



October 9, 2001

VETERANS' PROGRAM LETTER NO. 01-02

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

FROM: CHARLES S. (CHICK) CICCOLELLA  
Special Assistant to the Secretary for  
Veterans' Employment and Training

SUBJECT: Fiscal Year (FY) 2001 Fifth Quarter funding

- I. **Purpose:** To provide clarification and guidance to grantees concerning FY 2001 fifth quarter funding for the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representative (LVER) Grant Programs.
- II. **References:** Public Law (P.L.)106-554, "Consolidated Appropriations Act of 2001"; Solicitation for Grant Application (SGA), dated July 6, 2000.
- III. **Background:** P.L. 106-554 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 prior to the beginning of the new FY.
- IV. **Clarification and Guidance:**
  - A. In accordance with Assistant Secretary for Veterans' Employment and Training (ASVET) policies, the primary use of any fifth quarter funds is to enable States to maintain DVOP/LVER staffing at their approved levels. However, it is recognized that States may need to utilize funds for other purposes such as equipment, DVOP/LVER training conferences, etc.

- B. Prior to obligating fifth quarter funds for any purpose other than for staffing, States must first submit a request through their DVET and receive RAVET approval to obligate these funds for such purpose. One determining factor in the approval process will be the State's performance in maintaining staffing at their approved level.
- C. SESAs utilizing fifth quarter funds will have until December 29, 2001 to obligate these funds and will have until March 30, 2002 to draw-down and liquidate these funds from the HHS/PMS system. States' access to any allocated FY 2001 funds that are not drawn down by March 30, 2002 will lapse and all such funds, including those obligated by States, will be returned to the Treasury.

**V. Actions Required:**

- A. States' fourth quarter VETS 300 reports are due to their respective DVET by October 30, 2001. States planning to utilize fifth quarter funds for other than staffing purposes must submit, along with their VETS 300 reports, a request to utilize these funds for their intended purpose.
- B. DVETs will recommend approval or disapproval of the requests following their analysis of the request, and their State's record of maintaining approved staffing levels. DVETs will forward the requests, with their analysis and recommendation, to their RAVET on or before November 6, 2001.
- C. RAVETs will respond to the States by November 16, 2001 giving their approval or disapproval of each State request. 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 to the appropriate DVETs.

**VI. Inquiries:** Grantee questions should be directed to their DVET. 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, 2002