

**TRANSMITTAL #4**

**WIOA**

**April 20, 2016**

**TO:** Workforce Development Council

**FROM:** Susan Simmons, Deputy Director 

**SUBJECT:** Transfer of Funds Policy between Adult and Dislocated Worker programs under the Workforce Innovation and Opportunity Act (WIOA)

**ACTION REQUESTED:** Recommend approval of the proposed funds transfer process

**REFERENCE:** WIOA §133(b)(4)

**BACKGROUND:**

WIOA authorizes, with the approval of the governor, local boards (including state boards acting as local boards) to transfer funds between the adult and dislocated worker programs, as follows:

- Up to 100 percent of a program year allocation for adult employment and training activities; and
- Up to 100 percent of a program year allocation for dislocated workers' employment and training activities.

This legislation eliminates the 30 percent limit on transfer of funds between the Adult and Dislocated Worker programs under the Workforce Investment Act (WIA), under which Idaho had waiver authority to request a transfer of funds up to 50 percent between the two programs.

Under WIOA, states must describe the process outlining how transfers may be initiated and implemented to move allocated funds between these two programs. The attachment on the following page narrates the proposed process that the state has developed for this purpose.

**Staff Recommendation**

Staff recommend the Workforce Development Council approve the proposed transfer of funds process for implementation in PY2016.

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## **Transfer of Funds between Adult and Dislocated Worker Programs**

### **Transfer Requests**

Under the Workforce Innovation and Opportunity Act (WIOA) , the state Workforce Development Council (Council) is given the authority to approve fund transfer requests of up to 100 percent of an area's program year formula allocation between adult and dislocated worker funds. This authority is provided under WIOA as long as the request meets the Governor's approval. The Idaho Department of Labor, in conjunction with any of the region's service providers, may develop a request to transfer funds during the program year. These requests will then be presented to the Council or its Executive Committee for authorization to forward to the Governor for approval.

The transfer request may be submitted in a brief narrative outlining the items below:

- The situation necessitating the transfer, including local conditions (labor market, economic, etc.) contributing to the need for this transfer request.
- How the funds transfer will impact the participant levels in both programs.
- The transfer's effect on current providers of training and other services.
- Describe the expected impact on WIOA performance outcomes for both funding streams.

The fund transfer may be approved by the Council, provided that:

- The transfer will not adversely impact an area's capacity to adequately provide appropriate services to individuals in need of such services provided by the program subject to reduced funding.
- The transfer should also not adversely impact the area's ability to achieve program performance measures established for the current or subsequent years.
- The local area will expend, at a minimum, 80 percent of all funds budgeted to the receiving funding stream by the end of the program year.

### **Funds Not Subject to Transfer Requests (requests not required)**

The following funds are not subject to transfer:

- (1) Adult or dislocated worker funds re-allocated by the Idaho Department of Labor;
- (2) Funds awarded to the state under a National Emergency Grant (NEG); and
- (3) Funds reserved under the governor's 15 percent discretionary rules.