

Grant Modification / Notice of Award

U.S. DEPARTMENT OF LABOR / EMPLOYMENT AND TRAINING ADMINISTRATION

GRANT MODIFICATION		No. 2	PROJECT: American Apprenticeship Initiative	
GRANT NUMBER: AP-30075-16-60-A-12	EIN: 364706134	EFFECTIVE DATE: 05/04/2018	PAGE 1	
GRANTEE: DEPARTMENT OF ECONOMIC OPPORTUNITY THE CALDWELL BUILDING 107 E. MADISON STREET TALLAHASSEE, FLORIDA 32399-4134		ISSUED BY U.S. DEPARTMENT OF LABOR / ETA DIVISION OF FEDERAL ASSISTANCE 200 CONSTITUTION AVENUE NW - ROOM N-4716 WASHINGTON, DC 20210		

Action:

To extend the Period of Performance from April 30, 2019 through October 31, 2020.

To add additional funds in the amount of \$1,814,553 in accordance with pages 2-8.

To incorporate the Continuation Project Narrative in accordance pages 9-17.

To revise Item 6: Indirect Cost Rate and Cost Allocation Plan and incorporate the October 4,2017 Indirect Cost Rate agreement in accordance with pages 18 to 24 of this modification.

Condition of Award – Response to General Compliance Review

ETA is performing a general compliance review of all State Apprenticeship Expansion (SAE) awards to help ensure that grant projects, including this additional funding, are in compliance with the Announcement and other Federal requirements. ETA will transmit the results of this review and instructions for response to the Recipient in a separate document after receipt of this modification. As a condition of receiving this additional funding, the Recipient must respond to the actions cited in the review document. Actions may include a modification to your budget/budget narrative and/or Statement of Work (existing or continuation).

YEAR / CFDA PROGRAM ACCOUNT ID	Mod 0-1 CURRENT LEVEL	Mod 2 MODIFICATION	NEW LEVEL	PMS DOC #
PY 16 / 17.201 APPRENTICESHIP STATE FUNDS <small>16 -1630-2017-0501741617BD201701740024165AP001A0000AAATELSAAATELS-A90600-410023-ETA-DEFAULT TASK-</small>	\$1,498,269.00	\$0.00	\$1,498,269.00	AP300755J1
PY 17 / 17.285 APPRENTICESHIP STATE FUNDS <small>17 -1630-2018-0501741718BD201801740024175AP001A0000AAATELSAAATELS-A90600-410023-ETA-DEFAULT TASK-</small>	\$0.00	\$1,814,553.00	\$1,814,553.00	AP300758L1
TOTAL FUND AVAILABILITY	\$1,498,269.00	\$1,814,553.00	\$3,312,822.00	

Except as modified, all terms and conditions of said grant /agreement remain unchanged and in full effect.

Approved
by



MELISSA ABDULLAH

Date Signed **06/02/2018**

Grant Officer

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: 04/23/2018	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: AP-30075-16-60-A-12	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: Florida Department of Economic Opportunity		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 36-4706134	* c. Organizational DUNS: 9689306640000	
d. Address:		
* Street1: 107 East Madison Street	<input type="text"/>	
Street2:	<input type="text"/>	
* City: Tallahassee	<input type="text"/>	
County/Parish: Leon	<input type="text"/>	
* State:	FL: Florida	
Province:	<input type="text"/>	
* Country:	USA: UNITED STATES	
* Zip / Postal Code: 32399-4130	<input type="text"/>	
e. Organizational Unit:		
Department Name: Division of Workforce Services	Division Name: One Stop Program Support	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text"/>	* First Name: Isabelle	
Middle Name: <input type="text"/>	<input type="text"/>	
* Last Name: Potts	<input type="text"/>	
Suffix: <input type="text"/>	<input type="text"/>	
Title: <input type="text"/>		
Organizational Affiliation: <input type="text"/>		
* Telephone Number: 850-921-3148	Fax Number: <input type="text"/>	
* Email: Isabelle.Potts@deo.myflorida.com		

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Employment and Training Administration

11. Catalog of Federal Domestic Assistance Number:

17.285

CFDA Title:

Apprenticeship USA Grants

*** 12. Funding Opportunity Number:**

FOA-ETA-16-13

* Title:

ApprenticeshipUSA State Expansion Grants

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Florida's Apprenticeship USA

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="1,814,553.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="1,814,553.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

a. This application was made available to the State under the Executive Order 12372 Process for review on

b. Program is subject to E.O. 12372 but has not been selected by the State for review.

c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix:

* First Name:

Middle Name:

* Last Name:

Suffix:

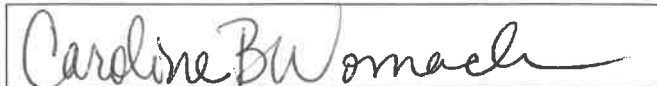
* Title:

* Telephone Number:

Fax Number:

* Email:

* Signature of Authorized Representative:



* Date Signed:

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 01/31/2019

SECTION A - BUDGET SUMMARY

(a) Grant Program Function or Activity	(b) Catalog of Federal Domestic Assistance Number	Estimated Unobligated Funds		New or Revised Budget		
		(c) Federal	(d) Non-Federal	(e) Federal	(f) Non-Federal	(g) Total
1. ApprenticeshipUSA State Expansion Grant	17.285	\$ []	\$ []	\$ 1,814,553.00	\$ []	\$ 1,814,553.00
2. []	[]	[]	[]	[]	[]	[]
3. []	[]	[]	[]	[]	[]	[]
4. []	[]	[]	[]	[]	[]	[]
5. Totals		\$ []	\$ []	\$ 1,814,553.00	\$ []	\$ 1,814,553.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	ApprenticeshipUSA State Expansion Grant				
a. Personnel	\$ 266,700.00	\$	\$	\$	\$ 266,700.00
b. Fringe Benefits	96,012.00				96,012.00
c. Travel	14,300.00				14,300.00
d. Equipment	0.00				0.00
e. Supplies	4,580.00				4,580.00
f. Contractual	1,350,000.00				1,350,000.00
g. Construction	0.00				0.00
h. Other	37,064.00				37,064.00
i. Total Direct Charges (sum of 6a-6h)	1,768,656.00				\$ 1,768,656.00
j. Indirect Charges	45,897.00				\$ 45,897.00
k. TOTALS (sum of 6i and 6j)	\$ 1,814,553.00	\$	\$	\$	\$ 1,814,553.00
7. Program Income	\$ 0.00	\$	\$	\$	\$ 0.00

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Standard Form 424A (Rev. 7- 97)
Prescribed by OMB (Circular A -102) Page 1A

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8. ApprenticeshipUSA State Expansion Grant	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
9. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
12. TOTAL (sum of lines 8-11)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
14. Non-Federal	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
15. TOTAL (sum of lines 13 and 14)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16. ApprenticeshipUSA State Expansion Grant	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
17. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
19. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
20. TOTAL (sum of lines 16 - 19)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges: <input type="text"/>	22. Indirect Charges: <input type="text"/>

23. Remarks:

**STATE OF FLORIDA APPRENTICESHIP USA PROPOSAL
BUDGET NARRATIVE**

ADMINISTRATIVE COSTS

Administrative Salaries Position	Per Month	# Months	FTE	Total
Administrative Support	\$4,000	24	0.05	\$ 4,800
GOC III (Grant Manager)	\$5,500	24	0.15	\$ 19,800
Accountant III	\$4,500	24	0.03	\$ 2,700
Subtotal				\$ 27,300
Fringe Benefits			@ 36%	\$ 9,828
Total Admin Payroll				\$ 37,128
Indirect @ 12.5843%				\$ 45,897
Total Administrative Costs				\$ 83,025

PROGRAM COSTS

	Per Month	# Months	FTE	Total
Researcher/Resource Developer	\$ 4,250	24	2.00	\$ 204,000
Senior Management Analyst Supervisor	\$ 5,000	24	0.25	\$ 30,000
Shared cost for Monitoring Staff	\$ 4,500	24	0.05	\$ 5,400
			Subtotal	\$ 239,400
Fringe Benefits			@ 36%	\$ 86,184
Grand Total Salaries & Benefits				\$ 325,584
IT Cost Pool costs				\$ 2,006
Risk Management				\$ 2,500
Supplies (including purchase of PCs) calculated at base cost of \$1600 for 2.00 FTE plus \$25/month for 2.3 FTE for 24 months				\$ 4,580
Facility and shared costs support for program staff calculated at 10% of Salary and Benefit costs				\$ 32,558
Travel In-State - 13 trips to conduct training/business engagement @550 per trip for an average of 2 persons per trip				\$ 14,300
Contractual Services including but not limited to: Outreach, Website Development, Data Management CRM, Technical and Operational Consultants				\$ 1,350,000
Total Base Grant				\$ 1,814,553

GRANT CONTINUATION NARRATIVE

1. Plan for Continued Funding

The original proposal was based on a 42-month project. There is no significant planned change to the grant objectives.

a. Need for continued funding/additional proposed activities:

- Expansion of efforts to two new industries:
 - ✓ Hospitality. This is an economic driver in the state and represents a clear opportunity to close the skills gaps and fill thousands of job vacancies with skilled Floridians. The 2017 Florida Skills Gap and Job Vacancy Survey, commissioned and funded by CareerSource Florida and executed by the Department of Economic Opportunity (DEO) reveals that there are close to 52,000 vacancies in this industry.
 - ✓ Transportation and Warehousing. Certain areas of the state relayed the expression of interest from groups of employers in this field that saw a natural fit and the urgent need for Registered Apprenticeships for their industry.

Please see Appendix for information about demand occupations for these two industries. The state is adding these targeted sectors, leveraging high projected growth and anticipated labor market gaps as part of the Registered Apprenticeship expansion.

- Continued engagement with members of the workgroups to implement recommendations, such as:
 - ✓ **Governance and Policy:** exploration of methods to increase the value placed on Registered Apprenticeships through recognition of the equivalency to college degrees, the latticed acquisition of industry-recognized certificates, the establishment of tax credits, increased state funding for educational institutions that provide related training instruction; removal of prohibition in Florida law for the registration of certain types of occupations; increased use of competency-based models; and increased use of pre-apprenticeships, especially in secondary

education. Thanks to business/industry leadership, there is a recommendation that barriers to the development of Registered Apprenticeship programs in state statute be addressed through legislative action.

- ✓ **Business Outreach:** development of short and long-term sector strategies in targeted industries to increase the skilled labor pool, using Registered Apprenticeships & pre-apprenticeships; increased participation of representatives from non-traditional industries on the State Apprenticeship Advisory Council (currently comprised primarily of one sector—construction).
- ✓ **Population Outreach:** inclusion in sub-awards to local workforce development boards (LWDBs) a requirement for the implementation of agreements with agencies that serve under-represented populations to braid resources to serve common clients through Registered Apprenticeships/pre-apprenticeships.
- ✓ **Data/Systems Integration:** development of a dedicated website for Registered Apprenticeships & pre-apprenticeships with information and data targeted to reach specific audiences; development of joint-use platforms (e.g., Customer Relationship Management) for sharing information across multiple systems (RAPIDS, workforce development, education) while maintaining the integrity and confidentiality of protected information to better serve employers and job seekers/employees and to devise joint metrics for program outcomes.
- Key focus on under-represented populations through Pathways to Prosperity for low-income Floridians, an initiative developed by the Florida Chamber of Commerce and funded by CareerSource Florida from state-level funds, will provide a focused investment on strategies and outcomes that expand economic opportunity for low-income Floridians through skills development and employment. Registered Apprenticeships will be a valued component to provide these training and employment opportunities. Development of Registered Apprenticeships and pre-apprenticeships by/for local industry working with

LWDBs, educational institutions, and agencies that work with members of targeted under-represented populations. Some of the extension funds will be set aside to support initiatives that are tightly aimed at working with targeted under-served populations.

- Proposed outcomes:

	Baseline	Current as of 4/17/18	Phase 1 Goal 5% above baseline	Phase 2 Goal 15% above baseline
1. Total # of existing Registered Apprenticeship (RA) programs in the State as of 6/30/16	199	202 includes 14 new programs since start of grant	209	229
A. Total # of Competency-Based programs	3	4	4	4
2. Total # of Registered Apprentices in the State as of 6/30/16*	9,040	11,587	9,492	10,396
A. Total # of Females 8/2/16	695	927	730	799
B. Total # of Minorities**	3,770	4,968	3,959	4,336
C. Total # of Veterans 8/2/16	630	801	662	725
D. Total # of Youth (16-24), 8/2/16	2,862	3,874	3,005	3,291
E. Total # of Individuals with Disabilities	0	11	N/A	N/A
3. Statewide Completion Rate as of 6/30/16	47.8%	Information currently not available	50%	55%

	Baseline	Current as of 3/30/18	Phase 1 Goal 5% above baseline	Phase 2 Goal 15% above baseline
LWDBs reporting RA activity	3	7	4	4
# WIOA participants engaged with RA	123	744	129	141

b. Continued funding to develop additional capacity

- To scale Registered Apprenticeship efficiently as part of ongoing capacity building, grant staff will leverage the expertise of national experts for technical assistance, embed Registered Apprenticeship into our sector strategies activities as a time-tested career pathway, deepen industry coordination, further partnership development and broad-scale networking, and identify convening opportunities.
- Shared expertise among state and local partners. Each one of the four workgroups included a wide variety of state and local stakeholders, including the state workforce investment board (CareerSource Florida) and its staff, DEO, the Department of Education’s Office of Apprenticeship (SAA), business and industry representatives of targeted industries, Registered Apprenticeship sponsors (including new programs), local workforce development boards (LWDBs), local elected officials, secondary and post-secondary educational institutions, agencies that provide services to individuals with disabilities, youth, individuals aging out of foster care, offenders, community-based organizations, farmworker education programs, veterans, and women in non-traditional employment. As the grant is extended, it is anticipated that members of these workgroups will continue the peer-to-peer feedback. Recommendations from all workgroups will be showcased at the Apprenticeship FLA Summit in Miami in June 2018.
- Gathering of best practices from other states for consideration of implementation in Florida. As specifically recommended by the workgroups, the grant staff will engage in systematic research of demonstrated or promising

practices that can be replicated through the workforce system in partnership with state and local partners.

- Extensive cross training of American Job Center business service representatives, Apprenticeship and Training Representatives (ATRs) and other representatives of educational and community-based organizations that help clients obtain employment. Through the development of cross-agency partnerships, this grant will work to break down organizational silos. Building on the Apprenticeship 101 webinar for Business Service Representatives from all 24 LWDBs and Apprenticeship Training Representatives (ATRs) from the state's six registered apprenticeship service regions, a Florida-centric, web-based training program is being developed for these front-line staff to deepen their understanding of how Registered Apprenticeships work with other talent pipeline tools (including WIOA and other workforce programs) to benefit local industry/employers. The final product will be showcased at Florida's Workforce Summit in September 2018, ensuring that the network has the highest level of knowledge and tactical expertise to clearly communicate the value proposition of a Registered Apprenticeship program to employers and potential apprentices.
- Strategic approaches based on sector strategies to expand use of Registered Apprenticeships as a talent solution. With a keen focus on building the state's talent pipeline, LWDBs are shifting from individual training programs to establishing career pathways that offer Registered Apprenticeships as a viable talent development solution. The strategic alignment has forged new partnerships with employers and closer collaboration between core WIOA partners, DEO, the Department of Education, CareerSource Florida, as well as community-based organizations serving under-represented populations. A strategic policy was approved by CareerSource Florida's Board in February 2018 to support local and regional implementation of sector strategies among all 24 LWDBs. It requires LWDBs to include their approach to establishing, implementing and sustaining effective sector strategies in their local workforce

development plans. DEO is now crafting administrative guidance for the network.

- Implementation of marketing plan. During the 2017-2018 fiscal year, CareerSource Florida, DEO and the SAA gathered existing data on Registered Apprenticeships in Florida, worked with a marketing firm to develop outreach messaging agreed upon by the three partners, created updated presentations and an updated a one-page handout for outreach purposes, developed and disseminated social media messaging, and embarked upon an ambitious market survey to gauge awareness and perceptions of Registered Apprenticeships. This effort was funded by CareerSource Florida and not through the grant. Specifically, the market survey of Florida businesses and prospective and existing apprentices will:

- ✓ Provide insights into, and a better understanding of, the target audiences.
- ✓ Aid in the development of messaging that best resonates with the target audiences.
- ✓ Advise the strategies and tactics most likely to generate action.

Next steps for marketing and outreach include the implementation of recommendations brought forward through the market research as well as additional needs identified by the grant partners and workgroups.

- ✓ We anticipate development of a customer-friendly website to explain Registered Apprenticeships to target audiences and provide information on how to start or enroll in a Registered Apprenticeship.
- ✓ After the creation of the website, we anticipate an integrated, targeted digital outreach strategy that would include messaging through owned social media platforms as well as paid placements.
- ✓ Florida-specific success story testimonial and informational motion graphics videos would be produced to share via social and paid media placements, presentations, etc.
- ✓ Provision of an e-newsletter on growing apprenticeships for the Florida Economic Development Council's annual conference in May 2018.

Additionally, outreach will include traditional printed outreach materials such as brochures and one-pagers for in-person presentations, career fairs, conferences, etc.

Extensive promotion of Registered Apprenticeships as a talent development bridge to economic prosperity will continue as part of tactical outreach efforts, including webinars, regional meetings, and other convening events designed to strengthen cross-agency partnerships and dissemination of best practices statewide.

- Evaluation and review of state processes that impact the overall efficiency and speed with which Registered Apprentice programs are considered and approved. Consider the use of lean processing evaluation and review of existing processes to effect improvements as well as technology to enhance efficiencies.

c. Sustainability activities

- All grant activities are intended to make Registered Apprenticeship a part of the go-to strategies that industry and employers, economic development, workforce development, education, and community-based services implement to address the talent needs of our targeted industries (and other growth industries in the state). These activities will remodel these systems so that they do not depend on special grant funds to continue after the end of the grant. Here is a sample of actions already taken by the state leadership team to lay the groundwork for sustainability *sans* grant funds:

- ✓ The SAA has identified short-term, mid-term, and long-term efforts that will streamline the registration process and facilitate the expansion of apprenticeships in the state, and has begun implementing changes that have resulted in a significant reduction in the time it takes to approve a new registration. Efforts to effect mid and long-term efforts are underway and will be further improved through the lean process evaluation.
- ✓ As noted above, market research on perceptions of Registered Apprenticeships is underway, funded by CareerSource Florida.

3. Planned identification of unregistered apprenticeship programs:

The state leadership team, in collaboration with its state and local partners, will gather information about unregistered apprenticeship programs, such as:

- WIOA local funding of on-the-job training and classroom training, including customized training and incumbent worker training.
- Employer-based training programs approved by the Veteran Administration;
- Private business initiatives.
- Funding of work-based training by other entities, such as Vocational Rehabilitation.
- School-based internship programs tied to career and technical education.

The intelligence gathered, through survey, from these efforts will be used to expand outreach to employers and industry associations involved in these activities, as well as to individuals (particularly members of under-represented groups) participating in these earn and learn, work-based programs.

APPENDIX – TOP 25 DEMAND OCCUPATIONS IN TARGETED INDUSTRIES



New Industries -
Transp and Wareho



New Industries -
Hospitality.xlsx

8. Indirect Cost Rate and Cost Allocation Plan

- A.** A current federally approved Negotiated Indirect Cost Rate Agreement (NICRA) or current federally approved Cost Allocation Plan (CAP) has been provided – copy attached. Regarding only the NICRA:
- (1) Indirect Rate approved: See attached
 - (2) Type of Indirect Cost Rate: Provisional
 - (3) Allocation Base: See attached
 - (4) Current period applicable to rate: 7/1/17-6/30/19

Estimated Indirect Costs are shown on the SF-424A budget form. If a new NICRA is issued during the life of the grant, it must be provided to DOL within 30 days of issuance. Funds may be re-budgeted as necessary between direct and indirect costs consistent with institutional requirements and DOL regulations for prior approval, however the total amount of grant award funding will not be increased. Any budget changes impacting the Statement of Work and agreed upon outcomes or deliverables require a request for modification and prior approval from the Grant Officer.

- B.**
- (1) Latest NICRA or CAP approved by the Federal Cognizant Agency¹ (FCA) is not current,
 - (2) No NICRA or CAP has ever been approved by an FCA.

URGENT NOTICE: Estimated indirect costs have been specified on the SF-424A, Section B, Object Class Category “j”, however only ___ will be released to support indirect costs in the absence of a NICRA or CAP approved by the cognizant agency. The remaining funds which have been awarded for Indirect Costs are restricted and may not be used for any purpose until the awardee provides a signed copy of the NICRA or CAP and the restriction is lifted by the Grant Officer. Upon receipt of the NICRA or CAP, ETA will issue a grant modification to the award to remove the restriction on those funds.

The awardee must submit an indirect cost rate proposal or CAP. These documents should be submitted to DOL’s Division of Cost Determination (DCD), or to the awardee’s Federal Cognizant Agency. In addition, the awardee must notify the Federal Project Officer that the documents have been sent. Contact information for the DCD is available at <http://www.dol.gov/oasam/boc/dcd/>. If this proposal is not submitted within 90 days of the effective date of the award, no funds will be approved for the reimbursement of indirect costs. Failure to submit an indirect cost proposal by the above date means the grantee will not receive further reimbursement for indirect costs until a signed copy of the federally approved NICRA or CAP is provided and the restriction is lifted by the

¹ The Federal agency providing the organization the preponderance of direct Federal funds.

Grant Officer. All indirect charges must be returned through the Payment Management System and no indirect charges will be reimbursed.

The total amount of DOL's financial obligation under this grant award will not be increased to reimburse the awardee for higher negotiated indirect costs.

- C.** The organization elected to exclude indirect costs from the proposed budget. Please be aware that incurred indirect costs (such as top management salaries, financial oversight, human resources, payroll, personnel, auditing costs, accounting and legal, etc. used for the general oversight and administration of the organization) must not be classified as direct costs; these types of costs are indirect costs. Only direct costs, as defined by the applicable cost principles, will be charged. Audit disallowances may occur if indirect costs are misclassified as direct.

- D.** The organization has never received a negotiated indirect cost rate and, pursuant to the exceptions noted at 2 CFR 200.414(f) in the Cost Principles, has elected to charge a de minimis rate of 10% of modified total direct costs (see 2 CFR 200.68 for definition) which may be used indefinitely. This methodology must be used consistently for all Federal awards until such time as you choose to negotiate for an indirect cost rate, which you may apply to do at any time. (See 2 CFR 200.414(f) for more information on use of the de minimis rate.)

If DOL is your FCA, recipients must work with DOL's DCD, which has delegated authority to negotiate and issue a NICRA or CAP on behalf of the Federal Government. More information about DOL's DCD is available at <http://www.dol.gov/oasam/boc/dcd/>. This website has guidelines to develop indirect cost rates, links to the applicable cost principles, and contact information. The DCD also has Frequently Asked Questions providing general information about the indirect cost rate approval process and due dates for provisional and final indirect cost rate proposals at <http://www.dol.gov/oasam/faqs/FAQ-dcd.htm>.

Starting the quarter ending September 30, 2016, all grant recipients with an approved NICRA or de minimis rate must report indirect costs on their FINAL ETA-9130 Form. Please see TEGL 2-16 for additional guidance at https://wdr.doleta.gov/directives/attach/TEGL/TEGL_2-16_acc.pdf

**NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA)
STATE DEPARTMENT/AGENCY**

DEPARTMENT/AGENCY: EIN: 36-4706134
State of Florida Department of Economic Opportunity (DEO)
Caldwell Building, 107 East Madison Street
Tallahassee, Florida 32399-4120

DATE: October 4, 2017
FILE REF: This replaces
the agreement dated
October 31, 2016

The indirect cost rate(s) contained herein are for use on grants and contracts with the Federal Government. 2 CFR Part 200, Subpart E applies subject to the limitations contained in Section II, A, below. The rate(s) were negotiated between the State of Florida, Department of Economic Opportunity (DEO) and the U. S. Department of Labor in accordance with the authority contained in 2 CFR Part 200, Appendix VII, D.1.

SECTION I: RATES

<u>TYPE</u>	<u>EFFECTIVE PERIOD</u>		<u>RATE*</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
	<u>FROM</u>	<u>TO</u>			
Final	7/1/16	6/30/17	11.4965% (a)	All	UC
Final	7/1/16	6/30/17	.5394% (b)	All	HCP
Final	7/1/16	6/30/17	.2909% (b)	All	WIA
Final	7/1/16	6/30/17	.8095% (b)	All	WTS/FSET
Final	7/1/16	6/30/17	12.6448% (a)	All	OP
Provisional	7/1/17	6/30/19	11.6748% (a)	All	UC
Provisional	7/1/17	6/30/19	.6693% (b)	All	HCP
Provisional	7/1/17	6/30/19	.4401% (b)	All	WIA
Provisional	7/1/17	6/30/19	1.0025% (b)	All	WTS/FSET
Provisional	7/1/17	6/30/19	12.5843% (a)	All	OP

See the Special Remarks section for abbreviation explanations and additional information.

***BASE**

- (a) Total direct salaries and wages including all applicable fringe benefits.
- (b) Total direct salaries and wages including all applicable fringe benefits plus flow-through funding.

TREATMENT OF FRINGE BENEFITS: Fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed in the Special Remarks Section of this Agreement.

TREATMENT OF PAID ABSENCES: Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims for the cost of these paid absences are not made.

SECTION II: GENERAL

- A. **LIMITATIONS:** Use of the rate(s) contained in the Agreement is subject to all statutory or administrative limitations and is applicable to a given Federal award or contract only to the extent that funds are available. Acceptance of the rate(s) agreed to herein is predicated upon the following conditions:
- (1) that no costs other than those incurred by the non-Federal entity or contractor were included in its indirect cost pool as finally accepted and that such incurred costs are legal obligations of the non-Federal entity and allowable under the governing cost principles,
 - (2) that the same costs that have been treated as indirect costs have not been claimed as direct costs,
 - (3) that similar types of costs have been accorded consistent treatment, and
 - (4) that the information provided by the non-Federal entity or contractor which was used as a basis for acceptance of the rate(s) agreed to herein is not subsequently found to be materially inaccurate by the Federal government. In such situations, the rate(s) may be subject to renegotiation at the discretion of the Federal government.
 - (5) The rates cited in this Agreement are subject to audit.
- B. **ACCOUNTING CHANGES:** This agreement is based on the accounting system purported by the non-Federal entity or contractor to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the Office of Cost Determination. Such changes include, but are not limited, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.
- C. **NOTIFICATION TO FEDERAL AGENCIES:** A copy of this document is to be provided by the non-Federal entity or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.
- D. **PROVISIONAL-FINAL RATES AND ADJUSTMENTS:** When seeking initial reimbursement of indirect costs using the provisional/rate methodology, provisional rates must be established within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) requiring to account for actual costs incurred. The non-Federal entity or contractor must submit an indirect cost rate proposal within six (6) months after the end of their fiscal year to establish a final rate.

Once a final rate is negotiated, billings and charges to federal awards must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds available to cover the additional indirect costs, the non-Federal entity or contractor may not recover all indirect costs. Conversely, if the final

rate is less than the provisional rate, the non-Federal entity or contractor will be required to reimburse the funding agency for the excess billings.

Non-Federal entities or contractors receiving a Federal cost reimbursable contract(s) - Must adhere with FAR 52.216-7(d)(2)(v), to settle final indirect cost rates typically on annual basis:

“The contractor shall update the billings on all contracts to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, as required in paragraph (d)(2)(iii)(I) of this sections, within 60 days after settlement of final indirect cost rates.”

In addition, the contractor shall provide to the Contracting Officer the noted cumulative costs schedule within 60 days of the execution of this agreement.

If the non-Federal entity or contractor has completed performance under any of the contracts covered by this Agreement, a final invoice or voucher must be submitted no later than 120 days from the date on which this Agreement is executed, following guidance from FAR 52.216-7(d)(5) and FAR 52.216-7(h).

Non-Federal entities receiving Federal awards (financial assistance, grants, and cooperative agreements) – Note that even if Federal awards are administratively closed prior to the settlement of final indirect cost rates, non-Federal entities still must comply with the following 2 CFR Part 200 clauses stating, in part:

§200.344 Post-closeout adjustments and continuing responsibilities

- (a) The closeout of a Federal award does not affect any of the following:
- (1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.
 - (2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

§200.345 Collection of amounts due

- (a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal Government.

(b) Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.

E. SPECIAL REMARKS:

1. Indirect costs charged to Federal grants/contracts by means other than the rate(s) cited in the Agreement should be adjusted to the applicable rate cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.
2. Contracts/grants providing for ceilings as to the indirect cost rates(s) or amount(s) which are indicated in Section I above, will be subject to the ceilings stipulated in the contract or grant agreements. The ceiling rate or the rate(s) cited in this Agreement, whichever is lower, will be used to determine the maximum allowable indirect cost on the contract or grant agreement.
3. The indirect cost pool consists of allowable, allocable expenses of the following:

Director's Office	Chief Financial Officer
General Counsel	Inspector General
Budget Management	Financial Management
Human Resources Management	General Services
Shared Costs	Information Technology Services
Terminal Leave	UC Benefits
Financial Monitoring & Accountability	
State-wide Cost Allocation Plan Costs	

4. Fringe benefits other than paid absences consist of the following:

Retirement	Social Security
Group Health Ins	Life Ins
Senior Mgt. Disab. Ins	Pre-Tax Benefits

5. Explanations of the abbreviations used in Section I, above, are as follows:

UC = Unemployment Compensation Programs
HCP = Housing & Community Programs
WIA = Workforce Investment Act Programs
WTS/FSET = Welfare Transition Programs & Food Stamp Employment and Training
OP = Other Programs (all agency programs not included in another rate entity)

6. The Florida Department of Economic Opportunity maintains and operates a number of state/federal-owned facilities acquired with various sources of federal and state funds. Maintenance and operating costs associated with these facilities are directly billed to users. Billing rates are designed to recover anticipated service costs on a breakeven basis.

Direct billings made in accordance with the agency's "Facilities Services Rate Plan" are hereby approved.

ACCEPTANCE

BY THE ORGANIZATION:

State of Florida
Department of Economic
Opportunity (DEO)
Caldwell Building – MSC 120
107 East Madison Street
Tallahassee, Florida 32399

(Grantee/Contractor)


(Signature)

Damon Steffens
(Name)

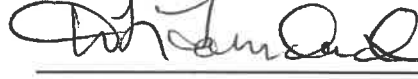
Chief Financial Officer
(Title)

10-13-17
(Date)

**BY THE COGNIZANT AGENCY
ON BEHALF OF THE
FEDERAL GOVERNMENT:**

U.S. DEPARTMENT OF LABOR
Office of Cost Determination
224 Westbridge Place
Mount Airy, NC 27030

(Government Agency)


(Signature)

for
Victor M. Lopez
(Name)

Director, Office of Cost Determination
(Title)

October 4, 2017
(Date)

Negotiated By: Damon L Tomchick
Telephone No.: 240-475-2786