



LOUISIANA WORKS
DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.
Governor

Dawn Romero Watson
Secretary

March 20, 2003

OFFICE OF THE SECRETARY

Mr. Robert R. Wallace
Regional Inspector General for Audit
U. S. Department of Labor – OIG
61 Forsyth Street, S.W., Room, 6T20
Atlanta, Georgia 30303-3104

Dear Mr. Wallace:

This is our response to your letter dated March 4, 2003.

In the Summary of Results, it was noted that the State employed a First-In-First-Out methodology by charging expenditures to the oldest funds available.

Our response is that we did use the FIFO method on our 15% Statewide Activity and Rapid Response Activity WIA funds. The State has three years to spend their PY/FY allotted funds for a particular year of appropriations. Every July, the State receives another pool of PY/FY funds. To insure that we spend the oldest year of appropriation first, we use First-In-First-Out. The FIFO'ed expenditures are still within the **three year life** of that particular PY/FY pool of funds.

If you have any questions, please call Joseph Bryant, Undersecretary at (225) 342-3110.

Sincerely,

Dawn Romero Watson
Secretary of Labor

DRW/JB/sj