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WIOA BULLETIN NO. 05-17, Change 1

TO: WIOA Partners

FROM: Maricar Pilotin-Freitas, Administrator
Workforce Development Division

SUBJECT: General Provisions for Selected Items of Cost

PURPOSE

This guidance updates Bulletin No. 05-17 and the Matrix of Specific Costs issued with it to provide guidance on the allowability of various cost items that may be encountered in the administration and operation of WIOA. The principles and limitations are applicable to all entities receiving funds under Title I of WIOA from the State of Hawaii. National Dislocated Worker Grants under Title I may have more restrictive requirements.

BACKGROUND

Entities will comply with the requirements listed below:

- 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule
- Title I of the Workforce Innovations and Opportunity Act (WIOA) of 2014 Sections 184, 128(b)(4), 129 and 134(c)-(d)
- 20 CFR Part 678, 680, 681, 682 and 683
- 2 CFR Part 2900

GUIDELINES

- The Uniform Administrative Requirements at 2 CFR Part 200.420 through 200.475 covers specific cost items and requirements. Failure to mention a particular item of cost does not imply that it is either allowable or unallowable. Allowable cost determinations should be based on the principles described in 2 CFR Part 200.402 through 200.411, and WIOA Bulletin No. 04-17.
- 2 CFR Part 2900 covers exceptions to the Uniform Administrative Requirements such as requirements for prior approval and budget revisions and approval as they apply to allowability of certain costs. National Dislocated Worker Grants under Title I may have more restrictive requirements identified in 2 CFR Part 2900.
- If federal, State, or local government guidelines exist, the more restrictive policy must be applied.
- Each item of cost incurred for the same purpose must be treated consistently in like circumstances. Policies and procedures should be applied uniformly to activities financed by both WIOA and other funds of the entity.
- WIOA subrecipients and subgrantees must review and update their written policies and procedures to ensure compliance with all new guidance.

SPECIFIC ITEMS OF COST

The attached updated matrix provides a reference guide to help determine the allowability of various cost items referenced in 2 CFR Part 200.420 through 200.475 and 2 CFR Part 2900. The matrix may note restrictions imposed by the WIOA grant agreement and State-imposed requirements.

The matrix provides general information on the cost items and should not be deemed to be a final authority to determine the allowability of costs. Costs charged to WIOA are allowable only for those activities permitted by the WIOA statute or federal regulations.

INQUIRIES

Inquiries regarding this bulletin may be directed to Ms. Lisa Simmons at (808) 586-8812 or Lisa.E.Simmons@hawaii.gov

REFERENCES

- Title I of the Workforce Innovation and Opportunity Act (WIOA) of 2014
- 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule
- 20 CFR Part 678, 680, 681, 682 and 683
- 2 CFR 2900.9

Attachment (matrix of Specific Cost)

MATRIX OF SPECIFIC ITEMS OF COST

| | Cost Item | Uniformed Guidance Reference | Allowable / Unallowable / Conditional | Comments |
|----|---|-------------------------------------|--|--|
| 1 | Advertising and public relations | 200.421 | Conditional | |
| 2 | Advisory councils | 200.422 | Conditional | 20 CFR Part 683.200(b)(3) allows for workforce councils, advisory councils and local WDB committees |
| 3 | Alcoholic beverages | 200.423 | Unallowable | |
| 4 | Alumni/ae activities | 200.424 | Unallowable | |
| 5 | Audit services | 200.425 | Conditional | |
| 6 | Bad debts | 200.426 | Unallowable | |
| 7 | Bonding costs | 200.427 | Conditional | |
| 8 | Collections of improper payments | 200.428 | Allowable | |
| 9 | Commencement and convocation costs | 200.429 | Conditional | only applicable to institutions of higher education (IHE) |
| 10 | Compensation - personal services | 200.430 | Conditional | |
| 11 | Compensation - fringe benefits | 200.431 | Conditional | |
| 12 | Conferences | 200.432 | Conditional | The cost of hosting/sponsoring a conference must be included in the WIOA budget and approved by the State. |
| 13 | Contingency provisions | 200.433 | Conditional | |
| 14 | Contributions and donations | 200.434 | Unallowable | |
| 15 | Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements | 200.435 | Conditional | |
| 16 | Depreciation | 200.436 | Conditional | |
| 17 | Employee health and welfare costs | 200.437 | Allowable | |
| 18 | Entertainment costs | 200.438 | Unallowable | |
| 19 | Equipment and other capital expenditures | 200.439 | Conditional | Equipment purchases with a cost of \$250 or more must be included in the WIOA budget approved by the State. Expenditures for capital improvements require approval from USDOL 30 days prior to expenditure; requests must be provided to State 60 days prior for processing. |
| 20 | Exchange rates | 200.440 | Conditional | |
| 21 | Fines, penalties, damages and other settlements | 200.441 | Unallowable | |
| 22 | Fund raising | 200.442 | Unallowable | |

MATRIX OF SPECIFIC ITEMS OF COST

| | Cost Item | Uniformed Guidance Reference | Allowable / Unallowable / Conditional | Comments |
|----|---|---|--|---------------------------------|
| 23 | Investment management costs | 200.442 | Conditional | |
| 24 | Gains and losses on disposition of depreciable assets | 200.443 | Conditional | |
| 25 | General costs of government | 200.444 | Unallowable | |
| 26 | Goods and services for personal use | 200.445 | Unallowable | |
| 27 | Idle facilities and idle capacity | 200.446 | Conditional | |
| 28 | Insurance and indemnification | 200.447 | Conditional | |
| 29 | Intellectual property | 200.448 | Conditional | |
| 30 | Interest | 200.449 | Conditional | |
| 31 | Lobbying | 200.450 | Unallowable | |
| 32 | Losses on other awards or contracts | 200.451 | Unallowable | |
| 32 | Maintenance and repair costs | 200.452 | Allowable | |
| 33 | Materials and supplies costs including costs of computing devices | 200.453 | Allowable | |
| 34 | Memberships, subscriptions, and professional activity costs | 200.454 | Conditional | |
| 35 | Organization costs | 200.455 | Unallowable | |
| 36 | Participant support costs | 200.456 | Allowable | WIOA Section 129 (c) and 134(d) |
| 37 | Plant and security costs | 200.457 | Allowable | |
| 38 | Pre-award costs | 200.458 | Unallowable | WIOA Grant Agreement Provision |
| 39 | Professional service costs | 200.459 | Conditional | |
| 40 | Proposal costs | 200.460 | Conditional | |
| 41 | Publication and printing costs | 200.461 | Allowable | |
| 42 | Rearrangement and reconversion costs | 200.462 | Conditional | |
| 43 | Recruiting costs | 200.463 | Conditional | |
| 44 | Relocation costs of employees | 200.464 | Conditional | |
| 45 | Rental costs of real property and equipment | 200.465 | Conditional | |
| 46 | Scholarships and student aid costs | 200.466 | Conditional | only applicable to IHEs |
| 47 | Selling and marketing costs | 200.467 | Unallowable | |
| 48 | Specialized service facilities | 200.468 | Conditional | |

MATRIX OF SPECIFIC ITEMS OF COST

| | Cost Item | Uniformed Guidance Reference | Allowable / Unallowable / Conditional | Comments |
|----|------------------------------|---|--|---|
| 49 | Student activity costs | 200.469 | Conditional | |
| 50 | Taxes | 200.470 | Allowable | |
| 51 | Termination costs | 200.471 | Conditional | |
| 52 | Training and education costs | 200.472 | Allowable | |
| 53 | Transportation costs | 200.473 | Allowable | |
| 54 | Travel costs | 200.474 | Conditional | Mileage reimbursement rates chargeable to WIOA are limited to that applicable to Federal employees. The 2023 reimbursement rate is \$.65. Rate must be checked annually at www.gsa.gov/mileage . |
| 55 | Trustees | 200.475 | Conditional | |