

Minimum Participant Cost Rate (MPCR) Policy



Effective Date: 10/01/2018
Duration: Indefinite

This policy implements and defines operating procedures, in accordance with Tennessee State Workforce Development Board (SWDB) guidance and the WIOA Title I local area formula funds minimum participant cost rate for allowable WIOA funded services. Pursuant to WIOA, Section 101(d)(4), Section 116(b)(2)(B) and the SWDB MPCR TN-WIOA (17-11) policy, a minimum participant cost rate (MPCR) has been established as an additional performance accountability measure.

The SWDB Policy 17-11 sets a benchmark for participant expenditures and defines certain qualifying expenditures, as identified in (20 CFR § 681, TEGL 19-16 and 21-16), that represent the cost of services as described below and identified in any additional TDLWD future guidance. As defined in WIOA-TN Policy 17-11, MPCR “does not include administrative, personnel staff or operating expenditures of the LWDB, LWDB staff, One-Stop Operators and/or contracted services providers”. In order for an expenditure to be considered in the calculation of the MPCR, the service must be considered a direct participant benefit associated with a fundable service recorded in JOBS4TN.

Calculation: TDLWD’s expenditure calculation template will be used to calculate the MPCR for each of the Title I programs.

Adult and Dislocated Worker Services

1. Career Services defined (20 CFR § 678.430) as costs directly benefiting participants (i.e. assessments) and does not include salaries of staff providing the assessments.
2. Training Services (20 CFR § 680.200 through 230 and 20 CFR § 680.300 through 350).
Types of training services that may be provided include:
 - Occupational skills training, including training for nontraditional employment;
 - On-the-job training;
 - Incumbent worker training;
 - Programs that combine workplace training with related instruction, which may include cooperative education programs;
 - Training programs operated by the private sector;
 - Skill upgrading and retraining;
 - Entrepreneurial training;
 - Job readiness training provided in combination with the training services described in any of clauses (a) through (g) or transitional jobs;
 - Adult education and literacy activities, including activities of English Language acquisition and integrated education and training programs, provided concurrently or in combination with services provided in any of clauses (a) through (g); and
 - Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.
3. Supportive Services (20 CFR § 680.900).

Youth Services

The SWDB policy states that LWDBs shall not use 100% of youth contract expenditures in the calculation of the required minimum participant cost rate. Qualifying expenditures for Youth services:

1. Tutoring, study skills training, instruction, and dropout prevention services (20 CFR §681.460 (0)(1))
2. Alternative secondary school services or dropout recovery services (20 CFR § 681.460(a)(2))
3. Paid and unpaid work experience (20 CFR § 681.600)
4. Occupational skills training (20 CFR § 681.540)
5. Education offered concurrently with workforce preparation and training for a specific occupation (20 CFR § 681.630)
6. Leadership development opportunities (20 CFR § 681.520)
7. Supportive services (20 CFR § 681.570)
8. Adult mentoring (20 CFR § 681.490)
9. Follow-up services (20 CFR § 681.580)
10. Comprehensive guidance and counseling (20 CFR § 681.510)
11. Financial literacy education (20 CFR § 681.500)
12. Entrepreneurial skills training (20 CFR § 681.560)
13. Services that provide labor market information (20 CFR § 681.460 (a)(13))
14. Postsecondary preparation and transition activities (20 CFR § 681.460 (a)(14))

This NETLWDB policy is established to ensure compliance with the required minimum expenditure requirement in accordance with the SWDB identified qualifying expenditures. NETLWDA's MCPR will be reported to and reviewed by the SWDB on a quarterly basis following TDLWD guidance.

Strategy for Corrective Action: If NETLWDA does not attain the MPCR required threshold in any given quarter, NETLWDA is required to address why the expenditure rate was not attained and report a plan of action that identifies the measure to be taken in order to reach the MPCR by the end of the program year. A NETLWDB approved Corrective Action Plan providing a detailed analysis of the local MPCR must be submitted to the SWDB following all TDLWD written guidelines if NETLWDA performs below the required MPCR for three consecutive quarters. This Plan must include an acknowledgement that the NETLWDB understands that the NETLWDA is subject to remedies for non-compliance as outlined in 2CFR 200.207 and 200.338 until the MPCR is attained. The Corrective Action Plan must include at a minimum:

- a) NETLWDA approved action steps to meet the minimum required rate;
- b) Timeline for meeting the minimum required rate;
- c) Any measurable benchmarks or indicators the plan will ensure the NETLWDA is on track to meet the expected outcomes; and
- d) Acknowledgement by the NETLWDB that the area is subject to remedies for non-compliance as outlined in 2CFR 200.207 and 200.338 until the MPCR is attained.
- e) Other information the NETLWDB deems pertinent at the time that the Corrective Action Plan is developed and that will be beneficial for state review and comment.

CONTACT: Questions concerning the above may be addressed to Kathy Pierce, Executive Director of the NETLWDB at kpierce@ab-t.org.

This policy will remain in effect until amended, modified, or set aside by the Northeast Tennessee Local Workforce Development Board.

APPROVED:



Kathy Pierce
NETLWDB Executive Director



Jay Richardson
NETLWDB Chair