

August 22, 2006

NEMO WIB Issuance #03-06

To: All Program Operators

From: Sharon Hays, Executive Director

Subject: Limitations on Operational Budgets and Expenditures for Workforce Investment Act Adult, Dislocated Worker and Youth Programs

1. Purpose: To provide a policy on the maximum amount available for Operational Budgets and Expenses for the Workforce Investment Act Adult, Dislocated Worker and Youth programs funds sub-contracted through the NEMO Workforce Investment Board.
2. Substance: The Job Training Partnership Act (JTPA) provided limitations on the amount of funds that could be used for specific cost categories such as Administration (max. 20%), Supportive Services (max. 30%), and Training (min. 50%). The Workforce Investment Act provides only two specific cost categories, Administration (max. 10%) and Program Services (90%). Therefore the Workforce Investment Board has established limitations on the amount of funds that may be used for operational costs verses funds used for supportive services and training costs to ensure funds are available to assist eligible customers with necessary supportive services and training assistance.

For the Program Service funding available for the Workforce Investment Act Adult, Dislocated Worker and Youth Programs, a maximum of 55% of the allocated funds available to the sub-contractor may be used for operational expenses and staff costs associated with providing program services. The operational limitation applies to all new and carry-over funds available to sub-contractors each Program Year. This will ensure that a minimum of 45% of the allocated funds are used to provide supportive services (such as transportation, child care, etc.) and training services (such as tuition assistance, on-the-job training and work experience) to eligible customers.

3. Action: This issuance becomes effective immediately and should be provided to all fiscal staff.
4. Contact: If you have any questions, please contact Sharon Hays or Casie Baumann at (660) 327-5125.

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Sharon Hays, Executive Director