

# INFORMATION NOTICE

## WORKFORCE SERVICES

Number: WSIN08-2

Date: July 11, 2008

Expiration Date: 8/11/10

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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: FUNDS UTILIZATION REQUIREMENTS FOR WIA FUNDS FOR  
PY 2007-08

The purpose of this notice is to inform the Local Workforce Investment Areas (LWIA) that the funds utilization requirements applicable to the Workforce Investment Act (WIA) Title I adult, youth and dislocated worker formula funds for Program Year (PY) 2007-08 will not be enforced due to the recent rescissions. Funds utilization calculations would normally have applied to obligations reported as of June 30, 2008 for grant codes 201, 202, 301, 302, 501, and 502 in the R865XXX subgrants.

Directive [WIAD01-10](#), Funds Utilization Requirements for WIA Funds, establishes State policy and procedures for the recapture and reallocation of underobligated formula funds at the end of their first year of life. The LWIAs are required to obligate at least 80 percent of their program dollars by the end of the program year to avoid being recaptured. This year rescissions have required the PY 2007-08 formula allocations to be decreased twice, making obligations and expenditures of these funds difficult, while complicating and increasing the administrative workload for each LWIA. Therefore the State has exercised its option to not institute funds utilization for PY 2007-08. It is expected that the funds utilization requirements will apply to PY 2008-09 funds.

If you have any questions about this information notice, please contact April Eales at (916) 653-9150 or at [aeales@edd.ca.gov](mailto:aeales@edd.ca.gov).

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/S/ BOB HERMSMEIER  
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