

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

ACTION
 NOTICE 16-08

ISSUE DATE: 08/08/2016
DISPOSAL DATE: Ongoing

*PROGRAM CATEGORIES:
 AS FM LM TC
 CR IT ML TR
 FL JC TA WIA
 WIOA YA

TO: Workforce Development Board Directors
Workforce Development Program Staff
Workforce Development Board Fiscal

FROM: Scott Jansen 
Division Administrator

RE: Workforce Innovation and Opportunity Act 35% Expenditure Goal for Training for Program Year 2016 Grants

PURPOSE:

To provide interim guidance for on the 35% expenditure goal for training for Program Year 2016 (PY16) Adult and Dislocated Worker Program annual allocations, the PY16 Rapid Response-funded Transition Grants, and any PY16 Rapid Response-funded Additional Assistance grants.

BACKGROUND:

The Workforce Innovation and Opportunity Act (WIOA) is designed to help job seekers and workers, particularly those with barriers to employment, access needed education, training, and supportive services so they can succeed in the labor market. It is also meant to match employers with the skilled workers they need to compete in the global economy.

In 2006, the Department of Workforce Development-Division of Employment and Training (DWD-DET) established a requirement that 35% of Workforce Investment Act Adult and Dislocated Worker formula funds be used for training and training supports. DWD Administrator's Memos 06-11 and 09-06. The purpose of the expenditure requirement was to increase the numbers of interested and eligible participants receiving training to help them learn the skills needed to qualify for better paying jobs and meet the workforce needs of employers.

***PROGRAM CATEGORIES:**

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

In 2009, DWD-DET changed the expenditure requirement to a goal; however, some language within the policy still suggested that the 35% was a requirement. This update clarifies that for grants issued in PY16, the 35% expenditure level for training and training supports is a goal, not a requirement.

POLICY:

To ensure that resources are focused on preparing more people for higher wage jobs, and recognizing the strong connection of training to a "ready" workforce, the DWD-DET is maintaining the expenditure goal of 35% for WIOA Adult and Dislocated Worker Program funds for training and training-related supportive services. Funds dedicated to administration are not to be included as part of the calculation. The 35% expenditure goal applies to the Workforce Development Boards' (WDB) Adult and Dislocated Worker Program PY16 formula allocations, the PY16 Rapid Response-funded Transition grants, and any PY16 Rapid Response-funded Additional Assistance grants. The 35% goal does not apply to the WIOA Youth Program.

Placement of participants into training is to be guided by the goal of continuing to increase participants' earning potential. Training costs that may count towards the 35% expenditure goal include those related to trainings identified in Section 680.200 of the WIOA Final Rule:

- (a) Occupational skills training
- (b) On-the-job training
- (c) Incumbent worker training
- (d) Programs that combine workplace training with related instruction
- (e) Training programs operated by the private sector
- (f) Skills upgrading and retraining
- (g) Entrepreneurial training
- (h) Transitional jobs
- (i) Customized training
- (j) Adult education and literacy (including English language acquisition and integrated education and training programs) as long as these activities are provided at the same time as, or in combination with, training types (a)–(g). To document that these programs are provided in combination with occupational training, the individual employment plan (IEP) must indicate that the participant plans to continue into occupational training following the completion of adult education and literacy activities.

To help ensure successful participation in and completion of training, the WDBs and their service providers are strongly encouraged to provide training participants with any necessary supportive assistance that cannot be accessed through non-WIOA resources. Therefore, costs for supportive services provided to training participants may also count towards the 35% goal if provided during the period that the training service is open. Supportive services include those types of assistance identified in Section 680.900 of the WIOA Final Rule:

- (a) Books, registration and training-required fees, school supplies, and other necessary items for students enrolled in postsecondary education classes
- (b) Payments and fees for employment and training-related applications, tests, and certifications
- (c) Transportation
- (d) Child care / dependent care
- (e) Housing
- (f) Needs-related payments

- (g) Reasonable accommodations for individuals with disabilities
- (h) Legal aid services
- (i) Uniforms / work attire and work-related tools

WDBs shall maintain accounting records to accurately identify and account for the 35% training and support expenditures. Costs that the WDBs intend to count toward the 35% expenditure goal must be reported monthly in the Contract Management Expenditure Tracking (COMET) System as memo activities. A participant does not have to complete their training in order for the training and associated costs to count towards the goal. These costs should be reported in COMET at the time they are incurred.

To evaluate achievement of the goal, the amounts reported in COMET will be compared to total program expenditures over the life of each grant (i.e. the PY16 Adult and Dislocated Worker formula allocations, the PY16 Rapid Response-funded Transition grants, and any PY16 Rapid Response-funded Additional Assistance grants). In the event that funds are transferred between programs, the 35% goal will be evaluated against the modified grant amounts.

Sanctions will not be applied if a WDB does not attain the 35% expenditure goal. However, WDBs that do not meet the goal at the end of the grant period will be required to explain why they were unable to attain the 35% expenditure level. Any WDB not meeting the goal must provide a written explanation to the WDB's assigned Local Program Liaison (LPL) within 60 days of the close of the grant. See Attachment A for an example. For the PY16 annual allocations and any other grants with a grant period of more than one year, the WDB is required to submit a status report to its assigned LPL within 30 days of the end of the first year of the grant. The report must address the WDB's progress towards meeting the goal and its plan to reach the goal during the remainder of the grant period, if the goal has not already been met. See Attachment B for an example.

ACTION SUMMARY STATEMENT:

For the Adult and Dislocated Worker Program PY16 formula allocations, PY16 Rapid Response-funded Transition grant, and any PY16 Rapid Response-funded Additional Assistance grants, the WDBs must maintain accounting records to appropriately identify and account for the costs counting toward the 35% expenditure level and report the amounts in COMET.

CONTACT(S):

Any questions about this memo should be directed the WDB's assigned LPL.

ATTACHMENTS:

- Attachment A: Example of a final report for the 35% expenditure goal for training
- Attachment B: Example of a status report for the 35% expenditure goal for training