

## TRANSMITTAL #5

### WIOA POLICY

April 20, 2016

**TO:** Workforce Development Council  
**FROM:** Susan Simmons, Deputy Director *SS*  
**SUBJECT:** Transfer of Funds from Dislocated Worker to Adult Programs  
**ACTION REQUESTED:** Approve recommendation of transfer of funds for Governor's Approval

#### BACKGROUND:

Under the Workforce Innovation and Opportunity Act (WIOA), a state receives separate funding allocations for administering its Adult and Dislocated worker programs. The Act (WIOA Section 133(b)(4)) allows the state Workforce Development Council to recommend, with the Governor's approval, the transfer of funds between these two programs to better respond to the state's workforce training needs. Under WIOA, transfers of up to 100 percent of a program's allocation may take place during a program year.

Due to Congress' WIOA Program Year funding methodology, states are prorated their annual allotments for both the Adult and Dislocated Worker programs in two portions. The first allocation is for each program's operations from July through the end of September, with the balance of funds available from October through June. The first allotment states receive is very small in comparison to the second. For this past program year Idaho received only 8.00 percent of its annual Adult program allotment in the first quarter of Program Year 2015. Previous years have shown first allotments as low as 2.5% of a state's total annual Adult program allocation.

Due to a high demand for WIOA Adult services across the state, WIOA Adult service providers are projected to encounter a shortfall of approximately \$160,000 or 5.5 percent in funding during the first quarter of PY16 in July, while the Dislocated Worker program has been under-utilized due to receipt of multiple one-time National Emergency grants that provide unique retraining opportunities for dislocated workers across the state. The state is proposing to transfer Rapid Response funds to Dislocated Worker funds. No allocated Dislocated Worker funds will be affected by this administrative transfer. Once identified as Dislocated Worker funding, a subsequent transfer to Adult program will ensure continuation of Adult services to ongoing and additional participants enrolled in training activities prior to July 1, 2016 with no impact on the ongoing allocation of dislocated workers funds.

