

Policy Clarification | Q&A | Other

Number: WIN - 0022
Date: June 25, 2012

TO: Workforce Development System Partners
FROM: Amy Smith-Rubeck, Deputy Assistant Commissioner
SUBJECT: PY 12 First Quarter Allocations & Dislocated Worker Mitigation Funds

Purpose:

To outline the plan for Dislocated Worker mitigation funds to help address potential hardship on local areas during the first quarter of PY 12.

Action Required:

Local areas wishing to collaborate on strategies to minimize reduction impacts should contact WSID to facilitate these strategies.

Summary:

In an e-mail dated May 31, 2012, Assistant Commissioner Goranson outlined the state's general plan to make \$4 million in Rapid Response Additional Assistance (RRAA) funds available to local areas to mitigate the impacts of continued high demand for WIA Dislocated Worker program services. Subsequent to the release of that e-mail, WSID began to receive feedback regarding the impacts of the reduced first quarter PY 12 allocations.

In order to mitigate hardship on the local areas during this first quarter WSID will be implementing the following in regards to the Dislocated Worker program:

- WSID will allow local areas to transfer funds between the Adult and Dislocated Worker programs during PY 12 without impact to an area's ability to subsequently apply for RRAA funds.
- In order to mitigate hardship on the local areas during this first quarter allocation, WSID is releasing the entire \$834,545 in PY 12 first quarter RRAA funding held at the state level. WSID will reduce the planned \$2 million in DW mitigation funds by \$834,545 when the FY 13 allocation is received in October in order to adhere to the mitigation plan outlined in Assistant Commissioner Goranson's e-mail on May 31, 2012.
- Unanticipated costs have impacted the availability of PY10/11 RRAA carry forward funds. WSID is working with ESD's Budget, Performance and Research Division to ascertain the amount available for possible mitigation of the 1st quarter partial allocation.
- Assistant Commissioner Goranson's May 31, 2012 e-mail outlined a plan whereby the state

Attachment - E-Mail from Assistant Commissioner Anne Goranson, May 31, 2012

intends to make available a total of \$4 million in DW funding for mitigation purposes. As indicated in bullet #2 above, WSID will release \$834,545 of the initial \$2 million on July 1, 2012.

- On or about October 1, WSID will release an additional \$1.2 million in FY13 RRAA funds. WSID will subsequently review expenditure and obligation rates to inform and guide the release of the remaining \$2 million in mitigation funds. The intent is to ensure that the funding distribution is aligned with customer demand and to minimize the amount of administrative work associated with grant modifications.
- WSID will also assist local areas that wish to collaborate on strategies to minimize the impact of the reduced first quarter allocation.

References:

E-mail from Assistant Commissioner Anne Goranson, May 31, 2012

Direct Inquiries To:

Gary Kamimura, Director of Grants Administration
gkamimura@esd.wa.gov
(360) 725-9521

Janet Cornell, Program Coordinator
jcornell@esd.wa.gov
(360) 725-9507

Attachments:

E-mail from Assistant Commissioner Anne Goranson, May 31, 2012

Attachment - E-Mail from Assistant Commissioner Anne Goranson, May 31, 2012

From: Pavey, Kristina (ESD) **On Behalf Of** Goranson, Anne (ESD)

Sent: Thursday, May 31, 2012 9:12 AM

To: Ambler, Sue (ESD Partner); Baldoz, Patrick (ESD BPART); Bennett, Jeanne; Dubigk, Gay (ESD Partner); Edwards, Cos; Fambles, Cheryl; Frazier, Steve (ESD BPART); Kennedy, Mike (ESD); Mattke, Mark (ESD); Nguyen, Linda (ESD); O'Brien, Tom (ESD Partner); Petersen, Dave (ESD); Sessions, Marlana (ESD); Teale, Terry; 'Cheryl@pacmtn.org'

Cc: Miller, Sandy (ESD); Smith-Rubeck, Amy (ESD); Goranson, Anne (ESD)

Subject: WIA DW Mitigation

Good Morning, Executive Directors,

I'm writing to follow up on my previous email (below) regarding our WIA DW Mitigation plan. Since I sent that email, we've become aware of the added complication of limited first quarter funding availability for the state. All of the funding available for July-September will be distributed to the WDAs by formula. We do plan to hold back funding at the state level when the remainder of PY12 funding becomes available in October. At this time, our plan is to distribute \$2M by formula on October 1, 2012. Each quarter we will release additional funds to local areas by formula. The amount will shift somewhat depending on Rapid Response distributions during the previous quarter. We expect to release approximately \$1 million per quarter for the quarters ending December 31, 2012 and March 31, 2013. This will leave a balance of approximately \$2.2 million (including the current RRAA balance of approximately \$600,000) at the state level to respond to unanticipated dislocation events, provide start up funds in advance of any new National Emergency Grant applications, etc. In sum, this plan distributes \$4 million in DW mitigation funds while allowing \$2.2 million to be available on a flexible basis.

As I've mentioned in the past, Rapid Response funds are intended to assist dislocated worker participants directly. Several of the areas with the largest cuts from PY11 to PY12 in formula WIA DW funds were also areas that served fewer participants in relationship to overall funding for their areas. This may indicate that the formula is doing what it was intended to do—shift funding to the areas where the need to serve dislocated workers is the highest. We recognize that there are other factors that may also play into the number of participants served. Because of the delay in funding availability, we have some time prior to finalizing our mitigation plan, and I'd like to hear from you about any concerns or questions. If there are local impacts to customers or other information that we may not be aware of, please share it with Amy, Sandy and me.

Thank you!

Anne

Anne Goranson
Assistant Commissioner
WorkSource Standards and Integration Division
Employment Security Department
State of Washington
360.480.1904
128 Tenth Avenue, Southwest
P. O. Box 9046
Olympia, WA 98507-9046
[Inside WorkSource](#)

Good Afternoon, Executive Directors,

I've received a few questions regarding our Dislocated Worker mitigation plans for PY12. As you know, we made decisions earlier than usual last year due to concerns regarding overall funding. We understand that early information is always helpful for you!

Last year, our state was still experiencing fairly uniform dislocations across all areas. The intent of holding back Rapid Response funds is to ensure that we are able to allocate funds to the areas that are most in need, so that participants will receive critical services. In the next few weeks, we will pull together information to help us understand current dislocation activity and how it may be similar or different from last year. We will also look at the number of dislocated workers served by local areas with PY11 Dislocated Worker funds (including both formula and mitigation funds) and Rapid Response Additional Assistance funds to ensure that we are meeting the intent of getting funds to participants. Our goal is to outline our state plan for DW mitigation no later than 6/1/12. We will then issue a WIN that articulates this plan.

As always, please feel free to provide additional information that may be useful, and to send questions or comments.

Thanks, and have a great weekend!

Anne