

**Dislocated Worker (DW) State Formula  
Program Year (PY) 2011 Reallotment Methodology**

**Reallotment Summary:**

This year the Employment and Training Administration (ETA) analyzed State Workforce Investment Act (WIA) Dislocated Worker 9130 financial reports from June 30, 2011 reporting period for PY 2010 to determine if any state had unobligated funds in excess of 20 percent of their PY 2010 allotment amount. If so, that amount will be recaptured from PY 2011 funds and reallotted among eligible states.

**Source Data:** State WIA 9130 financial status reports

**Programs:** State Dislocated Worker  
State Rapid Response  
Local Dislocated Worker (includes local administration)

**Period:** June 30, 2011

**Years covered:** PY 2010 and FY 2011

**Reallotment Calculation Process:**

- (1) *Determine the unobligated balance:* In order to accomplish this, ETA computes the state's total amount of PY 2010 state obligations (including Fiscal Year (FY) 2011 funds) for the DW program. State obligations are the sum of DW statewide activities obligations, Rapid Response obligations, and 100 percent of local DW program funds (which includes funds for local administration). The state's total unobligated balance for the DW program is the 2010 DW allotment amount (adjusted for recapture/reallotment and statutory formula-based rescissions) minus the total DW obligations. (Note: for reallotment purposes, DW allotted funds transferred to the Navajo Nation are added back to Arizona, New Mexico, and Utah local DW authorized amounts).
- (2) *Excluding state administrative costs:* Section 667.150 of the regulations provides that the recapture calculations exclude the reserve for state administration which is part of the DW statewide activities. Data on state administrative amounts authorized and obligated are not reported on WIA 9130 financial reports. In the preliminary calculation to determine states potentially liable for recapture, the DW portion of the state administrative amount authorized is estimated by calculating the five percent maximum amount for state DW administrative costs using the DW state allotment amounts (adjusted for recapture/reallotment and statutory formula-based rescissions). For the DW portion of the state administrative amount obligated, 100 percent of the estimated authorized amount is treated as obligated.
- (3) *Follow-up with states potentially liable for recapture:* ETA requests that those states potentially liable for recapture provide additional data on state administrative amounts included in the PY 2010 and FY 2011 statewide activities amounts (authorized and obligated as of June 30, 2011). If a state provides actual state DW administrative costs,

authorized and obligated, in the comments section of revised 9130 reports, this data replaces the estimates. Based on the requested additional actual data submitted by potentially liable states on revised reports, the DW total allotment for these states is reduced by the DW portion of the state administrative amount authorized. Likewise, the DW total obligations for these states are reduced by the DW portion of the obligated state administrative funding.

- (4) Those states (including those adjusted by actual state administrative data) with *unobligated balances* exceeding 20 percent of the combined PY 2010/FY 2011 DW *allotment amount* (adjusted for recapture/reallotment and statutory formula-based rescissions) will have their PY 2011 DW funding (from the FY 2012 portion) reduced (recaptured) by the amount of the excess.
- (5) Finally, states with unobligated balances which do *not* exceed 20 percent (eligible states) will receive a share of the total recaptured amount (based on their share of the total PY 2010/FY 2011 DW allotments of eligible states) in their PY 2011 DW funding (the FY 2012 portion).