

FUND TRANSFERS, RE-ALLOCATION AND DEOBLIGATIONS

Southern 14 Workforce Investment Board, Inc. LWIA #26

FUNDING TRANSFERS:

1. Request to Transfer Funds and Requests to Receive Transferred Funds will be made in writing to the WIB office. *Requests must state the funding stream and the amount available for transfer or receipt on or before January 31st.* All Request to Transfer Funds and Requests to Receive Transferred funds must be signed by the agency Executive Director.
2. Agencies eligible to receive or transfer funds will be contacted in writing. Information obtained in step one (1) above will be provided to these agencies and their agreement to accept or release these funds will be sought.
3. If an eligible agency is willing to accept or release funds they must respond in writing to the WIB office the funding stream and amounts they are willing to accept or release within ten (10) business days.
4. If no agency is agreeable to accept or release funds the service provider requesting the transfer will be notified in writing that no transfer of funds will be possible at this time.
5. The agency desiring transfer of funds may resubmit a request, including updated information, to the WIB office in writing on a quarterly basis.
6. All fund transfer requests and contract changes as a result of these transfers will be reported to the board at the first board meeting following the completion of steps one (1) through four (4) of this policy.

DE-OBLIGATION OF FUNDS

If the local area has funds de-obligated by the state due to non-expenditure in a funding stream by a grantee, that grantee's contract will reflect the full de-obligation incurred due to that grantees under expenditure.

Adjustment by the LWIB based on the following procedures.

- 1) The dollar amount of the de-obligation within a funding stream to reduce funding will be added together to obtain a total.
- 2) Formula allocation contracts for the same funding stream and covering the same time period as the de-obligations will be added together to obtain a total.

- 3) The total amount of de-obligations obtained in step #1 will be divided by the total contract amount obtained in step #2 to obtain a percentage of de-obligations.
- 4) The percentage obtained in step #3 will be applied to the following year formula allocation contract of the service provider who requested transfers and the contract will be reduced by the amount obtained. Service Provider that de-obligates funds will have that dollar percentage reduced in the next years funding stream. Other Service Providers will not be penalized.

Funds removed from a service provider's contract through implementation of this policy will be reallocated to remaining service providers based on need and a review of past performance and expenditure levels.