



Oregon Workforce Investment Board Policy

Subject: Adult and Youth Formula Funding

Number/Reference: WIOA sec.
128(b)(1) and sec. 133(b)(1)

Effective Date: 6/9/2017

Revision # Original

Overview

The Workforce Innovation and Opportunity Act (WIOA) requires the Governor, with assistance from the state board (WIOA sec. 101(d)(9)), to develop allocation formulas for the distribution of funds for employment and training activities to local areas as permitted under WIOA sec. 128(b)(3) and 133(b)(3). The following policy has been adopted to establish the formula for in-state allocation of WIOA Title I Adult and Youth Funds.

Policy Statement

The State of Oregon currently uses the same formula for in-state allocations as is used (per DOL) when the State of Oregon receives its Federal funding allotment. The in-state allocation is based on the following formula:

- One-third on the basis of the relative number of unemployed individuals in each area of substantial unemployment⁽¹⁾ compared to the total number of unemployed individuals in all areas of substantial employment in the entire state;
- One-third on the basis of the relative excess number of unemployed individuals in each area compared to the total excess number of unemployed individuals in the entire state;
- One-third based on the relative number of disadvantaged youths⁽²⁾/adults⁽³⁾ in each area compared to the total number of disadvantaged youths/adults in the entire state⁽⁴⁾.

⁽¹⁾Area of substantial unemployment is defined as an area that has an average rate of unemployment of at least 6.5% for the most recent 12 months.

⁽²⁾Youth is defined as an individual from 16 to 21.

⁽³⁾The term Adult means an individual who is age 22 or older.

⁽⁴⁾The definitions contained in the policy for Adult and Youth are allocation formula-specific, and do not apply to general program eligibility requirements.

After the initial allocation is figured, a hold-harmless formula will be applied in accordance with the requirements in WIOA.

Hold-harmless: A local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years. Amounts necessary for increasing such allocations to local areas to comply with the hold-harmless shall be obtained by ratably reducing the allocations to be made to other local areas.

Action(s)

The state will use the federal formula for Adult and Youth funds for in-state allocations starting on 7/1/2017. This policy will be revisited every two years after consultation with chief elected officials and local boards in the local areas.

Attachments

None