

TEGL 04-00 Attachment 2

AA 43: Can a formula grantee provide “pre-employment” vocational educational training or job training (not to exceed 6 months) as allowed by Section 802 of the 1999 Amendments during the period July 1, 2000 through September 30, 2000? Can Federal formula funds be spent on this activity during this period?

WtW formula funded operating entities may provide “pre-employment” vocational educational training or job training activities to eligible participants during the July 1, 2000 to September 30, 2000 period. However, these entities may not spend Federal formula funds for these activities until October 1, 2000. The intent of this restriction is to prevent the outlay of Federal WtW formula funds until the first day of fiscal year 2001. It is not intended to prevent the normal incurrence of unpaid obligations until that date, provided that Federal WtW formula funds are not drawn down to liquidate the obligations until October 1, 2000. Therefore operating entities may not draw down WtW formula funds from the Federal Treasury until that date. During the period of July 1, 2000 to September 30, 2000, operating entities may expend matching funds and/or may incur unpaid obligations within the normal course of business, provided that the timing of those transactions ensures that the draw-down of Federal WtW formula funds to liquidate the obligations will not occur until October 1, 2000. (June 30, 2000)