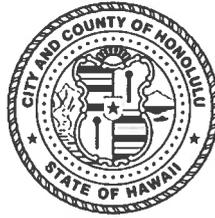


**OAHU WORKFORCE DEVELOPMENT BOARD
CITY AND COUNTY OF HONOLULU**

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**OAHU WORKFORCE DEVELOPMENT BOARD
WORKFORCE INNOVATION AND OPPORTUNITY ACT
POLICY #16-25**

SUBJECT: CHANGE OF SERVICE PROVIDER

PURPOSE:

To establish the Oahu Workforce Development Board (OWDB) policy and guidance concerning change of service provider and transferring of program participant files between providers of Workforce Innovation and Opportunity Act (WIOA) Title I services and to govern the actions taken in the event of a significant interruption or complete cessation of federal funding for programs authorized under Title I of the Workforce Innovation and Opportunity Act (WIOA). This policy serves as the official contingency plan for such events, establishing procedures for an orderly and responsible response.

BACKGROUND:

OWDB has established that for Federal, State, and local record retention requirements, all financial, statistical, property, applicant, and program participant records and supporting documentation must be retained by the provider of WIOA Title I services for a period of at least three (3) years after the date of submission of final grant expenditure report/ close-out package. If any litigation, claim, or audit is initiated before the expiration of the three years, the records must be retained until all litigation, claims, or audit findings involving such records have been resolved and final action has been taken. This requirement is consistent with Federally established uniform administrative requirements.

POLICY:

OWDB has established standards to provide a uniform approach for the transferring of participant files among providers of WIOA Title I services. Sub-recipients shall follow this policy and may establish written procedures that meet the requirements of this policy.

Confidentiality and Security of Program Participant Information

As part of their program activities, service providers may possess large quantities of Personally Identifiable Information (PII) related to their organization and individual program participants. This information is generally found in program participant data sets, performance reports, and

other sources.

WIOA and its associated regulations require that all applicant and program participant personal information is, and remains, confidential. Appropriate efforts must be taken to protect the confidentiality of personal information that is attributable to any specific individual (e.g., address, Social Security number, telephone number, etc.). It is the policy of WC to ensure that program participants' personal information is collected, used, and stored in a manner that prevents unauthorized personnel from accessing it.

WC is committed to protecting the confidentiality of all WIOA Title I applicants and program participants by enforcing processes that mitigate the risks associated with the collection, storage, and dissemination of program participant data, including PII.

- I. By law, the Oahu Workforce Development Board and its providers of WIOA Title I services are required to maintain and retain records of all programmatic and fiscal activities funded in whole or in part under Title I of WIOA. All information required by Federal, State, and local reporting requirements must be collected for each individual receiving services. The appropriateness of any service provided to an eligible participant must be documented in a timely and accurate manner in OWDB PIRL, and supporting documentation must be maintained in the program participant files.

II. Change of Service Provider - Participant Request

- A. At any time, a program participant may request for their case to be transferred to another provider of WIOA Title I services within the AJC. This request may be a result of personal needs and/or circumstances that will facilitate the program participant's active participation in the WIOA Title I-funded program to accomplish established employment goals and/or objectives.
- B. Typically, there are three circumstances which may start the transfer of program participants from one provider of WIOA Title I services to another:
 - Program participant request for transfer; or
 - Transfer initiated by OWDB to ensure continuation of services following the exhaustion of service provider funds; or
 - Transfer initiated by OWDB to ensure continuation of services following the close-out of sub-recipient's contract.
- C. Program Participant Request for Transfer
OWDB has established the following procedure:
 - Program participant must complete the transfer request form. The form must be properly signed and dated.
 - Current service provider must time and date stamp the participant transfer request immediately upon receipt. The service provider must forward the participant's transfer request form, together with the participant's case file, to OWDB within two (2) working days.
 - Upon receipt of the transfer request form and case file, OWDB staff will conduct an evaluation of submitted transfer request form and the participant's case file. This evaluation must be executed within three (3) business days upon receipt of paperwork. OWDB staff will contact the new service provider to provide information on program participant status.

- Should a request for transfer be denied by OWDB oversight staff, OWDB will return the case file to the original service provider within two (2) working days.
- In the event the service provider wishes not to accept the recommended participant transfer, a final determination will be made by OWDB staff, including participant notification.

III. Change of Service Provider – OWDB Process

OWDB will initiate the process when program participant files must be transferred due to provider of services inability to provide services for reasons of funding exhaustion or contract close-out.

The following procedure outlines the requirements for transferring participant's files from one provider of services to another and the expectations around timelines for doing so.

- OWDB staff will set the criterion with current provider of WIOA Title I services to complete the program participant files transfer.
- The criterion must include specific instructions and timelines for the transferring of participant case files.
- The current service provider must prepare a listing of participant files being transferred, to include status of outstanding financial obligations for services provided to participants. OWDB may provide a listing to the provider of services in lieu of list provided by current service provider, but the service provider is responsible for verifying the list and identifying additional files to be transferred.
- Current provider of services is responsible for providing notice to program participants regarding the transferring of the case file to another provider of WIOA Title I services.
- The entire case file is to be transferred, meaning all documents contained in the participant files.
- Current provider of services is responsible for the security and integrity of participants' case files, until the new service provider is in custody of the documents.
- Upon receipt, OWDB staff will have two (2) weeks to determine the most appropriate service provider(s) to receive the files transferred, and its capacity to continue provision of services to program participants.
- The new service provider shall become responsible for participant files upon receipt of transferred case files.
- The new provider of services must conduct a reasonable review of all files received within thirty (30) days and provide a report to OWDB identifying issues with transferred files, including missing eligibility documentation, etc.
- When necessary, OWDB will provide technical assistance in order to streamline the transferring process.

IV. General Provisions for Financial Obligations

Each provider of WIOA Title I services will be responsible for any financial obligations incurred while the program participant was receiving services from their organization. In the event a service provider is no longer in business, funds must be returned to OWDB.

V. **Should funding cease or be significantly interrupted**

- **Minimize disruption and negative impact on active WIOA participants:** Ensure that individuals currently engaged in services experience the least possible harm and are connected to alternative resources effectively.
 - **Provide clear guidance:** Offer unambiguous instructions to OWDB members, staff, the One Stop Operator, service providers, and partners regarding communication, service delivery adjustments, participant transitions, fiscal management, and administrative closeout procedures.
 - **Ensure compliance:** Maintain adherence to all applicable federal regulations, including the WIOA statute, the Uniform Guidance at 2 Code of Federal Regulations (CFR) Part 200, and specific directives from the U.S. Department of Labor (DOL) Employment and Training Administration (ETA). Compliance also extends to state policies, such as the Hawaii WIOA State Plan and Department of Labor and Industrial Relations (DLIR) directives, as well as local requirements.
 - **Enable structured response:** Function as a pre-defined plan, allowing OWDB and its partners to react strategically and consistently.
1. **Official Notification of Funding Loss:** Receipt of official written communication from the U.S. Department of Labor ETA or the Hawaii DLIR/WDC explicitly stating the cessation or non-allocation of WIOA Title I formula funds designated for the City and County of Honolulu for the upcoming program year. This includes scenarios where funding is reduced to a level that renders current service delivery models unsustainable, as determined by the OWDB Executive Director in consultation with the Board Chair and the County.
 2. **Prolonged Federal Funding Unavailability:** A federal government shutdown or a significant delay in federal appropriations that is officially projected by ETA or DLIR to prevent access to obligated WIOA Title I funds for a period exceeding 60 calendar days. This duration is deemed sufficient to cause critical operational disruption.
 3. **Executive Directive:** A formal directive issued by the Governor of Hawaii or the Mayor of the City and County of Honolulu, based on consultation with DLIR/WDC, mandating the cessation of WIOA Title I operations specifically due to the unavailability or inaccessibility of federal funds.

Establishing clear, verifiable triggers based on official communications or directives is essential. This prevents premature activation based on speculation or, conversely, delays action until the situation becomes unmanageable. The inclusion of a prolonged shutdown addresses the practical reality that lack of access to funds equates to cessation for operational planning.

The authority to formally activate this Funding Cessation Contingency Plan rests with the OWDB Executive Director. This activation must occur upon verification of a triggering event.

- A formal internal memorandum distributed electronically to all OWDB members, staff, the primary contact for the AJC Operator, and the primary contacts for all contracted WIOA Title I service providers.
- The memorandum will clearly state the nature of the funding issue (e.g., complete cessation,

prolonged gap), the verified triggering event, the official effective date for implementing wind-down procedures outlined in this policy, and provide this policy as an attachment or a direct link to this document.

- Subsequent notifications to external partners, participants, employers, and the public will follow the timelines.

Effective, timely, and sensitive communication is critical upon activation of this plan. The following procedures outline the required notification steps, addressing the crucial question of how stakeholders, particularly participants, will be informed.

Internal Notification Cascade (Within 24 hours of activation)

Step 1: Immediate internal alignment: The OWDB Executive Director is responsible for notifying the following parties:

- OWDB Members
- OWDB Staff
- The designated primary contact for the AJC Operator
- The primary contacts for all WIOA Title I contracted service providers. Subsequently, the AJC Operator and Service Providers must inform their respective staff directly involved in WIOA service delivery. The notification content must confirm the plan's activation, state the reason (cessation/gap), specify the effective date, outline immediate actions (such as halting new enrollments), and provide access to this policy document as an attachment or a direct link.

Step 2: State and Partner Notification (Within 48 hours of activation)

Formal notification to State and key partners is essential for coordination. The OWDB Executive Director, or a designated staff member, will formally notify:

- The Executive Director of the Workforce Development Council (WDC)
- The Administrator of the Hawaii DLIR Workforce Development Division
- Designated contacts for WIOA Core Program Partners operating within the City and County of Honolulu AJC system (e.g., Adult Education/Title II, Wagner-Peyser ES/Title III, and Vocational Rehabilitation/Title IV). The focus is on the impact of Title I cessation and coordinating support for potentially co-enrolled participants.
- Key community referral partners identified through the Memoranda of Understanding (MOUs), resource mapping efforts, or established collaborative relationships (e.g., Department of Human Services, Community Colleges, relevant non-profits and WIOA required partners). The content of this notification include a formal statement regarding the WIOA Title I funding status for the City and County of Honolulu, confirmation of the contingency plan activation, the anticipated impact on services, and a request for collaboration on participant transitions and referrals.

Step 3: Participant Notification (Initiated within 72 hours of activation, ongoing)

The critical and sensitive step requiring careful execution by the AJC Operator and contracted service providers, using communication materials and guidance approved by OWDB staff.

- **Methods:** Utilize multiple channels for outreach, including direct contact via phone, email, and postal mail based on participant records. Prominent, clear signage must be posted at all AJC locations on Oahu. Announcements should also be placed on the county website and all social media pages.

- **Content:** Communications must be clear, empathetic, and avoid overly technical jargon. Key elements include:
 - A straightforward explanation of the funding situation and its direct impact on the availability of WIOA Title I services.
 - A general timeline for the wind-down of specific services.
 - Individualized information, delivered by case managers whenever possible, regarding the status of the participant's current services (e.g., expected end date for training, final supportive service payment, status of job search assistance).
 - **Crucially, provide actionable referrals to alternative resources:**
 - Other AJC partner programs (Wagner-Peyser, Voc Rehab, Adult Ed) if the participant may be eligible and **those programs remain funded.**

Community Resource Directories: Provide access (links or physical copies) to relevant local directories

- A designated point of contact for participants with questions.

Step 4: Employer Notification (Initiated within 5 business days of activation)

Employers engaged with the WIOA system must also be informed. Responsibility is with OWDB staff, the AJC Business Services team, the AJC Operator, and contracted WIOA Title I service providers.

- **Methods:** Direct communication (phone or email) is required for employers currently participating in WIOA Title I-funded On-the-Job Training (OJT), Customized Training, potentially Incumbent Worker Training (if applicable), or those with active recruitment agreements relying on WIOA services. Broader notification can occur via existing employer email lists or website postings.
- **Content:** Explain the funding situation and its impact on specific employer services (e.g., cessation of OJT reimbursements, suspension of WIOA-funded screening or recruitment support). Provide a clear contact point for inquiries.

A multi-channel notification strategy ensures that information reaches all affected parties. Direct, empathetic communication with participants is the highest priority, focusing on providing concrete alternatives and support during a difficult transition. Leveraging established partnerships (State, AJC Partners, 211, community organizations) is vital for effective information dissemination and referral pathways.

Table 1: Notification Checklist Summary

Stakeholder Group	Method(s)	Responsible Party	Timeline (Post-Activation)	Key Message Points
Internal	Email Memo	OWDB Exec.	Within 24	Activation

(OWDB Board/Staff, AJC Operator, WIOA Service Providers)		Director	hours	confirmed, reason, effective date, immediate actions (intake freeze), link to policy.
State/Partners (WDC, DLIR, Core Partners, Community Orgs)	Formal Email/Letter	OWDB Exec. Director / Designee	Within 48 hours	Official notice of funding status, impact on Oahu, Title I, plan activation, request coordination for transitions.
Participants	Direct Contact (Phone, Email, Mail), AJC Signage, Website Notices	AJC Operator / Service Providers	Initiate within 72 hours, ongoing	Empathetic explanation, service impact/timeline, individual status update (if possible), referrals (AJC Partners, 211, UI, Community Resources), contact info.
Employers (Engaged in OJT, CT, ETPL, etc.)	Direct Contact (Phone, Email)	OWDB Staff / WIOA Service Providers / AJC Operator / AJC Business Services	Initiate within 5 business days	Funding status explanation, impact on specific employer services (OJT reimbursement halt, etc.), contact info.

Public	Press Release, Website Announcements, Social Media	OWDB ED / City and County of Honolulu PIO	Within 5 business days	Factual statement, general service impact, reference to participant/employer notices, links to alternative resources (AJC, 211).
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Service Wind-Down Strategy

The following actions must be taken immediately upon the activation of this contingency plan:

- **Halt New Enrollments:** Cease all intake, eligibility determination, and enrollment activities for new applicants into WIOA Title I Adult, Dislocated Worker, Youth, and National Dislocated Worker Grants (NDWG) programs. This is a necessary first step to conserve remaining resources for currently active participants.
- **Active Caseload Review:** The AJC Operator and all contracted service providers must conduct an immediate, thorough review of their entire active WIOA Title I participant caseload. This review should identify each participant's current service(s), progress towards goals, planned future activities, and estimated completion dates or next steps. This data forms the basis for service prioritization.
- **Assess Contractual Obligations:** OWDB staff must promptly review all active contracts and agreements with the AJC operator, service providers, and Eligible Training Providers (ETPs). Key elements to review include termination clauses, payment schedules, reporting requirements, and specific closeout procedures outlined in the agreements. Understanding these obligations is crucial for managing the fiscal wind-down.
- **Secure Systems Access:** Confirm and ensure continued access to essential data systems, particularly the state's designated workforce system (e.g., HireNet Hawaii) and any local case management software. Access is vital for participant tracking, service documentation, final reporting, and potential audits throughout the wind-down and closeout period. Contingency planning should address potential loss of access if system costs are WIOA-funded.

Service Prioritization

Given the cessation of funding, providing all planned services will be impossible. Difficult decisions must be made regarding the allocation of remaining staff time and any residual, accessible obligated funds. The following prioritization framework shall guide these decisions, balancing fiscal constraints with the goal of minimizing participant harm:

- **Priority 1: Participants Nearing Completion:** Allocate available resources (staff time, limited final support services, final payments for services already rendered) to support

participants who are actively engaged and demonstrably close to completing a specific short-term training program, work experience placement, or achieving an imminent employment placement. The feasibility of completion must be assessed against the wind-down timeline and available funds. This approach aims to maximize the number of participants achieving a positive outcome before services cease.

- **Priority 2: Participants in Longer-Term Training (ITAs):** For participants funded through Individual Training Accounts (ITAs) enrolled in longer programs (e.g., certificate or degree programs at ETPs):
 - Assess the feasibility of the participant completing the current semester, module, or credential within the available timeframe and funding.
 - Engage immediately with the participant and the training provider (ETP) to explore alternatives. This includes identifying potential transfer options for earned credits, exploring eligibility for other financial aid (Pell Grants, scholarships), or connecting the participant with other AJC partners (like Voc Rehab, if applicable) who might offer training support.
 - Issue final tuition payments *only* for training services actually delivered up to the point of funding cessation or an agreed-upon, documented withdrawal/completion date, strictly adhering to ETP contract terms and federal cost principles (2 CFR 200). No payments shall be made for services not rendered.
- **Priority 3: Participants Receiving Career Services:** For participants primarily receiving basic or individualized career services:
 - Rapidly transition service delivery to focus on final job search assistance, resume finalization, interview preparation support, and intensive, documented referrals to alternative resources.
- **Support Services:** The issuance of new supportive services (e.g., funds for transportation, childcare, tools, uniforms) must cease immediately upon activation, except under two narrow conditions: 1) where there is a pre-existing, legally binding obligation to provide the service for a defined period, or 2) where a final, minimal supportive service is deemed absolutely essential by the case manager (with OWDB staff approval) to enable a Priority 1 participant to complete their final activity within the immediate wind-down period (e.g., final bus pass to attend last week of training). All exceptions must be meticulously documented with clear justification.

Managing Referrals and Transitions

A passive referral is insufficient during a funding cessation. Active transition support is paramount:

- **Active Case Management Focus:** Case managers must shift their primary focus from ongoing service delivery to intensive transition planning during their final interactions with participants. This involves:
 - Clearly and compassionately communicating the reason for service cessation and the timeline.
 - Collaboratively developing a written, documented transition plan with each participant, outlining their immediate next steps and potential resources.

- Facilitating "warm handoffs" whenever possible. This means directly connecting the participant (e.g., via a three-way call, joint meeting, or direct email introduction) to staff at AJC partner programs (Voc Rehab, Adult Ed, Wagner-Peyser ES) or key community resource providers (e.g., identified housing assistance programs, food banks, specific resources from community directories).
- **Coordination Meetings:** The OWDB Executive Director should convene emergency coordination meetings with AJC core partners and key community organizations (identified through MOUs or referral patterns). The purpose is to share information about the scope of the WIOA shutdown, the needs of the affected participant population, and to streamline referral pathways and information sharing to the extent possible.

The wind-down phase requires careful triage and resource management. Prioritizing participants closest to achieving a tangible outcome represents the most responsible use of dwindling resources. However, the core of minimizing disruption lies in robust, active transition support, moving beyond simple referrals to concrete planning and facilitated connections with alternative support systems. The absence of specific federal guidance on prioritization during cessation necessitates this locally defined, ethical framework focused on participant well-being.

Table 2: Service Prioritization Matrix

Participant Category	Action Upon Activation	Priority Level	Allowable Services During Wind-Down (Subject to Fund Availability)	Key Transition Steps/Referrals
Near Completion Training/Work Experience (< 1 month remaining)	Assess feasibility of completion.	1 (Highest)	Final service delivery, minimal essential support services (case-by-case approval), final payments for services rendered.	Complete activity if feasible, job placement assistance, UI application, 211, final case notes.
Mid-Training ITA (Longer-	Assess completion	2	Final tuition payment <i>only</i>	Explore credit transfer,

term program)	feasibility, contact ETP & participant.		for services rendered pre-cessation. Staff time for transition planning/referral.	alternative funding (Pell, etc.), refer to AJC partners (VR/Adult Ed), UI, 211, document outcome.
Active Work Experience (Longer duration)	Notify worksite & participant of end date.	2	Staff time for transition planning, final timesheet processing/payment (if applicable).	Refer to AJC partners, UI, 211, other job search resources, document experience gained.
Career Services Only (Job Search, etc.)	Transition to final assistance & referral.	3	Final resume/interview prep, intensive referral support.	Warm handoffs to Wagner-Peyser ES, UI application, 211, Community Resources, Job Boards (HireNet).
Youth Program Elements (Varies greatly)	Assess specific element status (e.g., work experience, tutoring).	1-3 (Varies)	Apply prioritization based on proximity to completion/outcome for the specific element. Final payments for services rendered.	Transition planning tailored to youth needs, connection to educational institutions, youth-specific community resources, 211, document progress.
Support	Cease issuance	N/A	Staff time for	Refer to 211,

Service Only (Standalone)	immediately.		notification and referral.	DHS, community agencies providing similar support (e.g., childcare subsidies, transportation assistance).
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Participant Transition and Exit

The process of formally exiting participants from WIOA Title I programs during a funding cessation requires careful consideration of federal definitions and practical realities.

Applying Exit Definitions

The standard WIOA definition of exit occurs when a participant goes 90 consecutive days without receiving services (other than self-service, information-only, or follow-up), with no future services planned. The exit date is retroactively set to the last date of qualifying service. A funding cessation complicates this, as inactivity is forced, not participant-driven.

Therefore, for the purposes of this policy and subsequent reporting:

- For participants whose WIOA Title I services cease *solely* due to the funding cessation event, the "last date of service" used to determine the exit date will be the final day a substantive WIOA Title I service was actually delivered (excluding informational contacts related to the shutdown itself) OR the official date WIOA Title I-funded operations cease, whichever occurs first.
- This rationale must be clearly and consistently documented in each affected participant's case file within the designated case management system HireNet Hawaii.
- While the system's 90-day clock may technically continue, the programmatic requirement of "no future services planned" is met immediately upon the confirmed cessation of funding. OWDB staff must coordinate with State DLIR WDD administrator to ensure exits are processed correctly in the system under these circumstances, reflecting the funding cessation as the reason.
- The Common Exit Policy must still be applied. If a participant is co-enrolled in other DOL-funded programs subject to common exit (e.g., Wagner-Peyser), their exit from WIOA Title I should align with their exit from all such programs, requiring close coordination with relevant partners during the wind-down.

Case Management During Wind-Down

The role of case management shifts significantly during this period:

- Deliver final services according to the prioritization framework.
- Dedicate significant effort to intensive transition planning and referral activities.
- Ensure meticulous documentation. All services provided, assessments conducted, transition plans developed, referrals made, and final case narrative summaries must be accurately and

completely entered into the case management system *before* staff depart or system access becomes limited. This documentation is critical for final performance reporting, potential audits, and demonstrating due diligence in participant support.

Final Service Delivery

Prioritized services identified should be delivered up until the official operational cessation date determined by OWDB or until all accessible, obligated funds for that purpose are exhausted, whichever comes first. The final date and nature of service must be communicated clearly and in advance to the affected participants.

Follow-Up Services

WIOA mandates the provision of follow-up services for 12 months post-exit for Adult, Dislocated Worker, and Youth participants. However, a complete cessation of WIOA Title I funding makes the provision of these federally funded follow-up services impossible. This presents a significant compliance challenge.

- **Transparency:** This limitation must be communicated honestly and clearly to all exiting participants during transition planning. Participants should understand that WIOA-funded follow-up contact and support will not be available after the program ceases operations.
- **Referral:** Provide participants with information and referrals to partner agencies or community resources that *might* offer ongoing support, mentorship, or check-in services (e.g., specific non-profits, alumni networks, professional associations). Make clear that these are referrals, not guaranteed WIOA-funded services.
- **Alternative Funding Exploration:** OWDB will explore, but not commit to without explicit approval and secured funding, the possibility of using non-WIOA funds (e.g., county general funds, rapid response funds if applicable and allowable for this purpose, emergency grants, philanthropic support) to provide minimal transition support or check-ins for a limited period post-cessation. Any such effort would be outside the scope of WIOA requirements and funding.

Adapting the exit definition is necessary to maintain reporting integrity in an abnormal situation. The inability to provide mandated follow-up services due to funding cessation is a critical issue requiring transparent communication with participants and documentation of the circumstances preventing compliance.

Fiscal Management and Grant Closeout

An orderly and compliant fiscal wind-down and grant closeout process is mandatory under federal regulations, even amidst the disruption of a funding cessation. This requires meticulous attention to records, expenditures, reporting, and property management.

Records Management

Upon activation of this plan, immediate steps must be taken to secure and organize all grant-related records:

- Gather and secure all physical and electronic participant files, eligibility documentation, service records, case notes, financial ledgers, invoices, receipts, grant agreements and modifications, contracts with providers and vendors, personnel records related to grant staff,

and all administrative documentation.

- Ensure all records are complete, accurate, legible, and readily accessible to authorized personnel involved in the closeout process.
- Adhere strictly to federal record retention requirements outlined in the Uniform Guidance (2 CFR 200.334 through 200.338) and specific grant terms. Typically, records must be retained for three years following the submission of the final expenditure report, but this period can be longer if audits or litigation are pending. Secure storage solutions must be identified, potentially requiring coordination with County record management.

Final Expenditures and Liquidation

Fiscal discipline is paramount during wind-down:

- **Cease New Obligations:** No new financial obligations may be incurred against the WIOA Title I grant after the activation date of this plan, unless explicitly authorized as part of the approved wind-down strategy (e.g., a final approved payment to an ETP for services already rendered).
- **Process Allowable Costs:** Process payments only for allowable costs that were properly incurred for goods received or services rendered *prior* to the funding cessation date or during the authorized wind-down period, consistent with the grant terms, approved budget, and the cost principles outlined in 2 CFR 200 Subpart E. Costs must be reasonable, necessary, allocable, and adequately documented.
- **Liquidate Obligations:** All valid obligations incurred during the grant's period of performance must be liquidated (paid) within the official closeout timeframe. In a cessation scenario, ETA may provide specific guidance on the POP end date and liquidation timeframe.
- **County Coordination:** Maintain close communication and coordination with the City and County of Honolulu finance and procurement departments to ensure timely processing of final invoices and payments according to County procedures.

Final Reporting

Accurate and timely submission of all final reports is a cornerstone of grant closeout:

- **Final Performance Reports:** Submit any required final WIOA performance reports, including participant data through the Participant Individual Record Layout (PIRL), as directed by ETA and the State DLIR/WDC. Ensure data reflects exits processed.
- **ETA Closeout Package:** Submit all documents required under ETA's streamlined closeout process. This may include:
 - Government Property Closeout Inventory Certification (certifying whether equipment meeting the federal definition was purchased).
 - Property Listing Form (if applicable, detailing equipment items).
 - Final approved Negotiated Indirect Cost Rate Agreement (NICRA) or Cost Allocation Plan (CAP) if indirect costs were charged.
 - Note: The Grantee's Detailed Statement of Costs may not be required for formula grants like WIOA Title I per some guidance, but confirm specific ETA instructions received during closeout initiation.

Allowable Closeout Costs and Staff Time

Recent updates to the Uniform Guidance (effective Oct 1, 2024, potentially applied earlier by

agencies) explicitly allow recipients to charge administrative costs associated with performing required closeout activities after the official period of performance ends. These costs must be reasonable, allocable, and documented.

- **Funding Challenge:** The critical issue during a funding *cessation* is that the WIOA funds themselves may be frozen or entirely unavailable. While closeout costs are *allowable*, there may be no WIOA funds to charge them against. Therefore, OWDB must proactively identify alternative funding sources (e.g., requesting emergency County general funds, utilizing available Rapid Response administrative funds if permissible, seeking philanthropic support) to cover the essential administrative tasks required for compliant closeout. Efforts to secure such funding must be documented.
- **Staff Time Prohibition:** It is crucial to note that ETA policy generally *prohibits* grant recipients from direct charging staff salaries and wages to the WIOA grant for work performed *after* the period of performance end date, even if that work is related to closeout. This seemingly contradicts the allowability of closeout costs but reflects a long-standing ETA interpretation. Therefore, the necessary staff work for closeout (final reporting, record archiving, audit support) must typically be funded by other sources (e.g., County administration, other grants) or performed by staff whose time is allocated elsewhere. Any deviation would require explicit, written pre-approval from the ETA Grant Officer.

Property and Equipment

Proper accounting for grant-funded property is mandatory:

- Conduct a final physical inventory of all equipment (items meeting the federal definition, threshold typically \$5,000 or \$10,000 depending on purchase date and applicable guidance) and any real property acquired or improved with WIOA Title I funds.
- Complete and submit the Government Property Closeout Inventory Certification and, if applicable, the Property Listing Form as part of the ETA closeout package.
- Formally request disposition instructions from the ETA Grant Officer or designated state contact for any federally-owned property or equipment exceeding the reporting threshold, following procedures in 2 CFR 200.313.

Final Audits and Fund Recovery

The closeout process does not end the possibility of audits or financial reconciliation:

- Cooperate fully with auditors conducting the organization's Single Audit (if applicable) or any program-specific audits initiated by DOL OIG, ETA, or the State. Ensure all required records are available.
- Understand that the OWDB remains obligated to return any funds due to the federal government as a result of later refunds, corrections, disallowed costs identified in audits, or other transactions, even after the grant has been officially closed by ETA.

Grant closeout under normal circumstances is complex; a funding cessation adds significant pressure and resource constraints. Meticulous record-keeping, adherence to reporting deadlines, proactive identification of non-WIOA resources for closeout tasks (especially staff time), and clear communication with ETA/State are essential for navigating this process compliantly.

Table 3: Grant Closeout Checklist

Task Area	Specific Action Item	Regulatory /Guidance Reference	Responsible Party (OWDB/AJC Role)	Deadline/Timeline	Status/Notes
Records	Secure all physical & electronic participant, financial, admin records.	2 CFR 200.334-338; Grant Terms	OWDB Staff / AJC Operator / WIOA Service Providers	Immediate upon activation	Confirm storage location & access plan.
Expenditures	Cease incurring new obligations.	2 CFR 200 Cost Principles	All Staff	Immediate upon activation	
	Process final payments for allowable costs incurred pre-cessation.	2 CFR 200.403-405; Grant Terms	OWDB Fiscal / County Finance	Within liquidation period (90/120 days or ETA directive)	Ensure proper documentation.
	Liquidate all valid prior obligations.	2 CFR 200.344; ETA Guidance	OWDB Fiscal / County Finance	Within liquidation period	Track carefully; no unliquidated obligations on final reports.

Reporting	Submit Final Quarterly Program Reports.	ETA Reporting Instructions	OWDB Fiscal/Program Staff	45 days post-final quarter end (standard); confirm ETA directive	Use as primary closeout financial report. Accrual basis.
	Submit ETA Closeout Package Documents	TEGL 12-22; ETA Closeout Guidance	OWDB Fiscal/Admin Staff	90/120 days post-POP end (or ETA directive)	Submit via GrantSolutions or email as directed.
Closeout Costs	Identify & document allowable closeout admin costs incurred post-POP.	2 CFR 200.472	OWDB Fiscal/Exec Director	During closeout period	Ensure costs are reasonable & allocable.
	Secure non-WIOA funding for closeout tasks (esp. staff time).	ETA Policy	OWDB Exec Director / County Liaison	ASAP upon activation	Document efforts & funding source.
Property	Conduct final inventory of WIOA-funded equipment/property.	2 CFR 200.313	OWDB Staff / AJC Operator / WIOA Service Providers	Prior to submitting closeout package	Use correct definition/threshold.
	Submit Property Certification & Listing	ETA Closeout Package	OWDB Staff	With closeout package	

	Form.				
	Request/follow disposition instructions from ETA/State.	2 CFR 200.313	OWDB Staff	Upon receiving instructions	Document actions taken.
Audit Prep	Ensure all records are audit-ready.	2 CFR 200 Subpart F	OWDB Fiscal/Admin Staff	Ongoing through retention period	Cooperate fully with auditors.
	Process any fund returns due to audits/refunds.	2 CFR 200.344(h)	OWDB Fiscal Staff	As required post-closeout	Maintain communication with ETA/State.

Roles and Responsibilities

Clear assignment of roles and responsibilities is essential for the effective implementation of this contingency plan.

- **OWDB Board:** The Board retains its governance and oversight function. Specific responsibilities during a funding cessation include:
 - Receiving regular, timely updates from the Executive Director on the situation and plan implementation.
 - Providing strategic direction and making policy decisions if unforeseen circumstances require adjustments to this plan.
 - Acting as advocates for the City and County of Honolulu workforce needs, potentially seeking alternative resources (e.g., County funding for closeout activities, support for affected participants) from County government or other sources.
- **OWDB Executive Director:** Holds overall responsibility for activating and implementing this plan. Key duties include:
 - Verifying triggering events and formally activating the plan in consultation with the Board Chair and County liaison.
 - Serving as the primary point of contact and liaison with the City and County of Honolulu administration, the State WDC and DLIR, and the OWDB Chair.
 - Overseeing the execution of all notification procedures.
 - Directing the activities of OWDB staff and ensuring effective coordination with the AJC Operator and contracted service providers.

- Ensuring fiscal integrity throughout the wind-down and overseeing the compliant completion of all grant closeout procedures.
- **OWDB Staff:** Support the Executive Director across all facets of plan implementation. Responsibilities, assigned by the Executive Director, may include:
 - Executing specific notification tasks (e.g., drafting and sending communications to state partners, employers).
 - Managing fiscal reconciliation, preparing final financial and performance reports.
 - Overseeing record management and archiving.
 - Providing guidance, technical assistance, and oversight to the AJC Operator and service providers regarding policy implementation, participant transitions, and data collection.
 - Maintaining detailed logs of communications, decisions, and actions taken during the contingency period.
- **One Stop Operator:** As the entity managing the day-to-day operations of the American Job Center, the Operator plays a critical front-line role:
 - Managing AJC staff and overseeing the operational wind-down of WIOA Title I services within the center(s).
 - Implementing the participant notification plan accurately and sensitively.
 - Conducting the active caseload review and implementing service prioritization according to OWDB direction.
 - Leading participant transition planning and referral activities, including facilitating warm handoffs.
 - Ensuring all participant data, service records, and case notes are entered accurately and timely into the designated case management system (e.g., HireNet Hawaii).
 - Cooperating fully with OWDB staff requests related to final reporting, data validation, and other closeout activities pertinent to AJC operations.
- **Contracted Service Providers:** Entities contracted to deliver specific WIOA Title I services (e.g., youth programs, specialized occupational training) are responsible for:
 - Implementing participant notification procedures for their specific caseloads, using OWDB-approved materials.
 - Winding down their contracted services in accordance with OWDB prioritization directives and the terms of their contracts.
 - Providing complete and accurate final service delivery data, participant outcomes, and any required documentation to the OWDB or AJC Operator in a timely manner.
 - Submitting final invoices for services rendered and complying with all contractual closeout requirements.
- **The City and County of Honolulu:** Relevant departments,
 - Providing administrative oversight and fiscal processing support consistent with the County's structure and procedures.
 - Assisting OWDB staff in securing physical and electronic records.
 - Processing final vendor payments and payroll according to County timelines and procedures.
 - Serving as a potential source, subject to Mayor and Council approval, for emergency bridge funding or allocation of existing County resources to support mandatory but unfunded closeout activities (e.g., staff time, record storage).

A clear delineation of these roles ensures accountability and coordinated action during a potentially chaotic period. The success of the plan hinges on effective collaboration between the OWDB, its staff, the AJC Operator, service providers, and supporting County departments.

Table 4: Key Contacts and Responsibilities Summary

(Note: This table should be populated and maintained with current contact information)

Role/Entity	Name / Contact Info	Key Responsibilities during Funding Cessation
OWDB Chair	[Name, Email, Phone]	Board Oversight, Policy Decisions, Advocacy
OWDB Executive Director	[Name, Email, Phone]	Plan Activation, Overall Implementation, State/County Liaison, Oversight of Notifications & Closeout
OWDB Fiscal Lead	[Name, Email, Phone]	Fiscal Reconciliation, Final Reporting (Financial), Expenditure Tracking, Closeout Package Prep
OWDB Program/Data Lead	[Name, Email, Phone]	Performance Reporting, Data Validation, Provider Guidance, Transition Support Oversight
OWDB Admin Lead	[Name, Email, Phone]	Record Management, Property Inventory, Notification Support
AJC Operator Manager	[Name, Email, Phone]	AJC Staff Management, Operational Wind-Down, Participant Notifications, Caseload Review, Transition Implementation

AJC Business Services Lead	[Name, Email, Phone]	Employer Notifications, OJT/CT Wind-Down Coordination
WIOA Title I Youth	[Name, Email, Phone]	Youth Participant Notification, Service Wind-Down (Youth), Final Data Submission
WIOA Title I Adult	[Name, Email, Phone]	
WIOA Title I Dislocated Worker	[Name, Email, Phone]	
[Any Other Provider Contact]	[Name, Email, Phone]	Participant Notification (Specific Cohort), Service Wind-Down, Final Data Submission
BFS	[Name, Email, Phone]	County Coordination, Resource Advocacy Support
County Finance Contact	[Name, Email, Phone]	Final Payment Processing, Fiscal Procedure Guidance
State WDC Contact	[Name, Email, Phone]	State-Level Coordination
State DLIR WDD Contact	[Name, Email, Phone]	State-Level Coordination, MIS Guidance

Policy Review and Updates

To ensure this Funding Cessation Contingency Plan remains relevant, effective, and compliant, regular review and updates are necessary.

Review Schedule

This policy document shall be formally reviewed on an annual basis. This review will be conducted by designated OWDB staff, with findings and any recommended revisions presented to the appropriate OWDB committee (e.g., Executive Committee, Special Projects Committee)

for consideration.

Update Triggers

In addition to the annual review, this policy must be reviewed and updated upon the occurrence of any of the following:

- **Regulatory or Legislative Changes:** Significant amendments to the WIOA statute, substantial revisions to the federal Uniform Guidance (2 CFR Part 200), issuance of new binding ETA Training and Employment Guidance Letters (TEGLs) impacting program closure or closeout, or major changes to the Hawaii WIOA State Plan or DLIR policies related to funding or operations.
- **Lessons Learned:** Following any exercise or drill simulating a funding cessation, or in the event of an actual funding interruption (whether affecting City and County of Honolulu directly or providing relevant experience from other jurisdictions), a post-event review shall be conducted to identify areas for policy improvement.
- **Operational or Partnership Changes:** Significant changes in the local service delivery structure, such as a change in the AJC Operator, major shifts in key partnerships referenced in the plan, or the adoption of new technologies or systems impacting the procedures outlined herein.

Approval Process

All substantive revisions or updates to this policy must be formally approved by the Oahu Workforce Development Board. The approval process shall follow the Board's standard procedures for policy adoption, which may include requirements for partner consultation and public comment periods, consistent with the transparency principles emphasized in WIOA for local plan development.

Minor administrative updates (e.g., correcting contact information in Table 4) may be made by the Executive Director with notification to the Board Chair.

Maintaining this policy as a living document is crucial. The workforce development landscape, federal regulations, and local operational contexts evolve. Regular reviews and timely updates triggered by significant changes ensure that the OWDB possesses a practical and compliant roadmap should a WIOA funding cessation occur.

Conclusion

This policy establishes a necessary framework for the Hawaii County Workforce Development Board and its partners to navigate the challenging scenario of a significant interruption or complete cessation of WIOA Title I funding. By outlining clear triggers, notification protocols, service wind-down strategies, participant transition procedures, compliant closeout actions, and defined roles, this plan aims to provide structure and minimize harm during a potential crisis.

The successful implementation of this plan hinges on proactive preparation, clear communication, strong partnerships, and the ability to make difficult decisions regarding resource allocation. Key challenges identified include adapting standard procedures (like participant exit) to the unique circumstances of a shutdown and addressing the critical gap between the federal requirement for grant closeout and the potential lack of WIOA funds to

support the necessary administrative activities, particularly staff time. Addressing this requires ongoing advocacy and planning with County government to ensure resources are available for mandatory compliance tasks.

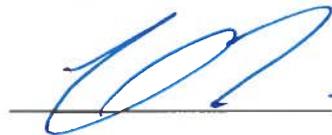
Regular review and updating of this policy are essential to ensure its continued relevance and effectiveness in safeguarding the interests of participants and ensuring responsible stewardship of public funds, even in the face of funding uncertainty. This contingency plan serves as a vital tool, enabling the OWDB to respond thoughtfully and strategically, rather than reactively, should WIOA Title I funding be disrupted.

ACTION:

This policy is effective immediately and remains in effect until such time that amendments to this policy are made or a new policy is issued.

INQUIRIES:

For inquiries regarding this policy, please contact Harrison Kuranishi, Executive Director, Oahu Workforce Development Board at 808-768-7790 or h.kuranishi@honolulu.gov.



Harrison Kuranishi
Executive Director