



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF VOCATIONAL AND ADULT EDUCATION

THE ASSISTANT SECRETARY

JOINT MEMORANDUM

2 1998

FROM: Patricia W. McNeil *Patricia McNeil*
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U.S. Department of Education

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TO: State Directors of Adult Education
State Welfare-to-Work Program Administrators

RE: Flexibility for Matching Welfare-to-Work State Formula Grants

Policy

This is to inform you of additional flexibility in meeting the matching requirements to draw down State formula funds available under the Department of Labor's Welfare-to-Work grants. Welfare-to-Work matching requirements can be met by using matching funds in excess of the 25 percent minimum required under the Adult Education Act to count toward the match for Welfare-to-Work State formula grant funds.

Background

In order to receive Welfare-to-Work formula grant funds, each State must submit a plan for the administration of the Welfare-to-Work Grant to the U.S. Secretary of Labor. The Secretary of Labor determines whether the plan meets the statutory requirements of the program, as established under Section 403(a)(5) of the Social Security Act. Governors are responsible for administering formula funds and for assuring that these funds are coordinated with funds spent under the Temporary Assistance to Needy Families (TANF) block grant. States must provide one dollar of nonfederal matching funds for every two dollars of federal Welfare-to-Work formula funds received. Meeting the match for this program may be difficult for some States.

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Match Option

We are encouraging administrators of the Adult Education Act and the Welfare-to-Work Program, created by Section 403(a)(5) of the Social Security Act, to work together to use existing basic skills services for welfare clients with low literacy skills who are transitioning to work. States are allowed to use nonfederal matching funds in excess of the 25 percent minimum required under the Adult Education Act to count toward the match for Welfare-to-Work State formula grant funds. However, activities supported with matching funds that exceed the minimum must be used to serve individuals eligible for services under both Acts, and the services provided must be allowable activities under both Acts, such as job readiness, high school completion, or on-the-job instruction in basic skills needed for work. Through this cooperative effort, States will be able to maximize the impact of available federal funds for the benefit of welfare clients by using the existing adult education service delivery system and minimize the possibility for overlap and duplication of services.

States wishing to use the option described in this memo for matching Welfare-to-Work State formula grant funds should note that: (1) the nonfederal funds used to match against each program still must be identifiable; (2) the State educational agency still maintains responsibility for the proper use and reporting of all nonfederal funds spent on adult education; (3) nonfederal effort still must be maintained under the Adult Education Act; (4) States should follow proper procedures for making any amendments that may be necessary to their adult education State plans; and (5) differences exist between the matching requirements for the Adult Education and Welfare-to-Work programs (for example, in Adult Education each nonfederal dollar earns three federal dollars, and in Welfare-to-Work each nonfederal dollar earns two federal dollars).

If you have further questions, please contact Lance Grubb for the Department of Labor at 202/219-6719 x102 or Sarah Newcomb for the Department of Education 202/205-5410.