

TO: Workforce Investment Board

DATE: 05/08/08

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Rescission Information and 2008/09 Funding

PROPOSED MOTION(S): None. Information Only.

DISCUSSION:

Rescissions: Congress enacted a rescission of \$250 million of Workforce Investment Act (WIA) funding based on Dept of Labor’s (DOL) inaccurate depiction of unspent money in the system. In addition, Congress enacted two across-the-board rescissions of 1% and 1.747%, which are applied to different fiscal years. These two rescissions apply to only Adult and Dislocated Worker Funds. We have now received notice of Merced County’s share of all three rescissions as shown in the table below:

	Rescission #1 1% of PY 06/07 Funds	Rescission #2 1.747% of PY 07/08 Funds	Rescission #3 \$250 Million National Rescission	Total Rescission Amounts
Adult	\$ 11,679	\$ 21,162	\$ 29,596	\$ 62,437
Dislocated Worker	\$ 9,695	\$ 13,692	\$ 24,263	\$ 47,650
Youth			\$ 66,992	\$ 66,992
Total	\$ 21,374	\$ 34,854	\$ 120,851	\$ 177,079

2008-09 WIA Allotment: The State of California Employment Development Department has announced the release of WIA funds to the Local Workforce Investment Areas for the Adult, Youth and Dislocated Worker funding streams for Program Year 2008/09. These allocations are based on the allotments issued by the US Department of Labor to the states. The new allocations and the comparison to current year allocations are:

	PY 08/09 Allocation	PY 07/08 Allocation	Increased Allocation
Adult	\$ 1,648,103	\$ 1,470,295	\$ 177,808
Dislocated Worker	\$ 1,380,143	\$ 1,099,664	\$ 280,479
Youth	\$ 1,760,318	\$ 1,590,556	\$ 169,762
Total	\$ 4,788,564	\$ 4,160,515	\$ 628,049