

# CHICAGO COOK WORKFORCE PARTNERSHIP (The Partnership)

## Chicago Transit Authority RPM RFQ

### BUDGET COMPLETION INSTRUCTIONS

#### GENERAL INSTRUCTIONS

These instructions apply to the CTA RPM Project. This form is being used to provide seamless integration with WIOA funding. Please disregard any reference to WIOA which do not apply to the CTA RPM Project.

#### **DT=Staff Time for Direct Training costs**

1. Staff Costs to be included in the 50% minimum training requirement are now allowable under DT, or Staff Time for Direct Training Costs under the following conditions:
  - a. Costs included as part of tuition in an individual Training Account (ITA) with a WIOA eligible training provider.
  - b. Costs that are included as part of a training contract other than an ITA.
  - c. **Costs incurred by staff directly associated with the establishment and monitoring of work-based training activities (OJT, Paid Work Experience, Customized Training and Incumbent Worker Training).**
  - d. Costs incurred by staff on behalf of WIOA participant enrolled in Bridge Training Programs when:
    - 1) Those activities conducted at the site of the training provider or location of the training program; and
    - 2) Staff instructing participants, case managing participants, or observing a class.
2. Staff costs must be reasonable and necessary to provision of training to these participants, and **documented via timesheets or other appropriate cost allocation methods.**
3. Staff costs not included in the fifty percent (50%) training expenditure calculation may still be an allowable WIOA activity.

To start completing the budget forms, begin first by filling out all personnel costs in form 2 and (2a-2c if applicable) and non-personnel costs on form 3. The personnel forms 2 and non-personnel form 3 should automatically populate form 1A Budget Recap and Form 1 Budget Summary (signature page).

## BUDGET SUMMARY- FORM 1

The Budget Summary FORM1 is included with the intention of reducing the number of budget revisions that may occur during the PY'20 contract period. All of the detailed line items from the Budget Recap FORM 1A will be summarized into three categories on this Budget Summary FORM-1:

- Other Program Costs
- Direct Training
- Support Services

**Please complete only the heading on the Budget Summary Form 1, this includes letters A thru H only.**

Once the Budget FORM 1A is completed and the budget totals from FORMs 1 and 1A match, then an authorized signature should be obtained for Budget Summary FORM 1.

### BUDGET RECAP- FORM 1A and

The purpose of these FORMs is: 1) to summarize, by item of expenditure, the total budget of a program or project to be funded in whole or in part with Workforce Innovation and Opportunity Act (WIOA) funds; and 2) to specify the share of total cost charged to the WIOA program and the share of total cost charged to other matching or supplemental funding sources.

*Note: The electronic version of the budget FORMs should automatically transfer the personnel and fringe benefits amounts from the linked FORM 2 and non-personnel amounts for the individual line items from the linked FORM 3.*

**Please show both the expenses that will be paid with WIOA funds and those that will be paid with other share.** Amounts should be rounded to the nearest dollar. Letters A thru H should populate from the Budget Summary Form 1.

- I. **Budget Recap form - Columns (1): Item of expenditure** -The required information has already been provided in these two columns. Sub Recipient budgets are not limited to the accounts listed on the Budget Recap FORM 1A (A Delegate Agency Chart of Accounts is located on the last tab of the budget file).

**Personnel Costs** - salaries, overtime, salary adjustments, bonuses.

**Fringe Benefits** - term life insurance, worker's compensation, health insurance, unemployment insurance, dental plan, Medicare, pension (401K) etc.

**Operating/Technical Costs** – the proposed cost of each of the following items as applicable: accounting, auditing, legal, publications, rental of property, rental of equipment/services, repair/maintenance of property, repair/maintenance of equipment, utilities, telephone, local transportation, postage, advertising, meeting costs, reproduction, dues, memberships, messenger service, (see Delegate Agency Chart of Accounts for items falling within the Operating/Technical category).

**Professional and Technical Services** - consultants/subcontractors.

**Materials and Supplies** - stationery and office supplies, tools, materials and supplies, books and related material.

**Equipment Costs** – office equipment and furnishings, telephone networks, information technology equipment, reproduction and printing equipment, and motor vehicles.

2 CFR Part 230 defines Equipment as an article of non-expendable tangible personal property having a useful life of more than one (1) year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the organization for financial statement purposes or \$5,000. All equipment should be placed in this line (this includes items under \$1,000.00 such as Laptops, cameras, etc.).

**Equipment purchases with a cost per single item of \$1,000 or greater or an aggregate amount of \$5,000 or greater (for example 6 computers at \$900 each) or requires prior approval. Just because equipment costs are included in your budget submission and your budget is approved does NOT constitute approval by The Partnership to purchase. A request for approval to purchase along with small purchase procurement FORM indicating at least three inquiries from vendors to purchase such items will still be required before any purchase is made. If approved additional inventory FORMs will be required. Note: Purchase of Equipment will not be approved during the last quarter of the contract period.**

**Other (Please specify)** - expenses that do not fit in the other account categories.

**Indirect Costs** – The sub-grantee share of indirect costs associated with an indirect cost plan approved by the federal government, or the sub-grantee indirect cost allocation plan. If an indirect cost plan is approved by the federal government, the document reflecting the approval and the approved Indirect cost rate or provisional rate must be attached with this budget submission. If the sub-grantee does not have an approved indirect cost rate, a cost allocation plan is required to be submitted with this budget submission for approval by the Partnership to be used in this contract. Failure to comply will delay approval of your WIOA budget. The Partnership will not approve a cost allocation plan rate greater than 10%.

**Fixed Fee** - Estimate fixed fee amount based on criteria found in FAR- 48 CFR Part 15.404-4, 48 CFR Part 31.103 and 48 CFR Part 31.20. Also, please refer to the WIOA Policy Letter – Cost plus Fixed Fee Policy. If you have an indirect cost rate approved by the Federal Government, please attach supporting documentation.

**Customized Training** – Expenses for training designed to meet the special requirements of an employer or group of employers, conducted with a commitment by the employer to employ all individuals upon successful completion of training. Under WIA employers were required to pay at least 50% of the cost of the training; however, WIOA removes the precise figure and says that the employer must pay for a significant cost of the training (2 CFR 200.472).

**On-the-job training (OJT):** Contract(s) with an employer(s) in the public, private nonprofit, or private sector. Through the OJT contract, occupational training is provided for the WIOA

participant in exchange for the reimbursement for the extraordinary costs of providing the training and supervision related to the training. (Defined at WIOA Section 3(44)).

**Work Experience – Cost associated with a planned, structured, time-limited learning** experience that takes place in a workplace for a limited period of time. They may include activities such as paid/unpaid internships as well as job shadowing (proposed 20 CFR 683.170). This also includes the wages and staff costs for the development and management of the work experience.

**Work Experience Taxes** – Taxes paid on salary cost for WIOA participants that represent hours worked in work-based training, including internships.

**Occupational Training, ITA:** Training that prepares the student for entry into a particular occupation or set of occupations.

All payments made to a training institution or training provider for occupational classroom training authorized pursuant to an Individual Training Account (ITA).

**Occupational Training Other:** All payments made to a training institution, training provider, including community based organizations, or other private organization of demonstrated effectiveness, for occupational classroom training authorized pursuant to a contract for training services, or other contractual arrangement that constitutes an exception to the use of an ITA.

**Academic Remedial Training / Pre-vocational Services:** All payments made to a training institution or training provider for classroom instruction in academic remediation or short-term prevocational services which would normally be classified as a career service. This includes the costs associated with basic literacy training, adult basic education, GED and English as a second language if they are provided in conjunction with occupational training services.

**Supportive Services** –Expenditures to, or on behalf of, a participant enrolled in training or in the twelve-month follow-up period subsequent to placement, such as transportation, childcare, tutoring, and mentoring. Includes support services to clients who receive training from a source other than WIOA funds, e.g. Pell Grants. This category also includes needs related payments to WIOA registrants in training. Costs of bus passes, uniforms, physicals, childcare, etc. for participants who are enrolled in the training courses or participating in activities that contribute to attaining goals set forth in ISS.

**If you are unsure how to categorize a specific cost, a chart of accounts is included with the excel budget FORMs, or call The Partnership.**

Once Form 2-personnel and form 3-non-personnel form is completed the following columns 2 thru 7 should automatically populate.

**Column (2): Total Program Cost** - Add columns (3) and (4) to derive the amount of the total budget for the program or project. Note: The electronic version of the budget FORMs should automatically transfer the personnel and fringe benefits amounts from the linked FORM 2 and non-personnel amounts from the linked FORM 3.

**Column (3): Other Funding Share of Cost** - Summarize by budget line item the share of the project's cost which will be funded with matching or supplemental public or private funds. Note: The electronic version of the budget should automatically populate this column.

**Column (4): WIOA Share of Total Adult/Dislocated Workers Cost** - Summarize by budget line item the WIOA Program Year 2017 budget allocation for this program or project. Note: The electronic version of the budget FORMs should automatically transfer the personnel and fringe benefits amounts from the linked FORM 2 and non-personnel amounts from the linked FORM 3.

**Column (5): WIOA % of Total Cost** – automatically calculates the percent of WIOA costs to the total program costs.

**Column (6): Staff Time Direct Training (DT)** should automatically populate once the personnel form 2 is completed.

Appendix A “Cost Principles for Nonprofit Organizations” establishes federal cost principles of grants, contracts and other agreements with nonprofit organizations and 2 CFR Part 230 sets forth the federal cost principles for for-profit organizations.

## **BUDGET SUMMARY FORM 1**

**All items entered above in Budget Recap FORM 1A should populate to three bucket categories reflected on Budget FORM 1.**

**Column (2): Total Program Cost** - Add columns (3) and (4) to derive the amount of the total budget for the program or project. Note: The electronic version of the budget FORMs should automatically transfer the personnel and fringe benefits amounts from the linked FORM 2 and non-personnel amounts from the linked FORM 3.

**Column (3): Other Funding Share of Cost** - Summarize by budget line item the share of the project's cost which will be funded with matching or supplemental public or private funds. Note: The electronic version of the budget should automatically populate this column.

**Column (4): WIOA Share of Total Adult/Dislocated Workers Cost** - Summarize by budget line item the WIOA Program Year 2020 budget allocation for this program or project. Note: The electronic version of the budget FORMs should automatically transfer the personnel and fringe benefits amounts from the linked FORM 2 and non-personnel amounts from the linked FORM 3.

**Column (5): WIOA % of Total Cost** – automatically calculates the percent of WIOA costs to the total program costs.

J. Sub Grantee Authorization: Self-explanatory. **Original signature is required in blue ink.**

K. Chicago Cook Workforce Partnership Authorization: Self-explanatory.

## BUDGET PERSONNEL- FORM 2

The purpose of this FORM(s) is to estimate the total personnel costs the sub-grantee expects to incur in operating its WIOA Program Year 2020 project, and to provide a brief summary of job responsibilities for each budgeted position. If the entire personnel budget won't fit on one FORM, please complete additional FORMs as necessary.

- A. Sub Grantee – Automatically populates.
- B. Program – Automatically populates.
- C. Contract Number: Automatically populates.
- D. FEIN – Automatically populates.

**Column (1): Position/Title** - List all positions separately.

**Column (2): Employee Name** – Provide employee name.

**Columns (3) and (4): Months and Rate** - For each position listed in Column (1) indicate the number of months to be funded and the corresponding salary rates (expressed monthly). If there are different rates for the same position, list each position and rates one under another.

**Column (5): % of Time Spent on Program** - Often an employee spends only a fraction of his or her time on the WIOA funded project because they are engaged in other sub-grantee projects. Please indicate for each employee to be funded in Program Year 2020 the percentage (%) of time that will be spent on this project. If the employee is part time, please show the percentage (%) of the hours they work on this project out of the total hours they work. Note that the proposed percentage should be supported by your agency's Cost Allocation Plan (CAP) and or Time Activity reports.

**Column (6): Total Program Cost** – Automatically calculated.

**Column (7): WIOA Share** - For each position listed, please indicate the amount of total salary cost (Column 6) to be paid with WIOA funds for Adult/Dislocated Workers (if appropriate).

**Column (8): Brief Summary of Job Responsibilities** - Describe briefly the duties and responsibilities associated with each position listed in Column (1). Note: Career coaches must show % of time spent on career coaching.

**Column (9):** Is to be completed for those staff that meet the DT= Staff time for Direct Training as describe at the beginning of the General Instructions above.

**Line (10): Positions/Salaries Subtotals** – Automatically calculated.

**E. Fringe Benefits and Total Personnel Costs:** Both the federal and state governments require employers to pay various employee taxes and contributions. These taxes and contributions, along with certain fringe benefits that a sub grantee may wish to offer its employees, are WIOA eligible expenses. The share of fringe costs to be borne by WIOA must be reasonably proportional to the share of the salary costs borne by WIOA. Please estimate these various costs on the FORM where indicated. You must have written organizational policies to support those costs.

**Line (11): Social Security and Medicare** - Federal Insurance Contribution Act tax is otherwise known as Social Security and Medicare Taxes.

**Line (11a):** The Social Security Tax is computed every payroll period as 6.2% of total payroll, up to \$128,400 per employee (for calendar year 2020).

**Line (11b):** The Medicare Tax is computed every payroll period as 1.45% of total payroll per employee year (no salary cap limitation).

For further information regarding the F.I.C.A., contact the Internal Revenue Service at 800-829-1040 or refer to Publication 15 - Circular E. Calculate the WIOA share of the total F.I.C.A. cost for the annual value of the contract in column 7.

**Line (12): State Unemployment Insurance** - It is likely that your organization is liable for Unemployment Insurance. For further information contact the Illinois Department of Employment Security hotline at (312) 793-1905. In columns (6) and (7) show the total State Unemployment Insurance Cost and the share of cost to be borne by WIOA, respectively.

**Line (13): State Worker's Compensation Insurance** - This insurance is computed at a rate determined by the employee's type of business or organization. How often an employer must pay worker's compensation is based on the size of its insurance premium. All applicants are encouraged to call the National Council of Compensation Insurance (NCCI) at 800-622-4123 for technical assistance in this matter. In columns (6) and (7) show the total State Worker's Compensation Insurance cost and the share of this total to be borne by WIOA, respectively.

**Lines (14-15): Other** - Please list any other employer expenses or benefits the agency will offer its employees. Most non-profit agencies do not have to pay the Federal Unemployment Tax, which is computed every payroll period usually as .006 of total payroll up to \$7,000 per employee per year. This rate is subject to change and will be determined by the Internal Revenue Service. Check with the IRS at (800) 829-1040 to determine if your agency is exempt. An agency should also check with The Partnership to determine whether additional benefit(s) it wishes to offer are WIOA eligible expenses. In Columns (6) and (7) show the total cost and the WIOA share for each benefit listed, respectively.

**Line (16): Subtotal Fringe Benefits** – Automatically calculated.

**Line (17): Total Personnel Costs** – Automatically calculated.

### **Non-Personnel Budget - FORM 3**

The purpose of this FORM is to estimate and justify the non-personnel line item amounts shown on the Budget Recap (FORM 1A). If the entire non-personnel budget won't fit on one FORM, please complete additional FORMs as necessary.

- A. Sub Grantee – Automatically populates.
- B. Program – Automatically populates.
- C. Contract Number: Automatically populates.
- D. FEIN – Automatically populates.

**Column (1): Item of Expenditure** - The non-personnel descriptions specified on the Budget Recap (FORM 1A) which are applicable to this project.

**Column (2): Total Program Cost** - Indicate the total amount of funds budgeted for each item of expenditure specified in the Budget Recap FORM Column (2).

**Column (3): WIOA Share of Cost** - Indicate the share of the total cost listed in Column (2) that will be paid from WIOA for Adult/Dislocated Workers (if appropriate). Note that the proposed WIOA Share of Cost should be supported by your agency's Cost Allocation Plan (CAP), as applicable.

**Column (4): Brief Line Item Description and Justification** - Each amount of budgeted funds listed in Column (3) must be justified. Include a brief description of the expenditures included in each line item. Calculations including quantities and unit costs will be fully outlined in the budget narrative.

**Line (5): Totals** – Automatically calculated.



## **NEXT STEP**

PLEASE BE SURE TO COMPLETE THE NARRATIVE TO FURTHER SUPPORT THE NON-PERSONNEL ITEMS OF EXPENDITURE, **INCLUDING OPERATING/TECHNICAL COSTS.** AFTER COMPLETION OF THIS STEP, YOU ARE FINISHED WITH THE COMPLETION OF INITIAL BUDGET FORMS.

**Insurance** - The Partnership has established minimum insurance requirements for applicants awarded Federal or state funds. If all insurance requirements have not been met, The Partnership will withhold reimbursement from an applicant until such requirements are met. The types of insurance required include worker's compensation; general liability; a fidelity bond (if applicable); automobile liability; and professional liability. The Partnership reserves the right to require additional types of insurance, if deemed necessary.

**Local Transportation** - The automobile allowance for sub-grantee staff is **58.0 cents** per mile (2020).