

Department of Labor

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New York State Workforce Development System Technical Advisory #17-3 May 1, 2017

TO: Workforce Development Community

SUBJECT: Renovation Costs and Equipment Acquisitions Utilizing Workforce Innovation and Opportunity Act (WIOA) Funds

PURPOSE

Inform Local Workforce Development Boards (LWDB) of their responsibilities related to facility renovations or equipment acquisitions (i.e., purchase or lease).

This Workforce Development System Technical Advisory (WDS TA) rescinds and replaces WDS TA #09-5, New York State Department of Labor (NYSDOL) Policy Renovation Costs Allowable Against Workforce Investment Act Funds (02/27/2009).

POLICY

LWDBs, Grant Recipients, Local Governmental Grant Sub-recipients, and incorporated Fiscal Agents must receive prior approval from NYSDOL for any facility renovation or equipment acquisition costing \$5,000 or more, regardless of the amount of WIOA dollars used in the transaction.

For any facility renovation or equipment acquisition costing under \$5,000; NYSDOL prior approval is not required.

ACTION

Prior to transacting a facility renovation or equipment acquisition costing \$5,000 or more with WIOA funds, NYSDOL prior approval is required by submitting a written request via email or certified mail to your Financial Oversight and Technical Assistance (FOTA) representative. Failure to receive prior approval may result in disallowed WIOA costs.

LWDAs must ensure that proper approval is obtained at the local level from entities such as the Chief Local Elected Official and the LWDB, as well as any other approvals

required under State, LWDB and/or local policies and procedures and indicate that such approval(s) have been obtained in your request to NYSDOL.

Any prior approval request for facility renovation costs must include the following:

- Detailed description of the renovation to be completed.
- Detailed listing of proposed costs.
- Detailed outline of the procurement procedures followed along with applicable documentation to substantiate the process used.
- Expiration date of the current lease if the renovation will be to lease property.

Any prior approval request for equipment acquisitions must include the following:

- Documentation that shows the LWDA has followed proper procurement policies and procedures.
- Quotes from vendors and justification for the purchase or lease, including the use of State bid lists (if applicable).

During the review process, additional information and/or documentation may be requested by FOTA staff, if deemed appropriate. Once FOTA staff has completed their review, a letter of approval or disapproval to the Chairperson of the LWDB will be issued by NYSDOL's Deputy Commissioner for Workforce Development.

Local procurement policies and procedures should be revised to include language regarding state level prior approval requirements for facility renovations or equipment acquisitions costing \$5,000 or more.

REFERENCES

OMB 2 CFR 200.12 Capital Assets (definition of)

OMB 2 CFR 200.33 Equipment (definition of)

OMB 2 CFR 200.318 General Procurement Standards

OMB 2 CFR 200.319 Competition

OMB 2 CFR 200.439 Equipment and other capital expenditures

INQUIRIES

Questions regarding this WDS TA may be directed to your FOTA representative.