



NEW YORK STATE WORKFORCE DEVELOPMENT SYSTEM TECHNICAL ADVISORY

Workforce Development System Technical Advisory #10-22

TO: Workforce Development Community

DATE: December 9, 2010

SUBJECT: Policy on Supplemental Distribution of State-Level Funds to the Local Workforce Investment Areas (LWIAs)

Purpose:

To establish the State's PY 2010 policy on the distribution of State-Level funds to Local Workforce Investment Areas (LWIAs). This supplemental distribution is to ensure that all LWIAs have funds available to continue to provide training-related services to eligible Dislocated Worker customers.

Action:

The New York State Department of Labor (NYSDOL) will distribute \$4,000,000 in Dislocated Worker funds to the LWIAs based on the PY 2010 Dislocated Worker funding formula. Those LWIAs that are interested in receiving this supplemental distribution must send an email to their Program State Representative indicating such within five business days of the issuance of this Technical Advisory. In this email, the LWIA must also acknowledge that the following stipulations/conditions apply to these supplemental funds:

- LWIAs must expend 100% of their PY 2009 and ARRA carry-in funds by June 30, 2011. In addition, LWIAs must expend at least 80% of their PY 2010 formula funds by June 30, 2011.
 - Any LWIA expending less than this 80% minimum by 6/30/11 will have this distribution of supplemental funds subject to recapture and redistribution to other eligible LWIAs. Funds will be recaptured at a rate of 20% for every 1% that the expenditure falls short of the minimum. **Attachment A** contains a chart that illustrates how this policy would be applied.
 - If an LWIA expends 75% or less of their PY 2010 WIA formula funds by 6/30/11, their *entire amount* of these supplemental funds will be recaptured.
 - Dislocated Worker supplemental funds must be expended on training services that are *targeted to demand skills and occupations* in the local area. These funds may also be used to provide supportive services and needs-related payments to eligible individuals enrolled in such training. These expenditures must be consistent with the LWIA's current approved local supportive services and needs-related payments policy for their formula funds, and in compliance with WIA §134(e)(2)(3) and WIA Final Rules §§663.800-663.840; note that within
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this range, §663.825 specifically addresses needs-related payments for dislocated workers.

- Dislocated Worker supplemental funding must be expended on Dislocated Workers. There will be no transfer authority between the Dislocated Worker and Adult programs for these supplemental funds.
- LWIAs reporting accrued expenditures totaling less than 75% of their supplemental fund allocations as of March 31, 2011 will have unexpended funds greater than 25% of the supplemental allocation recaptured and redistributed to other local areas.
- Those LWIAs that do not meet both the 80% and the 75% requirements cited in this Technical Advisory will also be ineligible for the NEXT supplemental distribution.
- Supplemental funds must be fully accrued by June 30, 2011, and disbursed by August 31, 2011.
- The following items will be considered training for purposes of this supplemental distribution:
 - Occupational skills training
 - On-the-job training
 - Programs combining workplace training and related instruction, registered apprenticeship, training programs operated by the private sector, skill upgrading and retraining, entrepreneurial training, job readiness training, adult education and literacy training and customized training.

Those LWIAs that do not wish to be considered for this supplemental distribution should send an email to their respective Program State Representative indicating such within five business days of the issuance of this Technical Advisory. Additionally, the LWIA must acknowledge that they understand that they will not be eligible for any subsequent supplemental distributions or Dislocated Worker Discretionary Funds for the remainder of Program Year 2010.

Policy:

In consultation with the Governor and the State Workforce Investment Board, NYSDOL established the state policy for the distribution of supplemental Dislocated Worker funds for training.

Inquiries:

Please direct your questions regarding this Technical Advisory to your Program State Representative or your Financial Oversight and Technical Assistance (FOTA) Representative.

References:

WIA Final Rules §§663.800-663.840, §665.340
WIA §134(d)(4)(D), §134(e)(2)(3)
