

North Carolina
Department of Commerce
Division of Workforce Development

Beverly Eaves Purdue, Governor
J. Keith Crisco, Secretary

Roger Shackelford, Executive Director

April 24, 2009

LOCAL AREA ISSUANCE NO. 2009-09

SUBJECT: Recapture of American Recovery and Reinvestment Act (ARRA) Workforce Investment Act Funds.

PURPOSE: To transmit North Carolina's recapture policy for ARRA Workforce Investment Act funds as authorized in the United States Department of Labor Training and Employment Guidance Letter (TEGL) 14-08, Change 1.

BACKGROUND: The North Carolina Department of Commerce Division of Workforce Development has oversight responsibilities for the federal Workforce Investment Act. These responsibilities include management of resources allotted to the state to maximize use of funds to address success of workforce development efforts.

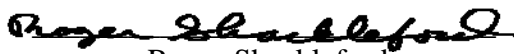
Having the ability to recapture ARRA funds in excess of the allowed 30% carryover as of June 30, 2010 enhances North Carolina's capability to redirect resources in areas of greatest need, respond to variance in immediate economic/workforce conditions and address national direction. This flexibility further enables North Carolina, in partnership with Local Workforce Development Areas, to assist citizens and businesses and strengthen both local areas and the state workforce system.

ACTION: At the conclusion of Program Year 2009 (July 2009 through June 2010), Local Workforce Development Areas' unspent ARRA funds in excess of 30%, by fund, of Adult (Fund 4020), Dislocated Worker (Fund 4030), Administrative Cost (Fund 4010), and Youth (Fund 4040) funds will be subject to recapture.

The final Program Year 2009 Project Expenditures Report reflecting expenditures through June 30, 2010 will determine the unexpended funds to be recaptured. Local Workforce Development Areas will have until June 30, 2011 to expend the allowed 30% carryover. All ARRA funds must be expended by June 30, 2011 or be returned to the U.S. Department of Labor.

Local Workforce Development Areas desiring assistance are encouraged to contact their Planner.

EFFECTIVE DATE: Immediately
EXPIRATION DATE: Indefinite
CONTACT: Grants Management


Roger Shackleford