

## Workforce Innovation and Opportunities Act Policy 01-17

**To:** Local Workforce Development Boards (LWDBs), Chief Elected Officials, Regional Executive Directors

**From:** WorkForce West Virginia

**Subject:** TRANSFER OF FUNDS BETWEEN ADULT AND DISLOCATED WORKER LOCAL FORMULA FUNDS

**Effective Date:** January 18, 2017

**WV State Workforce Development Board Review Date:** January 18, 2017

### I. Purpose

The purpose of this policy is to provide the guidance and parameters for transferring up to 100 percent of a program year allocation for adult employment and training activities, and up to 100 percent of a program allocation for dislocated worker employment and training services between the two programs.

### II. Effective Date by WIOA

July 1, 2015

### III. Background

Section 133 (b)(4) of the Workforce Innovation and Opportunity Act (WIOA) allows the Local Workforce Development Board (LWDB) to transfer, if such a transfer is approved by the state, up to and including 100 percent of a program year allocation between the local adult and local dislocated worker programs. This transfer provides flexibility to the local workforce development area to provide services in the areas of greatest need.

#### IV. Requirements

Funds should not be transferred from the dislocated worker program to the adult program without regard to demands for dislocated worker services. The state may question and, if sufficient justification is not provided by the area, may deny any application for rapid response funds to address a need if a transfer has occurred from the dislocated worker program to the adult program.

A LWDB cannot transfer youth funds under WIOA.

##### Request for Transfer

For transfers of funds the LWDB must make a request to the state for approval of such transfer for a specific appropriation of adult or dislocated worker funding (i.e., program year or fiscal year of appropriation). The request must specify the type of funding (whether adult or dislocated worker) to be transferred to the other program.

There are short-term and long-term effects on program operations that could result from transfers of funds. The LWDB and the fiscal agent should examine the following considerations when deciding to transfer:

1. Are there adequate funds to maintain services to currently enrolled participants?
2. What is prompting the request?
3. How will you respond to unforeseen events?

All requests for transfer must include a written justification addressing each of the above-mentioned considerations and the reasons such transfer is necessary to provide adult or dislocated worker employment and training activities.

Requests are to be scanned to WorkForce West Virginia (WFWV) with "Fund Transfer Request" in the subject line. WFWV will respond to all requests. This transfer pertains only to a program (adult or dislocated worker) and program year or fiscal year of appropriation and will continue to apply for the life of the funds. The request must be signed by the Chief Elected Official, LWDB Chair and Local Executive Director. The State Deputy Executive Director of Field Operations and Deputy Executive Director of Fiscal Management will review, with the Executive Director of WFWV for approval.

##### Transfer of Funds

A LWDB should instruct the fiscal agent of the amount to transfer, up to 100 percent of local workforce development area formula allocations, based upon the state's approval, if the percentage being transferred required approval.

Funds will retain the year of appropriation identity (e.g., program year allocation) and must be reported and accounted for accordingly.

To transfer funds, the LWDB will use the transfer-related expenditure codes of the program from which funds are being transferred, in the state's financial system to report costs incurred by the program receiving funding.

The transfer limit of up to 100 percent, with approval from the state, shall apply to new allocations of adult and dislocated worker funding issued in the fiscal year beginning on or after July 1, 2015. This higher transfer limit does not apply to funds received in a prior fiscal year that may be carried into the new fiscal year. The level of transfer authority that existed at the time the funding was awarded shall continue to apply to those funds for their period of availability at the local level.

## V. **Monitoring**

At the local level, the LWDB and/or the fiscal agent must conduct oversight of the transfer of WIOA adult and dislocated worker funds to ensure the transfer is being completed per this policy.

Through the state's monitoring system, fiscal monitors will review the area's transfer of adult and dislocated worker funds during the annual onsite monitoring review for compliance with federal and state laws and regulations. Any issues will be handled through the state's monitoring resolution process.

## VI. **Technical Assistance**

For additional information, you may send your questions to WorkForce WV, WIOA Unit.

## VII. **References**

Workforce Innovation and Opportunity Act, § 133(b)(4), Public Law 113-128.

NPRM § 683.130 found at 80 Fed. Reg. 20877 (April 16, 2015) (to be codified at 20 C.F.R. § 683.130).

O.A.C. 5101:9-31-02, Workforce Investment Act (WIA) formulary allocation methodology. (July 24, 2014).