

ALABAMA WORKFORCE INVESTMENT SYSTEM

Office of Workforce Development
401 Adams Avenue
Post Office 5690
Montgomery, Alabama 36103-5690

May 27, 2008

GOVERNOR'S WORKFORCE DEVELOPMENT DIRECTIVE NO. PY05-11, Change 5

SUBJECT: Program Year 2006 WIA Youth, Adult, and Dislocated Worker Allocations

1. Purpose. This transmits notice of rescission resolution relevant to the Program Year 2006 and Fiscal Year 2007 Workforce Investment Act (WIA) funds, which were utilized as part of the effort to respond to the rescissions.

2. Discussion. As outlined in Training and Employment Guidance Letter (TEGL) Number 24-07 dated March 26, 2008, the U.S. Department of Labor (USDOL) is required to apply three different rescissions to WIA funds. There's a one percent across-the-board (ATB) rescission of Fiscal Year 2007 Adult and Dislocated Worker funds, a 1.747 percent ATB of Fiscal Year 2008 Adult and Dislocated Worker funds, and a rescission of unexpended balances. The fund reductions made in the attached represent Program Year 2006 and Fiscal Year 2007 funds utilized as part of the total rescission resolution for WIA Formula Unexpended Balances. As stated on Page 5, Item 3 of the TEGL, WIA cost limitations do not have to be recalculated on allocations remaining after the rescissions.

3. Action. a. Governor's Workforce Development Directive No. PY 2005-11, Change 5, Attachment 1, is changed as follows:

Program Year 2006 Adult Funds are reduced by \$14,032.70; and Program Year 2006 Dislocated Worker funds are reduced by \$29,918.34. Fiscal Year 2007 Adult funds are reduced by \$12,798.35; and Fiscal Year 2007 Dislocated Worker funds are reduced by \$819,610.76.

b. Replace old Attachment 1 with the new Attachment 1

c. Since local area funds are affected by this Directive Change, the affected local areas should submit appropriate modification(s) to Program Year 2006 WIA Grant Agreement packages to the Workforce Development Division prior to June 6, 2008.

4. Contact. Any questions should be referred to Bill Hornsby, State Programs/Divisional Budget Management Section, at (334) 242-5847 or email at bill.hornsby@adeca.alabama.gov.



Steve Walkley, Division Director
Workforce Development Division

Attachments: 1. Local Area Planning Allocation for Program Year 2006
2. Worksheet – Alabama's Share of the \$250 Million Rescission
3. TEGL 24-07, Pages 1 – 5 and 17

**LOCAL AREA PLANNING ALLOCATION
FOR PROGRAM YEAR 2006
(July 1, 2006 - June 30, 2007)**

	PY2006 Allotment Prior to Rescission	Rescission Resolution Amount Unexpended Balances	PY2006 Allotment After Rescission of Unexpended Balances	FY2007 Allotment Prior to 1% Rescission	FY2007 1% Rescission Amount	FY2007 Allotment After 1% Rescission	Rescission Resolution Amounts Unexpended Balances	FY07 Allotment After Rescission of Unexpended Balances	Revised Full PY Allotment
1. SEC. 133(b)(2)(A) ADULT PROGRAMS	\$2,152,317	(\$14,032.70)	\$2,138,284.30	\$10,068,745	(\$100,687)	\$9,968,058	(\$12,798.35)	\$9,955,259.65	\$12,093,543.95
a. GOVERNOR'S 15% SET ASIDES:	\$322,847	(\$14,032.70)	\$308,814.30	\$1,510,311	(\$15,103)	\$1,495,208	(\$33.37)	\$1,495,174.63	\$1,803,988.93
Administration (5%)	\$107,615	\$0.00	\$107,615.00	\$503,437	(\$15,103)	\$488,334	\$0.00	\$488,334.00	\$595,949.00
Other State-Level Activities	\$150,663	(\$14,032.70)	\$136,630.30	\$704,812	\$0	\$704,812	(\$33.37)	\$704,778.63	\$841,408.93
Incentive Awards/Capacity Building (3%)	\$64,569	\$0.00	\$64,569.00	\$302,062	\$0	\$302,062	\$0.00	\$302,062.00	\$366,631.00
Local Area Grants (67%)	\$43,262	\$0.00	\$43,262.00	\$202,382	\$0	\$202,382	\$0.00	\$202,382.00	\$245,644.00
State-Level (33%)	\$21,307	\$0.00	\$21,307.00	\$99,680	\$0	\$99,680	\$0.00	\$99,680.00	\$120,987.00
b. LOCAL AREA ADULT PROGRAMS (85%)	\$1,829,470	\$0.00	\$1,829,470.00	\$8,558,434	(\$85,584)	\$8,472,850	(\$12,764.98)	\$8,460,085.02	\$10,289,555.02
AWIA	\$1,455,442	\$0.00	\$1,455,442.00	\$6,808,695	(\$68,087)	\$6,740,608	(\$12,764.98)	\$6,727,843.02	\$8,183,285.02
Jefferson	\$122,576	\$0.00	\$122,576.00	\$573,421	(\$5,734)	\$567,687	\$0.00	\$567,687.00	\$690,263.00
Mobile	\$251,452	\$0.00	\$251,452.00	\$1,176,318	(\$11,763)	\$1,164,555	\$0.00	\$1,164,555.00	\$1,416,007.00
2. SEC. 128(b)(2) YOUTH ALLOTMENT	\$12,648,643	\$0.00	\$12,648,643.00	\$0	\$0	\$0	\$0.00	\$0.00	\$12,648,643.00
a. GOVERNOR'S 15% SET ASIDES:	\$1,897,296	\$0.00	\$1,897,296.00	\$0	\$0	\$0	\$0.00	\$0.00	\$1,897,296.00
Administration (5%)	\$632,432	\$0.00	\$632,432.00	\$0	\$0	\$0	\$0.00	\$0.00	\$632,432.00
Other State-Level Activities	\$885,405	\$0.00	\$885,405.00	\$0	\$0	\$0	\$0.00	\$0.00	\$885,405.00
Incentive Awards/Capacity Building (3%)	\$379,459	\$0.00	\$379,459.00	\$0	\$0	\$0	\$0.00	\$0.00	\$379,459.00
Local Area Grants (67%)	\$254,238	\$0.00	\$254,238.00	\$0	\$0	\$0	\$0.00	\$0.00	\$254,238.00
State-Level (33%)	\$125,221	\$0.00	\$125,221.00	\$0	\$0	\$0	\$0.00	\$0.00	\$125,221.00
b. LOCAL AREA YOUTH PROGRAMS (85%)	\$10,751,347	\$0.00	\$10,751,347.00	\$0	\$0	\$0	\$0.00	\$0.00	\$10,751,347.00
AWIA	\$8,587,287	\$0.00	\$8,587,287.00	\$0	\$0	\$0	\$0.00	\$0.00	\$8,587,287.00
Jefferson	\$693,064	\$0.00	\$693,064.00	\$0	\$0	\$0	\$0.00	\$0.00	\$693,064.00
Mobile	\$1,470,996	\$0.00	\$1,470,996.00	\$0	\$0	\$0	\$0.00	\$0.00	\$1,470,996.00

LOCAL AREA PLANNING ALLOCATION
FOR PROGRAM YEAR 2006
 (July 1, 2006 - June 30, 2007)

	PY2006 Allotment Prior to Rescission	Rescission Resolution Amount Unexpended Balances	PY2006 Allotment After Rescission of Unexpended Balances	FY2007 Allotment Prior to 1% Rescission	FY2007 1% Rescission Amount	FY2007 Allotment After 1% Rescission	Rescission Resolution Amounts Unexpended Balances	FY07 Allotment After Rescission of Unexpended Balances	Revised Full PY Allotment
3. SEC. 133(b)(2)(B) DISLOCATED WORKERS	\$3,829,915	(\$29,918.34)	\$3,799,996.66	\$9,501,638	(\$95,016)	\$9,406,622	(\$819,610.76)	\$8,587,011.24	\$12,387,007.90
a. RAPID RESPONSE PROGRAMS (10%)	\$382,991	(\$29,918.34)	\$353,072.66	\$950,164	\$0	\$950,164	(\$145,753.85)	\$804,410.15	\$1,157,482.81
b. GOVERNOR'S 15% SET ASIDES:	\$574,487	\$0.00	\$574,487.00	\$1,425,245	(\$23,754)	\$1,401,491	(\$479,350.91)	\$922,140.09	\$1,496,627.09
Administration (5%)	\$191,495	\$0.00	\$191,495.00	\$475,081	\$0	\$475,081	(\$112,485.91)	\$362,595.09	\$554,090.09
Other State-Level Activities	\$268,095	\$0.00	\$268,095.00	\$725,705.95	(\$23,754)	\$701,951.95	(\$366,865.00)	\$335,086.95	\$603,181.95
Incentive Awards/Capacity Building (3%)	\$114,897	\$0.00	\$114,897.00	\$224,458.05	\$0	\$224,458.05	\$0.00	\$224,458.05	\$339,355.05
Local Area Grants (67%)	\$76,981	\$0.00	\$76,981.00	\$190,983	\$0	\$190,983	\$0.00	\$190,983.00	\$267,964.00
State-Level (33%)	\$37,916	\$0.00	\$37,916.00	\$33,475.05	\$0	\$33,475.05	\$0.00	\$33,475.05	\$71,391.05
c. LOCAL AREA PROGRAMS (75%)	\$2,872,437	\$0.00	\$2,872,437.00	\$7,126,229	(\$71,262)	\$7,054,967	(\$194,506.00)	\$6,860,461.00	\$9,732,898.00
AWIA	\$2,303,127	\$0.00	\$2,303,127.00	\$5,713,827	(\$57,138)	\$5,656,689	(\$132,276.00)	\$5,524,413.00	\$7,827,540.00
Jefferson	\$290,666	\$0.00	\$290,666.00	\$721,113	(\$7,211)	\$713,902	(\$62,230.00)	\$651,672.00	\$942,338.00
Mobile	\$278,644	\$0.00	\$278,644.00	\$691,289	(\$6,913)	\$684,376	\$0.00	\$684,376.00	\$963,020.00
4. TOTAL PROGRAM YEAR 2006 ALLOTMENT	\$18,630,875	(\$43,951.04)	\$18,586,923.96	\$19,570,383	(\$195,703)	\$19,374,680	(\$832,409.11)	\$18,542,270.89	\$37,129,194.85
5. POOLED SET ASIDES									
Rapid Response (10%)	\$382,991	(\$29,918.34)	\$353,072.66	\$950,164	\$0	\$950,164	(\$145,753.85)	\$804,410.15	\$1,157,482.81
Administration (5%)	\$931,542	\$0.00	\$931,542.00	\$978,518	(\$15,103)	\$963,415	(\$112,485.91)	\$850,929.09	\$1,782,471.09
Other State-Level Activities	\$1,304,163	(\$14,032.70)	\$1,290,130.30	\$1,430,517.95	(\$23,754)	\$1,406,763.95	(\$366,898.37)	\$1,039,865.58	\$2,329,995.88
Incentive Awards/Capacity Building (3%)	\$558,925	\$0.00	\$558,925.00	\$526,520.05	\$0	\$526,520.05	\$0.00	\$526,520.05	\$1,085,445.05
Local Area Grants (67%)	\$374,481	\$0.00	\$374,481.00	\$393,365	\$0	\$393,365	\$0.00	\$393,365.00	\$767,846.00
AWIA	\$221,575	\$0.00	\$221,575.00	\$222,957	\$0	\$222,957	\$0.00	\$222,957.00	\$444,532.00
Jefferson	\$24,518	\$0.00	\$24,518.00	\$86,464	\$0	\$86,464	\$0.00	\$86,464.00	\$110,982.00
Mobile	\$128,388	\$0.00	\$128,388.00	\$83,944	\$0	\$83,944	\$0.00	\$83,944.00	\$212,332.00
State-Level activities	\$184,444	\$0.00	\$184,444.00	\$133,155.05	\$0	\$133,155.05	\$0.00	\$133,155.05	\$317,599.05

\$250 Million Rescission of Unexpended Balances **LOCAL AREA PLANNING ALLOCATION**
FOR PROGRAM YEAR 2006
(July 1, 2006 - June 30, 2007)

Attachment 1
5/12/2008

6. PY06/FY07 Local Area Incentive Awards by CFDA/Funding Category

AWIA	Fund Source	PY 2006	FY 2007	Total
	Adult	\$18,802	\$87,958	\$106,760
	Youth	\$148,358	\$0	\$148,358
	Dislocated Worker	\$54,415	\$134,999	\$189,414
		<u>\$221,575</u>	<u>\$222,957</u>	<u>\$444,532</u>
Jefferson	Fund Source			
	Adult	\$11,669	\$54,586	\$66,255
	Youth	\$0	\$0	\$0
	Dislocated Worker	\$12,849	\$31,878	\$44,727
		<u>\$24,518</u>	<u>\$86,464</u>	<u>\$110,982</u>
Mobile	Fund Source			
	Adult	\$12,791	\$59,838	\$72,629
	Youth	\$105,880	\$0	\$105,880
	Dislocated Worker	\$9,717	\$24,106	\$33,823
		<u>\$128,388</u>	<u>\$83,944</u>	<u>\$212,332</u>
State	Fund Source			
	Adult	\$43,262	\$202,382	\$245,644
	Youth	\$254,238	\$0	\$254,238
	Dislocated Worker	\$76,981	\$190,983	\$267,964
		<u>\$374,481</u>	<u>\$393,365</u>	<u>\$767,846</u>

RESCISSION OF UNEXPENDED BALANCES - ALABAMA'S SHARE of the \$250 MILLION

Cost Center	Adult	Youth	DW	TOTAL
05K101 RAPID RESP			(31,958.00)	(31,958.00)
05K102 RR IH			(214,686.39)	(214,686.39)
05K103 RR			(50,933.23)	(50,933.23)
05K103 RR			(456,505.79)	(456,505.79)
05K401 MOB DW (RR)			(110,000.00)	(110,000.00)
05T102 D SETASIDES			(323.39)	(323.39)
TOTAL FY06	0.00	0.00	(864,406.80)	(864,406.80)
065102 A SETASIDES	(14,032.70)			(14,032.70)
06R102 RR			(29,918.34)	(29,918.34)
TOTAL PY06	(14,032.70)	0.00	(29,918.34)	(43,951.04)
06A106 D 5% ADM			(112,485.91)	(112,485.91)
06E201 AWIA DW			(132,276.00)	(132,276.00)
06E301 JEFF DW			(62,230.00)	(62,230.00)
06H201 AWIA ADULT	(12,764.98)			(12,764.98)
06K101 RAPID RESP			(145,753.85)	(145,753.85)
06T101 A SETASIDES	(33.37)			(33.37)
06T102 D SETASIDES			(131,828.49)	(131,828.49)
06T102 D SETASIDES			(235,036.51)	(235,036.51)
TOTAL FY07	(12,798.35)	0.00	(819,610.76)	(832,409.11)
071301 JEFF ADULT	(56,494.00)			(56,494.00)
074201 AWIA YOUTH		(423,934.00)		(423,934.00)
074301 JEFF YOUTH		(18,003.00)		(18,003.00)
075101 Y SETASIDES		(90,373.00)		(90,373.00)
TOTAL PY07	(56,494.00)	(532,310.00)	0.00	(588,804.00)
07A105 A 5% ADM	(130,865.93)			(130,865.93)
07A106 D 5% ADM			(128,756.10)	(128,756.10)
07E201 AWIA DW			(72,489.00)	(72,489.00)
07E401 MOB DW			(5,998.00)	(5,998.00)
07H201 AWIA ADULT	(180,665.02)			(180,665.02)
07H401 MOB ADULT	(8,148.00)			(8,148.00)
07T101 A SETASIDES	(1,604.00)			(1,604.00)
07T102 D SETASIDES			(1,220.00)	(1,220.00)
07T103 A CB*	(227.00)			(227.00)
07T104 D CB*			(173.00)	(173.00)
TOTAL FY08	(321,509.95)	0.00	(208,636.10)	(530,146.05)
	(404,835.00)	(532,310.00)	(1,922,572.00)	(2,859,717.00)

*State Level Capacity Building Funds

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Workforce Investment Act Programs
	CORRESPONDENCE SYMBOL OPDR
	DATE March 26, 2008

TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 24-07

TO: ALL STATE WORKFORCE ADMINISTRATORS
 ALL STATE WORKFORCE LIAISONS
 ALL STATE WORKER ADJUSTMENT LIAISONS
 ALL STATE WORKFORCE AGENCIES
 ALL ONE-STOP CENTER SYSTEM LEADS

FROM: DOUGLAS F. SMALL *Douglas F. Small*
 Deputy Assistant Secretary

SUBJECT: Rescissions During Fiscal Year 2008 For Workforce Investment Act (WIA) Programs

1. Purpose.

The purpose of this Training and Employment Guidance Letter (TEGL) is to provide states with information on the Fiscal Year (FY) 2007 and FY 2008 rescissions for the WIA Adult, Dislocated Worker, and Youth programs. Funding appropriated to states may be significantly affected and require a reevaluation of current spending patterns.

While annual rescissions are not new to our WIA programs, this year there is additional complexity because there are three separate rescissions which span several Program Years (PY). These rescissions are from funds appropriated in the FY 2008 and FY 2007 appropriation acts, and the Department of Labor is required to implement them. All but one of the rescissions are across-the-board (ATB) rescissions similar to those enacted each year for the last several years. The manner in which these rescissions will be administered was determined by applying both appropriations law and relevant portions of the reports that accompanied the appropriation acts.

2. References.

- a) Revised Continuing Appropriations Resolution, 2007 (P.L. 110-5), February 15, 2007.
- b) Consolidated Appropriations Act, 2008 (P.L. 110-161), December 26, 2007.

RESCISSIONS: None	EXPIRATION DATE: Continuing
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3. Background.

During FY 2008, the Department of Labor (DOL) is required to apply three different rescissions. These adjustments will be applied to various WIA funds during FY 2008 as follows:

- a) To the FY 2007 Advance fund year source, a 1 percent across-the-board rescission (see the Revised Continuing Appropriations Resolution, 2007, P.L. 110-5, which appropriated funds for FY 2007 at FY 2006 levels, including the 1% ATB rescission that applied to all FY 2006 funds. It is that 1% ATB rescission amount that is now being rescinded from the FY 2007 Advance.) This rescission is applicable to the WIA Adult and Dislocated Worker programs only. This rescission will be referred to as "2007 ATB."
- b) To the FY 2008 Advance fund year source (appropriated in advance in the FY 2007 appropriation act), a 1.747 percent across-the-board rescission, required by the Consolidated Appropriations Act, 2008 (P.L. 110-161). This rescission is applicable to the WIA Adult and Dislocated Worker programs only. This rescission will be referred to as "2008 ATB."

It may be noted that the 1.747 percent across-the-board rescission also applies to formula funds that are to be allotted for PY 2008. However, the 2008 ATB will be incorporated in the PY 2008 allotment upon issuance and therefore will not require additional attention by the states.

- c) To unexpended balances of formula funds appropriated for PY 2005 and PY 2006 which includes fund year sources PY 2005, FY 2006, PY 2006, and FY 2007, a rescission of \$250 million, required by P.L. 110-161, applicable to the WIA Adult, Dislocated Worker and Youth formula programs only (the PY 2005 and FY 2006 advance fund year sources were appropriated by the FY 2005 appropriations act and the PY 2006 and FY 2007 advance fund year sources were appropriated by the FY 2006 appropriations act.) This rescission will be referred to as "Rescission of Unexpended Balances."

In expectation of a retroactive rescission during FY 2008, DOL withheld 2 percent of the available funds from the formula allotments of the FY 2008 advance funds. The amounts withheld will be applied against the enacted 2008 ATB rescission and the states will receive the remainder of the funds. In effect, the 2008 ATB rescission has already been absorbed by the states.

The total effect of all these rescissions and the FY 2008 amounts withheld is presented below organized by program. Attachments I-A, I-B, I-C, and I-D display the net impact of all rescissions by state.

Net Effect of Rescissions and Withholding Amounts, by Program
(\$ in Millions)

Program	Rescission of:			Total Retroactive Rescissions	Amount Withheld in FY 2008	Net Remaining Rescissions
	(1) FY 2007 Advance	(2) FY 2008 Advance	(3) Unexpended Balances			
Adults	7.12	12.44	49.16	68.72	(14.24)	54.48
Youth	0.00	0.00	42.34	42.34	0.00	42.34
Dislocated Workers *	10.60	18.52	158.50	187.62	(21.20)	166.42
Total	\$17.72	\$30.96	\$250.00	\$298.66	(\$35.44)	\$263.24

* Including the National Reserve

4. Program and State Rescission Calculations.

- a) **The FY 2007 ATB:** This rescission calls for a reduction of \$7,120,000 from the initial funding of \$712,000,000 for the WIA Adult program for states and outlying areas and \$10,600,000 from the initial funding of \$1,060,000,000 for the WIA Dislocated Worker program for states, the outlying areas, and the National Reserve. Each state receives a share of this rescission for each program in proportion to its relative percentage share of the initial total state allotments of FY 2007 advance funds. See Attachment II for state rescission amounts and revised formula allotments for FY 2007 funds.

- b) **The FY 2008 ATB:** This rescission calls for a reduction of \$12,438,640 from the initial funding of \$712,000,000 for the WIA Adult program for states and outlying areas and \$18,518,200 from the initial funding of \$848,000,000 for the WIA Dislocated Worker formula program for states, the outlying areas, and the National Reserve. Each state receives a share of this rescission for each program in proportion to its relative percentage share of the initial total state allotments of FY 2008 advance funds. Because 2 percent of the FY 2008 allotments had already been withheld, states will receive additional amounts equal to the difference between the 1.747 and 2 percent reductions. See Attachments III-A and III-B for state rescission amounts for each program, along with the DOL withheld amount and revised formula allotments for FY 2008 funds.

- c) **The Rescission to Unexpended Balances:** Unlike the two previously discussed ATBs, this rescission is based not on formula allotment amounts, but on actual spending of WIA Adult, Dislocated Worker, and Youth formula funds during PY 2006. The Congressional intent for the Rescission of Unexpended Balances, as expressed in House Report 110-424 pages 91 and 92, was that the rescission calculation is completed in two steps: first identify and rescind large balances of unexpended funds by state and program and second reduce total unexpended balances proportionately to all states in each program Attachment IV-A displays rescission totals for each program and Attachment IV-B displays the state distribution for each program.

The rescission is applied to the funds reserved for statewide activities and the funds allocated to local areas in proportion to how the unexpended balances of the funds relating to those activities and areas contributed to the state's rescission amounts. To assist in carrying out the rescission, DOL has developed two-step rescission calculations

at the statewide and local levels that are consistent with the DOL rescission two-step calculations of state program amounts. Therefore, along with rescission amounts for each program, DOL is providing each state with the split of the rescission amount between the funds reserved for statewide activities and the funds allocated for local programs, as well as the results of each step of the rescission calculations. This information is contained in attachments IV-C1, IV-C2, and IV-C3.

In determining these rescission amounts, DOL used financial data reported by the states as of January 15, 2008 for the reporting period as of 6/30/07. This data includes any revisions to reports submitted since September 14, 2007, the cut-off date for the data used in the earlier rescission estimates. Extracts and revised summaries of the state financial data used for rescission purposes are available on the Employment and Training Administration (ETA) Budget Webpage at www.doleta.gov/budget/qtrlyspend.cfm.

Appendix A provides a more detailed description of the data methodology and calculations used by DOL to distribute this rescission.

5. Within-State Rescission Amount Calculations to be Performed by the States.

Using the rescission amounts provided by DOL, states are to calculate the amounts applicable to the funds relating to various within-state activities. Below are the instructions relevant to each rescission to be used by states when making these calculations. Since there are multiple rescissions to be calculated, the order for performing the calculations is very important. The ATB amounts for each fund year source are to be calculated before calculating the Rescission to Unexpended Balances. The resulting availability amounts (after the FY 2007 ATB) are then to be used when calculating the within-state Rescission of Unexpended Balances amounts. The 2008 ATB does not affect the calculation of the Rescission of Unexpended Balances but does affect the availability of funding that can be used to fulfill it. The actual application of the rescission amounts for deobligation purposes varies by type of rescission and is discussed in section 6 below.

- a) **ATBs:** Normally states are required to adhere to the various WIA statutory provisions specifying percentages applicable to formula allotment amounts, such as for statewide activities and limitations to administrative costs. However, due to the special circumstance that the ATBs have to be applied in conjunction with the Rescission of Unexpended Balances, these specifications will be considered to have been met if the pre-rescission allocations met the specifications, regardless of the application of the ATBs. Therefore, the states will have a greater degree of discretion as described above in administering these specific rescissions.
- b) **Rescission of Unexpended Balances:** States are to use the statewide/local rescission amounts as described in section 4 above for each program as follows:
 - 1) **Statewide activities:** Within each program, the total rescission amount provided by DOL may be applied to any statewide activity in any amount. For the Dislocated Workers program, Rapid Response is included in this category,

and not broken out separately, thus providing more flexibility for that program. This flexibility is important because states are expected to maintain adequate capacity to provide required levels of rapid response assistance and support for statewide activities despite the rescissions.

- 2) **Local activities:** The rescission calculations are applied to each local area in a manner that conforms with DOL's calculations of state rescission amounts. Therefore, when calculating local area amounts, no adjustments should be made to local area fund availability or expenditures data other than changes to the FY 2007 fund availability that results from application of the FY 2007 ATB as described above. In other words, except for application of the FY 2007 ATB, states are to use local area data that corresponds to the source data for state financial reports as of 6/30/07 submitted to DOL. For this rescission calculation, any local area unexpended funds which have been recaptured by the state based on 6/30/07 status reports should be treated as local area funds in their original 6/30/07 status, regardless of the subsequent reallocation of such funds.

DOL has provided in Appendix B, detailed instructions for states to use in performing local area calculations to assure that all states are using a uniform methodology which is consistent with the statute and the instructions above. For this purpose, DOL is also providing Excel file templates to be used by the states in compiling the financial data and calculating rescission amounts for their local areas. Using these instructions and Excel templates, states will be able to complete each step of the calculations and distribute the total rescission amounts among the local areas based on their excess unexpended and total unexpended balances. These instructions relate only to the calculation of local area rescission amounts, and not to the actual deobligation of funds, described in section 6.

- 3) **Waiver of WIA requirements:** To minimize the impact of the Rescission of Unexpended Balances on states and local areas, the appropriations act (P.L. 110-161) provides DOL with flexibility to waive such WIA requirements as necessary to minimize the burden of the rescission. Requirements such as cost limits and applicable percentages of funds used for statewide and rapid response activities and allocations to local areas are not intended to be applied based on amounts remaining available to states after the rescission is carried out. Additionally, because the rescissions are inter-related, DOL has determined that requiring multiple recalculations of such percentages for each ATB would exacerbate the overall burden of the rescission on unexpended balances. Therefore we have provided states with additional flexibility regarding ATBs in paragraph a) of this section.

6. Notice of Obligation Adjustments.

Notices of Obligation (NOOs) for each program will be revised to reflect the funding level adjustments required by each rescission. We expect all states to administer their expenditures in a manner that will ensure that funds to be recovered are available upon the issuance of the revised NOOs.

U. S. Department of Labor
 Employment and Training Administration
 \$250 Million Reallocation to WIA Formula Unexpended Balances as of 6/30/07 (1/15/08 data)
 Reallocation Amounts, by Program, by Step

2288

Attachment IV-B

State	Adults		Youth		Dislocated Workers		Total					
	Excess 30%	Program	Excess 30%	Program	Excess 30%	Program	Excess 30%	Program				
Total	12,646,430	38,509,852	49,156,012	12,525,578	29,874,918	42,340,897	104,445,116	53,965,075	158,501,091	129,819,525	120,190,478	250,000,000
Alabama	0	404,835	404,835	0	532,310	532,310	1,294,070	636,502	1,822,572	1,294,070	1,575,847	2,869,917
Alaska	307	115,773	116,080	0	124,474	124,474	995,614	191,449	1,157,293	996,121	431,700	1,397,821
Arizona	0	399,528	399,528	3,710,051	765,698	4,475,737	4,844,270	839,094	5,687,364	6,036,321	2,104,306	10,702,629
Arkansas	1,145,530	458,910	1,604,440	0	370,417	370,417	1,743,200	506,155	2,249,355	2,899,730	1,335,482	4,224,212
California	0	3,678,543	3,678,543	0	3,394,101	3,394,101	0	6,481,535	6,481,535	0	13,555,179	13,555,179
Colorado	1,957,332	812,496	2,769,828	1,483,257	644,598	2,107,855	3,134,982	753,115	3,888,107	6,555,581	2,210,209	8,765,790
Connecticut	0	200,139	200,139	0	131,561	131,561	0	339,198	339,198	0	609,896	609,896
Delaware	0	105,087	105,087	0	58,289	58,289	189,413	83,985	273,398	189,413	247,362	436,775
District of Col	1,171,872	215,398	1,387,270	540,939	197,137	738,087	0	187,135	187,135	1,712,502	579,589	2,292,101
Florida	208,825	2,635,157	2,844,082	74,518	1,452,400	1,526,919	4,325,719	1,696,398	6,222,087	4,809,173	5,763,925	10,593,098
Georgia	1,300,813	878,105	2,178,918	0	674,384	674,384	5,151,538	1,427,865	6,579,403	6,432,365	2,891,335	8,433,697
Hawaii	0	86,505	86,505	0	96,820	96,820	0	56,111	56,111	0	239,536	239,536
Idaho	0	83,281	83,281	0	65,622	65,622	0	81,920	81,920	0	210,663	210,663
Illinois	0	1,722,108	1,722,108	0	1,199,776	1,199,776	1,878,600	3,415,678	5,294,278	1,878,600	6,297,582	8,176,182
Indiana	2,800,089	959,424	3,559,513	1,397,565	901,671	2,299,234	3,665,781	1,247,334	5,111,115	7,061,433	3,108,429	10,969,862
Iowa	0	166,412	166,412	34,340	321,858	356,198	466,454	360,266	826,720	500,794	778,538	1,279,330
Kansas	477,009	456,049	933,058	0	329,874	329,874	3,883,781	521,488	4,385,219	4,340,770	1,307,381	5,648,151
Kentucky	0	661,782	661,782	0	599,414	599,414	609,499	639,410	1,248,909	608,489	1,899,626	2,508,105
Louisiana	0	873,945	873,945	0	698,617	698,617	2,014,856	889,211	2,884,087	2,014,856	2,411,773	4,426,629
Maine	0	75,844	75,844	0	57,555	57,555	0	126,635	126,635	0	280,134	280,134
Massachusetts	174,640	480,548	655,188	0	317,383	317,383	618,204	518,904	1,136,188	792,844	1,294,685	2,087,739
Michigan	0	451,828	451,828	0	381,331	381,331	0	801,802	801,802	0	1,614,981	1,614,981
Minnesota	0	1,480,089	1,480,089	0	778,500	778,500	0	3,284,473	3,284,473	0	5,554,072	5,554,072
Mississippi	0	216,316	216,316	0	74,472	74,472	0	577,482	577,482	0	689,280	689,280
Missouri	0	347,790	347,790	0	504,983	504,983	1,786,559	712,016	2,498,575	1,796,359	1,564,789	3,351,118
Montana	0	346,129	346,129	0	459,077	459,077	0	698,542	698,542	0	1,503,748	1,503,748
Nebraska	0	67,210	67,210	0	64,184	64,184	0	59,002	59,002	0	199,376	199,376
Nevada	572,810	174,224	747,034	60,181	196,384	216,525	1,211,003	177,149	1,388,152	1,843,874	507,737	2,351,711
New Hampshire	0	164,246	164,246	0	72,784	72,784	0	153,180	153,180	0	390,190	390,190
New Jersey	97,417	108,981	206,278	0	56,191	56,191	0	96,991	96,991	97,417	284,043	381,460
New Mexico	0	461,145	461,145	0	696,152	696,152	0	646,288	646,288	0	2,393,715	2,393,715
New York	0	2,554,623	2,554,623	0	2,307,164	2,307,164	2,253,726	378,705	2,630,440	2,253,726	1,120,335	3,374,070
North Carolina	0	756,278	756,278	0	2,307,164	2,307,164	27,992,723	4,811,217	32,803,940	27,992,723	8,673,004	37,665,727
North Dakota	59,376	87,876	157,250	0	574,390	574,390	0	1,539,469	1,539,469	0	2,870,137	2,870,137
Ohio	0	2,188,104	2,188,104	0	1,033,827	1,033,827	76,405	48,951	1,255,058	1,35,780	250,353	386,133
Oklahoma	2,520,699	481,455	3,002,064	0	2,224,014	2,224,014	11,897,878	3,393,286	15,370,242	11,987,878	7,795,384	19,783,080
Oregon	0	608,456	608,456	0	518,957	518,957	3,576,658	504,360	4,080,019	8,781,132	1,478,682	10,257,814
Pennsylvania	0	1,130,944	1,130,944	0	1,264,956	1,264,956	2,527,430	1,274,829	3,802,259	2,527,430	2,303,242	4,830,672
Rhode Island	0	1,148,403	1,148,403	0	750,384	750,384	0	2,038,397	2,038,397	0	4,434,287	4,434,287
South Carolina	0	940,634	940,634	0	96,591	96,591	5,997,053	1,855,955	7,852,908	5,997,053	3,754,342	9,751,395
South Dakota	0	108,897	108,897	0	646,254	646,254	0	108,057	108,057	0	314,971	314,971
Tennessee	0	108,897	108,897	187,571	115,782	303,353	2,780,590	1,289,673	4,069,253	2,780,590	2,876,581	5,657,141
Texas	335,154	1,026,308	1,371,462	2,204,677	800,894	3,105,571	4,657,746	1,189,793	5,847,539	7,187,577	3,125,885	10,323,672
Utah	0	3,220,593	3,220,593	0	2,281,918	2,281,918	0	3,805,779	3,805,779	0	8,418,280	8,418,280
Vermont	26,836	280,771	287,609	152,451	256,989	408,439	951,301	236,184	1,187,485	1,130,580	753,943	1,884,523
Virginia	0	86,204	86,204	0	43,596	43,596	0	11,774	11,774	0	141,574	141,574
Washington	0	483,035	483,035	0	278,789	278,789	3,104,432	791,898	3,896,346	3,104,432	1,553,689	4,658,151
West Virginia	0	878,543	878,543	0	358,401	358,401	0	1,418,543	1,418,543	0	2,851,487	2,851,487
Wisconsin	0	121,687	121,687	0	111,820	111,820	0	243,319	243,319	0	478,806	478,806
Wyoming	0	214,985	214,985	0	102,081	102,081	0	286,358	286,358	0	583,404	583,404
	0	72,772	72,772	15,575	95,942	111,517	60,895	17,495	78,180	78,280	186,209	282,489