



STATE OF ARKANSAS
EMPLOYMENT SECURITY DEPARTMENT

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EMPLOYMENT ASSISTANCE
ISSUANCE PY 01-20

Ed Rolle, Director

May 23, 2002

TO: Local Area Workforce Investment Areas/Service Providers

SUBJECT: Workforce Investment Act - Subsequent Eligibility Determination for Training Providers

1. **Purpose:** To insure compliance with The Workforce Investment Act, Public Law 105-220 and 20 CFR Part 652 with regard to subsequent eligibility determination for providers of WIA funded training services.
2. **General Information:** According to 20 CFR 663.535(c) and 663.540(a), part of the process for determining the subsequent eligibility of a provider of training services is the annual submission of performance and cost information in a time and manner determined by the Local Workforce Investment Board.

Due to extenuating circumstances, in some Local Workforce Investment Areas, certain programs of training services are being continued although the aforementioned information has not been submitted within the appropriate time frame.

Be advised that Public Law 105-220, Section 122(f)(1-4) reads as follows:

(f) Enforcement.--

- (1) Accuracy of information.--If the designated State agency, after consultation with the local board involved, determines that an eligible provider or individual supplying information on behalf of the provider intentionally supplies inaccurate information under this section, the agency shall terminate the eligibility of the provider to receive funds described in subsection (a) for any program for a period of time, but not less than 2 years.
- (2) Noncompliance.--If the designated State agency, or the local board working with the State agency, determines that an eligible provider described in subsection (a) substantially violates any requirement under this Act, the agency, or the local board working with the State agency, may terminate the eligibility of such provider to receive funds described in subsection (a) for the program involved or take such other action as the agency or local board determines to be appropriate.
- (3) Repayment.--A provider whose eligibility is terminated under paragraph (1) or (2) for a program shall be liable for repayment of all funds described in subsection (a) received for the program during any period of noncompliance described in such paragraph.

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(4) Construction.--This subsection and subsection (g) shall be construed to provide remedies and penalties that supplement, but do not supplant, other civil and criminal remedies and penalties.

As the Governor's Administrative Entity, with the oversight roles and responsibilities sited at 20 CFR 667.410, it is our duty to inform you that, although it is our belief that the aforementioned extenuating circumstances did in fact interfere with the timely submission of required information, a state of non-compliance does exist.

3. **Action Required:** In order for this situation not to be elevated to the level of a "substantial" violation as sited above, all previously eligible training providers will be expected to report any and all required information by close of business on May 31, 2002, in order to insure their subsequent eligibility and to avoid the penalties prescribed by law.
4. **Inquiries:** Contact your Workforce Development Specialist.
5. **Expiration Date:** Continuing.