

GLOW WIB Workforce Investment Area Reallocation Policy

Purpose: To assure appropriate utilization of funds for workforce development activities in the GLOW region per Section 128(c)(4) and Section 133(c)(4) of the Act. At least **70% of the WIA Title IB Adult, Dislocated Worker, and Youth** category must be accrued by June 30th of the Program Year or funding will be deobligated back to the State.

Guidelines: Reallocation will be necessary if it is expected that the Program Provider and/or County will not use their planned budget allocation. Monthly Program Year accrued amounts will be reported to the Grant Recipient by each Program Provider.

The GLOW area may reallocate between Program Providers and/or County if:

- 1) Other Program Providers in the County can utilize additional funding, giving them first opportunity to receive such funds;
- 2) Other county(s) and their Program Providers can utilize additional funding, if no local County Program Providers have additional needs;
- 3) Special circumstances for the Program Provider and the County have been considered prior to reallocating funds, i.e., future major hiring or dislocation of workers in the County;
- 4) The CEO of each county reallocating or accepting funds is in agreement.

In order to track accrued funds, ALL Program Providers will provide Monthly Financial Reports to the Grant Recipient. Additionally, the Grant Recipient will conduct a Quarterly Monitor of each Program Provider and county based on the schedule below.

Quarterly Monitor Process:

The amount of accrued Program Year funds will be monitored quarterly for each Program Provider. The Grant Recipient will complete a Quarterly Monitoring Summary, submitting copies to the **WIB Manager, GLOW Program Providers and the Finance Committee by the due date listed for each quarter under Timetable. The Finance Committee will review the Summary and determine if formal Corrective Action is necessary.**

<u>Timetable</u>		<u>Benchmark</u>
Period 7/1 - 9/30	Due 10/31	Required Accrued 18%
Period 10/1 - 12/31	Due 1/31	Required Accrued 35%
Period 1/1 - 3/31	Due 4/30	Required Accrued 53%
Period 3/1 - 6/30	Due 9/30	Required Accrued 70%

Corrective Action for Failing a Benchmark:

1. Upon review of each Quarterly Monitoring Summary, the Finance Committee will determine if individual Program Providers achieved the quarterly benchmark. The Finance Committee will then initiate an analysis of any Program Provider(s) that failed the benchmark and the following steps will be taken:
 - a. Determine the dollar amount by which the benchmark was missed.
 - b. Develop and recommend to the GLOW WIB and the corresponding Program Provider(s) CEO a Corrective Action Plan, outlining the actions that will be required from the Program Provider(s) to address the under-performance i.e. failing the benchmark.
 - c. Once approved by the GLOW WIB and the CEOs, the Corrective Action Plan will be forwarded to the Program Evaluation and Oversight Committee

2. The Program Evaluation and Oversight Committee will be charged with evaluating the Program Provider(s) response to the Corrective Action Plan to determine if it adequately resolved each action listed in the Plan. The Program Evaluation and Oversight Committee will report back to the GLOW WIB on the status and compliance with the WIA approved Corrective Action Plan.

3. Failure of a Program Provider to achieve a benchmark for the same funding source in three of four quarters for the same Program Year will trigger an automatic reallocation by the GLOW WIB and CEOs. The automatic reallocation will occur following the quarter that represents the third time in the Program Year that the same funding source benchmark was missed. The reallocation funding will be transferred to the Program Provider(s) that achieved their quarterly benchmark and can utilize the additional funds.

Example: The third time the benchmark was failed by Program Provider A was after the Fourth Quarter Monitor. The difference between the actual accrued expenditures and the 70% fourth quarter benchmark was \$15,000, therefore \$15,000 will be reallocated to Program Provider B and Program Provider C who both met the fourth quarter benchmark and requested the additional funding.

4. The reallocation of funds will occur based on the original allocation formula for the funding source. The qualifying Program Providers will receive their corresponding % adjusted in terms of 100% of the funding available.

Example: If Program Provider B received 24% of the original allocation and Program Provider C received 26%, the following calculation will be used for reallocation.

	<u>Alloc %</u>		<u>(b.)Factor</u>	<u>Reallocation %</u>	<u>Reallocation Portion\$</u>
<u>Provider B</u>	24%	x	2	= 48%	X \$15,000 = \$7,200
<u>Provider C</u>	26%	x	2	= 52%	X \$15,000 = \$7,800
<u>Total</u>	(a.) 50%			100%	\$15,000

Factor Formula: (b.) = 100% / (a.)
 (b.) = 100% / 50% = 2

If a Program Provider does not wish to receive the total amount of funds they are being offered under the reallocation, they can refuse all or a portion of the funding. The remaining portion of the reallocation funding would then be allocated to the remaining Program Providers qualifying for reallocation based on the original allocation formula for the funding source.

5. Exception - If no Program Provider requests the additional funding it will remain with the original Program Provider, but a corrective action plan will be implemented to address the under-performance i.e. failing the benchmark.

Policy #10