

**Dislocated Worker (DW) State Formula
Program Year (PY) 2013 Reallotment Methodology**

Reallotment Summary:

This year the Employment and Training Administration (ETA) analyzed State Workforce Investment Act (WIA) Dislocated Worker 9130 financial reports from the June 30, 2013 reporting period for PY 2012, to determine if any state had unobligated funds in excess of 20 percent of their PY 2012 allotment amount. If so, ETA will recapture that amount from PY 2013 funds and reallot the recaptured funds 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, 2013

Years covered: PY 2012 and fiscal year (FY) 2013

Reallotment Calculation Process:

(1) *Determine each state's unobligated balance:* ETA computes the state's total amount of PY 2012 state obligations (including FY 2013 funds) for the DW program. State obligations are the sum of DW statewide activities obligations, Rapid Response obligations, and 100 percent of what the state authorizes for DW local activities (which includes program and administrative funds). To determine the unobligated balance for the DW program, ETA subtracts the total DW obligations amount from the state's total 2012 DW allotment (adjusted for recapture/reallotment and statutory formula-based rescissions, if applicable). For this year's calculation, PY 2012 allotments were adjusted for recapture/reallotment, but there was no applicable rescission. (Note: for this process, ETA adds DW allotted funds transferred to the Navajo Nation 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. States do not report data on state administrative amounts authorized and obligated on WIA 9130 financial reports. In the preliminary calculation, to determine states potentially liable for recapture, ETA estimates the DW portion of the state administrative amount authorized by calculating the five percent maximum amount for state DW administrative costs using the DW state allotment amounts (excluding any recapture/reallotment that occurred). For the DW portion of the state administrative amount obligated, ETA treats 100 percent of the estimated authorized amount as obligated, although the estimate of state administration obligations is limited by reported statewide activities obligations overall.

(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 which are not regularly reported on the PY 2012 and FY 2013 statewide activities reports. The additional information requested includes the amount of statewide activities funds the state authorized and

obligated for state administration as of June 30, 2013. 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, ETA reduces the DW total allotment for these states by the amount states indicate they authorized for state administrative costs. Likewise, ETA reduces the DW total obligations for these states by the portion obligated for state administration.

(4) *Recapture calculation:* States (including those adjusted by actual state administrative data) with *unobligated balances* exceeding 20 percent of the combined PY 2012/FY 2013 DW *allotment amount* (adjusted for recapture/reallotment in PY 2012) will have their PY 2013 DW funding (from the FY 2014 portion) reduced (recaptured) by the amount of the excess.

(5) *Reallotment calculation:* 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 2012/FY 2013 DW allotments of eligible states) in their PY 2013 DW funding (the FY 2014 portion).