

## Attachment II. Summary of Selected Major Federal, State, and Local PFP Roles Under WIOA

This table serves as a simplified explanation of selected federal, state, and local PFP roles under WIOA, for the convenience of readers. It is not a substitute for the TEGL and Attachments I and III, whose guidance is the definitive interpretation of ETA’s policy on PFP.

Function	Federal Role	State Role	Local Role
Reservation and expenditure of WIOA funds for PFP	ETA moves PFP funds from the original WIOA grant document to a PFP-specific grant document with a specific subaccount and Payment Management System account	States may use Governor’s Reserve fund for statewide activities for allowable PFP related activities (which do not remain available until expended). Some states are single area states, and in these cases the state board acts as a local board for the purpose of administering a PFP contract strategy.	Local boards may reserve a maximum of 10 percent of their combined local Adult and Dislocated Worker allocations, and 10 per of their local Youth allocation. Such PFP contract strategy funds remain available until expended.
General authority	ETA issues regulations and guidance to establish general PFP policy.	States must monitor and oversee WIOA activities in the state, including PFP contract strategies	Local areas set PFP policy within the local area, and oversee individual PFP contract strategies.
Incentives and bonuses	N/A	Governors (using non-federal money) may establish incentives for local boards to implement PFP for allowable adult training and youth activities.	Local boards may receive the Governor’s incentive payments. Local programs may also provide bonus payments to contractors who exceed the contractually-specified performance outcomes (bonus payments are separate from incentives).
Technical assistance	ETA will provide technical assistance on PFP to states and localities.	States may utilize Governor’s Reserve funds for statewide activities to provide technical assistance to PFP contract strategies.	Local boards may receive state technical assistance funds, or use their own WIOA formula funds to provide technical assistance to PFP contract strategies.
Performance outcome reports	ETA may publish information on PFP performance.	States must submit performance outcome reports (form 9174) to ETA.	Local boards must provide PFP performance data to the state, for the state report.

<b>Function</b>	<b>Federal Role</b>	<b>State Role</b>	<b>Local Role</b>
Evaluation	DOL possesses general authority to evaluate programs.	States must include an evaluation of the design of PFP contract strategies and success of PFP contract strategies in the state performance reports.	Local boards must provide information and any assistance necessary for a state to include an evaluation of the design of the PFP contract strategies and performance of PFP contract strategies in the state performance report.
Customer satisfaction	N/A	States must ascertain, where possible, the level of satisfaction of PFP among employers and participants.	N/A
Reallocation of PFP funds which are not expended for the original PFP contract strategy	N/A	State monitors that the locals adhere to the reallocation requirement	PFP funds not distributed because performance outcomes were not met remain available until expended, but if reallocated can only be spent on PFP contract strategies.
Recommendations to Congress	Both DOL and U.S. Department of Education may make recommendations for improvements and adjustments to PFP.	N/A	N/A