



COMMONWEALTH OF VIRGINIA
VIRGINIA COMMUNITY COLLEGE SYSTEM

WORKFORCE INNOVATION AND OPPORTUNITY ACT

The Virginia Community College System
VIRGINIA WORKFORCE LETTER (VWL) No. 17-05

TO: Local Workforce Development Boards

FROM: George Taratsas
Administrator, Federal Workforce Programs

SUBJECT: Application for Statewide Rapid Response Funds

EFFECTIVE DATE: May 25, 2018

A handwritten signature in blue ink, appearing to read "George Taratsas". It is positioned to the right of the "FROM" line and above the "SUBJECT" line.

PURPOSE:

To communicate application procedures and requirements for the request of Statewide Rapid Response funds for Dislocated Worker Services and Layoff Aversion Services

REFERENCES:

Workforce Innovation and Opportunity Act of 2014 Sections 133(a)(2), 134(a)(2)(A)(ii) and 183
Workforce Innovation and Opportunity Act Final Rule-Part 682 Subpart C

REVISION HISTORY:

This Virginia Workforce Letter rescinds and replaces VWL #01-04, Process for Additional Funding of Dislocated Worker Funds Activities.

DEFINITIONS:

Business Focused Organizations - Organizations such as Manufacturing Extension Partnerships, Community College Workforce Development Services divisions, or private businesses that provide consulting assistance to businesses that can assist in preventing layoffs.

Grant Recipient - The locality that receives WIOA Title I Funding on behalf of a local workforce development board.

Layoff Aversion - Strategies or activities that are designed to prevent, or minimize the duration of unemployment resulting from layoffs.

Layoff Event - A distinct occurrence of a layoff of size and scope to involve the delivery of Rapid Response services to a business.

Virginia Workforce Connection (VaWC) - the System of Record for the WIOA Title I programs in the Commonwealth of Virginia.

BACKGROUND:

The Workforce Innovation and Opportunity Act (WIOA) authorizes the governor to set aside up to 25 percent of Dislocated Worker funds to use for Statewide Rapid Response activities and additional Dislocated Worker activities. Allocation decisions for these funds are guided by statewide priorities. These funds are to provide Dislocated Worker services, and assist with layoff aversion activities as appropriate, when local resources are inadequate.

Statewide Rapid Response funds are authorized to conduct Rapid Response activities and assist local areas that are experiencing layoffs, or plant closures that exceed their capacity to provide services to displaced workers, given the balance of their current local formula Dislocated Worker allocations. Statewide Rapid Response funds may be used for layoff aversion activities that meet the criteria set forth by the state as being part of strategic priorities that may assist workers and companies in planning for, and potentially averting layoffs.

Statewide Rapid Response funds represent a portion of the Commonwealth's allotment of WIOA Dislocated Worker funds that are reserved at the state level pursuant to WIOA Section 133(a)(2)(II).

The use of statewide Rapid Response funds available through application by the LWDB's are reserved for the following uses:

- Provision of Dislocated Worker Services
- Provision of Layoff Aversion Services

GUIDANCE:

In order to apply for *additional* Dislocated Worker (Rapid Response) funds, a local Workforce Development Area must have obligated 70% of their local WIOA Title I Adult and Dislocated Worker formula funds.

Award levels are based on funding availability. Past performance of the Local Workforce Development Area's (LWDA) prior Title I Program Year's Adult and Dislocated Worker formula fund activities, including expenditures, and substantiated need as presented in the application for additional resources will be examined to determine the award.

The applicant may include their federally-approved Negotiated Indirect Cost Rate Agreement (NICRA) to this application's budget. LWDAs without a NICRA may apply the de minimus rate of 10% of modified total direct costs (MTDC) to the award.

Provision of Dislocated Worker Services

Statewide Rapid Response funds may be used to provide the same types of services and training opportunities permitted under the formula based-WIOA Title I Dislocated Worker allocation granted to the applicant. All awards made from Statewide Rapid Response funds will be restricted to Program (cost classification) activities.

The applicant will provide a summary outlining the basis for the need for Statewide Rapid Response funds to the VCCS based on the criteria below:

- The demand or projected demand for Dislocated Worker Program enrollment costs exceeds the capacity of the applicant's formula Dislocated Worker fund allocation due to increased layoff or plant closure activity in the LWDA and the layoff activity occurring is of insufficient size to meet the application requirements for a National Dislocated Worker Grant (NDWG).
- A significant increase in the number of unemployed individuals who would qualify for and are requesting Dislocated Worker services available under the WIOA Title I Dislocated Worker program in the area that can otherwise be documented.
- The Statewide Rapid Response funds are needed to "bridge" the time that it takes to complete and be awarded a National Dislocated Worker Grant (NDWG) or receive a new year's allocation of Dislocated Worker formula funds. This allows the local area to serve dislocated workers until a new grant award is received.
- A high number of Trade Adjustment Assistance (TAA) related layoffs require additional funds to support co-enrollment related needs and expenses in WIOA Title I Dislocated Worker Services.

Applicants must demonstrate that:

- The need is occurring at a time when the affected applicant's formula funding and other accessible resources are not available, nor will become available in the near future, and the size of the dislocation must warrant additional funding. Efforts to secure other sources of funding sufficient to meet the need must be documented as unsuccessful. This includes documenting that the Local Area WIOA Funds Transfer Procedure (VWL #16-02) is not a viable funding option to serve the needs of dislocated workers, while meeting the performance needs of the local adult formula funded program. Complete Attachment G: Additional Funds Workbook to address the availability of other sources of funds.
- The efforts at Rapid Re-employment of individuals impacted by layoffs have occurred in partnership with Rapid Response Coordinators, including activities such as providing workshops and hiring events for workers at impacted companies. This information should be provided in the Scope of Work.

Regional Rapid Response staff will work with the affected employers to gather information regarding the impacted population, and survey report results must be provided as part of the application package. Examples of this data collection include, but are not limited to:

- Demographic Information
- Job Titles
- Salary Information
- Service length with the company
- Education levels
- Interest of the workers in accessing services

All requests for funding must include the names of the companies impacted and number of expected impacted workers for each company. Complete Attachment E: Statewide Rapid Response Employer Layoff Data Form to provide this information.

Provision of Layoff Aversion Services

The applicant must provide information on the layoff aversion service to be implemented. The applicant may request additional funds for the following activities:

- Funding feasibility studies to determine if a company's operations may be sustained through buy-out or other means to avoid or minimize layoffs
- Developing, funding, and managing incumbent worker training programs or other workers up-skilling approaches as part of a layoff aversion strategy or activity
- Activities related to working with business-focused organizations, including contractual activities, to assess risks to companies and propose strategies to address those risks, implementation of services, and measuring impacts of services delivered
- Conducting analyses of the suppliers of an affected company to assess their risk and vulnerabilities from potential closing, or shift production of their major customer

In requests for Layoff Aversion funds, the applicant must provide the following information:

- The specific companies to be served
- The number of potentially impacted workers (or number of workers served through incumbent worker training)
- Explanation as to how the layoff aversion service will save jobs
- The estimated economic impact of the use of these funds, including wages of employees being served
- How the layoff aversion strategy will provide long term sustainability of the companies in their operations and preservation of jobs

All of these factors must be aligned with the broader plan for layoff aversion in the region served. It is expected that the businesses to be served under this funding opportunity are involved in the formulation of the planning of this grant. A signed letter of commitment, to include a detailed statement of need for services, and to include information on lack of resources available to the businesses, must be attached with the application.

Attachment F: Statewide Rapid Response Layoff Aversion Data Form should be used to outline the information on the companies that will participate in services.

The following data points must be included in the grant award's performance report:

- Companies Served
- Number of Job Saved
- Estimated Wages Saved
- Estimated impact on Virginia's Employment Tax Revenue

Feasibility Studies

In any request for the funding of the feasibility studies, the applicant must demonstrate the following in their application for Layoff Aversion funds:

- The company to be studied must be projected to maintain operations and employment during the timeline required to complete such as study.
 - For example, requesting a Feasibility Study for a company with an active WARN Notice or facing the potential of closing within the span of a year, will likely not be plausible.
- The local area must demonstrate a lack of access to other funding sources to perform this task.
- The local area must demonstrate partnership with economic development entities that assist in conducting analysis and providing recommendations.

Rapid Response Funded Incumbent Worker Training

Rapid Response Statewide funds may be used for Incumbent Worker Training (IWT). Rapid Response funds that are used to provide IWT must meet additional criteria required by WIOA Regulations.

Specifically: "Any incumbent worker training program conducted with Rapid Response funding must be tied to a broader layoff aversion strategy, or must be intended for the purpose of preventing workers from losing their jobs."

Rapid Response funded IWT must follow all state and local policies involving IWT. It is expected that applicants prioritize their locally available IWT formula funds first, including having obligated their IWT formula funds prior to requesting Statewide Rapid Response funds. An explanation on obligations that have not been expended must be provided with the application. Employers receiving IWT funds must participate in the cost of training in accordance with state and local IWT policy. Rapid Response Statewide funds must not replace or supplant the training that a business already engages in or supplant other federal funds. All workers who receive IWT through Statewide Rapid Response funds must be recorded in VaWC as reportable individuals.

Factors that may be considered in an application involving Rapid Response Funded IWT are:

- The number of workers to receive the IWT

- The training to be provided
- If the training involves the attainment of an in-demand credential
- The training provided will assist the workers in potentially maintaining their employment long-term
- The larger economic situation of the local workforce development area, including recent layoffs, that have occurred in the area or surrounding areas
- There must be a demonstration of linkages of the training activity to in-demand occupations and/or regionally targeted industries
- Demonstration of the positive relationship of the training to the competitiveness of a participant and the employee
- Projected relative wage and benefit level for employees undertaking incumbent worker training (pre-training and anticipated upon completion of the training)
- Expressed potential state and regional economic impact, if any, of the incumbent worker training

Partnering or Contacting with Business Focus Organizations

Partnering or contracting with business focused organizations can assist businesses experiencing shifts in production, impacts from foreign competition, or increase in productivity to remain competitive.

Two resources that may be utilized to assist, as determined appropriate, in this endeavor are Genedge (Virginia's Manufacturing Extension Partnership) and the Mid-Atlantic Trade Adjustment Center (The Regional Trade Act Adjustment Center for Firms). These organizations are partially federally funded to provide assistance to businesses. LWDB's must work with community colleges, other public education institutions, or private businesses, as appropriate depending on the activity conducted, to perform these consultations. Those engaged in these activities must be fully qualified to provide the services. Any consultant must be procured according to federal, state, and local requirements.

In working with these organization using Rapid Response Funds, LWDB's must confirm that they are not supplanting any other funds available.

Additionally, Rapid Response funds may not be utilized to assist with rectifying issues that arise from other federal programs. For example, Rapid Response funds may not be utilized to assist a business with providing consultation for OSHA compliance.

Conducting Analyses of Suppliers of an Affected Company

In some cases, a single large layoff or a cluster of layoffs in an area may cause a chain reaction of additional layoffs to occur. To evaluate a risk for this, an analyses of the business, their upstream or downstream suppliers, or other related industries may be funded.

Any organization contracted to provide such an analysis must be well qualified and must be procured according to all federal, state, and local procurement regulations and policies.

Application and Review Process

- A. The WIOA Title I Administrator will receive and make a determination on awards. A panel review will be conducted and recommendations will be provided to the WIOA Title I Administrator.

- a. If an application is not approved or denied, it will be returned to the applicant with a letter specifying the reason(s), including any additional information that may be required to proceed to complete the evaluation. The applicant will be encouraged to work with their Regional Rapid Response Coordinator to correct any deficiencies and resubmit the application.
- b. Initial review of applications will be conducted within 10 Business days after receipt.

B. Required Application Materials for consideration:

- a. Attachment A: Statewide Rapid Response Funds Application Cover Page
- b. Attachment B: Statewide Rapid Response Funds Scope of Work
- c. Attachment C: Statewide Rapid Response Partner Roles, Responsibilities and Resources
- d. Attachment D: Statewide Rapid Response Budget
- e. Statewide Rapid Response Data Forms
 - i. Attachment E: Statewide Rapid Response Employer Layoff Data Form; AND/OR
 - ii. Attachment F: Statewide Rapid Response Incumbent Worker Employer Data Form
- f. Letters of Support:
 - i. Partner Support Letters
 - ii. Employer Support Letters
- g. Rapid Response Employee Survey Results
- h. Attachment G: Workbook.
- i. Copy of Current One-Stop Operator and Career Services Contract and Budget.

C. Application Review Committees will consist of, at minimum, the following positions:

- a. State Rapid Response Coordinator
- b. WIOA Programs Manager
- c. Adult and Dislocated Worker Program Coordinator
- d. WIOA Grants Administrator
- e. Regional Rapid Response Coordinator
- f. Virginia Employment Commission Representative of Employment Services

Administration of Rapid Response Statewide funds:

Awards will be executed through a Notice of Obligation for an identified performance period to the Local Workforce Development Area Grant Recipient. A member of the WIOA Programs Team will be assigned to the award in order to provide program oversight, including performance-related inquiries and concerns, and technical assistance. The WIOA Title I Program Administrative Coordinator will provide fiscal and contractual oversight. An Implementation Work Plan may be requested based on the complexity of the proposal. The Implementation Work Plan will be evaluated by the WIOA Title I Administrator for approval. Minimum expenditure percentage benchmarks for the performance period will be established.

Grant Reporting Requirements

1. Participant/Reportable Individual Enrollment

- a. All individuals who are served by Statewide Rapid Response Funding awards must be tracked in VaWC. Specific Grant Program codes will be set up in VaWC to connect these individuals to the proper funding sources.
 - b. All participants receiving Dislocated Worker Services under Rapid Response funds must be co-enrolled in the Dislocated Worker Program in the VaWC.
 - c. All participants receiving Rapid Response funds to support TAA enrollment must be co-enrolled with TAA and the WIOA Dislocated Worker Program.
2. **Fiscal Reporting**
 - a. Rapid Response Additional Funding is separate from Title I Dislocated Worker formula funds. Obligations and expenditures will be tracked separately. LWDBs under no circumstances may attempt to transfer Statewide Rapid Response funds to regular local Adult and Dislocated Worker funding streams.
 - b. Funds awarded will supplement and not supplant local WIOA Title I formula funds.
3. **Monthly Activity Reporting**
 - a. A template for monthly progress reporting will be provided based upon the type of award, and will reflect the negotiated outcomes in the final Scope of Work.

Bridge Funding

In the case of awards provided to act as a “bridge” until a National Dislocated Worker Grant (NDWG) is awarded, once NDWG funding is secured, the balance of unobligated and unexpended funds under the state award will be recaptured and NDWG will act as the primary funding source.

Modifications and Extensions

If new businesses are impacted, but logically connected to the greater layoff event constituting the request for additional funding, those new companies may be added through a scope of work change and, if necessary, a budget modification. Full expenditure of funds is expected within the performance period. A performance period may be extended upon request and approval of a project extension.

Funding Rescission and Recapture

VCCS reserves the right to reduce the award of State Rapid Response funding due to poor programmatic or fiscal performance. Based upon the approved Implementation Work Plan, minimum expenditure percentage benchmarks for the performance period will be established. If these benchmarks are not met, funds will be rescinded. An award may also be reduced if the conditions under which the original application was approved change in a manner that no longer supports the need for services.

All funding decisions are subject to availability of Statewide Rapid Response funds.

INQUIRIES:

Direct inquiries and submit applications to the Rapid Response State Coordinator at wioa@vccs.edu.

The following are attachments to this VWL:

- Attachment A: Statewide Rapid Response Funds Application Cover Page
- Attachment B: Statewide Rapid Response Funds Scope of Work

- Attachment C: Statewide Rapid Response Partner Roles, Responsibilities, and Resources
- Attachment D: Statewide Rapid Response Budget
- Attachment E: Statewide Rapid Response Employer Layoff Data Form; AND/OR
- Attachment F: Statewide Rapid Response Incumbent Worker Employer Data Form
- Attachment G: Statewide Rapid Response Funds Need Assessment Workbook