

**WIAB 08-04**

**DATE:** March 3, 2005  
**TO:** All Local Workforce Investment Areas  
**FROM:** Cheryl A. Brush, Chief, Workforce Systems Bureau  
**SUBJECT:** **PY05 Planning Guidance**

The dates for submittal of your Workforce Investment Board's PY2005 modification to its WIA Five-Year Plan are approaching. This is our guidance for the preparation and submittal of the modification as well as other information that is related to PY05 planning.

### National Developments

Legislation to reauthorize or replace the Workforce Investment Act has been introduced in both houses of Congress. WIBs and staff are encouraged to follow this legislation as it appears Congress will take some action this session.

The Administration has released its FY06 budget and appropriation requests. This legislation contains some initiatives that could change workforce development activities in Idaho. For example, funding for WIA Adult and Youth, Dislocated Worker, LMI, and Wagner-Peyser activities are merged into one block grant to the Governor. These proposals are not yet part of WIA reauthorization but reflect what the Administration seeks in the reauthorization legislation.

Both WIA reauthorization and the appropriation requests are works in progress but staff has determined it is prudent to anticipate changes will be made to the current system.

The recent issuance of ETA *Training and Employment Guidance Letter (TEGL) No.14-04* announces proposed revisions to the planning guidelines for WIA Title I Strategic Five-Year Plans. The revisions are significant and incorporate policies and initiatives found in the President's budget, WIA reauthorization proposals, and ETA's priorities. The new planning guidelines may be obtained at: [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=1673](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1673).

Finally, the Employment and Training Administration (ETA) is going forward with its requirements that (1) WIA and related agencies report outcomes against a set of common measures; (2) states negotiate "performance standards or targets" for the common and perhaps other outcome measures; and (3) the state's targets reflect the sum of those negotiated by WIBs with service providers while taking into account the state's targets. ETA has not released its final guidelines on these matters but they are expected to be announced in March.

### PY05 Allocations and Substate Distribution

The state should receive its funding levels by April 1. When the state's allocations are received, the substate distribution will be made as soon as possible. No changes have been made to the basic WIA distribution formula although the policy for distributing incentive funds was changed at the last Workforce Development Council meeting.

### PY05 Modification to Five-Year Plan

Following a brief discussion at the January 28, 2005 Council meeting, the decision was made to have each workforce investment area proceed with a modification to the existing five-year plan instead of waiting for the new planning guidelines.

It was concluded that a plan modification would be considered major for those areas who change service providers or add/delete a programmatic strategy, i.e., drop an in-school youth program in favor of serving out-of-school youth only; otherwise the plan would be considered minor.

New participant service levels, outcomes, measurable targets etc., and new budgets need to be submitted with both types of modifications. Changes only to participant schedules and budgets will be considered a minor modification.

### Calendar/Due Dates

Major modifications are due to the State in final form by May 15, 2005 (45 days prior to the effective date of July 1, 2005). Each area's draft needs to be done so that the 30-day public review period can begin no later than 45 days prior to that, which would be April 1, 2005; each area would then have 15 days after the public review period for their Workforce Investment Board to consider public comments and finalize the plan and get LEO concurrence prior to the May 15 deadline. If more than 15 days are required for the Board to consider public comments and get LEO concurrence, the draft document and public review period would need to start earlier.

Staff is requesting a copy of the draft major modification on April 1, as part of the public review.

If your area's modification does not meet the requirements for a major modification, the due date is June 1 (30 days prior to the effective date) with the Department of Commerce and Labor.

### Major and Minor Modification Criteria

As a reminder, a plan modification is considered **major** if it reflects:

- Increase or decrease of 20% in number of participants served in a program year; or
- Changes of greater than 20% in the financing available to support WIA Title I and partner-provided WIA services (other than the incorporation of funds carried forward from the prior year into the current budget); or
- Redesignation of a workforce investment area, grantee, or administrative entity; or
- Changes to the local board structure; or

- Any other substantial deviation from the existing plan (i.e., redesignation of One Stop Centers, change in service providers, major program design changes).

**Minor** modifications reflect:

- An increase or decrease of less than 20% of the number of participants served in a program year; or
- To incorporate previous year carry-in funds into the current program year budget; or
- To reflect other increases or decreases of less than 20% in the financing available to support WIA Title I and partner-provided WIA services; or
- A need to revise strategies to meet performance goals; or
- Other programmatic changes that do not meet major modification criteria (e.g., the addition of or modification to local skill attainment systems, addition of needs-based payments, changes in barrier groups).

Attached are the Workforce Development Council-approved plan modification criteria, as there are some procedural guidelines that need to be followed when each area submits their plan modifications. The items that need to be submitted for each type of modification should be noted.

The workforce development system might be changing, but the more immediate task is for each area to plan their PY05 activities in the current system context. As time proceeds and changes become clearer, there will opportunities for much discussion and collaboration.

Please contact Jim Adams at 332-3570, ext. 3219, if you have questions or require additional information.

Attachment:

*MODIFICATIONS TO LOCAL WIA PLANS  
(Adopted by the Workforce Development Council  
at their March 19, 2001 meeting—Attachment  
to Transmittal #1.)*

## **Attachment**

### **MODIFICATIONS TO LOCAL WIA PLANS**

Local WIA plans may be modified through (A) major modifications or (B) minor modifications.

#### **MAJOR MODIFICATIONS**

Situations in which **major modifications** are required by the Governor include:

- ❑ Increase or decrease of 20% in number of participants served in a program year; or
- ❑ Changes of greater than 20% in the financing available to support WIA Title I and partner-provided WIA services (other than the incorporation of funds carried forward from the prior year into the current budget); or
- ❑ Redesignation of a workforce investment area, grantee, or administrative entity; or
- ❑ Changes to the local board structure; or
- ❑ Any other substantial deviation from the existing plan (i.e., redesignation of One Stop Centers, change in service providers, major program design changes).

Two copies of major modifications will be submitted to the Workforce Systems Bureau at the Idaho Department of Labor. The submission must include:

1. A cover letter outlining:
  - a) The reason for the modification.
  - b) The effective date.
  - c) A brief description of the modified sections.
2. Any affected pages from the original plan.
3. A dated and signed signature page indicating joint submission and approval by the WIB Chair and the Local Elected Officials.

Proposed major modifications to local WIA plans must be available for public review for at least 30 days, beginning 45 days prior to submission to the State. Availability of the modification shall be announced through a public notice in a prominent newspaper in the Workforce Investment Area and comments received during this review process shall be considered prior to submission of the modification to the State.

The modification shall be forwarded to the State for review and approval no later than 45 days prior to the proposed effective date. State staff will review these modifications for compliance with federal law and regulations and state policy and act upon them within 30 days of receipt.

## **MINOR MODIFICATIONS**

A **minor modification** shall be made for the following reasons:

- ❑ An increase or decrease of less than 20% of the number of participants served in a program year; or
- ❑ To incorporate previous year carry-in funds into the current program year budget; or
- ❑ To reflect other increases or decreases of less than 20% in the financing available to support WIA Title I and partner-provided WIA services; or
- ❑ A need to revise strategies to meet performance goals; or
- ❑ Other programmatic changes that do not meet major modification criteria (e.g., the addition of or modification to local skill attainment systems, addition of needs-based payments, changes in barrier groups).

Two copies of the minor modification will be submitted to the Workforce Systems Bureau. Modifications will be submitted no later than 30 days prior to the effective date, unless the local area can demonstrate a participant-related need to implement the modification prior to the 30 days.

Minor modifications must contain:

1. A cover letter, signed by the individual authorized by local policy, identifying:
  - a) The effective date.
  - b) A brief description of the change.
2. Revised pages of the original plan.

Minor modifications will be reviewed by state WIA staff for compliance with federal law and regulations and state policy. Minor modifications will be acted upon by state staff within 15 days of receipt.

A complete copy of the plan, incorporating all minor modifications, will be made available to the Workforce Systems Bureau on an annual basis in accordance with timelines established by the State.