PURPOSE. To provide guidance and specific procedures for transferring of funds between the Title I Adult and Dislocated Worker Programs by outlining the criteria and information required when submitting a request to transfer.

REFERENCES.
- Workforce Innovation and Opportunity Act (WIOA) of 2014.
- TEGL No. 19-16, WIOA Guidance on Services provided through the Adult and Dislocated Worker Programs

BACKGROUND.
The Workforce Innovation and Opportunity Act, in section 133(b)(4) authorizes the transfer of up to 100% of funds between the Adult and the Dislocated Worker programs. The WIOA final rule adds a requirement that the Governor establish criteria or factors for approving local workforce development board (LWDB) transfers of funds between the Adult and Dislocated Worker programs and that these criteria must be in a written policy, such as in the State Plan or other written policy. The New Mexico Department of Workforce Solutions (NMDWS) is designated as the State Administrative Entity (SAE) and is authorized to act on behalf of the Governor for the implementation of requirements of WIOA.

The ability to transfer funds between the Adult and Dislocated Worker programs is intended to give greater flexibility to LWDBs to be able to manage all available funds to best meet the workforce needs of their local areas. The transfer of funds should be driven by demonstrated need in a specific program and the ability to utilize those dollars more effectively to achieve the objectives of the local area.

LWDBs are accountable for meeting the negotiated levels of performance for the WIOA primary indicators of performance for the Adult and Dislocated Worker programs and for reaching enrollment and expenditure targets. LWDBs must consider how they will meet the adjusted levels of performance for the primary indicators before requesting fund transfers. When funds are transferred from the Adult program to the Dislocated Worker program the transferred funds adopt the identity of the new fund source and are bound by all of the requirements of that program. Transferring funds away from the Dislocated Worker program does not relieve the LWDB of its obligation to achieve any of the performance targets for that program. However, the State anticipates that enrollment, expenditure targets, or costs per participant will be adjusted proportionate to the amount of funds approved for transfer.

CRITERIA AND DOCUMENTATION REQUIRED WITH TRANSFER REQUEST.
Documentation to be included for transfer request consideration includes the following:

1. Brief analysis to justify the need to transfer the funds that is based on current labor market information; including activities such as the number of TAA petitions and Rapid Response events in the local area, anticipated layoffs based on local economic conditions. Brief analysis will include how these activities will impact regional activities for dislocated workers.
2. Budget documenting the LWDB will meet the 40% expenditure requirement for funding available during the program year for Adults and Dislocated Workers; and
3. Description of strategies LWDB will use to guarantee the ability to meet performance measures for the Adult and Dislocated Worker Programs as a result of increased and decreased fund amounts.

PROCESS/REQUIREMENTS.
- LWDBs must prepare and submit a written request to the SAE that includes all supporting documentation to justify transfer request.
- The SAE will review requests and provide a determination within 30 days of receiving a request.

TERMS AND CONDITIONS.
- The transfer of funds cannot result in an overall deficit in any program.
- WIOA allows for transfer of funds, therefore submission of a budget modifications is not required. However, expenditure reports and on-site monitoring should reflect actions taken to implement the approved transfer.
- The transferred funds are subject to all rules of the receiving title/part, including cost limitations and eligibility requirements.
- Performance standards for each title remain unchanged.

INQUIRIES:
For inquiries please contact the LWDB liaison at NMDWS.

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