

## NEW JERSEY STATE EMPLOYMENT AND TRAINING COMMISSION

**POLICY RESOLUTION: SETC #2010-3**

**SUBJECT: Local Workforce Investment Area Refusal of Funds**

***Purpose:***

This Policy establishes a process that Local Workforce Investment Boards (WIBs) must follow in the event that a WIB determines that it does not want to accept funds allocated, or anticipated to be allocated, to their local Workforce Investment Area (LWIA).

***Background:***

The Commissioner of the New Jersey Department of Labor and Workforce Development (LWD) annually and intermittently allocates funds to LWIAs through a Notice of Obligation (NOO) for each of the funding streams. The NOO is authorized by the Commissioner of LWD and is sent to the local Chief Elected Official. This is the official legal notification of conveyance of funds. Subsequently, a contract is developed with a LWIA which folds in all NOOs and requires the signatures of the Commissioner of LWD, local Chief Elected Official and WIB Chair.

While infrequent, there have been situations where local Workforce Investment Areas determine that certain funds are not suitable for their area and they wish to decline the funds. Recently, a situation occurred where discussions were held with local WIB Executive Directors and/or One-Stop Operators concerning anticipated funding. Subsequently, and prior to distribution of the NOO, several WIBs notified the SETC and LWD that the funds were not suitable for their areas.

In order to ensure full transparency and accountability of interested parties to the decision not to accept funds, the SETC is recommending a policy be established requiring local WIBs to publicly discuss their intent not to accept the funds at either a local WIB meeting or an Executive Committee meeting, consistent with their By-laws. An official letter of transmittal must be sent by the WIB Chair and the Local Chief Elected Official notifying the Commissioner of LWD and the Chair of the SETC of their intent not to accept funds. A copy of published minutes of the respective meeting must accompany the letter.

**Resolution:**

**It is hereby resolved that the State Employment and Training Commission formally adopts a Policy requiring local WIBs to publicly discuss their intent not to accept funds allocated for the purposes of providing workforce services and/or training and that a formal letter, jointly signed by the Chief Elected Official and the WIB Chair, be transmitted to the Commissioner of LWD and the Chair of the SETC officially indicating their intent not to accept funds.**

**Approved: September, 2, 2010**