciation for buildings previously purchased with federal and/or state funds; contributions to non-profit organizations; contingencies; unnecessary idle facility costs; and legal expenses for the prosecution of claims against the federal government.
- The following bases are deemed unacceptable and will not be used by the WIBEA for intra-period final allocations:
  - Plans, budgets or estimates of future effort or cost
  - Relative funds available to allocate unassigned direct costs
  - Job descriptions to allocate staff costs (other than for budgetary purposes)
  - Fixed or pre-determined number of staff hours assigned to an activity to allocate staff costs
- Estimates may be used to initially allocate costs pending the determination of a final allocation method(s) and basis.
- WDBEA will use monthly projections to ensure budget and cost limitations are complied with.

### Allocation Bases

There are a number of methods or allocation bases that may be used to distribute the shared costs. These methods may be designated as *input-based* allocation bases or *output-based* allocation bases.

**Inputs** are the resources used in a process, activity, or service and are the most commonly used allocation bases. Using inputs, the cost is allocated at the same time it is incurred, and the usage must be documented. Examples of input bases include;

- Staff time allocated on the basis of time sheets and time distribution records
- Facilities allocated on the basis of square footage
- Accounting services allocated on the basis of transactions
- Equipment or supplies allocated based on usage

**Outputs** are the results of an activity or service. Examples of output allocation bases include;

- Participants eligible for or receiving services under a specific program,
- Number of customers obtaining employment after self-directed job search

- Number of clients receiving a specific core service

One of the problems associated with output-based allocations is that they will vary over time, usually based on client flow. For this reason, output-based allocations may result in major changes in the resources needed to fund the shared costs when the budgets are adjusted to actual costs and will be rarely used.

**This cost allocation plan sets forth the methods and parameters for the allocation of Unassignable Direct Costs to the benefiting cost objective(s). Additionally, this plan shall identify, apportion and apply Assignable Direct and Indirect Costs. This allocation plan shall encompass the allocation of funds provided to WIBEA by the United States Department of Labor through the Arkansas Department of Workforce Services.**

### **Applicable Legislation and Promulgations**

The WDBEA Cost Allocation Plan is developed in accord and compliant with the following:

- Office of Management and Budget (OMB) 2 Code of Federal Regulations (CFR) Part 200, Subpart E and 2900 (1/2015)
- The Governor's Office of Planning, Budgeting and Administrative System (PBAS)
- The applicable sections of the contracts between *WDBEA* and any subcontractors in eastern Arkansas.

### **III. Applicable Definitions**

1. **Assignable Direct Costs:** Costs that can be identified specifically with a particular final cost objective: i.e., a particular award, project, service, or other direct activity of an organization as well as a particular cost category. Costs identified specifically with awards are direct costs of the awards and are to be assigned directly. {2 CFR Part 200/2900 1/2015 }
2. **Central Service Cost Allocation Plan:** Documentation identifying, accumulating, and allocation or developing billing rates based on allowable costs of services provided by an entity on a centralized basis to its programs, departments, cost categories, etc. {2 CFR Part 200/2900 1/2015}
3. **Cost Allocation:** The distribution or sharing of a cost or expenditure, which benefits more than one effort or program objective. Cost allocation allows entities/programs to distribute costs among programs and cost categories. {2 CFR Part 200/2900 1/2015}
4. **Cost Pools:** Intermediate cost objectives or temporary accounts used to temporarily aggregate cost that cannot be readily assigned to a final cost objective. {2 CFR Part 200/2900 1/2015}
5. **Costs:** Expenditures or expenses are amounts determined on a cash basis, accrual or other basis acceptable to the Federal/State/Local awarding agency(s) or cognizant agency. Costs do not include inter/intra-fund transfers. {2 CFR Part 200/2900 1/2015}
6. **Cognizant Agency:** The Federal agency responsible for negotiating and approving indirect cost rates for a non-profit organization on behalf of all Federal (funding) agencies. {2 CFR Part 200/2900 1/2015}
7. **Cost Objective:** A function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which provision is made to accumulate those costs. {2 CFR Part 200/2900 1/2015}
8. **Direct Costs:** Costs that benefit a single cost objective. These costs may be charged directly to supported programs against which the cost is assigned. Direct costs may be charged to cost objectives (such as indirect cost centers or internal service activities) used for the accumulation costs pending distribution to Federal programs and other final cost objectives. Any direct cost of a minor may be treated as an indirect cost for reasons of

practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives. {2 CFR Part 200/2900 1/215} Where the final cost objective is known or a single cost objective or program benefits. {2 CFR Part 200/2900 1/2015}

#### 9. *GAAP*: Generally Accepted Accounting Principles

10. *Indirect Costs*: Costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objective benefited without effort disproportionate to the results received. To facilitate equitable distribution of indirect expenses to cost objectives served, it may be necessary to establish a number of pools of indirect costs within a governmental unit department or in other agencies providing services to a governmental unit or department. Indirect cost pools should be distributed to benefiting cost objectives on bases that will produce an equitable result in consideration of the benefits derived {2 CFR Part 200/2900 1/2015}
11. *Shared Costs*: Costs that may be readily allocated to the benefiting cost objectives or partners through either direct charges or application of a cost allocation methodology. {2 CFR Part 200/2900 1/2015}
12. *Un-assignable Direct Costs*: Costs that can be identified with a specific cost category but not by a specific title. These costs may be pooled and subsequently allocated based on some accepted measure of benefits received. This method may be more appropriate than directly assigning them to final cost objectives.

### **IV. Organizational Information**

#### **Statement of Function and Benefit**

WDBEA administers a paramount collaboration of employment programs and services. The WDBEA oversees agencies and entities that specialize in strengthening the local economy with better jobs for better trained workers. Monitoring local labor market information, the board ensures that locally needed skills are readily available for employers. Monitoring performance standards, the board certifies that the best service providers are in place to guarantee local employers and job seekers alike are benefactors of the system.

#### **Mission Statement**

The Workforce Development Board of Eastern Arkansas (WDBEA) is committed to building a comprehensive regional workforce investment system that is responsive to the needs of its customers – employers and job seekers – and that is inclusive, customer friendly, flexible, accessible and accountable.

#### **Vision**

Employers have an adequate supply of well-educated and well-trained workers that enables them to enjoy the competitive advantage in the global economy. Employees have access to training and employment opportunities that enables them to be productive members of the labor force.

#### **Current Organization Chart**

The current WDBEA organization chart is included as **Attachment A** of this Cost Allocation Plan.

## Corporate Cost Allocation Methodology

Monthly, the costs for administrative and programmatic oversight of services at the administrative level, are allocated based on the WDBEA's cost allocation plan. These costs generally consist of the costs incurred by the WDBEA staff to perform administrative duties, to include financial reporting and budgeting activities, as well as, program oversight, on behalf of the WDBEA Board of Directors.

This allocated portion is then combined with the costs that have been incurred by contractors who provide the program services within the LWDA. The specific allocation process is identified below in Section 2.

It is the responsibility of the WDBEA's Finance Director to review the cost allocation plan on a quarterly basis to determine if any revisions need to be made to the methodology or allocation process to improve the cost / benefit ratio to each program, based on the appropriate benefits received by each funding source. In the event modifications are necessary, the revised cost allocation plan will be forwarded to the Chairman of WDBEA for approval and signature of the new certification page. Appropriate notifications will be made for receipt and filing. Any concerns by the Board will be addressed immediately upon notification by the board.

### 1. Workforce Development Board of Eastern Arkansas Budget

The current Workforce Development Board of Eastern Arkansas budget is included as *Attachment A as presented earlier in the agenda packet.*

### 2. Items of Expense that are Shared

#### Cost Pools

WDBEA uses two cost pools for the allocation of its joint cost to the benefiting cost objectives. The pools are as follows.

#### Administrative Cost Pool

The administrative cost pool is used to distribute administrative costs among the benefiting programs and expense line items. WDBEA shall use the following definition of administrative costs from the *January 1, 2015 Office of Management and Budget (OMB) 2 CFR Part 200/2900* in determining costs to be included in this pool for subsequent allocation.

*The regulations define administrative costs at 2 CFR Part 200/2900 as the allocable portion of the costs associated with specific functions and not related to the "direct provision of workforce investment services, including services to participants and employers." The administrative functions are specified to include the following:*

- *General administrative functions such as accounting, financial and cash management procurement, property management, personnel management, and payroll*
- *Audit functions and those duties associated with coordinating the resolution of findings originating from audits, monitoring, incident reports, or other investigations*
- *General legal services*
- *Oversight and monitoring of administrative functions*
- *Goods and services used for administrative functions*
- *Developing systems, including information systems, related to administrative functions*
- *The costs of awards made to subrecipient or vendor organizations for administrative*
- *Services of the awarding agency (for example, a payroll service for staff or participants).*

*Only those costs directly associated with the administrative management of the programs will be classified to the administrative cost category.*

Using the above definition, administrative costs are assimilated monthly into the pool for allocation to the benefiting grant or program. The administrative cost pool will be allocated using monthly direct expenditures. All grants and

budget line items may benefit from the allocation of the administrative cost pool depending on the months direct expenditure charges.

Procedures for the monthly allocation of the administrative cost pool may be found below.

### **Program Services Cost Pool**

The program services cost pool is used to accumulate shared costs of a programmatic nature for allocation to the benefiting grant or program. The program cost pool will be allocated using monthly direct salary hours. All grants and budget line items may benefit from the allocation of the program services cost pool depending on the months direct salary distribution activity (hours).

Procedures for the monthly allocation of the administrative cost pool may be found below.

### **Cost Pool Allocation Procedures**

#### **STEP ONE:**

- A. To allocate all program and administrative costs to each contract.
  1. Using the Micro Information Products (MIP) accounting system, run “Distribution Codes Reports” for the period ending of the current month for all contracts.
  2. Using the MIP’s Allocation Distribution report, the WDBEA is able to run reports that show the actual allocation of expenses by cost pool and fund code charged per line item. Also, enter total expenditures for each service provider contract.
  3. The allocation percentages are keyed in the expense distribution module on the MIP system. After identifying the general ledger for the expense, it is determined if the cost is a direct cost or indirect cost. Indirect costs are allocated according to what specific programs are affected by the expense. Direct costs are manually charged to the specific program affected.
  4. After entering the percentages in the Distribution Coding report on the MIP accounting system, WDBEA uses the saved distribution codes to allocate all costs based on the calculated percentages and post the necessary journal entry to distribute these percentages of costs to each general ledger or designated service provider contracts.

#### **STEP TWO:**

- B. To allocate program and administrative cost within each contract to each allocable fund.
  1. Using the MIP fund accounting system, run the “Comparative Statement of Revenues and Expenditures Reports”.
  2. Calculate the total expenditures per allocable fund. Using the total charges to each fund, we determine the percentage of program and administrative costs to be distributed to each allocable fund within the contract. The distribution report (Attachment C) is a based on a timesheet allocation for a particular period.
  3. WDBEA uses the cost allocation module in MIP to allocate all program and administrative costs within that individual contract. We enter the calculated percentages and post the necessary journal entry to distribute these costs to each of the designated funds within each individual contract.

### 3. Allocation Requirements

The following chart outlines the WDBEA allocation bases, basis justification, and supporting documentation to be maintained.

	<b>Item of Cost</b>	<b>Basis and method to be used in distributing the cost</b>	<b>Justification for the basis and method used</b>	<b>Supporting documentation that will be maintained</b>
1	Administrative Costs	Pooled and allocated based on in-direct personnel hours	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
2	Program Support Costs	Pooled and allocated based on in-direct personnel hours	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
3	Salaries	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
4	Fringe	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
5	Board Materials	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
6	Board Travel/Fees	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
7	Training-Staff	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
8	Travel-Staff	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
9	Rent & Leases	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
10	Equipment Leases	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
11	Utilities	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
12	Telephone	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Time sheets, allocation workpapers accounting records
13	Internet	Admin and Program Support salaries in-direct and direct charged based time expended	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts

14	Supplies	Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
15	Equipment	Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
16	Maintenance	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
17	Dues/Subscription	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
18	Insurance-Property	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
19	Data Processing	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
20	Audit	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
21	Legal Services	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
22	Consulting	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
23	Contractual	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
24	Advertising	Direct or In-Direct charged if the benefiting cost objective can be readily determined or allocated via WDBEA cost pools	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts
25	Miscellaneous	Direct or In-Direct charged if the benefiting cost objective can be readily determined or	Most reflective of benefits received	Allocation workpapers, accounting records, invoices and contracts

		allocated via WDBEA cost pools		
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**\*Note:** The distribution percentages for all expenses including the WDBEA staff salaries are estimates. The timesheets reflect the actual allocation for direct cost. The indirect cost expense distribution is effective on April 1, 2016.

**Certificate of Cost Allocation Plan,  
Central Service Plan or Indirect Cost Plan**

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

- a. All costs included in this proposal July 1, 2015, to establish cost allocations, billings, *or final indirect cost rates* for July 1, 2015 through June 30, 2016, are allowable in accordance with the requirements of OMB 2 CFR Part 200/2900 Subpart E and the Federal award(s) to which they apply.
  
- b. All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated, as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently *and the Federal and State governments will be notified of any accounting changes that would affect the predetermined rate.*

**I declare that the foregoing is true and correct.**

**Signature:** \_\_\_\_\_

**Name of Official:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date of Execution:** \_\_\_\_\_

**Name of Preparer:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**ATTACHMENT B: CURRENT WORKFORCE DEVELOPMENT BOARD OF EASTERN ARKANSAS ORGANIZATION CHART**

**EASTERN ARKANSAS  
WORKFORCE DEVELOPMENT AREA  
ORGANIZATION CHART**

