

Workforce System Guidance

TO: Local Workforce Development Board Chairs and Executive Directors
PA CareerLink® Operators and One-Stop Partners
FROM: Bureau of Workforce Development Administration
DATE: March 1, 2022
RE: Guidance Regarding Public Outreach (Advertising & Public Relations) Costs

MESSAGE: Guidance Regarding Public Outreach (Advertising & Public Relations) Costs

Purpose: The purpose of this guidance is to provide local workforce stakeholders technical assistance regarding public outreach costs to ensure local expenditures conform with L&I's Workforce System Policy (WSP) No. 03-2015, *Financial Management Policy*, its accompanying guide, and the Office of Management and Budget's *Uniform Administrative Guidance, Cost Principles, and Audit Requirements for Federal Awards*, found at 2 Code of Federal Regulations (CFR) §200, et seq., specifically §200.421.

Authority:

- [Financial Management Policy – Financial Management Guide - Cost Categories - Pg 36](#)
- [2 CFR §200, et seq., §200.421](#)

Definitions:

- Advertising - Costs of advertising media
- Public Relations - Community relations and those activities dedicated to maintaining the image of the non-profit or maintaining or promoting understanding and favorable relations with the community

NOTE: If the proposed costs of public outreach are allowable under the terms set forth below, then any use of the PA CareerLink® logo in or on those materials requires that the advertisement or public outreach item must be submitted for approval according to the Common Identifier Policy. Workforce System Policy (WSP) No. 121-06. Additionally, the LWDA must incorporate all statements required by the Stevens Amendment when programs are being advertised. [Public Law 101-166, Sec. 511, 1989](#).

Reasonableness:

Costs incurred by the LWDA or its providers, must always be reasonable, allowable, necessary, and allocable. Before any advertising or public outreach cost is incurred by the LWDA, it must be determined if it is reasonable. [2 CFR §200.404](#).

In determining reasonableness of a given cost, consideration must be given to:

1. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award.

2. The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Federal award.
3. Market prices for comparable goods or services for the geographic area.
4. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal Government.
5. Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the Federal award's cost.

Allowable Costs:

The following costs are allowable within certain limitations. For additional information refer to the Uniform Guidance or Financial Management Guide:

Advertising Costs:

1. Recruitment of personnel
Example: The hiring of staff for the Local Workforce Development Board. The LWDA may incur expenses associated with advertising for those open positions.
2. Procurement of goods and services
3. Disposal of scrap or surplus materials
4. Program outreach and other specific purposes necessary to meet the requirements of the award.

Program outreach is defined as an activity conducted by workforce boards to educate the public about services available and how to access those services. Program outreach also includes activities designed to inform and recruit individuals that have particular needs and have been targeted for services.

Federal regulations allow costs associated with advertising to conduct program outreach activities. Allowable advertising includes TV and radio spots, billboards, spots on transit media, signage, social media, websites, brochures, etc.

Program outreach should be a coordinated activity that support and benefits the various workforce grants operated by the local workforce development boards. Allowable advertising should be targeted to businesses, job seekers and/or community partners and:
a) connects job seekers, businesses, and/or community partners to programs and services offered by the Local Workforce Development Board, and b) serves a business purpose by assisting job seekers obtain employment and employers find qualified job seekers. All advertising for program outreach must include the organization's name, a tag line that promotes services, and contact information (such as a web site or telephone number).

Any outreach/informational items provided to businesses/community partners must be items that can be used in the

work environment and have the added benefit/value of connecting the business/community partner to the programs and services provided by the Local Workforce Development Board. Outreach items provided to job seeker must be useful during the search for employment, while connecting the individual back to employment programs and services.

The following items are rarely an allowable cost unless there is a clearly demonstrable and legitimate purpose for the purchase and distribution of these items and it is directly related to the workforce grant. A general guiding question is whether a prudent person would determine that the items are more educational and informational in nature than promotional. However, the following items may be allowable if it can be demonstrated that the items are necessary for the administration of the grant and/or have a direct impact on an individual's ability to participate in services under the grant:

- Portfolios/folders purchased for distribution to job seekers to assist them in seeking employment. These items should include information on available workforce services (brochures, pamphlets, etc.).
- Pens and pencils purchased for distribution to job seekers and participants to assist them in seeking jobs and participating in program services and/or for distribution to businesses and community partners to remind them of services available through the Local Workforce Development Board.
- Banners and table skirts that have the name of the organization and are used at job fairs, recruitment events or community events to identify the organization at those events.

Public Relations:

1. Costs specifically required by the award
2. Communicating with the public and press pertaining specific activities or accomplishments (examples would include a job fair that includes a list of programs/services available or an event celebrating National Apprenticeship Week)
3. General liaison with news media and government PR officers to the extent necessary to keep the public informed on matters of public concern such as notices of contract/grant awards, financial matters, etc.

Unallowable Costs:

1. All other advertising and public relations costs other than those specified above
2. Costs of advertising and public relations designed solely to promote the non-profit (the LWDB)
3. Costs of meetings, conventions, convocations, or other events related to the non-profit, including:
 - Costs of displays, demonstrations or exhibits

- Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events
 - Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings.
4. Costs of promotional items and memorabilia, including gifts and souvenirs.

For example:

- Balloons purchased for distribution to the general public at job fairs or community events. These and other promotional/marketing items intended to be distributed to the general public as a “giveaway” are not allowable.
- Hairbrushes/other personal items purchased for distribution as a marketing item to the general public or job seekers. These and other promotional/marketing items intended to be distributed to the general public as a “giveaway” are not allowable.
- Umbrellas purchased for distribution to businesses and community partners to engage and remind them of services available through the Local Workforce Development Board. Although the item may be intended for distribution to only businesses targeted for recruitment, the item is determined to have limited value/benefit and has a high cost per item for that limited benefit.
- Clothing or hats purchased for distribution to workforce staff or for distribution as a marketing item to the general public or job seekers.
- Pens, folders, portfolios, cups, mugs, plaques, etc. if being distributed as a gift to a customer, participant, business, workforce staff, or board member.

NOTE: The department strongly encourages the LWDBs to review the allowability of any item being considered for purchase that could be perceived as a promotional item very carefully and seek technical assistance from BWDA prior to making a purchase. The department will not permit the utilization of state or federal funds for items perceived as promotional items under any circumstance.