Allowable Uses and Funding Limits of Workforce Investment Act (WIA) Program Year (PY) 2014 funds for Workforce Innovation and Opportunity Act (WIOA) Transitional Activities: 
Frequently Asked Questions

1. The WIOA transition provisions cited by the Training and Employment Guidance Letter (TEGL) 12-14 refer to Fiscal Year 2014 funding, how is the Department interpreting this requirement?

DOL has interpreted section 503(g) of WIOA as applying to the funds appropriated in the Consolidated Appropriations Act for FY 2014. Those are the FY 2014 funds, including the PY 2014 Base funds that became available July 1, 2014 and the FY 2015 advance funds that became available October 1, 2014.

2. Are these transition funds an additional amount being given from the state to the locals?

States have flexibility in deciding whether locals must use already provided local funds for transition activities or if the state will make available additional funds for local transition activities out of funds currently set aside for statewide activities.

3. The TEGL directs that transition costs must be reported in the Line 12-Remarks section of the 9130 reports. Can you provide more detail regarding what information must be included in this field?

Cumulative accrued expenditures related to transitional activities must be reported on the ETA-9130 form on line item 12, Remarks. While Line 12 is where states report the specific amount of expenditures related to the two percent, this amount also is reported with cumulative expenditures on Line 10e (similar to the way administrative expenditures are reported on Line 10e and Line 10f).

4. Does WIOA prescribe how States must make transition funds available to local areas?

WIOA does not prescribe a specific approach to within-state methodology of making funds available and allows the State discretion in selecting a methodology.

5. Will ETA provide further guidance regarding allowable within-state approaches to making funds available to locals for transition purposes?

WIOA provides discretion to states in selecting an appropriate strategy for making transition resources available to local areas. Although ETA will not require a specific approach, we expect that States will be reasonable, equitable, and transparent in their selected methodology.
6. Are states required to use the full two percent authorized for transition activities?

No. The two percent is a cap and States may elect to use “up to” that amount. States may elect to use a lesser amount to support transition activities.

7. The TEGL states that “costs incurred for transitional activities must be reasonable, allowable, and allocable to WIOA authorized program activities” and also explains that funds may be “blended” to support transition activities. How is ETA defining allocable in this context?

In the context of transitional activities described in the TEGL, funds must be allocable to any activities authorized by WIOA rather than the specific WIA funding stream from which funds were used.

8. Are there special considerations or criteria for States that operate as a single state area?

States operating as a single state area must align transition activities with the intent of WIOA. Therefore, such states may still reserve up to two percent for transition activities, but must divide utilization of these funds between state and local activities as described in the TEGL 12-14.

9. How do the transition provisions apply to the Wagner-Peyser program?

Under WIOA sec. 503(d), DOL has the authority to support an orderly transition to WIOA for the Wagner-Peyser Employment Service. Under this authority, DOL has determined that Employment Service funds may be used to support the transition to WIOA. The two percent limitation on transition activities does not apply to Wagner-Peyser funds, but the Department expects the use of the funds to be reasonable, allowable, allocable, and transparent.

10. The TEGL states “other programs under Title I of WIA” may use WIA Funds to facilitate transition to WIOA.

   - Can you clarify which programs are included?
     - Indian and Native American Program
     - Migrant and Seasonal Farmworker Program
     - YouthBuild

   - Does the two percent limitation apply?
     The two percent limit does not apply to these programs, but costs for the WIOA transition must be reasonable, allowable, allocable, and transparent.
11. There are many transitional activities that are not identified in the TEGL, such as updates to performance and programmatic management information systems; are these activities allowable?

A. The list of allowable activities contained in the TEGL is not exhaustive. States that are unclear if a specific activity is transitional in nature should contact the appropriate Regional Office.