



August 10, 2000

VETERANS' PROGRAM LETTER NO. 12-00

TO: ALL REGIONAL ADMINISTRATORS (RAVETs) AND DIRECTORS  
FOR VETERANS' EMPLOYMENT AND TRAINING (DVETs)  
ALL STATE EMPLOYMENT SECURITY AGENCY  
ADMINISTRATORS (SESAs)  
ALL REGIONAL ADMINISTRATORS, EMPLOYMENT  
AND TRAINING ADMINISTRATION (INFO)

FROM:

ESPIRIDION (AL) BORREGO

SUBJECT: Fiscal Year (FY) 2000 Fifth Quarter funding

- I. **Purpose:** To provide clarification and guidance to grantees concerning FY 2000 fifth quarter funding for the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representative (LVER) Program.
- II. **References:** Public Law (P.L.)106-113, "Department of Labor Appropriations Act of 2000"; Solicitation for Grant Applications (SGA), dated June 20, 1997 (electronic); Veterans' Program Letter (VPL) 6-99, dated June 28, 1999.
- III. **Background:** P.L. 106-113 allows States to carry-over unexpended grant funds from one fiscal year into the first quarter of the next fiscal year. The use of these funds stabilizes and enhances effective use of staff funding resources from July to December of each year. By using fifth quarter funding, States have been able to reduce fluctuations in the number of DVOP/LVER staff available to serve veterans during the transition from one fiscal year to the next, especially when a full fiscal year appropriation act has not been enacted by October 1.
- IV **Clarification and Guidance:**
  - A. In accordance with ASVET policies, the primary use of any fifth quarter funds is to enable States to maintain DVOP/LVER staffing at the approved levels. States may submit requests through their DVET to utilize funds for other purposes such as equipment, DVOP/LVER training conferences, etc.; however, States must first demonstrate that they have maintained staffing at the approved level before these requests for fifth quarter funding will be considered.

- B. Use of "fifth quarter funding" by States for any purpose must be approved by the appropriate RAVET prior to the obligation or expenditure of any such carry-over funds. If unexpended amounts appear to exceed a State's immediate needs, VETS may choose to recommend the offset of funds (up to the amount carried over into the fifth quarter) by reducing an equal amount from the next fiscal year funding allocations.
- C. SESAs utilizing fifth quarter funds will have until December 29, 2000 to obligate these funds and will have until March 30, 2001 to draw-down and liquidate these funds from the HHS/PMS system. States' access to any allocated FY 2000 funds that are not drawn-down by March 30, 2001 will lapse and all such funds, including those obligated by States, will be returned to the Treasury.

**V. Actions Required:**

- A. States should immediately begin to analyze, in consultation with their DVET, their June 30, 2000 cost accounting reports to determine if there is a potential that surplus funds may be available (following RAVET approval) for obligation during the first quarter of FY 2001.
- B. If a deficit situation is anticipated, a modification request for additional funds should be developed for submission to the DVET by August 17, 2000. This is to ensure adequate time for processing and approval by the Grant Officer prior to the last workday of the current fiscal year, September 29, 2000.
- C. States' fourth quarter VETS 300 reports are due to their respective DVET by October 30, 2000. States planning to utilize fifth quarter funds must submit, along with their VETS 300 reports, a request for fifth quarter funding which outlines their plan for the use of these funds. States must receive written approval of their plan from the RAVET prior to obligating any fifth quarter funds.
- D. DVETs will recommend approval or disapproval of the requests following their analysis of the States' record of maintaining approved staffing levels. DVETs will forward the requests, with their analysis and recommendation, to their RAVET on or before November 6, 2000.
- E. RAVETs will respond to the States by November 16, 2000 giving their approval/disapproval of each State plan. RAVETs will at the same time forward a copy of the State's request and their response to the Chicago Regional Lead Center (RLC) and back to the appropriate DVETs.

**VI. Inquiries:** Grantee questions should be directed to their DVET(s). DVET or RAVET questions can be addressed to Joel Delofsky at the Chicago RLC at (312) 353-4942 or to Miguel A. Hernandez at the VETS National Office at (202) 693-4708 or via e-mail.

**VII. Expiration:** September 29, 2001