



David A. Paterson, Governor

M. Patricia Smith, Commissioner

NEW YORK STATE WORKFORCE DEVELOPMENT SYSTEM TECHNICAL ADVISORY

Workforce Development System Technical Advisory #09-09-Change 1

TO: Workforce Development Community

DATE: July 23, 2009

SUBJECT: Notification of State Policy on the 50 Percent Training Expenditure Requirement for WIA American Recovery and Reinvestment Act (ARRA) Funds and **REVISED** Expenditure Reporting Requirements for Training, Needs Related Payments and Supportive Services

Purpose

To advise Local Workforce Investment Areas (LWIAs) of the State's modified policy on reporting expenditures for training services, needs related payments and supportive services, and to establish a 50 percent training expenditure rate for Adult and Dislocated Worker Recovery Act funds.

Background

TA # 09-02 explained the Department's policy intended to facilitate the delivery of training services through the Workforce Investment One Stop system and included an Accrued Expenditure Report (AER) and instructions. The Accrued Expenditure Report (AER) has been modified to require reporting for discrete categories of training costs and to require needs related payments and supportive services expenditures to be reported separately. This revised reporting requirement will apply to Adult and Dislocated Worker regular WIA funds (beginning with PY 2009) and to Adult and Dislocated Worker ARRA funds (beginning February 17, 2009). This reporting enhancement and the requirement for a 50 percent ARRA training expenditure rate are being implemented to provide the State with detailed, timely information about training and supportive service expenditures in light of the Congressional emphasis on the provision of these services under ARRA.

Policy: NYSDOL is requiring a 50 percent training expenditure rate for Adult and Dislocated Worker ARRA funds for the time period covering February 17, 2009 through June 30, 2011. Any local area that fails to meet a 50 percent expenditure rate for training against ARRA funds may not be eligible for future supplemental funds (excluding the initial PY 2009 supplemental distribution planned for early PY 2009 as described in TA # 09-11.1). To insure that spending is consistent with this policy, the percentage of ARRA funds

expended on training will be reviewed quarterly. Any LWIA that is spending less than 50 percent of their cumulative accrued expenditures on training may be excluded from any supplemental distributions made after the initial PY 2009 supplemental distribution.

Please note: This 50 percent minimum applies to Dislocated Worker and Adult ARRA training funds only. Needs related payments and supportive services expenditures are separate from training expenditures and will not be included as part of the training costs.

Please also note, however, that NYSDOL will be monitoring training expenditures under Dislocated Worker and Adult WIA regular funds to ensure all available workforce resources are being optimized.

Training costs may include tuition, fees, books and other materials and equipment required for the training. Training costs will be reported under four separate categories for fiscal expenditure reporting: ITA-funded; Contract funded; On-the-Job Training; and Customized Training.

1. ITA-Funded: Include all training services purchased using an ITA during the reporting period.
2. Contract funded: Include contracted training provided in lieu of using an ITA as permitted under §134(d)(4)(G)(ii) and in the ARRA. Training services may be provided pursuant to a contract for services in lieu of an ITA where:
 - the local board determines there are an insufficient number of eligible providers of training services in the local area involved to accomplish the purposes of a system of ITAs; or
 - the local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization or another private organization to serve special participant populations that face multiple barriers to employment; or
 - as provided in the Recovery Act, and stipulated in USDOL's TEGL No. 14-08, the local board contracts with institutions of higher education, such as community colleges, or other eligible training providers, because the board determines it would facilitate the training of multiple individuals in high-demand occupations and the contracts will not limit customer choice.

A list of training services that may be funded and included under this expenditure category is provided in Attachment A.

3. On the Job Training (OJT) – Include all payments made to both public, not-for-profit, and for-profit employers for training costs authorized pursuant to an OJT contract as defined in WIA §101(31).
4. Customized training – Include all payments for customized training as defined under WIA §101(8).

The AER has been modified to report expenditures for the four categories of training costs (ITA-funded, Contract funded, OJT and Customized Training) and to report expenditures for needs related payments separately from supportive services. These changes will better align fiscal and participant reporting requirements.

Action

Effective with accrued expenditure reports submitted as of July 2009, due August 20, 2009, all LWIAs are required to report a Training budget and accrued expenditures against this budget on their ARRA and WIA regular Adult and Dislocated Worker Funds. These accrued expenditures will be reported as memo entries on the AER. Instructions are included with the template, *July Reports*, which is attached.

Inquiries

Please direct all questions regarding this Technical Advisory to your FOTA representative.

Attachments

Attachment A: List of Training Services

Attachment B: AER Template – July Reports

TRAINING SERVICES

Combined Workplace Learning with Related Instruction (Co-Op Education)
Entrepreneurial Training
Occupational Skills Training
Skills Upgrading and Retraining
Training Programs Operated by the Private Sector
Workplace Training
Academic Learning*
Basic Skills/Life Skills*
English as a Second Language*
Literacy Training*
Mobility Training*
Work-Related/Job Readiness Training*

* Intensive/Training: these are intensive services that can be considered training only if linked to an ITA or non-ITA training by Program Service Type on NYOSOS/Services Module/Services Screen

Non-ITA Training Category

On-the-Job Training
Customized Training