



200 LEVERAGED RESOURCES

Leveraged Resources (LR) are all resources used to support Workforce Investment Act (WIA) grant activities and desired grant outcomes, whether or not those resources meet the standards required of allowable matches. This means that LRs may fall into two categories:

- Allowable Match; or
- Non-Match

.01 Allowable Match

- A. Per 29 CFR 97.24 and 29 CFR 95.23, allowable match is defined as additional non-Federal resources expended to further the grant objectives, if required either by statute or within the grant agreement as a condition of funding. All matched funds must be spent on allowable grant activities and in accordance with cost principles.
- B. The grantee cannot claim both an allowable cost (to be reimbursed from grant revenue) and a match expenditure. In order to qualify as match, the costs cannot have been paid from federal funds, charged to program income or used to match other federal match requirements.
- C. LRs that are considered an allowable match are reported on the ETA 9130 Accrued Expenditure and Cash Report (see Exhibit 3-200A), as well as on the Performance Report (see Exhibit 3-200B).

.02 Non-Match

- A. The cost of non-match LRs may be paid for with either federal or non-Federal funds. Non-match LRs may fund a WIA participant's provided services, or pay for facilities or equipment used to further the goal of the grant activities.
- B. WIA does not have a match requirement, but allowable match leveraged resources are required to be reported. LRs that are considered non-match are reported on the Performance Report.
- C. All LRs must be allowable and auditable under the WIA program, to include all regulations, circulars and state-level requirements.

201 MATCH EXPENDITURES

There are two types of match expenditures:

- Cash; and
 - In kind contribution
- A. Cash match reflects additional funds or services (allowable costs) provided and paid for by grantee from non-Federal funds that are in support of grant objectives and outcomes.
- B. In kind contributions are allowable costs and services that are not paid by the grantee, but rather a third party organization.
- C. These costs and services must support allowable WIA grant activities and outcomes.
- D. The rules that apply to determining the value of such services are found at 29 CFR 97.24(b)(7) and 95.23(c-h).
- E. Examples of LR activities and funding sources include, but are not limited to:
1. Types of Leveraged Activities
 - Training
 - Tuition Grants
 - Other Job Readiness Activities and Services
 - Grants or matching funds for certification fees
 - Grants of tools or other required, job-specific supplies
 - Construction or purchase of facilities for housing of grant activities
 - Donated supplies, personnel services, equipment, or space
 2. Types of Funding Sources for Leveraged Activities
 - Federal Pell Grants
 - Public programs authorized by the WIA of 1998
 - Trade Adjustment Assistance (TAA) program
 - Department of Labor National Emergency Grants
 - Arizona State Funding (not from Federal funds granted to the state)

202 LEVERAGED RESOURCES APPROVAL

All purchases, rentals and donations must be reasonable and must not exceed fair market value. The value of donated personnel must not exceed the rate and fringe benefits received by Arizona WIA personnel performing the same or similar duties. WIA funds must not be utilized to evaluate the leveraged resource value. The WIA Fiscal Unit will make all final decisions on activities and costs that qualify as a LR and if they are to be reported on the Accrued Expenditure and Cash Report. Requests to utilize a service, item or entity as a LR must be sent to WIAFiscalReports@azdes.gov.

A. Requests for approval must include:

- The funding source;
- The program's cost;
- The activity or item; and
- The benefit to the participant and/or program.

B. Examples of acceptable documentation the local area may submit to the WIA Fiscal Unit include, but are not limited to:

- A commitment letter or written agreement from an employer or training provider;
- A training agreement with an employer detailing the employer's contribution; and
- A copy of the Pell Grant award letter.

203 SUPPORTING DOCUMENTATION FOR LEVERAGED RESOURCES

A. Records must be maintained that support the cash match costs within the grantee's accounting system and be available for audit and review. For third party contributions, the support for the value must be verifiable from sub-grantee records or be maintained by the grantee, including the methods used to determine the value.

B. Supporting documentation must meet the requirements that are in place for all costs charged to the grant program (i.e. time and effort records, and original invoices).

204 REPORTING LEVERAGED RESOURCES

A. Once the Local Workforce Investment Area (LWIA) has consulted with the

WIA Fiscal Unit on the proposed leverage resource and received approval, the LWIA will begin reporting the leveraged resource on the monthly Accrued Expenditure and Cash Report.

- B. Leveraged resources must be reported for each subsequent month thereafter until the grant is closed.
- C. In reporting the leveraged resources, the Accrued Expenditure and Cash Report must include the following:
 - 1. Expended leverage resources will be reported in box 8D(b);
 - 2. Unliquidated leverage resources will be reported in box 8D(c); and
 - 3. Total leveraged resource obligations, will be reported in box 8D (d), which will be the sum of the aforementioned boxes.
- D. The WIA Fiscal Unit will compile, as needed or required, and audit all LWIA reports for consolidation into the quarterly ETA 9130 report sent to USDOL Employment & Training Administration (ETA).