

COMMONWEALTH OF VIRGINIA
VIRGINIA COMMUNITY COLLEGE SYSTEM

WORKFORCE INVESTMENT ACT

VIRGINIA WORKFORCE LETTER (VWL) #02-04

TO: LOCAL WORKFORCE INVESTMENT BOARDS
FROM: WORKFORCE DEVELOPMENT SERVICES
SUBJECT: LOCAL AREA WIA FUNDS TRANSFER PROCEDURES
DATE: FEBRUARY 4, 2010 (EFFECTIVE UNTIL RESCINDED OR MODIFIED)

BACKGROUND

The Workforce Investment Act (WIA) provides local workforce investment boards (WIBs) with the flexibility to transfer funds between the adult and dislocated worker programs. The ability to transfer funds gives LWIBs funding flexibility when local circumstances warrant. Section 667.140 (Workforce Investment Act Final Rules) permits WIBs to transfer up to twenty-percent (20%) of a program year allocation for adult employment and training activities, and up to twenty-percent (20%) of a program year allocation for dislocated worker activities between the two programs. There is no provision to allow transfers to or from the youth program. Ten-percent (10%) of the total allocation of youth (Section 128(b)), adult and dislocated workers (Section 133 (b)) for administration cannot be exceeded as a result of the transfer of funds between the adult and dislocated workers programs.

Additional Transfer Flexibility Granted to the Commonwealth of Virginia:

Under previous waiver approvals originally granted in 2005, Virginia's local workforce areas have enjoyed the flexibility to transfer up to 100% of local area allocations between the WIA Adult and Dislocated Worker programs. However, as of November 2009, the US Department of Labor (DOL) has limited this funds transfer flexibility to a new maximum limit of 50%. (American Recovery and Reinvestment Act fund transfers are restricted to a 30% limit per DOL TEGL 14-08, change 1).

Funds transfers, up to the 50% limitation authorized for the originating program (adult programs or dislocated worker programs) can be made at any time during the life of the funds.

This waiver will allow local boards more flexibility in providing services based upon local need and demand. Program needs change quickly at the local level. Each of Virginia's 15 local areas serves diverse groups of job seekers and businesses, from urban, suburban and rural perspectives. Changes in regional economies can often place increased demands on dislocated worker funds,

and likewise, continued reductions in adult program funding can limit some areas in serving those adults most in need.

PROCEDURE FOR TRANSFERRING FUNDS – WRITTEN REQUEST

WIBs may submit a written request (via email will suffice) to transfer funds between the adult and dislocated worker programs throughout the program year. Requests should be submitted to the Administration and Resources Unit, with a copy to the Program Manager.

Transfer requests should include a description of the expected impact to the program that funds are being moved from and verify and/or include documentation that the decision was made at a meeting of the WIB or one of its committees. This will indicate that the WIB has weighed the pros and cons of program impacts that may result from such a transfer.

WIBs must submit their written request to transfer funds to the Workforce Development Services Office at the Virginia Community College System (VCCS) for administrative review and approval on behalf of the Governor for purposes of the WIA (CFR 667.140 (b)). The VCCS will communicate its determination on the request within 10 business days of receipt of the request. Approved transfers will result in the requesting WIB receiving a revised Notice of Obligation from the VCCS.