



**Workforce Alliance Local Workforce Development Board (LWDB)  
Finance Committee Meeting Agenda**

Zoom Meeting: <https://us02web.zoom.us/j/88289175315>

Wednesday, May 31, 2023 • 1:00 p.m. – 2:00 p.m.

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1. Welcome and Introductions: Jeff Longwell, Committee Chair (1:00)
2. Fiscal Year 2022 (PY22) Budget Review: Chad Pettera (1:05) (p. 2)  
*The current budget will be reviewed and discussed.*  
**Recommended action: Receive and File**
3. Program Year 2023 (PY23) Budget Presentation: Chad Pettera (1:15) (pp. 3-10)  
*Staff are presenting a proposed budget for Program Year 2023.*  
**Recommended action: Recommend the proposed budget to the LWDB Executive Committee and Chief Elected Officials Board (CEOB), with authorization to make adjustments once final carry over funding is known.**
4. Program Year 2021 (PY21) July 1, 2021 – June 30, 2022 Tax Return: Chad Pettera (1:35)  
(p. 11 and Attachment)  
*The PY20 990 Tax Return will be reviewed by the Finance Committee.*  
**Recommended action: Receive and File**
5. Program Year 2021 (PY21) July 1, 2021 – June 30, 2022 A-133 Audit: Chad Pettera (1:40)  
(p. 12 and Attachment)  
*The PY20 990 Tax Return will be reviewed by the Finance Committee.*  
**Recommended action: Receive and File**
6. Cost Allocation Plan Policy Update: Chad Pettera (1:50) (pp. 13-22)  
*New Cost Allocation Plan to separate direct and indirect costs is presented for review and approval.*  
**Recommended Action: Recommend the proposed policy changes to the LWDB Executive Committee.**
7. Unscheduled Topics (1:55)
8. Adjourn (2:00)

## Workforce Alliance Consolidated Budget PY22 July 2022 - June 2023

Expenditures Through 3/31/2023														
Category	WIOA					Community Impact Funds					Consolidated			
	Budget	March Expenditures	YTD Expenditures	% Budget Remaining		Budget	March Expenditures	YTD Expenditures	% Budget Remaining		Budget	March Expenditures	YTD Expenditures	% Budget Remaining
Wages	\$ 2,120,500	\$ 143,992	\$ 1,402,582	34%		\$ 1,379,202	\$ 150,538	\$ 1,027,131	26%		\$ 3,499,702	\$ 294,530	\$ 2,429,713	31%
Fringe	\$ 547,814	\$ 35,558	\$ 322,739	41%		\$ 372,862	\$ 28,578	\$ 204,555	45%		\$ 920,676	\$ 64,136	\$ 527,294	43%
Facilities	\$ 291,550	\$ (22,043)	\$ 264,922	9%		\$ 196,153	\$ 9,514	\$ 62,202	68%		\$ 487,703	\$ (12,529)	\$ 327,124	33%
Contract/Pro Fees	\$ 265,284	\$ 39,811	\$ 157,514	41%		\$ 208,751	\$ 11,142	\$ 67,545	68%		\$ 474,035	\$ 50,953	\$ 225,059	53%
Supplies/Equipment	\$ 82,510	\$ 7,409	\$ 55,838	32%		\$ 78,450	\$ (506)	\$ 34,622	56%		\$ 160,960	\$ 6,903	\$ 90,460	44%
IT	\$ -	\$ 23,478	\$ 48,039	0%		\$ -	\$ 9,821	\$ 1,779			\$ -	\$ 33,299	\$ 49,818	#DIV/0!
Outreach/Cap Building	\$ 40,645	\$ 493	\$ 32,888	19%		\$ 90,548	\$ (1,441)	\$ 107,840	-19%		\$ 131,193	\$ (948)	\$ 140,728	-7%
Travel/Conferences	\$ 48,720	\$ 3,785	\$ 35,544	27%		\$ 38,334	\$ 3,369	\$ 25,797	33%		\$ 87,054	\$ 7,154	\$ 61,341	30%
Grants Awarded	\$ 88,100	\$ 9,970	\$ 93,814	-6%		\$ 193,500	\$ 19,438	\$ 137,957	29%		\$ 281,600	\$ 29,408	\$ 231,771	18%
Staff Development	\$ 16,600	\$ -	\$ 7,750	53%		\$ 19,450	\$ 375	\$ 2,691	86%		\$ 36,050	\$ 375	\$ 10,441	71%
Misc/Dep/Int	\$ -	\$ -	\$ -	0%		\$ 51,050	\$ 16,184	\$ 47,349	7%		\$ 51,050	\$ 16,184	\$ 47,349	7%
Work Experience	\$ 978,047	\$ 54,685	\$ 487,822	50%		\$ 276,653	\$ 44,897	\$ 185,370	33%		\$ 1,254,699	\$ 99,582	\$ 673,192	46%
On The Job Training	\$ -	\$ -	\$ -			\$ 476,800	\$ 7,279	\$ 131,431	72%		\$ 476,800	\$ 7,279	\$ 131,431	72%
Incentives	\$ 25,000	\$ -	\$ 500	98%		\$ 10,000	\$ 75	\$ 9,070			\$ 35,000	\$ 75	\$ 9,570	73%
Occupational Training	\$ 307,066	\$ 8,612	\$ 61,682	80%		\$ 1,459,216	\$ 174,217	\$ 456,020	69%		\$ 1,766,282	\$ 182,829	\$ 517,702	71%
Supportive Services	\$ 55,000	\$ 9,399	\$ 34,365	38%		\$ 317,500	\$ 16,841	\$ 98,611	69%		\$ 372,500	\$ 26,240	\$ 132,976	64%
<b>Total</b>	<b>\$ 4,866,836</b>	<b>\$ 315,149</b>	<b>\$ 3,005,999</b>	<b>38%</b>		<b>\$ 5,168,469</b>	<b>\$ 490,321</b>	<b>\$ 2,599,970</b>	<b>50%</b>		<b>\$ 10,035,305</b>	<b>\$ 805,470</b>	<b>\$ 5,605,969</b>	<b>44%</b>

**Analysis**

Budget: The PY22 budget with expenditures through the end of the Marh 2023. The budget includes a breakdown between WIOA (LWDB budget) and non-WIOA Funding (Community Impact Funds) and combined totals.

The PY22 budget allocates 37% on direct client spending including classroom training, work experience, on-the-job training and supportive services. The direct client spending is at 26% throught the month of March. The budget has 44% remaining with a budget expectation of 25% remainig. Outreach and/Capicity Building is on track for WIOA, but over spend for CIF, but CIF funds overall are adequate.

**Strategic Goals Supported**

This activity supports the following Strategic goals of the Local Workforce Development Board:

- Expand Youth Employment Opportunities to help develop the workforce of the future
- Strengthen relationships with WIOA partners, community organizations and educational/training institutions to leverage resources and align services through the one-stop workforce centers (American Job Centers)
- Create and implement a more effective and comprehensive communication plan to increase public awareness about employment and training services, and skills needed for current and future careers in South Central Kansas
- Generate revenue to increase community impact of WIOA and Workforce Centers

**Recommended Action**

Receive and file.

**Item**

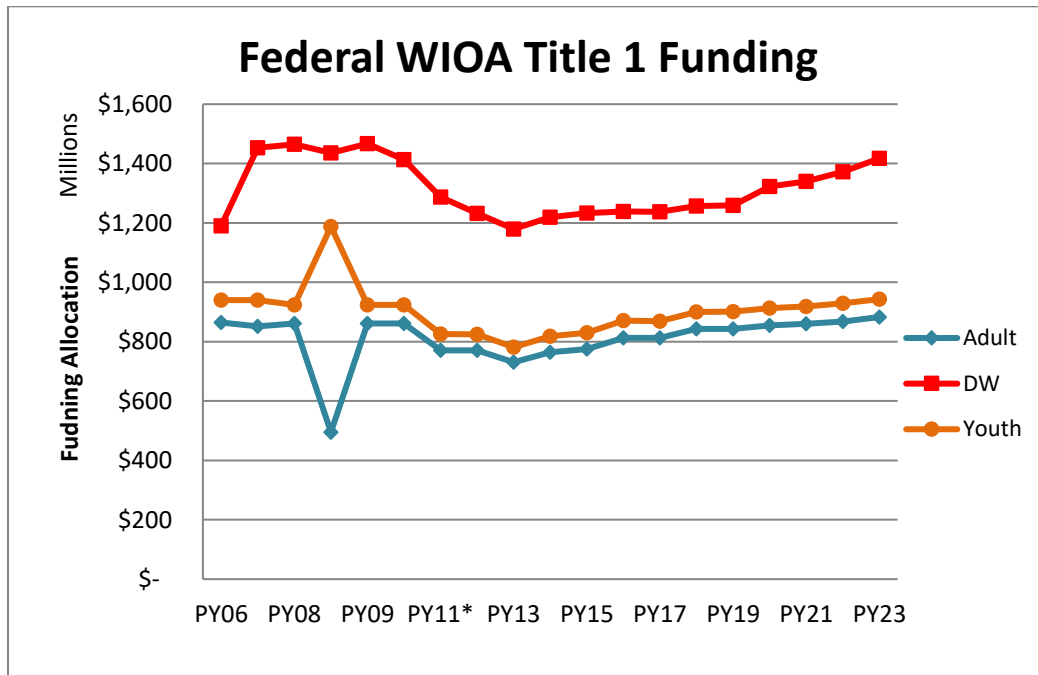
Program Year 2023 (PY23) July 2023 – June 2024 Budget

**Background**

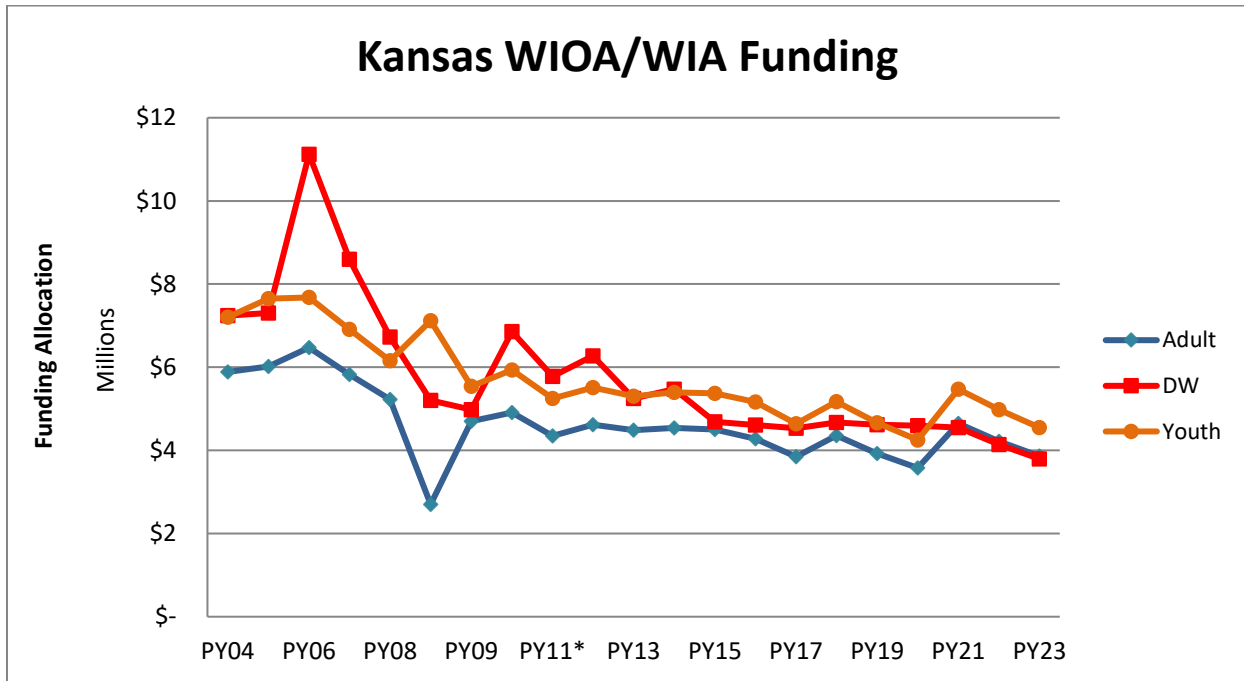
WA received its planning allocation for WIOA for our program/fiscal year that starts July 1, 2023. WA will see a cut in WIOA of about \$284,000 or about 9% in funding after two years of increases.

**Analysis**

Funding for the WIOA Title I programs at the federal level will have an \$75.4 -million-dollar increase for PY23 or roughly 1.6%. Funding for the individual programs is Adult at \$8.8 million, Dislocated Worker \$1.4 billion, and Youth \$9.4 million.

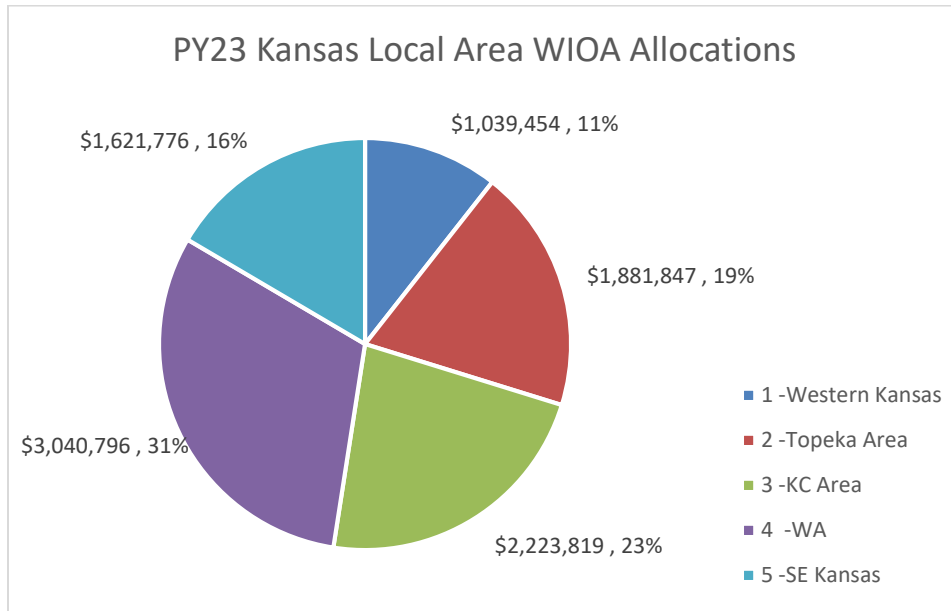


WIOA funding for the State of Kansas for all funding streams is being reduced by almost 9%. Adult is decreasing from \$4.2 to \$3.79 million. Dislocated Worker is decreasing from \$4.14 million to \$3.79 million. Youth funding is decreasing from \$4.97 to \$4.55 million. For Kansas the total WIOA allocation is decreasing by \$1,124,551 or about 8.8%.

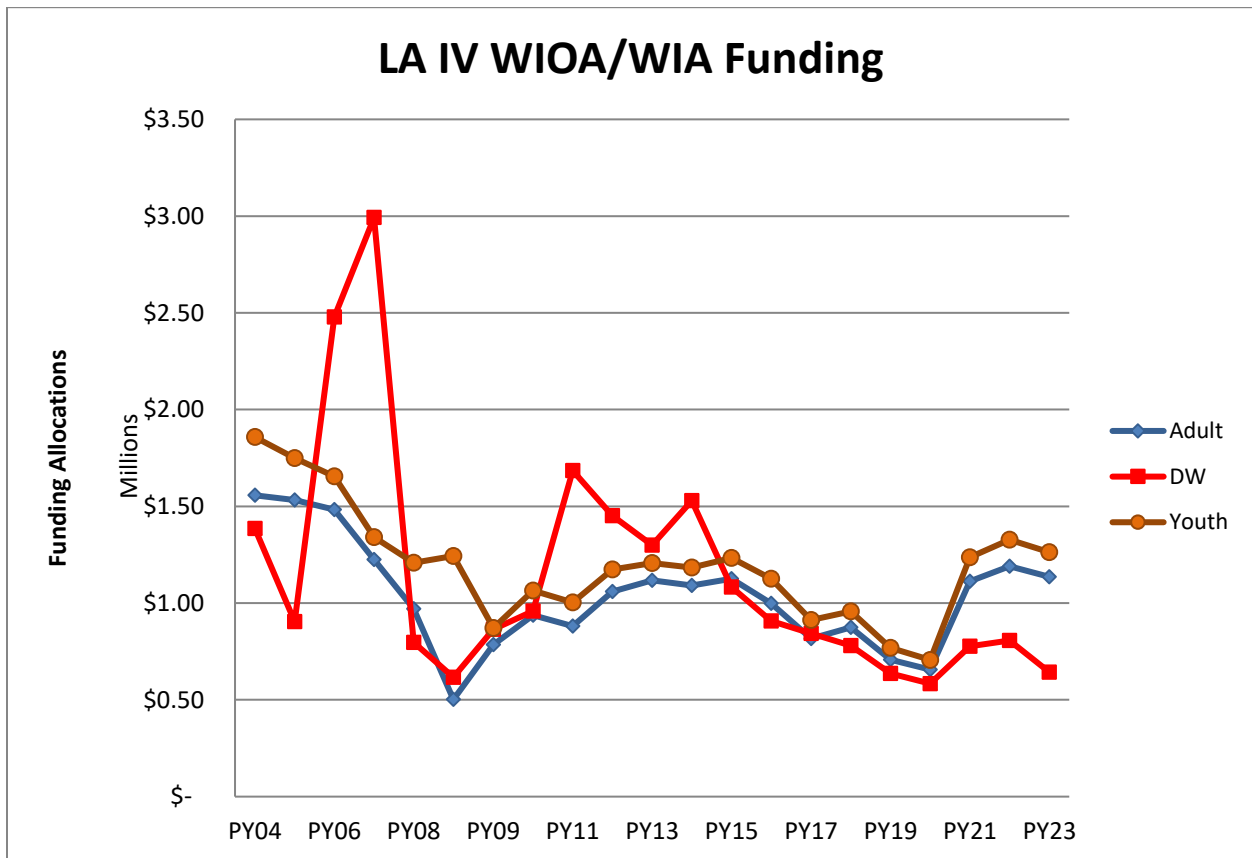


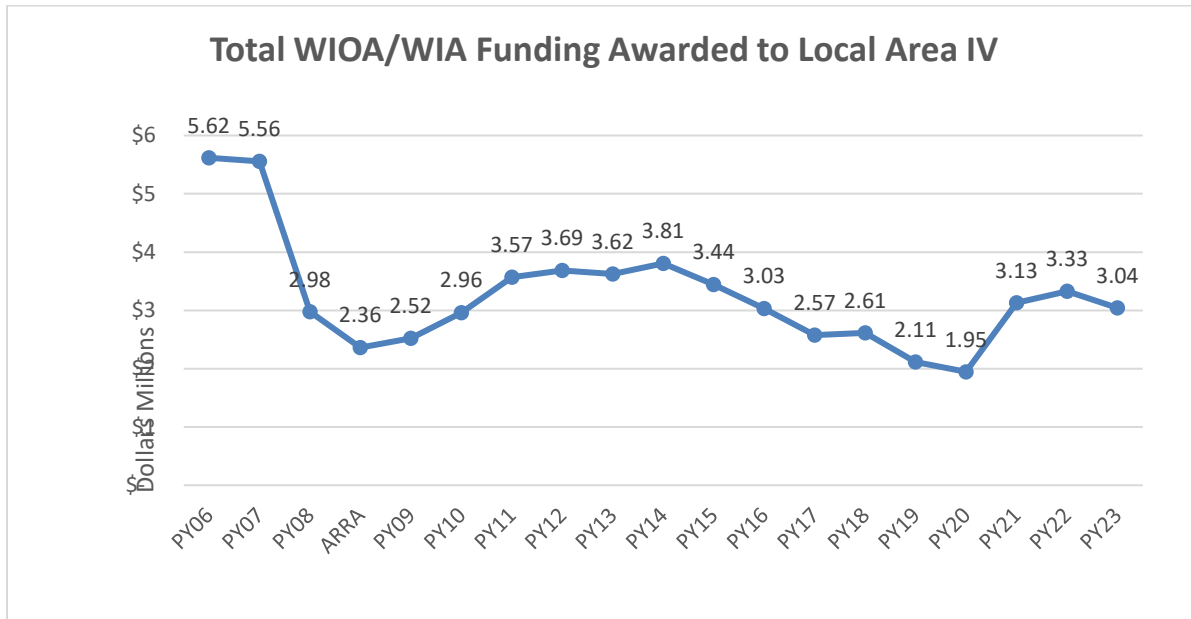
WIOA funding across Kansas is decreasing overall in all areas, with our area absorbing the biggest decrease overall.

PY23 WIOA Allocations by Local Area and Program					
Local Area	Adult	Dislocated Worker	Youth	Total	Change from Previous Year
1 -Western Kansas	\$ 264,810.00	\$ 458,078.00	\$ 316,566.00	\$ 1,039,454	\$ (175,251.00)
2 -Topeka Area	\$ 572,862.00	\$ 481,488.00	\$ 827,497.00	\$ 1,881,847	\$ (115,493.00)
3 -KC Area	\$ 702,228.00	\$ 781,781.00	\$ 739,810.00	\$ 2,223,819	\$ (131,316.00)
4 -WA	\$ 1,135,921.00	\$ 642,268.00	\$ 1,262,607.00	\$ 3,040,796	\$ (284,337.00)
5 -SE Kansas	\$ 606,092.00	\$ 293,769.00	\$ 721,915.00	\$ 1,621,776	\$ (197,998.00)
<b>Total</b>	<b>\$ 3,281,913.00</b>	<b>\$ 2,657,384.00</b>	<b>\$ 3,868,395.00</b>	<b>\$ 9,807,692.00</b>	<b>\$ (904,395.00)</b>



In total for PY23 LAIV is receiving \$3.040, million, which is \$284,337 less than last year or about a 9% decrease.





Other Planned Revenue Sources for PY23

- Senior Community Services Community Services Program- \$765,000
- Rapid Response- \$46,043
- RETAIN- \$403,443
- Work Based Learning- \$169,163
- PACES- \$19,576
- Pathways Home \$147,323
- YEP- \$125,000
- MUS DWG- \$653,315
- REAP- \$248,908
- One Workforce- \$3,126,325
- OKEP- \$133,983
- Home Base Wichita \$515,554
- Evergy \$243,325
- Digital Skills
- Total Other Planned Revenue for PY22 \$6,011,450

Overall the PY23 Budget for the organization is increasing next year from \$9,052,246 million to \$10,460,561 million. There is an increase in wages and fringe, due to wage increases required to keep up with wage increases and a few expansions of positions for new grants that are being implemented. Reductions to client services are largely tied to the decrease in carry over for the WIOA Youth Program. WA is implementing 3 new line items, to better track IT expenses. Reductions in Supplies and Contracts is due to the addition of the 3 new IT budget line items. The planned budget allocates 37% of funds to direct client services which include work experience, training and supportive services.

### **Strategic Goals Supported**

This activity supports the following Strategic goals of the Local Workforce Development Board:

- Expand Youth Employment Opportunities to help develop the workforce of the future
- Strengthen relationships with WIOA partners, community organizations and educational/training institutions to leverage resources and align services through the one-stop workforce centers (American Job Centers)
- Create and implement a more effective and comprehensive communication plan to increase public awareness about employment and training services, and skills needed for current and future careers in South Central Kansas
- Generate revenue to increase community impact of WIOA and Workforce Centers

### **Recommended Action:**

Recommend the proposed budget to the LWDB Executive Committee and Chief Elected Officials Board (CEOB), with authorization to make adjustments once final carry over funding is known.

**Proposed Workforce Alliance PY23 Budget  
July 2023 - June 2024  
Planned Revenues**

Revenue Stream	PY22 Carry Over	PY23 Allocation	Transfer (up to 100%)*	Total PY23 Funding	% of Budget
Adult	\$ 275,000	\$ 1,022,329	\$ 220,797	\$ 1,518,126	14.51%
Dislocated Worker	\$ 85,000	\$ 578,042	\$ (220,797)	\$ 442,245	4.23%
RRAA/Set A Side	\$ -	\$ -		\$ -	0.00%
Youth	\$ 300,000	\$ 1,136,347		\$ 1,436,347	13.73%
Admin	\$ -	\$ 304,078		\$ 304,078	2.91%
Senior	\$ -	\$ 765,000		\$ 765,000	7.31%
Rapid Response*	\$ 10,000	\$ 46,043		\$ 56,043	0.54%
KHPOP	\$ -	\$ -		\$ -	0.00%
KAMP	\$ -	\$ -		\$ -	0.00%
REAP	\$ -	\$ 248,908		\$ 248,908	2.38%
PACES	\$ -	\$ 19,576		\$ 19,576	0.19%
YEP	\$ -	\$ 125,000		\$ 125,000	1.19%
Home Base Wichita	\$ -	\$ 515,554		\$ 515,554	4.93%
Apprentice	\$ -	\$ -		\$ -	0.00%
United Way	\$ -	\$ -		\$ -	0.00%
Everygy	\$ 50,000	\$ 193,325		\$ 243,325	2.33%
RETAIN	\$ -	\$ 403,443		\$ 403,443	3.86%
One Workforce	\$ -	\$ 3,126,325		\$ 3,126,325	29.89%
OKEP	\$ 35,000	\$ 98,983		\$ 133,983	1.28%
Work Based Learning	\$ -	\$ 169,163		\$ 169,163	1.62%
MUS DWG	\$ 653,315	\$ -		\$ 653,315	6.25%
Pathway Home	\$ -	\$ 147,323		\$ 147,323	1.41%
Digital Skills	\$ -	\$ 102,305		\$ 102,305	0.98%
General	\$ -	\$ 50,505		\$ 50,505	0.48%
	<b>\$ 1,408,315</b>	<b>\$ 9,052,246</b>	<b>\$ -</b>	<b>\$ 10,460,561</b>	<b>100.00%</b>

**Planned Expenditures**

Category	PY23 Proposed	PY22 Budget	PY22 Exp. Thru March	PY22 % of Expenditures	Budget Difference PY22/PY23
Wages	\$ 3,892,900	\$ 3,499,702	\$ 2,429,712	69%	\$ 393,198
Fringe	\$ 944,856	\$ 920,676	\$ 527,293	57%	\$ 24,180
Facilities	\$ 440,150	\$ 487,703	\$ 327,124	67%	\$ (47,553)
Contract/Pro Fees	\$ 349,089	\$ 474,035	\$ 225,059	47%	\$ (124,946)
Supplies/Equipment	\$ 109,915	\$ 160,960	\$ 92,359	57%	\$ (51,045)
IT-Supplies/Hardware/Licenses	\$ 293,400	\$ -	\$ 49,819	#DIV/0!	\$ 293,400
Outreach/Meetings	\$ 156,573	\$ 131,193	\$ 140,729	107%	\$ 25,380
Travel/Conference	\$ 85,033	\$ 87,054	\$ 61,341	70%	\$ (2,022)
Grants Awarded	\$ 283,877	\$ 281,600	\$ 231,771	82%	\$ 2,277
Staff Development	\$ 44,550	\$ 36,050	\$ 10,441	29%	\$ 8,500
Misc/Dep/Int	\$ 27,050	\$ 51,050	\$ 47,349	93%	\$ (24,000)
Youth Work Experience	\$ 290,000	\$ 363,649	\$ 149,769	41%	\$ (73,649)
Adult WX/Incumbent	\$ 1,045,786	\$ 891,051	\$ 523,423	59%	\$ 154,735
OJT	\$ 580,000	\$ 476,800	\$ 131,431	28%	\$ 103,200
Incentives	\$ 19,000	\$ 35,000	\$ 9,570	27%	\$ (16,000)
Education & Training	\$ 1,518,383	\$ 1,766,282	\$ 517,702	29%	\$ (247,899)
Supportive Services	\$ 380,000	\$ 372,500	\$ 132,977	36%	\$ 7,500
	<b>\$ 10,460,561</b>	<b>\$ 10,035,304</b>	<b>\$ 5,607,868</b>	<b>56%</b>	<b>\$ 425,257</b>

	PY23		PY22		YTD Expenditures
Operations/Overhead	\$ 6,627,392	63%	\$ 6,130,023	\$ 4,142,996	74%
Direct Client	\$ 3,833,169	37%	\$ 3,905,282	\$ 1,464,872	26%



**Workforce Alliance Consolidated Budget PY22 Comp PY23**  
July 2022- June 2024

PY22 Expenditures Through 03/31/2023

Category	WIOA					Community Impact Funds					Consolidated				
	PY22 Budget	PY23 Budget	PY22-PY23 Budget	PY22 YTD Expenditures	% Budget Remaining	PY22 Budget	PY23 Budget	PY22-PY23 Budget	PY22 YTD Expenditures	% Budget Remaining	PY22 Budget	PY23 Budget	PY22-PY23 Budget	PY22 YTD Expenditures	% Budget Remaining
Wages	\$ 2,077,500	\$ 1,963,900	\$ (113,600)	\$ 1,402,582	32%	\$ 1,422,202	\$ 1,929,000	\$ 506,798	\$ 1,027,131	28%	\$ 3,499,702	\$ 3,892,900	\$ 393,198.00	\$ 2,429,713	31%
Fringe	\$ 534,054	\$ 468,238	\$ (65,816)	\$ 322,739	40%	\$ 386,622	\$ 476,619	\$ 89,996	\$ 204,555	47%	\$ 920,676	\$ 944,856	\$ 24,180.25	\$ 527,294	43%
Facilities	\$ 283,950	\$ 269,800	\$ (14,150)	\$ 264,922	7%	\$ 203,753	\$ 170,350	\$ (33,403)	\$ 62,202	69%	\$ 487,703	\$ 440,150	\$ (47,553.00)	\$ 327,124	33%
Contract/Pro Fees	\$ 263,234	\$ 164,638	\$ (102,466)	\$ 157,514	40%	\$ 210,801	\$ 184,451	\$ (26,350)	\$ 67,545	68%	\$ 474,035	\$ 349,089	\$ (124,946.00)	\$ 225,059	53%
Supplies/Equipment	\$ 80,710	\$ 63,830	\$ (16,880)	\$ 55,838	31%	\$ 80,250	\$ 46,085	\$ (23,665)	\$ 34,622	57%	\$ 160,960	\$ 109,915	\$ (51,045.00)	\$ 90,460	44%
IT	\$ -	\$ 249,900	\$ 249,900	\$ 48,039	0%	\$ -	\$ 43,500	\$ 43,500	\$ 1,779	0%	\$ -	\$ 293,400	\$ 293,400	\$ 49,818	0%
Outreach/Meetings	\$ 40,645	\$ 54,075	\$ 17,300	\$ 32,888	19%	\$ 90,548	\$ 102,498	\$ 9,240	\$ 37,023	59%	\$ 131,193	\$ 156,573	\$ 25,380.00	\$ 69,911	47%
Travel/Conference	\$ 48,320	\$ 52,083	\$ 3,763	\$ 35,544	26%	\$ 38,734	\$ 32,950	\$ (5,784)	\$ 2,659	93%	\$ 87,054	\$ 85,033	\$ (2,021.50)	\$ 38,203	56%
Grants Awarded	\$ 88,100	\$ 128,377	\$ 40,277	\$ 93,814	-6%	\$ 193,500	\$ 155,500	\$ (38,000)	\$ 853,313	-341%	\$ 281,600	\$ 283,877	\$ 2,277.00	\$ 947,127	-236%
Staff Development	\$ 16,600	\$ 20,600	\$ 4,000	\$ 7,750	53%	\$ 19,450	\$ 23,950	\$ 4,500	\$ 943	95%	\$ 36,050	\$ 44,550	\$ 8,500.00	\$ 8,693	76%
Misc	\$ -	\$ -	\$ -	\$ -	0%	\$ 51,050	\$ 27,050	\$ (24,000)	\$ 20,131	61%	\$ 51,050	\$ 27,050	\$ (24,000.00)	\$ 20,131	61%
Youth Work Experience	\$ 363,649	\$ 290,000	\$ (73,649)	\$ 149,769	59%	\$ 18,653	\$ 31,388	\$ 118,000	\$ -	100%	\$ 382,301	\$ 321,388	\$ (60,913.68)	\$ 149,769	61%
Adult WX/Incumbent	\$ 614,398	\$ 614,398	\$ -	\$ 338,053	45%	\$ 258,000	\$ 400,000	\$ 241,200	\$ 74,868	71%	\$ 872,398	\$ 1,014,398	\$ 142,000.00	\$ 412,921	53%
OJT	\$ -	\$ -	\$ -	\$ -	0%	\$ 476,800	\$ 580,000	\$ 103,200	\$ 32,901	93%	\$ 476,800	\$ 580,000	\$ 103,200.00	\$ 32,901	93%
Incentives	\$ 25,000	\$ 2,000	\$ (23,000)	\$ 500	98%	\$ 10,000	\$ 17,000	\$ 7,000	\$ 15,067	-51%	\$ 35,000	\$ 19,000	\$ (16,000.00)	\$ 15,567	56%
Education & Training	\$ 307,066	\$ 140,000	\$ (167,066)	\$ 61,682	80%	\$ 1,459,216	\$ 1,378,383	\$ (80,833)	\$ 604,894	59%	\$ 1,766,282	\$ 1,518,383	\$ (247,899.35)	\$ 666,576	62%
Supportive Services	\$ 55,000	\$ 40,000	\$ (15,000)	\$ 34,365	38%	\$ 317,500	\$ 340,000	\$ 22,500	\$ 158,728	50%	\$ 372,500	\$ 380,000	\$ 7,500.00	\$ 193,093	48%
<b>Total</b>	\$ 4,798,226	\$ 4,521,839	\$ (276,388)	\$ 3,005,999	37%	\$ 5,237,078	\$ 5,938,723	\$ 913,899	\$ 3,198,361	39%	\$ 10,035,304	\$ 10,460,561	\$ 425,257	\$ 6,204,360	38%

**PY23 Budget by Funding Allocation**

<b>Revenue</b>	<b>Consolidated</b>	<b>WIOA Total</b>	<b>Admin</b>	<b>Adult</b>	<b>DW</b>	<b>OSY</b>	<b>SCSEP</b>	<b>RR</b>	<b>CIF Total</b>	<b>RETAIN</b>	<b>One Work</b>	<b>Digital Skills</b>	<b>Pathway</b>	<b>VETS ICT</b>	<b>WBL</b>	<b>PACES</b>	<b>YEP</b>	<b>REAP</b>	<b>General</b>	<b>Evergy</b>	<b>MUS DWG Prog</b>	<b>MUS DWG Admin</b>	<b>OKEP</b>
Carry Over	\$ 1,408,315	\$ 670,000	\$ -	\$ 275,000	\$ 85,000	\$ 300,000		\$ 10,000	\$ 738,315											\$ 50,000	\$ 606,260	\$ 47,055	\$ 35,000
PY23 Allocation	\$ 9,052,246	\$ 3,851,839	\$ 304,078	\$ 1,022,329	\$ 578,042	\$ 1,136,347	\$ 765,000	\$ 46,043	\$ 5,200,408	\$ 403,443	\$ 3,126,325	\$ 102,305	\$ 147,323	\$ 515,554	\$ 169,163	\$ 19,576	\$ 125,000	\$ 248,908	\$ 50,505	\$ 193,325			\$ 98,983
Transfer	\$ -	\$ -	\$ -	\$ 220,797	\$ (220,797)																		
<b>Total</b>	<b>\$ 10,460,561</b>		<b>\$ 304,078</b>	<b>\$ 1,518,126</b>	<b>\$ 442,245</b>	<b>\$ 1,436,347</b>	<b>\$ 765,000</b>	<b>\$ 56,043</b>		<b>\$ 403,443</b>	<b>\$ 3,126,325</b>	<b>\$ 102,305</b>	<b>\$ 147,323</b>	<b>\$ 515,554</b>	<b>\$ 169,163</b>	<b>\$ 19,576</b>	<b>\$ 125,000</b>	<b>\$ 248,908</b>	<b>\$ 50,505</b>	<b>\$ 243,325</b>	<b>\$ 606,260</b>	<b>\$ 47,055</b>	<b>\$ 133,983</b>
<b>Expenses</b>	<b>Consolidated</b>		<b>Admin</b>	<b>Adult</b>	<b>DW</b>	<b>OSY</b>	<b>SCSEP</b>	<b>RR</b>		<b>RETAIN</b>	<b>One Work</b>	<b>Digital Skills</b>	<b>Pathway</b>	<b>VETS ICT</b>	<b>WBL</b>	<b>PACES</b>	<b>YEP</b>	<b>REAP</b>	<b>General</b>	<b>Evergy</b>			
Wages	\$ 3,892,900.00	\$ 1,963,900.00	\$ 145,000.00	\$ 873,400.00	\$ 201,000.00	\$ 620,000.00	\$ 79,500.00	\$ 45,000.00	\$ 1,929,000.00	\$ 165,000.00	\$ 650,000.00	\$ 55,000.00	\$ 65,000.00	\$ 125,000.00	\$ 110,000.00	\$ 4,000.00	\$ 45,000.00	\$ 155,000.00	\$ 5,000.00	\$ 175,000.00	\$ 300,000.00	\$ 30,000.00	\$ 45,000.00
Tax	\$ 301,391.25	\$ 145,972.75	\$ 11,020.00	\$ 63,580.50	\$ 15,093.00	\$ 46,755.00	\$ 6,081.75	\$ 3,442.50	\$ 155,418.50	\$ 12,622.50	\$ 56,225.00	\$ 4,180.00	\$ 4,972.50	\$ 9,562.50	\$ 8,415.00	\$ 306.00	\$ 3,442.50	\$ 11,857.50	\$ 880.00	\$ 14,875.00	\$ 22,950.00	\$ 2,295.00	\$ 2,835.00
Benefits	\$ 643,465.00	\$ 322,265.00	\$ 30,000.00	\$ 113,400.00	\$ 31,340.00	\$ 133,600.00	\$ 11,925.00	\$ 2,000.00	\$ 321,200.00	\$ 19,800.00	\$ 130,000.00	\$ 8,250.00	\$ 15,000.00	\$ 23,800.00	\$ 11,000.00	\$ 600.00	\$ 6,750.00	\$ 23,250.00	\$ 1,500.00	\$ 26,250.00	\$ 45,000.00	\$ 6,000.00	\$ 4,000.00
Rent	\$ 356,900.00	\$ 218,000.00	\$ 9,000.00	\$ 101,500.00	\$ 48,000.00	\$ 54,500.00	\$ 4,500.00	\$ 500.00	\$ 138,900.00	\$ 8,000.00	\$ 20,000.00	\$ 12,500.00	\$ 8,000.00	\$ 26,400.00	\$ 10,500.00	\$ 200.00	\$ 800.00	\$ 6,500.00	\$ 1,500.00	\$ 3,000.00	\$ 35,000.00	\$ 1,000.00	\$ 5,500.00
Building Enh	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security	\$ 36,050.00	\$ 23,750.00	\$ 400.00	\$ 12,800.00	\$ 3,600.00	\$ 5,700.00	\$ 1,050.00	\$ 200.00	\$ 12,300.00	\$ 500.00	\$ 6,000.00	\$ 500.00	\$ 500.00	\$ 3,000.00	\$ 600.00	\$ 50.00	\$ 100.00	\$ 200.00	\$ 300.00	\$ -	\$ 150.00	\$ 100.00	\$ 300.00
Utilities	\$ 47,200.00	\$ 28,050.00	\$ 900.00	\$ 13,200.00	\$ 5,700.00	\$ 6,000.00	\$ 2,050.00	\$ 200.00	\$ 19,150.00	\$ 500.00	\$ 8,500.00	\$ 850.00	\$ 1,500.00	\$ 2,000.00	\$ 1,200.00	\$ 50.00	\$ 300.00	\$ 1,500.00	\$ 500.00	\$ 1,500.00	\$ 400.00	\$ 50.00	\$ 300.00
Insurance	\$ 40,098.00	\$ 21,188.00	\$ 14,458.00	\$ 2,250.00	\$ 680.00	\$ 2,500.00	\$ 1,100.00	\$ 200.00	\$ 18,910.00	\$ 400.00	\$ 8,500.00	\$ 500.00	\$ 1,500.00	\$ 1,000.00	\$ 600.00	\$ 10.00	\$ 200.00	\$ 1,500.00	\$ 3,500.00	\$ 500.00	\$ 600.00	\$ 50.00	\$ 50.00
Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 52,880.00	\$ 26,700.00	\$ 2,000.00	\$ 9,000.00	\$ 3,600.00	\$ 10,000.00	\$ 1,600.00	\$ 500.00	\$ 26,180.00	\$ 80.00	\$ 4,000.00	\$ 500.00	\$ 1,500.00	\$ 4,000.00	\$ 2,500.00	\$ 100.00	\$ 4,000.00	\$ 1,500.00	\$ 1,000.00	\$ 2,000.00	\$ 4,000.00	\$ 500.00	\$ 500.00
Equipment	\$ 55,300.00	\$ 36,350.00	\$ 1,000.00	\$ 11,500.00	\$ 6,800.00	\$ 13,500.00	\$ 3,050.00	\$ 500.00	\$ 18,950.00	\$ 1,900.00	\$ 12,000.00	\$ 500.00	\$ 1,800.00	\$ -	\$ -	\$ 50.00	\$ 500.00	\$ 2,000.00	\$ -	\$ -	\$ 100.00	\$ 100.00	\$ -
IT Supplies	\$ 111,200.00	\$ 100,700.00	\$ 8,000.00	\$ 37,200.00	\$ 16,500.00	\$ 39,000.00	\$ -	\$ -	\$ 10,500.00	\$ -	\$ 500.00	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 2,000.00	\$ -	\$ -
IT Licenses	\$ 93,850.00	\$ 75,850.00	\$ 5,000.00	\$ 32,000.00	\$ 17,850.00	\$ 21,000.00	\$ -	\$ -	\$ 18,000.00	\$ -	\$ 8,500.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500.00	\$ 4,000.00	\$ -	\$ -
IT Contracts	\$ 88,350.00	\$ 73,350.00	\$ 1,500.00	\$ 27,000.00	\$ 20,850.00	\$ 24,000.00	\$ -	\$ -	\$ 15,000.00	\$ -	\$ 5,000.00	\$ 1,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500.00	\$ 4,000.00	\$ -	\$ -
Postage	\$ 1,735.00	\$ 780.00	\$ 100.00	\$ 195.00	\$ 150.00	\$ 185.00	\$ 50.00	\$ 100.00	\$ 955.00	\$ 40.00	\$ 100.00	\$ 25.00	\$ 50.00	\$ 100.00	\$ 50.00	\$ 10.00	\$ 20.00	\$ 500.00	\$ 25.00	\$ -	\$ 10.00	\$ 10.00	\$ 15.00
Dues	\$ 40,750.00	\$ 13,400.00	\$ 3,500.00	\$ 3,900.00	\$ 2,050.00	\$ 3,280.00	\$ 620.00	\$ 50.00	\$ 27,350.00	\$ 100.00	\$ 15,000.00	\$ -	\$ 800.00	\$ -	\$ 500.00	\$ 10,000.00	\$ 200.00	\$ 600.00	\$ 50.00	\$ -	\$ 50.00	\$ 50.00	\$ -
Conferences	\$ 38,867.50	\$ 29,567.50	\$ 3,000.00	\$ 9,250.50	\$ 3,717.00	\$ 13,350.00	\$ 200.00	\$ 50.00	\$ 9,300.00	\$ 2,000.00	\$ -	\$ -	\$ 1,500.00	\$ 50.00	\$ 2,500.00	\$ 3,000.00	\$ 200.00	\$ -	\$ 50.00	\$ -	\$ -	\$ -	\$ -
Job Fairs	\$ 28,050.00	\$ 5,050.00	\$ -	\$ 3,000.00	\$ 50.00	\$ 2,000.00	\$ -	\$ -	\$ 23,000.00	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 12,000.00	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meetings	\$ 38,050.00	\$ 19,400.00	\$ 1,000.00	\$ 3,650.00	\$ 10,200.00	\$ 2,500.00	\$ 50.00	\$ 2,000.00	\$ 18,650.00	\$ 500.00	\$ 1,000.00	\$ 500.00	\$ 500.00	\$ 2,000.00	\$ 1,000.00	\$ 200.00	\$ 1,500.00	\$ 9,500.00	\$ 1,500.00	\$ 200.00	\$ 100.00	\$ 100.00	\$ 50.00
Outreach	\$ 49,722.50	\$ 16,225.00	\$ 1,000.00	\$ 5,000.00	\$ 1,200.00	\$ 8,950.00	\$ 75.00	\$ -	\$ 33,497.50	\$ 2,500.00	\$ 3,000.00	\$ 2,000.00	\$ 200.00	\$ 1,000.00	\$ 5,297.50	\$ 500.00	\$ 3,000.00	\$ 15,000.00	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -
Performance incentives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Staff Development	\$ 44,550.00	\$ 20,600.00	\$ 1,000.00	\$ 5,500.00	\$ 1,800.00	\$ 12,000.00	\$ 150.00	\$ 150.00	\$ 23,950.00	\$ 4,000.00	\$ 5,500.00	\$ 500.00	\$ 500.00	\$ 2,500.00	\$ 3,000.00	\$ 200.00	\$ 50.00	\$ 1,500.00	\$ 500.00	\$ 5,000.00	\$ 500.00	\$ 200.00	\$ -
Travel	\$ 46,165.00	\$ 22,515.00	\$ 1,200.00	\$ 11,800.00	\$ 1,815.00	\$ 6,050.00	\$ 1,500.00	\$ 150.00	\$ 23,650.00	\$ 4,000.00	\$ 2,500.00	\$ -	\$ 4,000.00	\$ 2,000.00	\$ 7,000.00	\$ 100.00	\$ 800.00	\$ 1,500.00	\$ 200.00	\$ 1,000.00	\$ 400.00	\$ 100.00	\$ 50.00
Contract Services	\$ 308,991.00	\$ 143,450.00	\$ 65,000.00	\$ 14,000.00	\$ 10,250.00	\$ 19,200.00	\$ 34,000.00	\$ 1,000.00	\$ 165,541.00	\$ 3,500.00	\$ 40,000.00	\$ 5,000.00	\$ 5,000.00	\$ 76,141.00	\$ 5,000.00	\$ 200.00	\$ 1,200.00	\$ 15,000.00	\$ 6,000.00	\$ 1,000.00	\$ 2,000.00	\$ 4,000.00	\$ 1,500.00
Sub/Grants Awarded	\$ 283,877.00	\$ 128,377.00	\$ -	\$ 50,000.00	\$ 40,000.00	\$ 35,277.00	\$ 3,100.00	\$ -	\$ 155,500.00	\$ -	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 500.00
Misc	\$ 3,050.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,050.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50.00	\$ -	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -
Depreciation	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -
Interest	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -
Incumbent WRK	\$ 400,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000.00	\$ -	\$ 400,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
On The Job	\$ 580,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 580,000.00	\$ 60,000.00	\$ 500,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -
Incentives	\$ 19,000.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00	\$ -	\$ -	\$ 17,000.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Education	\$ 1,518,383.00	\$ 140,000.00	\$ -	\$ 100,000.00	\$ -	\$ 40,000.00	\$ -	\$ -	\$ 1,378,383.00	\$ 75,000.00	\$ 850,000.00	\$ 5,000.00	\$ 25,000.00	\$ 225,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000.00	\$ -	\$ 73,383.00
Work Exp	\$ 935,785.75	\$ 904,398.25	\$ -	\$ -	\$ -	\$ 290,000.00	\$ 614,398.25	\$ -	\$ 31,387.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,387.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supportive Services	\$ 380,000.00	\$ 40,000.00	\$ -	\$ 15,000.00	\$ -	\$ 25,000.00	\$ -	\$ -	\$ 340,000.00	\$ 40,000.00	\$ 250,000.00	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000.00	\$ -	\$ -
Total	\$ 10,460,561.00	\$ 4,521,838.50	\$ 304,078.00	\$ 1,518,126.00	\$ 442,245.00	\$ 1,436,347.00	\$ 765,000.00	\$ 56,042.50	\$ 5,938,722.50	\$ 403,442.50	\$ 3,126,325.00	\$ 102,305.00	\$ 147,322.50	\$ 515,553.50	\$ 169,162.50	\$ 19,576.00	\$ 125,000.00	\$ 248,907.50	\$ 50,505.00	\$ 243,325.00	\$ 606,260.00	\$ 47,055.00	\$ 133,983.00

**Item**

Program Year 2021 (PY21) 990 Tax Return

**Background**

The PY20 July 2021 through June 2022 990 Tax Return was prepared by AGH after the completion of the A-133 Audit.

**Analysis**

The tax return is attached for Board review. The return was filed with the IRS on May 12, 2023, if changes need to be made an amendment can be filed.

**Strategic Goals Supported**

This activity supports the following Strategic goals of the Local Workforce Development Board:

- Enhance youth employment opportunities by expanding partnerships with business, schools, and other community organizations
- Continue to increase non-WIOA funding
- Proactively approach the employment and skills training challenges and opportunities of the future with energy and planning today

**Recommended Action**

Receive and File

**Item**

Program Year 2021 (PY21) A-133 Audit

**Background**

The A-133 Audit for the period of July 2021 through June 2022 was completed in March of 2023.

**Analysis**

The A-133 Audit was a clean audit with no findings or recommendations. It has been filed with US Dept. of Labor and the State of Kansas.

**Strategic Goals Supported**

This activity supports the following Strategic goals of the Local Workforce Development Board:

- Enhance youth employment opportunities by expanding partnerships with business, schools, and other community organizations
- Continue to increase non-WIOA funding
- Proactively approach the employment and skills training challenges and opportunities of the future with energy and planning today

**Recommended Action**

Receive and File

**Item**

Cost Allocation Plan

**Background**

US DOL is implementing changes to how costs are tracked for federal programs to comply with 2 CFR 200 for direct and indirect costs and WA must implement a new cost allocation plan.

**Analysis**

WA staff has worked with AGH and other entities to study the changes in 2 CFR 200 regarding cost allocation of direct and indirect costs. WA has drafted a new policy, has worked with AGH to implement new GL codes and has established a new process with AGH to cost pool indirect costs and then allocation them monthly based on labor hours to each funding code.

**Recommended Action**

Recommend Policy Changes to the LWDB Executive Committee

**Workforce Alliance of South Central Kansas, Inc.**  
**Statement of Compliance with 2 CFR 200.430(a)(1)(2) & (3)**

Each staff member will maintain time and effort documentation through timesheets that document actual work time that reflects the program/grant of work benefiting from the effort. Timesheets track hours worked by programs/grants daily during a two-week period. Timesheets are signed by each employee and are submitted every two weeks for review by their supervisor. If the supervisor approves the timesheet, the supervisor approves and signs it and sends it to Human Resources for review, processing, and approval by the Chief Operations Officer and the President and CEO. Once the payroll is approved, it is sent to our contracted payroll provider for review and approval for processing. If the vendor approves the payroll, it is processed for payment. Staff will also track leave time, whether it is either paid or unpaid leave. Employees submit request(s) for use of leave time to their supervisor through a leave request document. If the leave time is approved and taken, those leave documents are also submitted with their timesheets to ensure accurate tracking of leave benefits.

DRAFT

**COST POLICY STATEMENT**  
**Workforce Alliance of South Central Kansas, Inc.**  
**(Workforce Alliance)**  
**300 W Douglas, Suite 850, Wichita, KS 67202**  
**316-771-6600**

**I. General Accounting Policies**

- A. Is a Non-Profit 501(c)3 Organization
- B. Basis of Accounting - Accrual Basis
- C. Fiscal Period - July 1 through June 30
- D. Allocation Basis for Individual Cost Elements - Direct Allocation Basis
- E. Indirect Cost Rate Allocation Base – Direct Allocation Method
- F. Workforce Alliance of South Central Kansas, Inc. maintains adequate internal controls to ensure that no cost is charged both directly and indirectly to Federal contracts or grants, except as described below in specific situations.
- G. Workforce Alliance of South Central Kansas, Inc. outsources its accounting functions, and the CPA firm uses Sage 100 with modifications for its accounting system.
- H. Workforce Alliance of South-Central Kansas, Inc. accumulates all indirect costs and revenues in accounts titled, "Indirect Cost-Expense" and "Indirect Cost-Revenue" respectively. If the Indirect Cost-Expenses/Revenue is associated with a cost limited item, such as WIOA Administration, those costs will be categorized as such to identify and track those costs for compliance.

**II. Description of Cost Allocation Methodology**

**A. Salaries and Wages**

- a. Direct Costs- The majority of Workforce Alliance’s employees direct charge their salaries and wage costs since their work is specifically identifiable to specific grants, contracts, or other activities of the organization, such as providing specific grant funded services or conducting fund raising.
- b. Indirect Costs- The following staff charge 100% of their salary and wage costs indirectly:
  - i. IT Manager
  - ii. Help Desk Support
  - iii. Facilities Coordinator
- c. Mixed Charges- The following employees may charge their salary or wage costs both direct and indirectly:
  - i. President and CEO
  - ii. VP/Chief Operating Officer
  - iii. VP/Business Development Officer
  - iv. Fiscal Controller
  - v. HR Specialist
  - vi. Digital Media Specialist

The distinction between direct and indirect is primarily based on functions performed. For example, when the positions shown are performing functions that are necessary and beneficial to all programs, they are indirect. When functions are specific to one or more similar programs, they are direct because they do not benefit all programs.

If a program has specific cost limits for administrative services, those activities and limits will be tracked to ensure compliance.

Auditable labor distribution reports which reflect the actual activities of employees are maintained to support the mix of direct/indirect charges. The time records are certified by the President and CEO or his designee.

## **B. Fringe Benefits**

Workforce Alliance contributes to the following fringe benefits for its employees:

- a. Unemployment insurance- Is filed and paid to the State of Kansas at rates established by the State of Kansas based on the organization's state balance and usage. Workforce Alliance's accounting system tracks fringe benefit costs by individual employee and charges those costs directly or indirectly in the same manner as salary and wage costs are recorded.
- b. Workers' compensation- Is paid directly to The Hartford based on premiums calculated according to past history of claims. Costs are charged direct or indirect based on the past month's labor charges.
- c. FICA- is a federal payroll tax that is split by each employee's labor charges and submitted biweekly electronically to the IRS.
- d. Health/Dental Insurance- The organization contributes to the health and dental insurance costs of each employee. Those costs are allocated in the same manner as their benefit withholdings during the previous month.
- e. AD&D/Life Insurance- The organization pays for each employee to have a \$25,000 in AD&D/Life Insurance policy. Those costs will be pro-rated based on the direct/indirect labor hours charged to the benefiting programs during the previous month.
- f. Matching Contributions to retirement plan- The organization provides a retirement contribution match of up to 3% of the employee's contribution (unless otherwise specified in an employment contract). Those costs will be pro-rated based on the direct/indirect labor hours charged to the payroll period of the match contribution.
- g. Health Membership- The organization provides a match for a health membership to the local YMCA as a benefit and to help reduce health care costs. The cost of the health membership is allocated direct and indirect based on the previous month's labor hours.



Treatment of Paid Absences- Paid Time Off, Long Term Sick Leave, Bereavement Leave and Holiday Pay are considered part of the wage and salary costs and are allocated in the same percentages as the individual's direct costs recorded during the same time period as the occurrence of the paid absence. Workforce Alliance's accounting system records paid absences as direct or indirect when used during a payroll period.

**C. Rent**

- a. Rent will be considered a direct or indirect cost depending on the function performed by the occupied space. Direct rent costs will be allocated by using square footage and direct labor hours of the employees occupying the space during the previous month. Indirect rent costs will be space used by the employees charging to indirect costs. The costs for indirect space will be charged to the indirect cost pool.
- b. The Workforce Alliance does sublet to other program partners; those costs are direct charged. Those reimbursements for rent will be posted as direct expense reduction.

**D. Building Enhancement**

Building Enhancement will be considered an indirect cost unless a specific program(s) benefits from the enhancement. If specific program(s) benefit from the expenditure, the cost will be allocated based on the labor hours charged to those programs during the previous month.

**E. Security**

Security is provided at one location in Wichita Kansas. Those costs will be considered a direct or indirect cost and allocated on the same basis as rent cost.

**F. Utilities**

Electricity, natural gas, trash, sewer, water, phone and data, when not included in a lease, is allocated as direct or indirect based on the location and is allocated on the same basis as rent.

**G. Insurance**

Officers and directors, general liability, and other insurance (other than employee benefits) is classified as an indirect cost.

**H. Office Supplies**

- a. To the maximum extent possible, office supplies and materials are directly charged to the contract/grant which uses the supplies or

materials. If more than one program benefits, the costs will be pro-rated based on the direct labor hours charged to the benefiting programs during the previous month.

- b. Supplies for which benefit is hard to establish, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

#### **I. Office Equipment**

To the maximum extent possible, office equipment costs are directly charged to the contract/grant which uses the equipment or materials. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month. Office equipment which benefits all programs, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

#### **J. Postage**

- a. To the maximum extent possible, postage costs are directly charged to the contract/grant which uses the postage. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
- b. Postage which benefits all programs, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

#### **K. Dues and Subscriptions**

- a. To the maximum extent possible, dues and subscriptions are directly charged to the contracts/grants which use or benefit from the item. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
- b. Dues or Subscriptions which benefit all programs, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

#### **L. IT Supplies**

- a. To the maximum extent possible, IT supplies are directly charged to the contracts/grants which use or benefit from the item. If more than one contract/grant benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.

- b. IT Supplies for which the benefit is hard to identify, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

**M. IT Licenses**

- a. IT licenses that are for end users will be charged directly to contracts/grants based on the labor hours charged to the benefiting program during the previous month.
- b. IT Licenses that are for servers will be charged on an indirect basis.
- c. IT Licenses for which the benefit is hard to identify, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

**N. IT Contracts**

- a. IT Contracts that are for end users will be charged directly to contracts/grants based on the labor hours charged to the benefiting program during the previous month.
- b. IT Contracts that are for servers will be charged on an indirect basis.
- c. IT Contracts for which the benefit is hard to identify, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

**O. Conferences**

Conference attendance will be charged as either a direct or indirect cost depending on the purpose of the trip. If more than one program benefits from the conference attendance, the costs will be shared by the direct labor hours using an average of the past direct charges of the employee.

Example- If the President/CEO travels to attend a conference regarding a specific program, that specific program will be charged the cost. If the Vice President/COO travels to a Fiscal Training Conference that benefits all programs, those costs will be an indirect cost.

**P. Job Fairs**

Job Fairs will be hosted by specific programs and will be charged to those programs hosting the events. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.

**Q. Meeting Expenses**

- a. To the maximum extent possible, meetings expenses are directly charged to the contract/program which benefits from the function. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
- b. Meeting Expenses which benefit all programs, or hosted by staff who are engaged in indirect activities, will be charged on an indirect basis.

#### **R. Outreach Expenses**

- a. To the maximum extent possible, outreach expenses are directly charged to the contract/grant which benefits from the outreach. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs.
- b. Outreach expenses which benefit all programs will be charged on an indirect basis.

#### **S. Staff Development**

- a. To the maximum extent possible, staff development expenses are directly charged to the contract/grant which benefits from the activity or the staff wage allocation methodology. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
- b. Staff development expenses which benefit all programs will be charged on an indirect basis.
- c. Staff development expenses that are for an employee that charges to indirect costs will be considered an indirect cost.

#### **T. Travel**

- a. Travel will be charged as either a direct or indirect cost depending on the purpose of the trip and the staff member.
  - i. Example- The President travels to attend a conference regarding a specific program, that specific program will be charged the cost.
  - ii. Example- A staff member travels to meet with a program participant, the travel costs will be charged to the program in which the participant participates.
  - iii. Example- The Fiscal Specialist travels to conduct inventory, those travel costs will be allocated as indirect due to the employee's wage allocations for that function.

#### **U. Contract Services**

- a. To the maximum extent possible, contract expenses are directly charged to the contract/grant which benefits from the service. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs.

- b. Contract Services, such as Legal Fees/CPA Costs/Audit Costs/etc., will be charged as indirect costs. If a program has specific requirements, such as an administration cost limit for these services, the administration costs will also be tracked to ensure compliance with any limits that may be applicable.
- c. Leases for office equipment will be allocated directly to the contract/grant which benefits from this equipment based on labor hours charged to the benefiting programs.
- d. Monitoring Services are charged to the programs being monitored based on the past month's labor hours charged to the benefiting programs.
- e. Website costs are charged indirectly, unless a webpage exists for a specific purpose/contract. Website costs that specifically benefit one program will be charged directly to the benefiting program.
- f. Other contract services costs are charged indirectly, unless the services benefit a program directly, then the costs are allocated directly based on the past month's direct labor hours.

**V. Subrecipient Grants Awarded**

- a. Subrecipient grants awarded to support a specific grant(s) will be directly charged to those specific contract/grants(s). If more than one program benefits from the grant award, an allocation method will be determined that adequately and fairly shares the costs based on a cost benefit analysis of the specific subgrant.

**W. Miscellaneous**

- a. To the maximum extent possible, miscellaneous expenses are directly charged to the contract/grant which benefits from the activity or the staff wage allocation methodology. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
- b. Miscellaneous expenses which benefit all programs will be charged on an indirect basis.

**X. Depreciation**

The costs of capital items purchased with direct federal funds cannot be depreciated for indirect costs recovery purposes.

**Y. Interest**

Allowable Interest costs, as defined in 2 CFP 200.449, will be indirect costs unless not all programs benefit from the activities causing the interest expense. If the charge is direct, it will be allocated based on direct payroll hours of the contract/grant during the previous month.

**Z. Program Participant Services**

The costs of activities performed primarily as a service to program participant services will be classified as direct costs. Those activities include:

- i. Incumbent Worker Training
- ii. On the Job Training
- iii. Incentives
- iv. Occupational Education and Training
- v. Work Experience
- vi. Supportive Services (day care, housing assistance, mileage reimbursement, etc.)
- vii. Tutoring
- viii. Counseling
- ix. Leadership Development
- x. Customized Training
- xi. Assessments
- xii. Alternative Secondary School

**AA. Unallowable Costs**

The Workforce Alliance recognizes that unallowable costs, as defined in 2 CFR 200, Subpart E, cannot be charged to Federal Awards and has internal controls in place to ensure that this is followed. Examples of unallowable costs are:

- i. Advertising and public relations
- ii. Alcoholic beverages
- iii. Capital expenditures
- iv. Defense claims by or against the Federal Government
- v. Interest, as defined in 2 CFR 200.449
- vi. Fund raising

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

Date: \_\_\_\_\_

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

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