

**COMMONWEALTH OF VIRGINIA
VIRGINIA COMMUNITY COLLEGE SYSTEM**

Policy Number: 02-02

Effective Date: March 20, 2002

Revision #1

Revision Date: April 2010

Title: Recaptured Workforce Investment Act Title I Local Formula Funds

PURPOSE

To set forth the parameters for recapturing Title I local formula funds allocated under the Workforce Investment Act (WIA) to Local Workforce Investment Areas (LWIAs) and to address how the State is able to use the funds to promote the success of the workforce development system of Virginia.

REFERENCES

Code of Virginia, Section 2.2-2669. Virginia Workforce Council.

Public Law 105-220, Workforce Investment Act of 1998, Section 128(b), 133(b) and 134.

Federal Register, August 11, 2000, Part II, Department of Labor, Employment and Training

Administration, 20 CFR Part 652 et al., Workforce Investment Act; Final Rules, Part 667.

POLICY STATEMENT

Funds allocated to LWIAs under the WIA for any program year are available for expenditure **only** during that program year and the succeeding program year. At the end of the first year of the allocation cycle the State may recapture the amount by which the prior year's unobligated balance of allocated funds exceeds 20 percent of that year's allocation for the program, less any amount reserved (up to 10 percent) for the costs of administration. At the end of the second year of the allocation cycle, the State must recapture all unexpended funds.

Recaptured funds may be used for statewide projects or reallocation to local areas that have met expenditure level requirements. The continued transformation of workforce development system requires the active involvement and strong leadership of the Governor, the Cabinet, and other business, workforce, education and economic development partners to address current and contemporary initiatives. Executive Orders, Strategic Plans and other guiding documents relevant to this transformation should be used to guide the state in how it invests recaptured local WIA funds. Activities developed from such documents must also fall within the parameters of required and allowable statewide activities defined in the WIA.

REVISIONS:

APPROVED:

Chairman, *Virginia Workforce Council*

Vice Chancellor for Workforce Development, Virginia Community College System

DATE APPROVED: March 20, 2002

Technical Amendments, April 2010