

February 29, 2000

WORKFORCE INVESTMENT ACT (WIA)
STATE ADMINISTRATIVE ENTITY (SAE)
SAE INFORMATION NOTICE NO. 36-99
(SIN NO. 36-99)

SUBJECT: WORKFORCE INVESTMENT ACT (WIA) TRANSITION FROM THE JOB
TRAINING PARTNERSHIP ACT (JTPA)

- 1 **PURPOSE:** The regulations for workforce investment systems under Title I of the Workforce Investment Act set forth the regulatory requirements that are applicable to programs operated with funds provided under Title I of WIA. The objective of this policy is to provide New Mexico Service Delivery Area/New Mexico Substate Area (NMSDA/NMSA) Subrecipients with guidance and instruction concerning the transition from the Job Training Partnership Act (JTPA) to WIA.

2. **BACKGROUND:** The transition from the Job Training Partnership Act (JTPA) to the Workforce Investment Act (WIA) is promulgated through adherence to The Workforce Investment Act; Interim Final Rule at Subtitle E-Administration, Sections 181 - 195 and Subtitle F-- Repeals and Conforming Amendments, Sections 199 & 199A. Also the Federal Register Volume 64, Number 72, dated April 15, 1999, Part 667, "Administrative Provisions Under Title I of the Workforce Investment Act," and "Training Module Transition/Closeout" posted April 21, 1999 at <http://usworkforce.org/q&a-transition.htm>, Section 506(c), Pub. L. 105-220; 20 U.S.C. 9276(c), Training and Guidance Letter (TEGL) 1-99 dated 8/3/99, "Closeout of State Formula-Funded Activities Under the Job Training Partnership Act (JTPA)" and any amendments thereto to the above references.

DISTRIBUTION:

WDB and PIC Chairpersons
SDA/SA Administrative Entities
SAE Subrecipients
NMSDA/NMSA Subrecipients

SAE/NMSDA/NMSA EO Office
SAE/NMSDA/NMSA Legal Counsel
SAE SPPTA and SOPC Bureaus
USDOL Federal Representative

3. **ACTION:** This information notice provides information, guidance and instruction related to the transition from JTPA to WIA.

Planning: To facilitate planning for the implementation of WIA an amount equal to no more than two percent (2%) of the total amount of JTPA formula funds allotted to the State for PY's 1998 and 1999 may be expended on transition planning activities such as convening meetings of various partners or entering into contracts with entities to provide recommendations on various implementation issues and design strategies, organizing State or Local Boards, developing State or local plans, developing lists of eligible providers and selecting the One-Stop operator(s). Not less than 50 percent of these funds must be made available to local entities. Two percent (2%) funds cannot be used to purchase equipment.

Two percent (2%) transition planning funds which are not expended for planning will be available for program services.

The classification of the 2% transition dollars will be treated as administrative funds, but they will not count against the administrative cost limits for JTPA or WIA.

WIA Statewide activity funding may be used for technical assistance and training. Technical Assistance and Training (TAT) money may be expended for in-state travel.

Provisions for Individuals Currently Enrolled in JTPA Programs: An individual who commences training under JTPA must be allowed to continue the training activity services specified in his/her service strategy until completion as long as the service strategy designed for that individual does not change. If there is a substantial change to the individual service strategy after the State has made the shift to WIA, the individual would come under WIA rules including those pertaining to priority for service and eligibility for intensive and training services.

All participants who started out as JTPA participants remain eligible for services under WIA and must complete their JTPA service strategy without interruption, even if that service strategy is not allowable under WIA, or if they are not eligible under WIA. It will be necessary to complete WIA forms for the carryover JTPA participant.

Local Boards are encouraged to provide follow up services for existing participants to improve retention and advancement on the job.

Those individuals who are enrolled, but not assessed, may be assessed and a strategy developed. The services that will be available under WIA should be considered in developing this strategy, if appropriate. Once WIA is fully implemented on July 1, 2000, new participants are subject to WIA requirements.

Time and dollar limits on continued JTPA participation are not imposed by the Act. Since intensive Service Providers should make appropriate arrangements to transfer the responsibility for the individuals under the individual's service strategies to appropriate new WIA designated One-

date of transition to WIA, arrangements should be made for follow up services with the designated one stop operator or another partner. The outcomes should be reported on the final JTPA outcomes reports,

training p

of the scheduled plan, regardless of whether designated under WIA as "eligible providers." Modification to existing contracts will have to be dealt with on a case-by-case basis. The training provider will be allowed to continue services to JTPA participants who are actively

level of funding required for those individuals to complete their transition to WIA, the new Local Workforce Development Board will be responsible for the

-Stop operator or partner, as appropriate, is responsible for developing an individual service plan for each claimant referred to it as needing such services and ensuring that -Peysers Act or

Insurance claimants, and feedback to the Unemployment Insurance component on the services provided. At a minimum, the operator should provide feedback information relating

- Orientation and completion of the Service Plan;
- Any change in the claimant's status or participation; and
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JTPA funds not needed

for closeout activities or costs will be provisions in WIA legislation to cover the separate funding of the State Workforce Investment Board activities. Funds for this activity must come from State WIA

Unexpended PY 98/99 funds may be carried over into PY 2000 as follows:

- States and local areas must set aside sufficient funds to close out JTPA. Funds not needed for a closeout will be transferred into the PY 2000 WIA grant and be needed and reported under WIA;
- reported as WIA funds; and
- State allocations are described in the State Plan.

The length of time for closeout will not affect the identity of funds. The funds will retain their original identity based on the appropriation under which they were provided.

Existing JTPA reporting systems will be retained until the State is
Changes envisioned to the JTPA reporting requirements will deal with special needs such as the handling of the 2% transition planning funds provided for under WIA.

Funds for School to- -to Work (WtW) will not be folded into WIA.

the funding arrangements for services and activities will be negotiated in Memoranda of
e to the operation of a unified

Every provider of adult training

Provider list includin
unless exempted as outlined in Section 122 of the Act. An application for initial eligibility
applicatio
program and performance information that is available for the most recent funding period.

The Local Board evaluates the application and if acceptable places the provider on a
of initial providers. Once approved, this list of initial training providers is then forwarded to
the New Mexico Department of Labor (NMDOL) by the Local Board, and the providers on
in the Individual Training Account
(ITA) payment system.

Eligibility must be renewed on an annual basis. At the end of the first full implementation
year of WIA, all training programs with initial eligibility certification are required to submit
pplication to include performance and cost information for the previous twelve month
is retained on the eligible list.

CBOs that are currently providing training u
training services under WIA, can apply for inclusion on the eligible provider list and can be
determined to have "Initial Eligibility" for the first twelve months under WIA.

Community Colleges that are accredi
Apprenticeship Act program, are able to immediately be certified for initial eligibility,

One Stop Partner Cost Allocation and Memoranda of Understanding: The method of sharing
-Stop partners must be described in the
pplicable OMB Circulars.
Organizations which have multiple funding streams must have an indirect cost rate or a cost

are no longer included
under WIA. There are no specific W
programming emphasis on close coordination between youth activities and education will serve
similar purposes as the 8% grants. Older Workers are eligible for core services under WIA at the local

Audits and reviews in process will be addressed under existing rules. Final reports
are to be submitted as soon as possible after the funding period covered by the aw
Late claims for allowable JTPA costs should be handled in the closeout process in the following
manner:

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closeout process. At the time of final closeout a
months after WIA implementation, a final reconciliation and transfer of unexpended JTPA
funds to WIA will occur. The USDOL will not pay for claims submitted after the closeout.

Closeouts of SDAs which are not loca
existing governmental unit. They can and must reserve funds for closeout costs.

- The-
with all liability issues.
- Issues dealing with severance pay, Unemployment Insurance payments, transfers, etc. are
the local level.

Periods of performance for the existing National dislocated worker grants and demonstrations

4. **EFFECTIVE DATE** This Notice is effective February 29, 2000.

5. **RESCISSIONS**: None

6. **CONTACT:** Inquiries regarding this Notice should be directed to the Job Training Division in Santa Fe at (505) 827-6827.

CLINTON D. HARDEN, JR.
Secretary