



**State of Tennessee  
State Workforce Development Board**

220 French Landing Drive, 4A  
Nashville, TN 37243-1002  
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## *State Workforce Development Board Policy Minimum Participant Cost Rate (MPCR)*

**Effective Date: February 28, 2025**

### **Purpose**

The purpose of this policy is to provide guidance on the eligibility of programs and costs subject to the MPCR policy, monitoring and compliance of the mandated measure, and actions required relating to the policy.

### **I. Eligible Programs**

Within the One-stop system established by the Workforce Innovation and Opportunity Act (WIOA) of 2014, exists a network of workforce development programs comprising federal, state, and/or local programs. One-stop partner programs outlined in 20 CFR 678.400 and 20 CFR 678.410, operated by the Division of Workforce Services, and providing direct participant services are eligible for inclusion in the MPCR calculation. This would include, but is not limited to, the following partner programs:

- WIOA Title I Adult, Youth, and Dislocated Worker
- Wagner-Peyser Act Employment Service Program
- Senior Community Service Employment Program (SCSEP)
- Supplemental Nutrition Assistance Program (SNAP)
- Other appropriate Federal, State, or local programs

### **II. Qualifying Expenditures**

As stated within the corresponding policy, certain services will be considered as “qualifying” expenditures toward the minimum expenditure calculation. In all cases, qualifying expenditures are those that represent direct benefit to participants and do not include

administrative, personnel staff, or operating costs of the LWDB, one-stop operators, and/or contracted service providers.

Qualifying expenditures include:

- Adult education and literacy services
- Apprenticeships
- Assessments
- Career Readiness Certificates (CRCs)
- Customized training
- Entrepreneurial training
- Financial literacy education
- Incentives
- Incumbent Worker Training (IWT)
- Leadership development opportunities
- Occupational skills training
- On-the-job training
- Paid work experience
- Programs that combine workplace training with related instruction
- Skill upgrading and retraining
- Supportive services
- Training programs operated by the private sector
- Transitional jobs
- Tutoring, study skills training, and instruction
- Other allowable expenditures considered to provide a direct participant benefit outlined in an approved Federal or State Funding Opportunity Announcement

If a LWDB questions whether an activity meets the criteria for inclusion in the MPCR calculation, an email should be sent to [Workforce.Board@tn.gov](mailto:Workforce.Board@tn.gov) to obtain immediate clarification before incurring the cost.

### **III. Calculation**

Calculation of the MPCR is performed with fiscal data reported by the sub-grantee in the Tennessee Department of Labor and Workforce Development's Grants Management Solution (GMS) SmartSimple. Monthly, data submitted by the sub-grantee on the Financial Analysis Report (FAR) in SmartSimple is aggregated and is calculated by TDLWD fiscal staff, which follows the below calculation:

*Total Direct Participant Benefit Expenditures (Qualifying Expenditures) divided by Total Cumulative Program Expenditures*

This measure is calculated monthly and includes all cumulative fiscal data submitted by the sub-grantee for the current Program Year (PY), running from July 1<sup>st</sup> through June 30<sup>th</sup>, to include expenditures incurred during the closeout period of any grant expiring June 30<sup>th</sup>. Refer to Attachment I for further guidance on cross-walking qualifying expenditures between Jobs4TN and SmartSimple.

#### **IV. Monitoring and Compliance**

Monthly, TDLWD staff will provide the MPCR to each LWDB's designated staff to the board and fiscal agent. In instances where a local area is not compliant with the minimum provision outlined in the MPCR policy, they will be subject to an oversight notice from TDLWD requesting a corrective action plan on how the local area will address the observation. Upon submission of the corrective action plan, the appropriate TDLWD staff will review and determine the efficacy of the plan. Although monitored monthly, compliance with the MPCR policy is required upon closure of year-end financial reporting. Failure to adhere to the minimum provision stated in the policy (40%) may result in sanctions appropriate with the Division of Workforce Services' Sanctions for Failure to Meet Federal and State Standards Policy.

#### **V. Required Action**

The following provisions addresses continuous improvement steps and includes requested information from all LWDAs to assist each local area in attaining compliance with the MPCR policy by the end of the program year:

- All local boards must develop and maintain a policy and local operating procedure(s) to ensure compliance with the 40% minimum expenditure requirement, to include determination of the qualifying expenditures
- It is advised when establishing the time periods for a sub-award in Jobs4TN that the local area allocates at least 40% of the program budget to the Career Service Provider (CSP) for participant services. This will assist in budgeting the appropriate levels of funding needed to attain the MPCR

#### **References**

2 CFR Part 200; 20 CFR 678.400; 20 CFR 678.410; 20 CFR 680.200, 681.460; 20 CFR 687; TEGL 19-16; TEGL 21-16; TEGL 12-19 WIOA Section 101 (d)(4); WIOA Section 116(b), Section 116(d); WIOA Section 128(a)(1), 128(b)(1); WIOA Section 129; WIOA Section 133(a), 133(b)(1); WIOA Section 134; WIOA Section 170

## Contact

For any questions related to this policy, please contact the Workforce Staff at [Workforce.Board@tn.gov](mailto:Workforce.Board@tn.gov).

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Tim Berry, State Workforce Development Board Chair

# Attachment I – Jobs4TN – SmartSimple Activity Code Crosswalk

Service Code	Jobs4TN Description	SmartSimple Description
180	Support Service - Child/Dependent Care	Participant Childcare
181	Supportive Service - Transportation Assistance	Participant Transportation
182	Supportive Service - Medical	Participant Other Supportive Services
184	Supportive Service - Temporary Shelter	Participant Other Supportive Services
185	Support Service -Other	Participant Other Supportive Services
186	Support Service - Seminar/Workshop Allowance	Participant Other Supportive Services
187	Support Service - Job Search Allowance	Participant Other Supportive Services
216	Out-of-area job search asst.	Participant Other Supportive Services
217	Relocation Assistance	Participant Other Supportive Services
218	Internships	Participant Internships
219	Work Experience	Participant Work Experience
223	Financial Literacy Services	Participant Instructional Training
224	Transitional Job	Participant Work Experience
300	Occupational Skills Training - Approved Provider List (ITA)	Participant Instructional Training
301	On-The-Job Training	Participant OJT
302	Entrepreneurial Training	Participant Instructional Training
303	Distance Learning	Participant Instructional Training
304	Customized Training	Participant Instructional Training
312	Enrolled In Other Federal Training	Participant Instructional Training
313	Enrolled In State And Local Training	Participant Instructional Training
314	Enrolled In Apprenticeship Training	Participant Instructional Training
320	Private Sector Training	Participant Instructional Training
323	Workplace Training & Cooperative Education	Participant Instructional Training
324	Adult Educ w/ Occ. Skills Training -Approved Provider List (ITA)	Participant Instructional Training
326	Support Service - Needs Related Payments	Participant Other Supportive Services
327	Support Service - Training Allowance	Participant Other Supportive Services
328	Occupational Skills Training - Non Approved Provider (No ITA)	Participant Instructional Training
329	Skills Upgrade and Retraining	Participant Instructional Training
335	TAA - Approved Occupational Skills Training - Approved by Other State	Participant Instructional Training
351	SNAP Occupational Skills Training - Approved Provider List (ITA)	Participant Instructional Training
352	SNAP Occupational Skills Training - Non Approved Provider (No ITA)	Participant Instructional Training
400	Youth-Summer Employment	Participant Work Experience
406	Youth-Tutoring, study skills training & instruction	Participant Instructional Training
410	Youth-Leadership Development Services	Participant Instructional Training
415	Youth-Enrolled in Alternative Secondary Education	Participant Instructional Training
<del>416</del>	<del>Youth-Occupational Skills Training - Approved Provider List</del>	<del>Participant Instructional Training</del>
419	Youth-Support Services - Stipends	Participant Other Supportive Services
425	Youth-Work Experience - Paid	Participant Work Experience
427	Youth-Internship - Paid	Participant Internships
428	Youth-On-the-Job Training	Participant OJT
430	Youth-Occupational Skills Training - Non-Approved Providers	Participant Instructional Training
431	Youth-Financial Literacy	Participant Instructional Training
432	Youth-Education Offered Concurrently w/Workforce Prep	Participant Instructional Training
433	Youth-Entrepreneurial Training	Participant Instructional Training
434	Youth-Pre Apprenticeship Activities	Participant Instructional Training
435	Youth-Career Awareness, Counseling, Exploration	Participant Other Supportive Services
436	Youth-Transition to Post Secondary Education and Training	Participant Other Supportive Services
480	Youth-Support Service - Child/Dependent Care	Participant Childcare
481	Youth-Support Service - Transportation Assistance	Participant Transportation
482	Youth-Support Service - Medical	Participant Other Supportive Services
483	Youth-Support Service - Temporary Shelter	Participant Other Supportive Services
484	Youth-Support Service - Incentives / Bonuses	Participant Other Supportive Services
485	Youth-Support Service -Other	Participant Other Supportive Services
486	Youth-Support Service - Counseling	Participant Other Supportive Services
650	Supportive Services-Tools/Equipment- Apprenticeship	Participant Other Supportive Services
651	Supportive Service-Uniform- Apprenticeship	Participant Other Supportive Services
656	NDWG Disaster Relief Employment Only	Participant Disaster Relief Employment
845	CRC Workkeys- Adult	Participant Career Readiness Certificates
846	CRC Workkeys-DW	Participant Career Readiness Certificates
847	CRC Workkeys- Youth	Participant Career Readiness Certificates
F09	Tutoring	Participant Other Supportive Services
F10	Leadership Development	Participant Instructional Training
F12	SS-Transportation	Participant Transportation
F13	SS- Purchase work related uniforms/attire	Participant Other Supportive Services
F14	SS-Purchase work related tools	Participant Other Supportive Services
F15	SS-Housing Assistance	Participant Other Supportive Services
F16	SS-Utilities	Participant Other Supportive Services
F17	SS-Dependent Care	Participant Other Supportive Services
F18	SS-Medical	Participant Other Supportive Services
F19	SS-Incentives/Bonus	Participant Other Supportive Services
F21	Youth Post Exit Education/Trng Pgm Leading to Postsec Cred	Participant Other Supportive Services
F22	Youth Financial Literacy Services- Follow up	Participant Other Supportive Services

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