

TEXAS WORKFORCE COMMISSION LETTER

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Effective:	Immediately

To: Local Workforce Development Board Executive Directors
Commission Executive Offices
Integrated Service Area Managers



From: Laurence M. Jones, Director, Workforce Development Division

Subject: **New Contract Action Request and Local Activity Funds Designation Request Forms**

PURPOSE:

To provide Local Workforce Development Boards (Boards) with:

- the new Contract Action Request (CAR) form (Attachment 1) for requesting contract actions that affect existing contracts or result in the development of a new contract between Boards and the Texas Workforce Commission (Commission);
- the new Local Activity Funds (LAF) Designation Request form (Attachment 1); and
- information and guidance on transfer designations, local activity fund designations, and nonallocated grant awards.

BACKGROUND:

On November 10, 2009, the U.S. Department of Labor Employment and Training Administration (DOLETA) reauthorized waivers that impact Boards' ability to:

- transfer funds between the Workforce Investment Act (WIA) adult and dislocated worker funding streams; and
- designate WIA adult and dislocated worker funds as local activity funds.

Guidelines for implementing these waivers are set forth in the *Guidelines for Implementing Workforce Investment Act Waivers*, available at <http://www.twc.state.tx.us/boards/wia/txwia.html>.

The CAR form provides Boards with one starting point for contract actions, such as:

- requesting additional funds;
- requesting no-cost contract extensions;
- initiating local activity fund designation requests;
- initiating transfer designations of WIA adult or dislocated worker formula funds; or
- requesting other contract modification requests (e.g., renegotiating deliverables).

The new CAR form applies to Commission-approved allocations and distributions, including the following:

- WIA formula and alternative funding for statewide activities
- Supplemental Nutrition Assistance Program Employment and Training
- Temporary Assistance for Needy Families
- Child Care
- Project Reintegration of Offenders
- Trade Adjustment Assistance
- Employment Service

PROCEDURES:

When submitting a CAR, Boards must:

- complete the appropriate portions of the CAR form; and
- e-mail the completed CAR form to their assigned contract manager.

NLF

Boards will receive an e-mail acknowledging receipt of the CAR form from their assigned contract manager by the next business day. Board requests will be approved or denied within 14 days of receipt of the CAR form, unless additional information or negotiation is required.

Transfer Designations

Boards must be aware that WIA formula fund transfer designation requests are limited to 50 percent of a local workforce development area's (workforce area) allocation in WIA adult and dislocated worker contracts.

NLF

Local Activity Fund Designations

Boards must be aware that requests to designate WIA formula funds as local activity funds are:

- limited to 10 percent of a workforce area's allocation in WIA adult and dislocated worker contracts;
- no longer allowable with a workforce area's WIA youth allocation; and
- limited to incumbent worker training projects that are designed as part of a layoff aversion strategy. Training is restricted to skill attainment activities. Other statewide activities are not permissible.

NLF

Boards must be aware that WIA formula fund transfer designation requests and local activity fund designation requests will continue to be reviewed and analyzed on a case-by-case basis to:

- ensure that the original population continues to be sufficiently served; and
- determine the impact of the designation on a Board's ability to sustain its capacity to provide basic formula-funded customer services.

NLF

Nonallocated Grant Awards

To modify or amend a nonallocated grant awarded in response to a request for application or request for proposal, Boards must use the contract action request form available through the Commission's Workforce Business Services Department.

NLF

INQUIRIES:

Direct inquiries regarding this WD Letter to wfpolicyclarifications@twc.state.tx.us.

ATTACHMENTS:

Attachment 1: Contract Action Request and Local Activity Funds Designation Request Forms and Instructions

RESCISSIONS:

WD Letter 48-07
WD Letter 48-07, Change 1
WD Letter 48-07, Change 2

REFERENCE:

Workforce Investment Act §133(b)(4)
Workforce Investment Act §166(h)(3)
Wagner-Peyser Act (20 C.F.R. Part 652)
Trade Adjustment Assistance for Workers under the Trade Act of 1974, Title II, Chapter 2, Subchapters B and D
Texas Labor Code §302.002(b), Chapters 306 and 307
Texas Workforce Commission General Administration Rules, Chapter 800, Subchapter B
WD Letter 03-10, issued January 20, 2010, and entitled "Guidelines for Implementing Workforce Investment Act Waivers"
Guidelines for Implementing Workforce Investment Act Waivers
<http://www.twc.state.tx.us/boards/wia/twxia.html>

FLEXIBILITY RATINGS:

No Local Flexibility (NLF): This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by "must" or "shall."

Local Flexibility (LF): This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by "may" or "recommend."