

Mass Workforce Issuance

Workforce Issuance No. 08-44

Policy **Information**

To: Chief Elected Officials
Workforce Investment Board Chairs
Workforce Investment Board Directors
Title I Administrators
Career Center Directors
Title I Fiscal Officers
DCS Regional Managers

cc: WIA State Partners

From: Michael Taylor, Director
Department of Workforce Development

Date: October 21, 2008

Subject: **Waiver to Use Local Formula Title I Funds to Train Incumbent and Unemployed Workers**

Purpose: To provide policy guidance to Local Workforce Investment Boards, One-Stop Career Center Operators and other local workforce investment partners with respect to the use of local formula funding for adults, dislocated workers and youth for the provision of allowable training activities otherwise reserved to the state under Section 134(a)(3)(A) of the Workforce Force Investment Act.

Background: The Commonwealth requested, and has received approval from the U.S. Department of Labor Employment and Training Administration (ETA) to waive language limiting the use of local formula funding for adults, dislocated workers and youth in order to allow local areas to utilize a portion of said resources to improve the local capacity to respond to local workforce and employer needs for training activities not otherwise authorized for local areas under the Act. In particular, the Commonwealth seeks to expand the flexibility of local formula funding to more effectively address “skill gaps” that exist within the local workforce both for those unemployed members as well as for *incumbent* workers. Activities carried out at the local level in conjunction with the approved waiver, will significantly reduce skill gaps and lead to increased employment opportunities within the local region. The waiver of the statutory limitations has been approved through June 30, 2009.

Policy: Under the terms of the approved waiver, local areas may choose to allocate up to 10% of their local formula funds for training of both incumbent and unemployed workers who are otherwise not eligible for training services under Title I.

Local areas must develop and implement specific policies and procedures regarding the utilization of adult, dislocated worker and youth formula funds in conjunction with training incumbent and unemployed workers under the terms of the waiver approved by ETA.

NOTE 1: While the waiver as approved by ETA technically allows for local areas to utilize formula resources for any of the activities outlined in Section 134(a)(3)(A), it is the expressed policy of the Commonwealth that local formula resources used in conjunction with the waiver expand services to customers in the form of education and training activities, particularly for incumbent workers and other unemployed members of the workforce not expressly eligible under the statutory/regulatory requirements of Title I.

NOTE 2: Local areas that utilize adult, dislocated and/or youth formula funds in association with the waiver, must track the use of said funds by the specific funding stream (adult, dislocated worker and/or youth) and report performance outcomes to the Commonwealth for any incumbent worker service activity carried out in conjunction with the waiver [as the Commonwealth is required to report the performance outcomes for incumbent workers served under this waiver in the Workforce Investment Act Standardized Record Data (WIASRD)]. As long as the local area does not co-enroll an individual served under the waiver in the WIA Title I Adult, Dislocated Worker or Youth programs the performance data will only be reported as part of the State's performance cohort. The tracking process is described in Attachment A.

NOTE 3: Under the terms of the approved waiver, the use of formula funds for administration is *expressly prohibited*.

NOTE 4: As the waiver is only in effect through June 30, 2009, local areas should plan associated activities in such a manner as to mitigate against unauthorized use of said funds beyond that date.

NOTE 5: A local area that chooses to utilize the waiver with respect to its use of local formula funds for adults, dislocated workers and youth must submit a revised Annual Plan budget narrative that addresses the specific purpose and projected outcome/result of the intended use, how the intended use is consistent with the activities outlined in Section 134(a)(3)(A) and identifying the specific amount from each formula stream that will be utilized. The revised budget narrative must also describe how the local area intends to track the use of the funds in conjunction with the waiver and report outcomes through MOSES. Please submit to Lisa Caissie at LCaissie@detma.org

Action

Required: Please assure that all appropriate staff are apprised of the content of this issuance.

Effective: Immediately

Inquiries: Please email all questions to PolicyQA@detma.org. Also, indicate Issuance number and description.