

Date: May 13, 2003

To: Dr. Arlene H. Parisot

**From: Dr. Sharon Belli
Director, State Administration and Accountability Group
Office of Vocational and Adult Education
U.S. Department of Education**

**Re: NOTICE OF INCENTIVE FUNDING AVAILABILITY FOR PROGRAM YEAR (PY) 2001
PERFORMANCE**

On behalf of Assistant Secretary Carol D'Amico and Deputy Assistant Secretary Richard La Pointe, congratulations to your State for exceeding your performance levels under the Carl D. Perkins Vocational and Technical Education Act, the Adult Education and Family Literacy Act (AEFLA), and Title I of the Workforce Investment Act. As a result of your efforts, you are now eligible to apply for an incentive grant award as authorized under Section 503(a) of the Workforce Investment Act.

Sixteen states have qualified to receive a share of the \$29.8 million available for incentive grant awards under WIA section 503. These funds are available to the states through June 30, 2005 to support innovative workforce development and education activities that are authorized under title I (Workforce Investment Systems) or title II (the Adult Education and Family Literacy Act of WIA, or under the Perkins Act.

After review of the performance data submitted by states to the Department of Labor and Department of Education, each Department determined which states would qualify for incentives for its programs. The amount that each state is eligible to receive was determined by the Department of Labor and the Department of Education and is based upon WIA (section 503) and is proportional to the total funding received by these states for these three Act. The states eligible to apply for incentive grant awards, and the amounts they are eligible to receive, are listed below:

State	Amount of Award
Colorado	\$1,138,334
Florida	3,000,000
Illinois	3,000,000
Kentucky	2,074,242
Louisiana	3,000,000
Maryland	1,944,845
Montana	750,000
North Dakota	750,000
Nebraska	750,000
Oklahoma	1,382,134
South Carolina	1,866,263
South Dakota	750,000
Tennessee	2,604,604
Texas	3,000,000
Washington	3,000,000
Wyoming	750,000

These eligible states must submit their applications for incentive funding to the Department of Labor on or before June 27, 2003 (45 days after date of publication) as set forth in the provisions of WIA. In addition, states are requested to provide a description of the planned use of incentive grants as part of the application process, to ensure that the state's planned activities are innovative and are otherwise authorized under WIA title I, the AEFLA, and/or the Perkins Act.