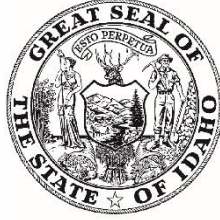


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WORKFORCE DEVELOPMENT COUNCIL

317 W Main Street, Boise, Idaho 83735-0510

Date: April 14, 2021
To: Workforce Development Council
From: Wendi Secrist, Executive Director
Subject: WIOA PY21 Local Area Allocations and Set-Asides, including PY20 Recapture Plan

The estimated WIOA Title IB funds available to the two local areas for PY21 are:

- Adult Total - \$2,148,375 (\$1,811,219 was available in PY20)
 - Local Area Balance of State - \$1,928,495
 - Local Area Region 6 - \$219,880
- Dislocated Worker Total - \$ 1,409,670 (\$1,373,814 was available in PY20)
 - Local Area Balance of State - \$1,316,674
 - Local Area Region 6 - \$92,996
- Youth Total - \$2,395,028 (\$1,906,050 was available in PY20)
 - Local Area Balance of State - \$2,106,421
 - Local Area Region 6 - \$288,607

Under our policy, as the local workforce board, we identify local area set-asides which may include the following types of activities:

1. One-Stop Operator costs
2. Shared One-Stop infrastructure costs
3. Up to 10% for administrative costs
4. Evaluations and activities related to program integrity
5. Research and labor market analysis
6. Local plan development
7. Promote business representation on the local Workforce Development Board
8. Develop employer engagement
9. Develop career pathways
10. Identify proven and promising practices and initiatives for meeting needs of employers, workers and jobseekers in the local workforce development system
11. Develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, workers and jobseekers
12. Conduct program oversight
13. Negotiate local performance accountability measures
14. Selection of local service providers

15. Coordination with education providers
16. Assessment of physical and programmatic accessibility for individuals with disabilities

In PY21, we must set aside, at a minimum, funds to carry out our responsibilities under 1 and 3. Based on projects that we started last year, I've included recommendations for 5 and 10.

- One Stop Operator Contract (1) - \$150,000
- Administrative Duties (3) - \$595,307
- Workforce/LMI Surveys (5) – up to \$50,000
- Promotion of Registered Apprenticeship (10) – up to \$100,000
- Justice-Involved Youth Coordination (10) – up to \$80,000

As a local board, we can recapture PY20 funds from local areas which have not expended 80% of their allocated funds by the end of the program year. The total recaptured from PY19 was \$1,287,064. While we do not anticipate recapturing as much this year, we do have the flexibility to use any recaptured funds towards the local area set-asides prior to using the new program year allocations. Any remaining recaptured funds would be redistributed to the service delivery areas, per our policy. It is important to note that any unspent PY20 recaptured funds would revert to the State administrative entity (IDOL) on June 30, 2022. Unspent recaptured PY19 funds will revert to the state as of June 30, 2021.

The final consideration for the Council concerning PY21 allocations is the unique distribution of funding from USDOL to the states for the Adult and Dislocated Worker programs. USDOL makes available approximately 12.5% of the state's expected annual allocation on July 1, with the remaining funds available on October 1. This means that local areas and service providers are expected to provide services for 25% of the year with only 12.5% of their anticipated funds. The local areas and service providers' ability to carry-in 20% of their previous year allocation, if available, helps to offset this challenge.

The state Administrative Entity anticipates that some service delivery areas may have spent beyond the 80% threshold by the end of PY20. This is not a bad thing, but it does mean that they may not have sufficient carry-in to provide continuity of service between July and October 2021. To that end, the local board may redistribute PY20 recaptured funds to bring any service delivery area in this situation up to the 20% carry-in level before contemplating additional local area activities.

Estimates for recaptured funds won't be available until late May, and the final numbers are not available until mid-to late August. Preliminary PY21 allocations need to be made in late May, using our best estimates, so that service providers can plan for the upcoming program year which starts on July 1.

If the Council supports the local area set-asides listed above, a motion similar to the one below will allow staff and the Administrative Entity to proceed with the July – September PY21 allocations.

Suggested motion:

Approve the following with respect to PY21 allocations and PY20 recapture:

- *Recapture all eligible PY20 program funds, to be calculated based upon final PY20 expenditures, in accordance with the policy approved on April 7, 2020.*
- *Redistribute PY20 recaptured funds across service delivery and local areas to provide 20% carry-in of PY20 funds to be used in the first quarter of PY21.*
- *Request that the state administrative entity transfer any deficit in the PY20 recaptured funds and PY21 local area set-asides between the local areas, as needed.*

- *Set-aside up to \$975,307, as noted above, for PY21 local area activities. Apply remaining PY20 recaptured funds first, with the balance from PY21 funds.*