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Final Guidance

DEOBLIGATION AND REALLOCATION OF JOBS FOR VETERANS' ACT GRANT FUNDS

OF INTEREST TO

Workforce Florida, Inc. (WFI), and Regional Workforce Boards (RWB) engaged in implementing programs under Title 38, United States Code (USC), Chapter 41, as amended by the Jobs for Veterans Act (JVA), Public Law 107-288

SUBJECT

The deobligation and reallocation of JVA (Disabled Veterans Outreach Program (DVOP), Local Veterans Employment Representative (LVER) Program), and Transition Assistance Program (TAP) Grant Funds

PURPOSE

To define and describe the procedures for the deobligation and reallocation of JVA Grant funds allocated to the state's regional workforce boards to serve veterans under Title 38, USC, Chapter 41, as amended by the JVA, Public Law 107-288.

BACKGROUND AND UNDERLYING STATE AND FEDERAL POLICY

The lapse of DVOP/LVER Grant funds by some RWBs has caused a recapture of program funds by the U.S. Department of Labor (USDOL), Veterans' Employment and Training Services (VETS). The State's continued loss of these funds negatively impact workforce services to Florida's veterans. The primary reasons for lapsed funds is not filling vacant Disabled Veterans' Outreach Program (DVOP)/Local Veterans' Employment Representative (LVER) positions in a timely manner and not expending, drawing/reconciling pass-through funds timely. Each RWB requests how much of its allocation should be budgeted for DVOP and how much for LVER at the beginning of each state fiscal year. The regional workforce boards also provide in their annual budget the amount of funds needed for salaries and benefits and the amount of funds needed for pass-

through to cover fair-share allocated costs and other direct costs in support of their Veterans Staff. A quarterly budget plan for the year is developed and forms the basis for our quarterly expenditure plan to the USDOL's Veterans' Employment and Training Services.

The Agency for Workforce Innovation (Agency) encourages a policy that fosters the voluntary deobligation of JVA grant funds by a RWB, which would preclude the necessity for an enforced deobligation process. RWBs are encouraged to request voluntary deobligation of JVA funds as soon as annual allocations and budget needs are known at the beginning of the year, but may request a voluntary deobligation at any time. In this same situation, RWBs that may be slightly short of being able to fund some portion of a half or full time position are encouraged to request the additional funds necessary. JVA funds that become available due to a voluntary deobligation will be reallocated to other RWBs based on need/requests. In order to fairly assess whether a RWB is subject to deobligation, RWB annual budgets for DVOP, LVER, and TAP funds will include a breakdown of planned expenditures by quarter. Quarterly plans should be realistic based on positions and reasonable fair share costs, and should incorporate any anticipated or expected annual payments in appropriate quarters.

THE DEOBLIGATION/REALLOCATION PROCESS

General Deobligation Guidelines:

RWBs' DVOP/LVER Grant funds will be reviewed at the end of each quarter to determine if there are funds available for deobligation. JVA Grant funds are awarded to RWB's on a State Fiscal Year (July 1 to June 30) basis. Prior to the beginning of the state fiscal year, each RWB must determine the number of Vets positions it can support and develop a budget plan for how much funding is needed in the salary and benefits and the pass-through budget categories to support that number of positions for the year. The budget plan must be done on a quarterly basis since funding from the USDOL is only released on a quarterly basis. Based on the approved RWB budget plan, the Agency will issue a Notice of Fund Availability (NFA) each quarter for the amount of funds that the board has budgeted in the pass-through budget category. The Agency will also reserve at the state-level the amount of funds budgeted in the salary and benefit budget category for that quarter. Funds not expended pursuant to the quarterly budget plan are subject to deobligation and subsequent reallocation.

The amount of funds available for deobligation at the end of each quarter will be determined separately for the DVOP and LVER Programs. Transition Assistance Program (TAP) program funds will be allocated and reallocated as necessary throughout the year by the Agency in consultation with WFI and those RWBs that conduct TAP workshops. Veterans' Program incentive funds are not subject to any deobligation.

Guidelines on deobligation of funds budgeted for Salary and Benefits:

Salary and Benefits for Vets Staff assigned to a regional workforce board are paid by the Agency based on the approved RWB budget plan. At the end of each quarter, the Agency will review the workforce board's quarterly expenditures for salary and benefits and compare that to the amount that had been budgeted for the quarter under review. Any amount of underexpenditure in the salary and benefits budget category will be deobligated and the RWB's annual award from WFI will be adjusted to reflect the deobligated amount. The agency will provide the opportunity for the regional board to explain any underexpenditure in the salary and benefits budget category that is not related to a vacant position(s) open for more than 60 days.

Reallocation of Deobligated Funds budgeted for Salary and Fringe Benefits

After consultation with WFI, the Agency will re-award deobligated funds not related to vacancies open more than 60 days if sufficient information to explain the underexpenditure is provided and the board has provided adequate justification for the continued use of the funds. If sufficient information has not been provided then the Agency shall make the funds available for reallocation to other regional boards.

RWBs that have expended at least 80% of their JVA program funds by the end of each quarter in accordance with the quarterly plans submitted will be eligible to request consideration for the reallocation of any available deobligated funds (after the process for the re-award of deobligated funds not related to vacancies open more than 60 days is completed). A RWB's eligibility to receive a reallocation will be separately determined for each program (DVOP/LVER/TAP). Any reallocation of funding will be done in consultation with the Veterans' Workgroup that includes AWI, WFI and representation from the regional workforce boards.

Guidelines on deobligation of funds related to underexpenditure of Pass-Through funds:

RWBs are expected to expend the funds allocated to the pass-through budget category in accordance with their approved quarterly budget plan. At a minimum, RWBs must spend at least 80% of the amount of their pass-through funds that were budgeted for each quarter. Any unexpended funds in excess of 20% of the budget plan will be deobligated from the region's annual award and made available for reallocation to other RWBs.

Reallocation of Deobligated funds budgeted for Pass-Through

RWBs that have expended at least 80% of their JVA program funds by the end of each quarter in accordance with the quarterly plans submitted will be eligible to request AWI's consideration for the reallocation of any available deobligated pass-through funds. A RWB's eligibility to receive a reallocation will be separately determined for each program (DVOP/LVER/TAP). Any reallocation of funding

will be done in consultation with the Veterans' Workgroup that includes AWI, WFI and representation from the regional workforce boards.

SUPERSESSION

None

AUTHORITY

Title 38, United States Code, Chapter 41, as amended by the Jobs for Veterans Act,

Public Law 107-288 The Workforce Investment Act (WIA) of 1998

Title 20, Code of Federal Regulations (CFR), Part 1001 (20 CFR 1001)

Policy Guidance issued by USDOL

The approved Jobs for Veterans Grant State Plan; and

All terms, conditions, assurances and provisions of the JVA Grant