



## OKLAHOMA WORKFORCE DEVELOPMENT ISSUANCE # 12-2013

**TO:** Workforce Investment Board Chairs  
Workforce Investment Board Staff  
Workforce Investment Fiscal Agents

**FROM:** Deidre Myers, Deputy Director  
Office of Economic and Workforce Policy

**DATE:** August 7, 2013

**SUBJECT:** Transfer of Formula Funds Policy

**RESCISSIONS:** This policy rescinds OWDI #03-2012.

**AUTHORITY:** WIA Section 133(b) (4) provides the authority for workforce investment areas, with approval of the Governor, to transfer WIA funds between the Adult and Dislocated Worker programs. Oklahoma's Strategic Five-Year Workforce Investment Plan requested a waiver to permit 50% of such funds to be transferred by a local board. This waiver has been approved by DOL through June 30, 2017.

**MESSAGE:** Oklahoma's policy for the transfer of WIA formula funds.

### **Making a Request:**

Submit a written request via e-mail to the Oklahoma Department of Commerce, to Terry Watson at [Terry\\_Watson@OKCommerce.gov](mailto:Terry_Watson@OKCommerce.gov).

The following items must be included in the request:

1. A copy of the LWIB minutes showing approval of the transfer of funds.
2. A narrative description must be included using the following format:
  - The grant numbers, dollar amount, and the percentage of the transfer;
  - Impact on jointly funded employment and training programs;
  - Impact on current LWIB employment and training systems;
  - Changes in labor market conditions; and,
  - Usage of funds to be transferred and consistency of usage with local plans.

### **Approval Process:**

- The Oklahoma Department of Commerce (ODOC), as the Governor's designated operating entity, will approve all transfer of funds. Approving status and any additional guidance will be issued upon receipt of all proper documentation.

- Notification of status will be made within 15 days of receipt of request. The LWIB will receive an e-mail notification from their designated Program Manager.

**After a Request is Approved:**

- Under no circumstances will the budget change on the “From” or “To” title/part.
- To adequately document the approved transfer within your accounting records, make a journal entry within the funding stream where the funds will come “From” showing the expense in the full amount. This will require that you establish a “Transfer” code in your chart of accounts for tracking purposes.
- Also, in your records, show the individual expenditures as they occur for approved activities under their associated account codes from your chart of accounts. These should be tracked under the funding stream being transferred “From”. **Note:** For monitoring purposes it will be necessary for the Fiscal Agent to run a financial report that lists only those expenditures incurred as part of the approved transfer. **Recommendation:** Establish account codes specific to these expenditures.
- When entering the monthly expenditure report in OKGrants for the month the request is approved, enter the amount of the approved transfer under “TRANSFERS” on the monthly expenditure report where funds are being transferred “FROM”. Splitting the expenditures between admin and program, enter under “Current Month.”

**Transfer Limit:**

- Up to 50 percent of a program year allocated to a LWIB for dislocated worker employment and training activities may be transferred to the adult employment and training activities.
- Up to 50 percent of a program year allocated to a LWIB for adult employment and training activities may be transferred to the dislocated worker employment and training activities.
- LWIBs **may not** transfer funds to or from the youth program.

**Terms and Conditions:**

- The transfer of funds cannot result in an overall deficit in any program.
- Transferred funds do not lose their identity. Therefore, a contract modification will not be necessary.
- DOL law allows for transfer of funds therefore submission of budget modifications will not be required. However, expenditure reports and on-site monitoring should reflect actions taken to implement the approved request for the transfer.
- The transferred funds are subject to all of the rules of the receiving title/part, including cost limitations, and eligibility requirements.

- Expenditures associated with transferred funds are tracked in the title/part transferred from.
- Unless approved in writing by ODOC, performance standards for each title remain unchanged.
- Only current program year funds may be transferred between titles, no carryover funds may be transferred.
- Transfer of funds may be done only once per program year.
- Funds may not be transferred to simply avoid recapture procedures or grant under/over procedures.
- Funds transferred to the adult employment and training activities or the dislocated workers employment and training activities will be a part of the base amount for determining compliance with Section 132(c) and 133(c) of the Act for reallocation of unobligated funds in excess of 20 percent.

**ACTION REQUIRED:** Please distribute this issuance to appropriate staff and include it as part of your permanent records.

**NOTE:** ODOC issued guidance is subject to change pending new DOL regulation, audit requirements, or internal determinations on efficiencies and effectiveness to program delivery and stewardship of federal funds.

**INQUIRIES:** If you have any questions about this issuance, please contact Tina Lindsay at [Tina.Lindsay@okcommerce.gov](mailto:Tina.Lindsay@okcommerce.gov) or (405) 815-5137.