

# Arizona Department of Economic Security



<b>Workforce Innovation and Opportunity Act Policy Manual (WIOA) Title I - Fiscal Policy</b>	<b>Chapter 3 – Section 400</b>
<b>Subject: Transfer Of Funds</b>	

## 400 Background And Purpose

The Workforce Innovation and Opportunity Act (WIOA) allows the transfer of funds between the WIOA Title I-B Adult and Dislocated Worker (DW) program funding streams, to allow Local Workforce Development Boards (LWDBs) the flexibility to provide services in the areas of greatest need. This policy contains the requirements for the transfer of funds between the WIOA Title I-B Adult and DW programs, and includes instructions on how to submit requests for the transfer of the funds to the Arizona Department of Economic Security (DES) for approval.

References: [WIOA of 2014 \(P. L.113-128\)](#), WIOA Final Rules [20 CFR § 683.130](#).

## 401 Transfer Of Funds

LWDBs and local Chief Elected Officials (CEOs) may request to transfer up to 100 percent of their allocated funding for Adult and DW activities during a Program Year (PY), between the Title I-B Adult Program and DW programs. Additionally, Rapid Response funds allocated to a LWDB by the Workforce Arizona Council may be transferred to the DW Program after the first year of availability.

LWDBs may not transfer funds to or from the WIOA Title I-B Youth Program.

### .01 Transfer of Funds Limits

- A. When requesting a transfer, the LWDB must provide the following rationale to DES to support the request:
  1. The situation that necessitates the transfer of funds, which must include labor market information and other economic conditions that contributed to the need for the transfer request.
  2. An estimate of the number of Adults and DWs expected to be served if the transfer of funds is granted, an explanation of how the transfer will impact the local area's ability to ensure priority of service levels, and participant levels in

both the Adult and DW programs.

3. An explanation of the effect of the transfer of funds on current providers of training and other services, to include the impact on jointly funded employment and training programs in the local ARIZONA@WORK Job Center.
4. The expected change in WIOA performance outcomes, in terms of percentage (e.g., an increase in the employment rate) for both funding streams, if funding is better aligned with participants' needs in the LWDB.

B. When considering the transfer of funds between the WIOA Title I-B Adult and DW programs:

1. The LWDB must continue to ensure that career and training services are made available to both Adults and DWs at the ARIZONA@WORK Job Center, through their remaining WIOA Title I-B funds, or through other partner programs.
2. If the LWDB is requesting a transfer from the Adult or DW program which will leave a balance of zero dollars (\$0) from the Adult or DW funding stream, the LWDB must provide a detailed explanation of how it plans to ensure that career and training services are made available to participants who are eligible for services under the funding stream from which funds were transferred from.

C. When considering the transfer of funds between Rapid Response and DW, LWDBs must ensure that sufficient Rapid Response funds are available for Rapid Response activities defined in the WIOA Rapid Response Policy (found on the DES [Title I-B Policy and Procedure Manual](#) webpage). Funds previously expended on Rapid Response activities will be considered towards the reservation amounts, which are as follows:

1. 50% of the available funds must be reserved between 13-18 months.
2. 25% of the available funds must be reserved between 19-24 months.

D. Adult, DW, or Rapid Response funds that are not expended by the end of the 24th month will be reverted to the State.

## **.02 Requesting a Transfer**

- A. The LWDB or its designee must complete and sign the DES Transfer of Funds Request Form, WIO-1075A, (found on the WIOA Title I-B webpage, [Exhibits- Fiscal Policies](#) tab), and submit the form to the Division of Employment and Rehabilitation Services (DERS), following the submittal instructions listed on the form.
- B. DERS will review the request, and provide written notification to the LWDB of the approval or denial of the request, within 30 calendar days of the date the request was received.
- C. When a request is denied, DERS will include an explanation and provide additional information or steps that the LWDB may take to have the request reconsidered.

## **402 Requirements For Requesting A Transfer Of Funds**

The following is required for all transfer of funds requests:

- A. The signatures (digital or wet) of the LWDB Chair or their designee and the CEO or their designee, indicating mutual concurrence and approval of the transfer of funds request.
- B. All transfer of funds requests are subject to the “Sunshine Provision” of [WIOA Section 107\(e\)](#), which requires that LWDBs make their intentions regarding transfers of funds available for public comment and for discussion in open meetings.

## **403 Reporting Of Transferred Funds**

Expenditures of all monies transferred between local WIOA Title I-B Adult, DW, and Rapid Response funding streams are reported on the Arizona Department of Economic Security Accrued Expenditure and Cash Report, under the program from which the funds were transferred.