

State Policy

Workforce Innovation and Opportunity Act (WIOA)

Nebraska Department of Labor (NDOL) Office of Employment and Training 550 South 16 th Street Lincoln, NE 68508 402.471.9000 ndol.wioa_policy@nebraska.gov	Policy category
	Administrative Requirements
	Effective date May 3, 2018
	Supersedes Allocation Planning – WIOA Title IB Adult, Dislocated Worker and Youth Funds, Change 1 (effective June 27, 2017)

Allocation Planning – WIOA Title I Adult, Dislocated Worker, and Youth Funds, Change 2

REFERENCE

Federal and state laws, regulations, rules, and other guidance and documentation relied upon for the development of this policy are cited in footnotes.

BACKGROUND

NDOL must establish a policy that describes the methods and factors used to allocate funds to local areas for WIOA Title I adult, dislocated worker, and youth programs.¹

ACTION

This policy supersedes and cancels the State's² policy titled Allocation Planning – WIOA Title IB Adult, Dislocated Worker and Youth Funds, Change 1 (effective date June 27, 2017). Questions and comments on this policy may be submitted in writing to the WIOA policy mailbox at ndol.wioa_policy@nebraska.gov.

¹ WIOA Sec. 102(b)(2)(C)(iv)

² State refers to the Nebraska Workforce Development Board and the Nebraska Department of Labor (acting on the Governor's behalf pursuant to the Governor's Executive Order No. 15-03).

CHANGES

This policy clarifies provisions regarding the factors and weights used to determine allocation of dislocated worker funds to local areas, as described in [Section I\(b\)](#), and restates and simplifies other provisions included in the superseded and cancelled policy.

POLICY

This policy establishes requirements for local areas regarding:

- allocation, distribution, obligation, and availability of funds; and
- recapture and reallocation of unobligated funds and return of unexpended funds.

This policy has four sections and one appendix.

Section I.	Allocation of funds	2
Section II.	Obligation, distribution, and availability of funds.....	3
Section III.	Recapture and reallocation of unobligated funds	4
Section IV.	Return of unexpended funds	5
APPENDIX I.	Definitions.....	6

Section I. Allocation of funds

(a) Adult and youth programs

Allocation of adult and youth funds to local areas is based on the formulas described in WIOA Secs. 133(b)(2) and 128(b)(2), respectively.³

(b) Dislocated worker program

Allocation of dislocated worker funds to local areas is based on factors and weights determined appropriate by the Governor, which are listed in Table 1.

Table 1. Dislocated worker allocation factors and weights⁴

Factor	Weight
1. Insured unemployment data	15%
2. Unemployment concentrations	15%
3. Plant closings and mass layoff data	20%
4. Declining industries data	5%
5. Farmer-rancher economic hardship data	5%
6. Long-term unemployment data	20%
7. Dislocated worker program enrollment data ⁵	20%
Total	100%

³ 20 CFR § 683.120(a)(2)(i); TEGL 27-16

⁴ 20 CFR § 683.120(e)(2)(i) – (vi); TEGL 27-16

⁵ This factor is established by the state.

Calculation of local allocations of dislocated worker funds is made in two steps.

1. NDOL determines the portion of the state's allotment of dislocated worker funds to be assigned to each allocation factor described in Table 1 (the assigned portion).
2. NDOL determines the percentage amount of the assigned portion to be applied to each local area for each allocation factor.

(c) Minimum allocations⁶

Each local area must receive an allocation amount for a fiscal year that is equal to at least 90 percent of the average allocation amount the local area received for an individual program for the preceding two fiscal years. If necessary to comply with the 90 percent minimum local area allocation requirement, funds needed to increase an allocation to a local area are obtained by ratably reducing the funds to be allocated to other local areas. If the funds allotted to the state based on the fiscal year appropriation are not sufficient to meet the 90 percent minimum allocation, the amounts allocated to each local area must be ratably reduced.

Section II. Obligation, distribution, and availability of funds

(a) Obligation and distribution

(1) Adult and dislocated worker funds⁷

Adult and dislocated worker funds are available for obligation by local areas beginning July 1. Adult and dislocated worker program year funds (i.e., base funds) are typically available for distribution to local areas on July 1, and fiscal year funds (i.e., advance funds) are typically available for distribution to local areas on October 1. The availability of adult and dislocated worker funds for distribution to local areas is subject to the requirements and limitations of fiscal year appropriations for programs and activities carried out under WIOA Title I. Adult and dislocated worker funds must be made available for distribution by the state to a local area by the latter of:

- 30 days after the funds are made available to the state; or
- seven days after the date of approval of the local plan or local plan modification.

(2) Youth funds⁸

Youth funds may be made available for obligation by local areas beginning April 1 for the program year that begins the following July 1. Youth funds are typically available for distribution to local areas on July 1. The availability of youth funds for distribution to local areas is subject to the requirements and limitations of fiscal year appropriations for programs and activities carried out

⁶ 20 CFR § 683.125(a), (b), (d), and (e). Calculation of minimum funding percentages for local area allocations must be performed on a program year (i.e., annual) basis.

⁷ 20 CFR §§ 683.100(a) and 683.120(a)(2)(iii)

⁸ 20 CFR §§ 683.100(b) and 683.120(a)(2)(iii)

under WIOA Title I. Youth funds must be made available by the state for distribution to a local area by the latter of:

- 30 days after the funds are made available to the state; or
- seven days after the date of approval of the local plan or local plan modification.

(b) Availability⁹

Except as described in subsections (1) and (2) below, funds allocated to local areas for a program year for the adult, dislocated worker, and youth programs are available for expenditure by the local board during that program year and one succeeding program year. This two-year period is referred to as the period of performance. During the period of performance, local boards must expend funds with the shortest period of availability first (e.g., first in first out) unless otherwise authorized in the grant agreement (or any subsequent modification of the grant agreement) issued to NDOL by the Federal Contracting Officer, in compliance with the Federal Acquisition Regulations.

(1) Obligation of funds¹⁰

At least 80 percent of the funds allocated to a local area for a program year for each of the adult, dislocated worker, and youth programs should be obligated by the end of that program year (June 30). If more than 20 percent of the funds remain unexpended or unobligated at the conclusion of the program year, the state may recapture the amount that exceeds 20 percent. Any recaptured amount is separately determined for each program. Calculation of the 20 percent amount must adjust for:

- funds reserved by the local board for administrative costs (up to 10 percent); and
- any transfer of funds between the local area adult and dislocated worker programs.

EXAMPLE. Funds are allocated to a local area for the dislocated worker program on July 1 of program year. At the conclusion of the program year, 27 percent of the funds remain unexpended or unobligated. Of the 27 percent, the state may recapture an amount equal to seven percent and the local board may retain the remaining 20 percent.

(2) Pay-for-performance exception

Funds obligated by a local board to carry out WIOA pay-for-performance contract strategies remain available until expended.¹¹

Section III. Recapture and reallocation of unobligated funds¹²

In the event that a local board does not expend or obligate at least 80 percent of the funds allocated to the local area for the program year for its adult, dislocated worker, or youth programs,

⁹ 20 CFR § 683.110(c)

¹⁰ 20 CFR § 683.140(b)

¹¹ 20 CFR § 683.110(c)(1)(ii)

¹² 20 CFR § 683.140. Reallocation of funds may occur after consultation with the state board.

as described in [Section II\(b\)\(1\)](#), the state may recapture the amount that exceeds 20 percent and reallocate that amount to another local area for the same program. To be eligible for reallocated funds, a local board must have obligated at least 80 percent of the prior program year's allocation for the program, less any amount reserved for the costs of administration (up to 10 percent). A local board's eligibility to receive a reallocation must be separately determined for each program. A local board that receives reallocated funds must fully expend the funds by June 30 of the program year during which it received the funds.

Section IV. Return of unexpended funds¹³

Funds not expended by a local board during a two-year period of performance must be returned to the state. The returned funds may be used by the state during the following program year for:

- expenditure on statewide projects; or
- reallocation to eligible local boards.

An eligible local board is one that has fully expended its allocated funds for the same program within the same two-year period of performance. A local board that receives reallocated funds must fully expend the funds by June 30 of the program year during which it received the funds.

DISCLAIMER

This policy is based on NDOL's reading of the applicable statutes, regulations, rules, and guidance released by the US Government and the State of Nebraska. This policy is subject to change as revised or additional statutes, regulations, rules and guidance are issued.

¹³ 20 CFR § 683.110(c)(2)

APPENDIX I. Definitions

PURPOSE. Definitions in this appendix are provided as supplemental information that supports the provisions of the policy. The terms and phrases defined in this appendix should be read and understood in the context in which they are used in the policy and not as stand-alone information independent of that context.

1. declining industries data

Declining industries data refers to data that identifies reductions in the number of jobs within given industries.

2. dislocated worker program enrollment data

Dislocated worker program enrollment data means data collected by the state regarding local area enrollments in local dislocated worker programs.

3. farmer-rancher economic hardship data

Farmer-rancher economic hardship data refers to data that identifies the number of:

- Chapter 12 farm bankruptcies in a local area; and
- farmers and ranchers in a local area whose net earnings are equal to or less than 70 percent of the Lower Living Standard Income Level for a family of three.

4. insured unemployment data

Insured unemployment data refers to data that identifies the relative average number of unemployed individuals who reside in the local area as compared to the total average number of unemployed individuals in the state.

5. long-term unemployed data

*Long-term unemployed*¹⁴ data refers to data that identifies the number individuals in a local area who have been looking for work for 27 weeks or longer according to state-level unemployment insurance records.

6. plant closings and mass layoff data

Plant closings and mass layoff data means data that is manually collected by the state through Rapid Response activities.

7. unemployment concentrations

Unemployment concentrations data means data that identifies the average unemployment rate in each county as compared with the average unemployment rate for the state.

¹⁴ The term *long-term unemployed* is defined in TEGL 19-16.