

DEPARTMENT OF WORKFORCE DEVELOPMENT
DIVISION OF EMPLOYMENT AND TRAINING
ADMINISTRATOR'S MEMO SERIES
*** SPECIAL ISSUE ***

ACTION 9-02
 NOTICE

ISSUE DATE: **April 16, 2009**
DISPOSAL DATE:

*PROGRAM CATEGORIES: **WIA**

To: Workforce Development Board Directors

From: Roberta Gassman
Secretary

RE: American Recovery and Reinvestment Act (ARRA) of 2009: Workforce Investment Act (WIA) **Adult and Dislocated Worker Programs**

PURPOSE:

The purpose of this Administrator's Memo is to provide policy guidance and direction regarding the American Recovery and Reinvestment Act (ARRA) of 2009 funding for activities authorized under the Workforce Investment Act (WIA) for the Adult and Dislocated Worker Programs.

REFERENCES:

U.S. Department of Labor (DOL) Training and Employment Notice 30-08
DOL Training and Employment Guidance Letter 13-08
DOL Training and Employment Guidance Letter 14-08
DOL Training and Employment Guidance Letter 14-08, Change 1

BACKGROUND:

The ARRA of 2009 provides \$500 million in funding for the WIA Adult Program and \$1.25 billion for the Dislocated Worker Program. For the Adult Program, Wisconsin received \$5.18 million [85% of that amount, \$4.4 million, is distributed to the 11 Workforce Development Boards (WDB) by formula]. Wisconsin received \$16 million for the Dislocated Worker Program, of which 60% or \$9.63 million is distributed to the 11 Workforce Development Boards.

ARRA funding allocated for WIA are Program Year (PY) 2008 funds. Section 133(c) allows WDBs two years from the start of the program year to expend these funds, or they are subject to recapture and reallocation by the state. WDBs must expend allocated ARRA funds prior to June 30, 2010 or DWD may recapture and reallocate those funds to ensure ARRA funds are expended by the June 30, 2011 deadline for the use of PY2008 funding specified in TEGL 14-08.

*PROGRAM CATEGORIES:

AS--Apprenticeship Standards	FM--Financial Management Requirements	LM--Labor Market Information	TR--Transportation
CR--Civil Rights	FL--Foreign Labor Certification	ML--Migrant Labor	WIA--Workforce Investment Act
	IT--IT Systems	RA--Refugee Assistance	YA--Youth Apprenticeship
	JC--Job Center	TC--Tax Credit Programs	
		TA--Trade Assistance	

ARRA is intended to preserve and create jobs, promote the nation's economic recovery, and assist those most affected by the recession. The purpose of these funds is to substantially increase the number of adults and dislocated workers being served and to support their entry or re-entry into the job market. Additionally, overall enrollments in training are expected to increase significantly.

All WIA provisions are applicable for ARRA implementation. ARRA funds can be used on all activities specified under the WIA Title I Adult and Dislocated Worker programs unless expressly stated otherwise in this document. TEGL 14-08 states that the Recovery Act funding is to be spent concurrently with other WIA and Wagner-Peyser funding, and should not be used to replace state or local funding currently dedicated to workforce development.

See Attachment 1 for the Adult and Dislocated Worker ARRA Allocations by Workforce Development Area.

DISLOCATED WORKER POLICY:

It is the intent of ARRA that substantially increased numbers of dislocated workers will be served with the infusion of formula funds, and that training will be a significant area of focus. Refer to the Training section below for further details.

Co-enrollment of individuals served by ARRA Dislocated Worker Funds and the Trade Adjustment Assistance Program

Dislocated workers eligible for the Trade Adjustment Assistance (TAA) program are expected to be co-enrolled in the WIA Title I Dislocated Worker Program. This is to ensure that the resources available through each program are maximized and a comprehensive package of services is made available to each dislocated worker.

The TAA program will fund occupational and on-the-job training, provide income support in the form of trade readjustment allowances and other TAA services, including allowable payments for transportation, relocation and subsistence. The WIA program will provide "wrap around" services, which typically include assessment, case management, job search and placement assistance, supportive services and follow-up services.

TAA Reauthorization

The TAA program was reauthorized under ARRA, with changes taking effect on May 18, 2009. Changes include some expanded benefits and services and added flexibility, particularly in the area of training requirements. A workgroup made up of state and local TAA and WIA staff has recently formed to identify strategies to expand co-enrollment, particularly in the context of TAA reauthorization. Additional guidance on WIA and TAA program co-enrollment and changes to the TAA program will be issued in the near future.

ADULT and DISLOCATED WORKER POLICY:

Targeted Populations and Priority of Service

ARRA encourages the funds to be used on services that most efficiently and effectively assist workers affected by the current economy to obtain employment, with priority given to public assistance recipients and other low income individuals as defined in WIA section 134(d)(4)(E).

WDBs must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act. Under sec. 1010.310(b)(3) of these regulations, when the veteran's priority is applied in conjunction with another statutory priority like the Recovery Act's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the priority group. The WDBs' priority of service policies for qualified veterans and their spouses under the Job for Veterans Act continue to apply. Shortly, the DET Office of Veterans Services will issue a new Veteran Program Letter (VPL). At that time, WDBs must review their policies for compliance with the VPL and revise them accordingly.

The State continues to emphasize "universal access" provisions of WIA in order to meet the needs of persons with disabilities, persons in correctional facilities, and other marginalized individuals.

Sequence of Service

WIA Title I provides the basis for Adult and Dislocated Worker ARRA activities including the determination of the core/intensive/training service provisions. As stated in the preamble to the WIA regulations, and reiterated in ARRA, these determinations do not mean that the individual must go through layers of service to prove that need; the determination of need itself can be a core and/or intensive service, such as an assessment, or development of an Individual Employment Plan. Thus, a caseworker could initially meet with a participant, assess his or her skills, and consider labor market conditions, and determine that core or intensive services will not be sufficient to result in employment for the participant. The provision of training or other needed services can then be provided sequentially, concurrently, or in whatever order makes the most sense for the individual.

Assessment Services

The State also re-emphasizes that the initial assessment of a participant is vital to ensuring short and long-term successes. All participants must receive an objective assessment. The primary focus must be on assessment and data driven career counseling that support training and job search activities aligned with economic and job growth. Case managers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in ARRA.

Training and Related Services

WDBs must spend at least 70 percent of the ARRA Adult funds and ARRA Dislocated Worker funds on training. Training services include the full range of occupational skills training, adult education and literacy services, and customized training as described in WIA. Training related expenditures for the participant such as supportive services and needs related payments are also allowable training costs for the 70 percent. Costs for assessment and case management may not be included for purposes of the 70 percent requirement.

WDBs are strongly encouraged to use the Wisconsin Technical Colleges in their areas as key training providers as they expend ARRA funds on all types of training, including basic and occupational skills training. As laid out in TEGL 14-08, WDBs may pay the full cost of training funded with ARRA dollars. Therefore, costs for hiring additional instructors to provide group training are allowable, and so when necessary, WDBs may cover these costs to facilitate expedited training delivery for WIA-funded participants. TEGL 14-08 strongly encourages

WDBs to take an expansive view of how the funds can be integrated into transformational efforts to improve service delivery using ARRA funds.

WDBs are expected to use ARRA funding to emphasize assessment and training in these targeted industries: Energy, Weatherization, Health Care, and Advanced Manufacturing. Significant ARRA investments are also encouraged for key industries such as construction, transportation, renewable energy sectors and other industries with emerging green jobs that traditionally use or expect to draw heavily upon apprenticeship.

WDBs may use ARRA funds to enter into contracts for group training. The full reasonable and necessary cost of group training is allowable so long as the contract does not limit customer choice, and does not duplicate existing training courses and curricula. Contract training providers are not required to be on the State Eligible Training Provider List to receive ARRA funding.

WDBs may expend ARRA funds for curriculum development by an eligible training provider if the curriculum is for emerging sectors and enhances the capacity of the institutions to ensure quality training within limited timeframes and is in the context of providing training to WIA participants. Curriculum activities should focus on adapting existing or creating new curriculum that will result in a short-term increase in accelerated training capacity.

WDBs are expected to provide training services that, upon successful completion, lead to a certificate, an associate degree, baccalaureate degree, or the skills or competencies needed for a specific job or jobs, an occupation, or occupational group.

WDBs are strongly encouraged to use the technical colleges in their areas as a key provider of curriculum development for new courses that will serve WIA-funded participants.

Training services includes:

- Occupational skills training, including training for nontraditional employment**
- Curriculum development linked with training
- On-the-Job Training
- Programs that combine workplace training with related instruction
- Co-operative education programs
- Registered apprenticeship
- Training programs operated by the private sector
- Skill upgrading and retraining
- Job readiness training
- Adult education and literacy activities provided in combination with any of the above
- Basic or English language education as long as they are provided in connection with occupational skill training leading to a job or career for which the individual is preparing.
- Vocational English as a second language training
- Customized training conducted with a commitment by an employer or group of employers to employ the individuals upon successful completion of the training.

* Nontraditional Training includes entrepreneurial training, Asset building, financial literacy training, and Micro-enterprise development.

WDBs may use other methods of training such as the integration of work-based and classroom-based learning activities and class-size projects. DWD encourages the use of short-term training using the career pathways model.

ABE and GED Services

Individuals need to be assessed on their English language and computer-skill levels sufficient to function in the workplace and community, other skills and abilities, and career goals to help them map their skills against current and anticipated jobs in order to design a comprehensive package of services. The State is directing WDBs to target funds for:

- (1) Adult Basic Education and basic skills training
- (2) Filling skill gaps or remediation
- (3) Bridge programs as defined in the Wisconsin RISE initiative
- (4) Coursework related to preparation toward a career goal

Supportive Services and Needs Related Payments

ARRA recognizes that adults participating in training to advance or retool their skills will need supportive services and/or needs-related payments to remain and succeed in training. WIA provides the basis for these services, and WDBs are required to review and update their local policies.

TEGL14-08 reiterates that supportive services may include transportation, child care, dependent care, housing, and other services that are necessary to enable an individual, who is unable to obtain the services from other programs, to participate in activities authorized under WIA. Needs-related payments may be provided to adults who are unemployed and do not qualify for or have ceased to qualify for unemployment compensation for the purpose of enabling such individuals to participate in programs of training services. Guidance on the provision of needs-related payments to adults and dislocated workers can be found in 20 CFR 663.815 - 663.840. WDBs should take advantage of the availability of these payments so that customers can pursue their career goals, rather than their short-term income needs determining the length of their training

Waivers

Waivers approved for PY 2008, and July 1, 2009 through September 30, 2009, are applicable to ARRA funds with one exception. The transfer of up to 100 percent of funds between the Adult and Dislocated Worker programs is not applicable to ARRA funds. The funds transfer limit for ARRA funds between the two programs remains at the current provision of up to 30 percent with the approval of DET.

DISCRETIONARY AWARDS

In order to be eligible for regular statewide discretionary funds, statewide discretionary ARRA funds, or state endorsement for DOL's ARRA competitive grants, WDBs must:

- Expend 70% of ARRA WIA Adult and Dislocated Worker funds on training;
- Expend 35% of formula WIA Adult and Dislocated Worker funds (local allocation and Special Response funds) on training;
- Demonstrate that WIA and TAA recipients are co-enrolled; and
- Comply with state and federal ARRA reporting requirements.

Allocations

WIA ARRA Adult and Dislocated Worker allocations are found in Attachment 1. WDBs may begin incurring ARRA costs as of February 17, 2009 but must expend allocated ARRA funds

prior to June 30, 2010. DWD may recapture and reallocate funds to ensure ARRA funds are expended by the June 30, 2011 deadline for the use of PY2008 funding specified in TEGL 14-08.

DWD expects to receive the Program Year 2009 WIA Allocations in the near future and will issue those amounts expeditiously. DOL expects coordination and concurrent expenditure of this fund source with WDB ARRA allocations.

Accountability: Transparency, Reporting, Monitoring

ARRA funded participants and ARRA expenditures must be reported separately from the WIA formula funded programs.

- All employment opportunities, including WDB and contractor staff positions, generated by ARRA activities must be made available through the JobCenterofWisconsin.com website.
- All job-ready participants served by WIA formula and ARRA funding are to be registered, and have resumes available on JobCenterofWisconsin.com.
- All individuals served with ARRA funds must be tracked in ASSET. The DOL WIA Title I adult and dislocated worker program performance measures apply to ARRA funded participants. Further instructions will be provided after the DOL training and employment guidance letter is issued on participant and expenditure reporting.
- DET monitoring will begin in June and a check-off guide will be provided prior to on-site visits.

WIA Local Plan Guidelines

In February, DWD issued the Program Year 2009 WIA Local Plan Guidelines. Through a separate communication, WDBs will receive an ARRA WIA Local Plan Guidelines supplement.

CORe reporting

There are a number of new ARRA codes that have been created to track the ARRA funds. WDBs should carefully review their ARRA grant agreements regarding this.

Branding and Acknowledgements

Any materials, documents or reports created using ARRA funds shall contain the ARRA symbol and give credit to ARRA and DWD for funding.

ACTION SUMMARY STATEMENT: Implement the ARRA Adult and Dislocated Worker Program as outlined in this Administrator's Memo, WIA law and regulations, and DOL-issued guidance.

CONTACT:

For program questions, contact your Local Program Liaison. For fiscal questions, contact Nancy Eilks.

Attachment 1

**American Recovery & Reinvestment Act Adult &
Dislocated Worker Allocations by WDA**

WDA Name		Adult			Dislocated Worker		
			Share	Allocation		Share	Allocation
1	Southeast		8.04%	\$354,399		8.22%	\$791,795
2	Milwaukee		36.44%	\$1,605,474		22.94%	\$2,210,446
3	WOW		4.55%	\$200,451	X	5.52%	\$531,606
4	Fox Valley		6.10%	\$268,904		8.35%	\$804,413
5	Bay Area	X	7.91%	\$348,334		8.70%	\$837,935
6	North Central		6.57%	\$289,696		9.37%	\$902,511
7	Northwest		9.60%	\$422,971		4.85%	\$467,409
8	West Central		5.55%	\$244,538		5.11%	\$492,670
9	Western	X	2.91%	\$128,441		6.00%	\$578,526
10	South Central	X	7.29%	\$321,424		12.07%	\$1,163,205
11	Southwest		5.03%	\$221,643		8.88%	\$855,248
	Total		100.00%	\$4,406,276		100.00%	\$9,635,764

X Held Harmless

Source: US DOL TEGL 13-08, March 2009