State of Arkansas
Department of
WORKFORCESERVICES
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Mike Beebe
Governor

Artee Williams
Director

Department of Workforce Services
and
Arkansas Workforce Investment Board Issuance PY 07-15

From: Artee Williams, Director
Kenneth Ferguson, Executive Director

Date: April 22, 2008

TO: Local Workforce Investment Areas/Service Providers

SUBJECT: Instructions for LWIA's regarding Issuance No. PY 07-12

1. **Purpose:** The purpose is to provide updated information and directions relative to the rescissions for the WIA Adult, Youth, and Dislocated Worker Funding.

2. **General Information:** LWIA's need to make decisions on the rescinded amounts based on unexpended balances of formula funds appropriated for PY 2005 and PY 2006 (which includes funding year sources PY 2005, FY 2006, PY 2006 and FY 2007). Based on updated "Questions and Answers" issued on April 22, 2008 by Employment and Training Administration: **no** justification or documentation is necessary to utilize PY 2007 funds to satisfy the $250 Million Nationwide Rescission effects to unexpended balances. Therefore, the examples to provide justification are not necessary.

3. **Action Required:** Determine which funding year from which to rescind funds for each funding stream's share of the $250 million nationwide rescission as follows:

   The rescission and restoration are to be applied in the proper order:

   a) First: Apply the 1% Across-the-Board Rescission to the October 1, 2006 (FY 2007 advance) portion of the PY 2006 WIA Adult and Dislocated Worker funding (See Issuance No. PY 07-11).

   b) Second: Apply the .253% Across-the-Board Restoration to the October 1, 2007 (FY 2008 advance) portion of the PY 2007 WIA Adult and Dislocated Worker funding (See Issuance No. PY 07-10)

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c) Finally: Apply the $250 Million Nationwide Rescission effects to Program Year 2006 or 2007 funding. While there is no flexibility between affected programs, there is flexibility within each program to apply the rescission to different funding year sources – either PY 2006 or PY 2007. (See Issuance No. PY 07-12.)

To ease the administrative burden, the LWIA's are encouraged to apply the rescinded amounts to funding for the PY 2007 program year, either the PY 07 funds received on July 1, 2007 and/or the FY 08 funds on October 1, 2007.

Note: The law does not allow the use of PY 2008 funds to absorb the rescission of unexpended balances.

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5. **Expiration Date:** June 30, 2009