

**Workforce Solutions Texoma
American Recovery & Reinvestment Act (ARRA)
Rationale for Funds Transfer**

The American Recovery and Reinvestment Act (ARRA) utilizes the Workforce Investment Act (WIA) Eligibility Guidelines.

Normal eligibility guidelines for the WIA Adult Program require us to serve only customers whose household income is below 70% of the Lower Living Standard Income Level (LLSIL) determined annually by the Secretary of Labor.

The LLSIL is a household income scale based on family size.

Workforce Solutions Texoma, and all local Boards have two funds declaration options during the annual planning process:

1. To declare “Not-Sufficient Funds”, which requires us to follow the 70% LLSIL standard for determining eligibility in the Adult Program, or
2. To declare “Sufficient Funds”, allowing the income guidelines to be expanded.

Standard operating procedure for Workforce Solutions Texoma is to declare “Not-Sufficient” funds during the planning process, and to follow the 70% LLSIL requirement.

Funds are tracked in 2 categories, Expenditures, funds actually spent; and Obligations, funds not yet actually spent, but set aside to cover projected expenses for customers receiving services. For example, if a customer is enrolled in a training course expected to cost \$2,000 in total, but is in the first semester and has only incurred actual expenditures of \$500, there would still be \$1,500 obligated to cover the remainder of the projected cost.

As of November 15, 2009, Expenditures and Obligations for ARRA funds were as follows:

Balance as of 11/15/2009							
American Recovery & Reinvestment Act (ARRA)	Budgeted	Expended	% Expended	Obligated	% Obligated	% Expended + Obligated	Unobligated Balance
Dislocated Worker Funds	337,482.00	54,716.18	16.2%	75,257.00	22.3%	38.5%	207,508.82
Adult Funds	163,754.00	78,226.75	47.8%	34,124.05	20.8%	68.6%	51,403.20

Because Expenditures and Obligations for the Dislocated Worker portion were tracking less than those in the Adult Program, Board Staff consulted with the Contractor and determined 1) those Dislocated Workers who were looking for services under ARRA were being served, and 2) there were WIA Dislocated Worker Funds available to meet future needs.

Using this information, Workforce Solutions Texoma determined a need to declare Sufficient Funds in ARRA Dislocated Worker Funds and transfer \$100,000 to ARRA Adult Funds, in order to serve additional customers who did not meet the Dislocated Worker guidelines. Dislocated Workers are those customers who can prove they “lost their job essentially through no fault of their own”.

A declaration of Sufficient Funds allows Workforce Solutions Texoma to provide services to customers whose household income is above 70% and 200% of the LLSIL, if they have **at least two** barriers to employment listed below:

- Low educational level, defined as less than 8.9 on the Test of Adult Basic Education (TABE) (Roughly 9th Grade),
- Currently attending school and making a semester grade of 3.0 or above,
- Poor work history, defined as less than 6 months of consecutive employment within the last 2 years,
- Single parent,
- Received Food Stamps within the last 12 months,
- Received TANF within the last 12 months, or
- Lacks a certification or degree that will lead to employment in a field on the current Targeted Occupations List.

Example: 70% of the Current LLSIL for a family of 4 is \$22,500 – 200% of the current LLSIL for a family of 4 is \$64,286.

On November 20, 2009, Workforce Solutions Texoma requested \$100,000 be transferred from ARRA Dislocated Worker funds to ARRA Adult funds. Current Expenditures and Obligations for ARRA funds are as follows:

Balance as of 01/20/2010							
American Recovery & Reinvestment Act (ARRA)	Budgeted	Expended	% Expended	Obligated	% Obligated	% Expended + Obligated	Unobligated Balance
Dislocated Worker Funds	233,482.00	72,931.18	31.2%	83,773.87	35.9%	67.1%	159,428.82
Adult Funds	265,654.00	84,373.75	31.8%	64,299.57	24.2%	56.0%	181,025.25