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| LOCAL COMMISSIONERS MEMORANDUM |
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DSS-4037EL (Rev. 9/89)

Transmittal No: 95 LCM-12

Date: February 6, 1995

Division: Management Support
and Quality
Improvement

TO: Local District Commissioners

SUBJECT: Contractual Training Update

ATTACHMENTS: None

The purpose of this LCM is to advise you of some significant developments regarding the Department's contractual training program. You may be aware of these developments either because your agency has a contract with a private educational institution or through reports in the media.

As a result of an extensive federal review of the Department's training program, we have agreed to discontinue the practice of entering into contracts where the non-federal share of costs is contributed by private entities. The Department must provide for the non-federal share of contract costs with public funds (state or local). Contracts with state universities, community colleges and other public entities are not affected by this agreement, since any funds contributed by such entities are, by definition, public funds. Henceforth, the Department may only claim "actual amounts paid" to private contractors. The federal government will reimburse its share based on the applicable rate of federal financial participation. This will obviously require state funds where none are now appropriated. Given the very limited availability of state funds, the Department's training contracts with private entities will be dramatically curtailed.

This change also affects any local district contracts with private entities, including private educational institutions. If a local district contracts with a private entity, it may only claim actual payments made to the contractor. The claim may not include any contributed costs in fulfillment of the local matching requirement. We have already notified the affected districts and are working with them to take the necessary corrective action. We will shortly issue a new set of guidelines covering local district training contracts.

There are some additional changes regarding the types of activities allowable to be claimed under training contracts. Costs claimed as training activities must be limited to those directly related to the development and/or presentation of training programs. Staff hired under training contracts must be assigned full time to the training function. Any activities not specifically related to training, must be clearly identified in the contract and claimed as administrative costs.

We deeply regret any disruption that this action may cause to the staff development and training system available to local districts. Nevertheless, this situation presents us with both challenges and opportunities. We were already heavily involved in a number of initiatives designed to improve the relevance of training to local district staff through a much more rigorous needs assessment process. We are now poised to take much greater advantage of the new technologies available to support training. This year, we are in the midst of a major effort to convert much of our training to computer assisted and distance learning formats. These new technologies will allow far more access to training at greatly reduced costs. While funds available to support training are likely to diminish, we will be able to make more efficient use of the resources we do have.

We, in the Office of Human Resource Development, look forward to working closely with you and local district training professionals on both the challenges and opportunities ahead. If you need additional information or would like to discuss this further, please call me at 518-474-9645.

Peter D. Miraglia
Director
Office of Human Resource Development

cc: Staff Development Coordinators