

871—62.4(15,260E) Agreements.

62.4(1) Notification. The community college will notify the department of all agreements deemed to be final and ready for project funding by entering data and uploading required documentation identified by the department into the 260E Data System within 30 days of execution by all parties. The corresponding official statement will be uploaded by the community college when it is completed. The notice of final agreement will provide all pertinent training services and financial details in the manner determined by the department. The notice will be signed by the community college officials authorized by the college. All written agreements will also be reported and verified through updates by the college, provided in a time frame specified by the department, in the same manner that the annual report is provided to the department. Except where otherwise prescribed in these rules, the department, in conjunction with the community colleges, will develop a format and timetable for reporting relevant information to the department. Such reporting will include but will not be limited to information and official statements with respect to all final agreements and related certificate sales, information regarding college procedures for training agreement review and training project monitoring, and documentation of identified events of default, remedies and repayment policies.

62.4(2) Additional agreement items. In addition to the provisions of an agreement described in Iowa Code section 260E.3(1) through 260E.3(5), the agreement will include the following items:

- a. The length of time each new job category will be provided on-the-job training.
- b. The completion date of all other training.
- c. If the supplemental new jobs credit is to be utilized as authorized in Iowa Code section 256.7(14), the agreement must be signed by the business(es), the community college, and the department of revenue for the use of an additional 1.5 percent withholding to educate and train new employees.

62.4(3) Compliance with department of revenue requirements. When an agreement for training is deemed final and ready for project funding, the community college will notify the department of revenue within 30 days of the date of execution of the agreement. Notification will be in writing on forms and in the manner determined by the department and is considered complete when entries have been saved in the data system.

If, at any time after notification, the estimates are revised, or if changes are made in the agreement that would affect the above reporting requirements, the department of revenue and the department will be notified within 30 days.

62.4(4) Allowable cost. A community college may be reimbursed from certificate proceeds for reasonable administrative costs and legal fees incurred prior to the date of the preliminary agreement. Training costs incurred prior to the date of the preliminary agreement are not reimbursable.

62.4(5) Cost standards. The standard vocational preparation guide, as provided in the Dictionary of Occupational Titles for determining classification of jobs and the length of allowable training periods, may be used by a community college in estimating the cost of on-the-job training. Where these standards are not appropriate, reasonable time periods for on-the-job training will be based on the standard vocational preparation guide for similar classifications. Reimbursement of a new employee's wages for on-the-job training will not exceed 50 percent of the new employee's annual gross payroll costs. The maximum project total for on-the-job training will not exceed 50 percent of the total available training proceeds.

62.4(6) Indirect cost rate. The community colleges may be reimbursed indirect costs at the rate to be determined annually. The indirect cost rate and procedures will be communicated to the community colleges by the department. The rate will be based on function five and nine expenditures of the Iowa area community college uniform accounting system. The indirect cost rate will be applied against the total issuance. Acceptable accounting procedures, as determined by the community college with the department and the state auditor, will be followed in claiming indirect costs.

62.4(7) Equipment. Equipment required for training will be an allowable provision in a training project as described in Iowa Code chapter 260E. The cost of equipment used in training will be prorated to the project in that proportion chargeable to the training program, and the remainder of the cost of such equipment will be the responsibility of the employer. Proceeds of the certificates will not be used directly or indirectly to finance land, facilities or depreciable property to be owned by the employer or other private person.

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