

North Carolina
Department of Commerce
Division of Workforce Development

Beverly Eaves Perdue, Governor
J. Keith Crisco, Secretary

Roger Shackelford, Executive Director

August 28, 2009

LOCAL AREA ISSUANCE NO. 2009-16

SUBJECT: Fund Transfers under the Workforce Investment Act.

PURPOSE: To transmit requirements for the transfer of funds between the Adult and Dislocated Worker Programs through September 30, 2009.

To rescind Local Area Issuances 2006-07; 2006-07, Change 1; and 2006-07, Change 2.

BACKGROUND: In accordance with the WIA Final Rules at Section 667.140, Local Workforce Development Boards could transfer up to 20% of a program year allocation for adult employment and training activities, and up to 20% of a program year allocation for dislocated worker employment and training activities between the two programs. The percentage was subsequently increased to 30% in the Consolidated Appropriations Resolution 2003 Public Law 108.7. The N.C. Strategic Plan - WIA and Wagner Peyser July 2009 - June 2010 allows for the previously approved waiver to increase the allowable fund transfers between Adult and Dislocated Worker Programs to 100%. This waiver remains in effect until September 30, 2009. Pending approval by the U.S. Department of Labor (USDOL) of the PY 2009-2010 State WIA Plan, a change notice to this Issuance will update fund transfer allowability for the remainder of PY 2009.

The U.S. Department of Labor provides Adult and Dislocated Worker allotments to the states from two different Federal Fiscal Year (FFY) budgets. The Division of Workforce Development receives first quarter allotments in July, with the allotment balances added in October from a different fiscal year appropriation. The Division provides Adult and Dislocated

Workers program year allocations to Local Workforce Development Areas in the same manner.

The Division is required to track, manage, and report Adult and Dislocated Worker expenditures by fund and by fiscal year of each allotment portion at the State level. Since Local Workforce Development Area fund transfers impact the State's allotments as well as State and local fund availability, the Division must establish procedures to manage Local Workforce Development Area transfers to avoid retroactively reducing fund availability below the level of actual expenditure to facilitate accurate reporting to USDOL.

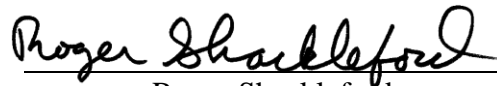
ACTION:

Local Workforce Development Areas may transfer up to 100% of the base Adult and Dislocated Workers allocations of the current year July portion of the allocations. Only one transfer during the current year (July-September 30th) may be made on the funds allocated in July. Youth funds may not be transferred.

Requests to transfer October portion funds will be dependent upon waiver approval from USDOL.

While 100% transfer is allowable through September 30, 2009, Local Workforce Development Areas are reminded that appropriate services to both Dislocated Workers and Adult customers are required. For requests exceeding 40% of the Local Workforce Development Area's base allocation, Local Workforce Development Areas are required to give detailed rationales and explanations of how service to both Adults and Dislocated Workers will be maintained.

EFFECTIVE DATE: Immediately
EXPIRATION DATE: September 30, 2009
CONTACT: Planning & Policy Development
DISTRIBUTION: Local Workforce Development Areas


Roger Shackleford