

MEMORANDUM OF UNDERSTANDING

Between the

INDIANA STATE BUDGET AGENCY

and the

INDIANA COMMISSION FOR HIGHER EDUCATION

This Memorandum of Understanding is entered into by and between the Indiana State Budget Agency (“SBA”) and the Indiana Commission for Higher Education (“CHE”). The parties mutually agree to the terms and conditions set forth herein.

WHEREAS, SBA, an agency of the Office of Management and Budget (“OMB”), is designated by OMB to accept and administer funds from the federal Coronavirus Aid, Relief and Economic Security (CARES) Act, Pub.L. 116–136; and

WHEREAS, CHE has authority under IC 21-18 related to coordination, evaluation, and implementation of programs related to postsecondary education in the State; and

WHEREAS, the parties enter into this MOU to memorialize their understanding of the mutual advantages of this cooperative relationship.

NOW, THEREFORE, the parties agree to the terms and conditions set forth below:

I. Purpose

The purpose of this MOU is to memorialize an agreement to reimburse CHE for necessary expenditures related to the State’s response to the COVID-19 public health emergency, as more fully set forth in Attachment A, (the “Program”) and provide guidance to CHE for the purpose of complying with federal requirements under 2 C.F.R 200.

II. Grant Information

- a) CFDA number and name: **21.019, pending completion of registration by the U.S. Treasury**
- b) Federal Award Name: **Coronavirus Relief Fund (“CRF”)**
- c) Federal Award Identification Number: **N/A**
- d) Federal Award Date: **March 27, 2020**
- e) Name of Federal Agency: **U.S. Treasury**
- f) Total Amount of Funds obligated to the Sub-State Agency: **\$9,000,000.00**
- g) Period of time sub state agency can obligate funds: start and end date. **The CRF funds may be used to cover expenditures that were made between March 1, 2020, and December 30, 2020.**

- h) Period of time to sub state agency can liquidate funds: start and end date: **The CRF funds may be used to cover expenditures that were made by December 30, 2020.**
- i) Requirements imposed on the sub-state agency so that the award is used in accordance with Federal statutes, regulations and the terms and conditions of the award. **The federal funds are considered federal financial assistance subject to the Single Audit Act of (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Grant Guidance; 2 C.F.R. § 200.303 regarding internal controls, 2 C.F. R. § 200.300 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.**
- j) Indirect cost rate or cost allocation that can be charged to the federal grant: **None at this time.**
- k) Match requirements: **None.**

III. Term

The MOU shall be in effect from June 15, 2020 through January 31, 2021.

When the Director of the SBA makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this memoranda, the memoranda shall be canceled. A determination by the Director of the SBA that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

IV. Obligations of the Parties

The parties agree to the following obligations under this MOU:

1. SBA agrees to provide CHE from the CARES Act an amount not to exceed the amount listed in Section II(f), which may be amended from time to time. CHE agrees to return to SBA any unused funds.
2. CHE will follow federal expenditure procedures as outlined in the State Board of Accounts manual.
3. CHE acknowledges that it is a Sub-State Agency as that term is used in the State Board of Accounts manual.
4. CHE will administer the Program in accordance with federal laws and guidance of the CARES Act, US Treasury guidance and policies, OMB and SBA policies and procedures, State Board of Accounts guidance on administration and tracking of COVID-19 funds, and any policies or procedures implemented by CHE for administration of the program. CHE's responsibilities to administer the Program include:

- a. Provide communications and monthly reports to the Director of the OMB and the Director of SBA regarding the status of the Program, including a detailed breakdown of the expenditures reimbursed under the Program and an explanation of why those expenditures were necessary to respond to the COVID-19 public health emergency;
- b. Cooperate with any audit regarding use of Program funds by State Board of Accounts or as otherwise required under the CARES Act or other federal law.

5. SBA will assist CHE as necessary with the administration of the Program.

V. Modifications

This parties may modify this MOU by a written, mutual, signed amendment.

VI. Notices

Any notice required or permitted to be given under this MOU shall be sent to the following:

State Budget Agency
Attn: Lisa Acobert
State House Room 212
200 W. Washington Street
Indianapolis, IN 46204
LiAcobert@sba.IN.gov

Commission for Higher Education
Attn: Alexa Deaton
101 W. Ohio St. Ste. 300
Indianapolis, IN 46204
ADeaton@che.IN.gov

VII. Termination or Suspension

This MOU may be terminated or suspended by either party if the other party has failed to comply with the terms of this MOU, or for any reason if such termination is in the best interest of the terminating agency, upon thirty (30) days written notice. The notice of termination or suspension shall state the reasons for termination or suspension. Regardless of the reason for termination or suspension, the parties will be compensated for services properly rendered prior to termination or suspension of this MOU.

VIII. Entire Agreement

This MOU constitutes the entire agreement of the parties and may only be amended by the written mutual consent of the parties.

IX. Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the agreeing party, or that he/she is the representative, agent, member or officer of the agreeing party, that he/she has not, nor has any other member, employee, representative, agent or officer of the division, firm, company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not

received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears on the face of this Agreement.

In Witness Whereof, SBA and CHE have, through duly authorized representatives, entered into this MOU. The parties having read and understand the foregoing terms of this MOU, do by their respective signatures dated below hereby agree to the terms thereof.

_____

Alexa Deaton,
Associate Commissioner & CFO
for
Teresa Lubbers, Commissioner
Indiana Commission for Higher Education

_____

Zachary Q. Jackson, Director
State Budget Agency

DATE: 7/7/2020

DATE: 7/7/2020

ATTACHMENT A

As a result of the COVID-19 public health pandemic and resulting public health restrictions, Indiana has witnessed an unprecedented increase in the number of people on the unemployment rolls, increased numbers of business closures, and substantial economic disruption. To assist workers impacted by the COVID-19 pandemic, the State has determined it is necessary to expand education and training opportunities for both individuals and employers by building on already successful programs, by marketing those programs to Hoosiers impacted by the pandemic, with a focus on those that have been displaced, and by finding ways to help Hoosiers connect to job opportunities.

The goal of the Rapid Recovery for a Better Future initiative is to help Hoosiers get a new job fast or skill up for a better job and dramatically improve their standard of living. We propose the following spending plan for any new federal funds made available, understanding that we must scale up or down depending on funding levels:

1) Short-term Education & Training: \$25M

- Enhance Indiana's **Workforce Ready Grant** program that provides tuition-free certificates by investing \$22M. Those who have already completed one of these certificates have seen an average wage increase of \$6400 per year.
- Provide funding to support at least 10K more Hoosiers with opportunities to earn credentials of value in the non-credit space.
- Temporarily increase the funding cap for the Workforce Ready Grant from \$5500 to \$10K to cover high quality programs that cost more than \$5500.
- Temporarily expand eligibility to include those with 2- or 4-year degrees impacted by COVID-19.
- Temporarily expand eligibility to programs that do not qualify for the Workforce Ready Grant, such as Certified Nursing Assistant and Commercial Driver's License programs.
- To serve more than 100K Hoosiers in need right now, invest \$3M to support a one-year subscription to **180 Skills**, a company that creates and provides a library of online, non-credit courses.
 - Individuals can access courses on employability skills, manufacturing and logistics, and COVID-19 health and safety training.

2) Expand Employer Training Grant to serve 25K more Hoosiers: \$15M

- Apply at least \$5M of the \$20M to support minority-, women- and veteran-owned businesses.
- Double the total amount reimbursable to employers from \$50K to \$100K.
- Include 180 Skills training and licensure as potential training partner for the Employer Training Grant for employers who want it.

3) Outreach Resources: \$10M

- Invest up to \$8M in resources that support **career coaching and navigation for Hoosiers** who need individualized help determining the best path forward for them, serving at least 125K more people.
 - Create a single online network that can direct Hoosiers to career coaches. Currently, too few people know these career coaching opportunities exist or where to find them.

- Ensure better training for career coaches and employers by expanding the Governor's Skillful State Initiative.
 - Ensure data-driven navigation tools (skills assessments) to help Hoosiers determine the right path for them based on their skills and aspirations.
 - Apply any excess funding to support the Workforce Ready Grant and the Employer Training Grant.
- Invest \$1M to **increase the number of Hoosiers who earn credit for what they already know and can do**. This is especially important right now as many skilled and experienced Hoosiers are experiencing unemployment for the first time.
- Invest \$1M to **increase awareness of Rapid Recovery programs and supports for Hoosiers**. Marketing, outreach, and targeted digital messaging of these programs will continue to be necessary to ensure Hoosiers know ways they can access necessary training as they prepare to go back to work.

AMENDMENT #1
SBA-CHE MOU regarding CARES Act Funding

Amendment 1

MEMORANDUM OF UNDERSTANDING
Between the
INDIANA STATE BUDGET AGENCY
and the
INDIANA COMMISSION FOR HIGHER EDUCATION

This is an Amendment to the existing Memorandum of Understanding entered into by and between the **Indiana State Budget Agency** (hereinafter referred to as SBA) and the **Indiana Commission for Higher Education** (hereinafter referred to as CHE) approved by the last State signatory on **July 7, 2020**.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

A. Pursuant to Section V of the MOU, the Section II is modified as follows:

II. Grant Information

- a. CFDA number and name: **21.019**
- b. Federal Award Name: **Coronavirus Relief Fund (“CRF”)**
- c. Federal Award Identification Number: **N/A**
- d. Federal Award Date: **March 27, 2020**
- e. Name of Federal Agency: **U.S. Treasury**
- f. Total Amount of Funds obligated to the Sub-State agency: **\$19,000,000 for Attachment A**
- g. Period of time sub state agency can obligate funds: start and end date. **The CRF funds may be used to cover expenditures that were incurred between March 1, 2020, and December 31, 2021.**
- h. Period of time sub state agency can liquidate funds: start and end date: **The CRF funds may be used to cover expenditures that were incurred by December 31, 2021. Liquidation period, although not defined, is expected to be no later than 90 days after the close of the calendar year.**
- i. Requirements imposed on the sub-state agency so that the award is used in accordance with Federal statutes, regulations and the

terms and conditions of the award. **The federal funds are considered federal financial assistance subject to the Single Audit Act of (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Grant Guidance; 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. In addition, guidance from the Department of Treasury.**

- j. Indirect cost rate or cost allocation that can be charged to the federal grant: **None at this time.**
- k. Match requirements: **None.**
- l. Reporting requirements:

Reporting requirements: CHE must encumber all contractual and grant agreement amounts spent with Coronavirus Relief Funds in PeopleSoft, with the exception of financial aid expenses, preferably in the CHE Department of Treasury PeopleSoft Fund. Where amounts are encumbered outside of the CHE Department of Treasury PeopleSoft Fund and transferred to the Coronavirus Relief Fund via journal entry, CHE must attach a spreadsheet with Vendor and PO details to the journal entry so that OMB/SBA can comply with Department of Treasury Reporting Requirements.

(All contracts, grants, loans, transfers to other government entities, or direct payments greater than or equal to \$50,000 must be disclosed by OMB/SBA in the Department of Treasury's GrantSolutions portal within 10 calendar days of the end of each quarter until October 31, 2022.)

CHE shall provide a list of all subrecipients as defined in 2 CFR 200.330 and the amount of the award as part of CHE's monthly report.

CHE should inquire with its CRF vendors if they are registered in SAM and if they have a DUNS number. If DUNS numbers are received, these should be forwarded to OMB/SBA as part of CHE's monthly report.

- B. Pursuant to Section V of the MOU, the Section III is modified as follows:

III. Term

The MOU shall be effective from June 15, 2020 through March 31, 2022.

When the Director of the SBA makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this memoranda, the memoranda shall be canceled. A determination by the Director of the SBA

that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

C. Pursuant to Section V of the MOU, the Section IV.A is added to the MOU as follows:

IV.A. Record Retention

CHE agrees to maintain records to support compliance with subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)). This may include, but is not limited to, copies of the following:

1. general ledger and subsidiary ledgers used to account for (a) the receipt of Coronavirus Relief Fund payments and (b) the disbursements from such payments to meet eligible expenses related to the public health emergency due to COVID-19;
2. budget records for 2019, 2020, 2021 and 2022;
3. payroll, time records, human resource records to support costs incurred for payroll expenses related to addressing the public health emergency due to COVID-19;
4. receipts of purchases made related to addressing the public health emergency due to COVID-19;
5. contracts and subcontracts entered into using Coronavirus Relief Fund payments and all documents related to such contracts;
6. grant agreements and grant subaward agreements entered into using Coronavirus Relief Fund payments and all documents related to such awards;
7. all documentation of reports, audits, and other monitoring of contractors, including subcontractors, and grant recipient and subrecipients;
8. all documentation supporting the performance outcomes of contracts, subcontracts, grant awards, and grant recipient subawards;
9. all internal and external email/electronic communications related to use of Coronavirus Relief Fund payments; and
10. all investigative files and inquiry reports involving Coronavirus Relief Fund payments.

CHE will maintain records for a period of five (5) years after final payment is made using Coronavirus Relief Fund monies. These record retention requirements are applicable to all prime recipients and their grantees and subgrant recipients, contractors, and other levels of government that received transfers of Coronavirus Relief Fund payments from prime recipients.

D. Pursuant to Section V of the MOU, the Section IV.B is added to the MOU as follows:

IV.B. SEFA Reporting

CHE will identify Emergency Acts expenditures separately on the CHE Schedules of Expenditures of Federal Awards (SEFA).

Personnel expenses reimbursed by CRF funds must meet the requirements of the program as provided by the U.S. Department of Treasury.

E. Pursuant to Section V of the MOU, the Section IV.C is added to the MOU as follows:

IV.C. Grant Management

CHE must encumber all contractual and grant agreement amounts spent with Coronavirus Relief Funds.

CHE shall provide a list of all subrecipients as defined in 2 CFR 200.330 and the amount of the award as part of CHE's monthly report.

F. Pursuant to Section V of the MOU, Attachment A is modified and incorporated as Revised Attachment A.

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the agreeing party, or that he/she is the representative, agent, member or officer of the agreeing party, that he/she has not, nor has any other member, employee, representative, agent or officer of the division, firm, company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears on the face of this Agreement.

In Witness Whereof, SBA and CHE have, through duly authorized representatives, entered into this MOU. The parties having read and understand the foregoing terms of this MOU, do by their respective signatures dated below hereby agree to the terms thereof.



Associate Commissioner & CFO
For Teresa Lubbers, Commissioner
Indiana Commission for Higher Education



State Budget Agency

DATE: 1/31/2021

DATE: 2/2/2021

REVISED ATTACHMENT A

As a result of the COVID-19 public health pandemic and resulting public health restrictions, Indiana has witnessed an unprecedented increase in the number of people on the unemployment rolls, increased numbers of business closures, and substantial economic disruption. To assist workers impacted by the COVID-19 pandemic, the State has determined it is necessary to expand education and training opportunities for both individuals and employers by building on already successful programs, by marketing those programs to Hoosiers impacted by the pandemic, with a focus on those that have been displaced, and by finding ways to help Hoosiers connect to job opportunities.

The goal of the Rapid Recovery for a Better Future initiative is to help Hoosiers get a new job fast or skill up for a better job and dramatically improve their standard of living. We propose the following spending plan for any new federal funds made available, understanding that we must scale up or down depending on funding levels:

- 1) **Workforce Ready Grant: \$16,793,500**
 - Enhance Indiana's **Workforce Ready Grant** program.
 - Temporarily expand eligibility to include those with 2- or 4-year degrees impacted by COVID-19.
 - Temporarily expand eligibility to programs that do not qualify for the Workforce Ready Grant.
- 2) **Marketing/Outreach Resources: \$1,987,500** to support the workforce ready grant and to combat COVID-19 learning loss for students transitioning from high school to postsecondary programs.
- 3) **Prior Learning Assessments: \$219,000** for PLA work with Ivy Tech and CAEL.

AMENDMENT #2
SBA-CHE MOU regarding CARES Act Funding

Amendment 2

MEMORANDUM OF UNDERSTANDING
Between the
INDIANA STATE BUDGET AGENCY
and the
INDIANA COMMISSION FOR HIGHER EDUCATION

This is an Amendment to the existing Memorandum of Understanding entered into by and between the **Indiana State Budget Agency** (hereinafter referred to as SBA) and the **Indiana Commission for Higher Education** (hereinafter referred to as CHE) approved by the last State signatory on **July 7, 2020**.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

A. Pursuant to Section V of the MOU, the Section II is modified as follows:

II. Grant Information

- a. CFDA number and name: **21.019**
- b. Federal Award Name: **Coronavirus Relief Fund (“CRF”)**
- c. Federal Award Identification Number: **N/A**
- d. Federal Award Date: **March 27, 2020**
- e. Name of Federal Agency: **U.S. Treasury**
- f. Total Amount of Funds obligated to the Sub-State agency: **\$19,000,000 for Attachment A, \$21,000,000 for Attachment B**
- g. Period of time sub state agency can obligate funds: start and end date. **The CRF funds may be used to cover expenditures that were incurred between March 1, 2020, and December 31, 2021.**
- h. Period of time sub state agency can liquidate funds: start and end date: **The CRF funds may be used to cover expenditures that were incurred by December 31, 2021. Liquidation period, although not defined, is expected to be no later than 90 days after the close of the calendar year.**
- i. Requirements imposed on the sub-state agency so that the award

is used in accordance with Federal statutes, regulations and the terms and conditions of the award. **The federal funds are considered federal financial assistance subject to the Single Audit Act of (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Grant Guidance; 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. § § 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. In addition, guidance from the Department of Treasury.**

- j. Indirect cost rate or cost allocation that can be charged to the federal grant: **None at this time.**
- k. Match requirements: **None.**
- l. Reporting requirements:

Reporting requirements: CHE must encumber all contractual and grant agreement amounts spent with Coronavirus Relief Funds in PeopleSoft, with the exception of financial aid expenses, preferably in the CHE Department of Treasury PeopleSoft Fund. Where amounts are encumbered outside of the CHE Department of Treasury PeopleSoft Fund and transferred to the Coronavirus Relief Fund via journal entry, CHE must attach a spreadsheet with Vendor and PO details to the journal entry so that OMB/SBA can comply with Department of Treasury Reporting Requirements.

(All contracts, grants, loans, transfers to other government entities, or direct payments greater than or equal to \$50,000 must be disclosed by OMB/SBA in the Department of Treasury's GrantSolutions portal within 10 calendar days of the end of each quarter until October 31, 2022.)

CHE shall provide a list of all subrecipients as defined in 2 CFR 200.330 and the amount of the award as part of CHE's monthly report.

CHE should inquire with its CRF vendors if they are registered in SAM and if they have a DUNS number. If DUNS numbers are received, these should be forwarded to OMB/SBA as part of CHE's monthly report.

- B. Pursuant to Section V of the MOU, Attachment B is incorporated as Attachment B to the MOU.

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the agreeing party, or that he/she is the representative, agent, member or officer of the agreeing party, that he/she has not, nor has any other member, employee, representative, agent or officer of the division, firm,

company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears on the face of this Agreement.

In Witness Whereof, SBA and CHE have, through duly authorized representatives, entered into this MOU. The parties having read and understand the foregoing terms of this MOU, do by their respective signatures dated below hereby agree to the terms thereof.



Alexa Deaton
Associate Commissioner & CFO
For Teresa Lubbers, Commissioner
Indiana Commission for Higher Education



Zachary Q. Jackson, Director
State Budget Agency

DATE: 4/7/2021

DATE: 4/7/2021

ATTACHMENT B

Overview

The Indiana Commission for Higher Education requests \$21M in additional CARES funds to support state programs and initiates driving pandemic recovery. This request proposes the following:

- \$15M – Workforce Ready Grant (WRG)
- \$3M – EARN Indiana
- \$2.5M – Coordinated marketing and outreach to support the Workforce Ready Grant
- \$500K – Cross-sector dashboard aligning talent pipeline data and highlighting COVID impacts and needs

Workforce Ready Grant & Marketing

- The Commission hopes to direct more CARES funds to double the number of Hoosiers earning a WRG certificate from 20K+ to 40K+.
- The need remains high and we can target marketing to the recently unemployed and others impacted by COVID. Hoosiers who earn a WRG certificate see on average \$6,800 annual earnings increase as a result.
- Additionally, we request additional funds to sustain targeted digital marketing and expand paid media and outreach to communities most adversely impacted by the pandemic (Rural, Black, Hispanic/Latino, etc.)
- **Funding Request:** \$15M for the Workforce Ready Grant and \$2.5M for coordinated marketing and outreach to support WRG utilization.

EARN Indiana and Work & Learn Indiana

- This state financial aid program helps provide internship and work-based opportunities for low-income learners.
- As our state continues to recover from this pandemic, Hoosiers need access to education and training that provides career relevant experiences. When these experiences are paid, they provide even greater opportunity and flexibility—especially for low-income Hoosiers still suffering post-pandemic.
- These funds will target work-based opportunities primarily for adult learners but also for high school students who have been adversely impacted by the pandemic, particularly those in CTE programs.
- Increasing funding for EARN Indiana will expand the program at a time when low-income students and adults have been especially hard hit by the pandemic and can greatly benefit from these opportunities.
- Historic Funding: \$606K annual appropriation since creation in 2013.
- **Funding Request:** \$3M for EARN Indiana

Cross Sector Dashboard and & Alignment

- To support the development of a cross-sector data dashboard to inform the state's pandemic recovery strategy, focusing on key metrics that expose the education and workforce preparation disparities exacerbated by COVID-19 (FAFSA completion, college-going and college completion rates) as well as those populations that have been the most impacted (low-income, unemployed, students of color and women).
- The project will require multi-agency collaboration and buy-in to develop agreed upon key metrics for a statewide talent pipeline dashboard. (GWC, ICHE, IDOE, FSSA, IEDC, DWD, MPH) This includes integration with and leadership from MPH.
- The development of the dashboard will be completed before the end of this year.

- Beyond developing a dashboard, this initiative will require the state to align its existing policies and programs to support growth in key metrics along the talent pipeline. The Governor's Workforce Cabinet will lead this initiative and will pursue \$500K in matching funds from the Lilly Endowment to align the state's resources and strategies to support recovery in those key metrics tracked with the dashboard.
- **Funding Request:** \$500K total