

DEPARTMENT OF WORKFORCE DEVELOPMENT  
DIVISION OF EMPLOYMENT AND TRAINING  
ADMINISTRATOR'S MEMO SERIES

NOTICE: 11-01

ISSUE DATE: 03/23/2011  
DISPOSAL DATE: On going

RE: WIA Allocation Shares PY11

To: Workforce Development Board Directors  
Workforce Development Board Chairs  
Chief Local Elected Officials

From: Jane Pawasarat   
Division Administrator

### PURPOSE

The purpose of this Administrator's Memo is to issue for review and comment the share of the state Workforce Investment Act (WIA) allotment Workforce Development Areas (WDA) qualify to receive. Comments must be received by April 3, 2011.

### BACKGROUND

Annually, the Department of Workforce Development (DWD) updates unemployment and economic data used to determine the WIA allocation share that a WDA would receive for Youth, Adult and Dislocated Worker formula funds of WIA.

#### Youth and Adult Shares:

For the allocation shares, the same factors used to determine Federal allotments to the State are used to distribute funds among the WDAs. The three factors are:

1. 33 1/3% based on the relative number of unemployed individuals in Areas of Substantial Unemployment (ASU) in each workforce investment area, compared to the total number of unemployed individuals in ASUs in the State;
2. 33 1/3% based on the relative number of Excess Unemployed individuals in each workforce investment area, compared to the total number of Excess Unemployed individuals in the State; and
3. 33 1/3% based on the relative number of disadvantaged youth or adults in each workforce investment area, compared to the total number of disadvantaged youth or adults in the State.

To reduce the volatility of the formula factors on WDAs, a hold harmless provision is applied to the results of the three-factor formula. The Act provides that a WDA shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the WDA for the two preceding fiscal years.

#### Dislocated Worker (DW) Formula:

The DW within state allocation is calculated based on a formula developed by the Governor and approved in the State's WIA Plan. There are six factors in the Wisconsin DW allocation formula. The factors and their associated weights are:

1. 25% based on a WDA's Unemployment Concentration value as a percentage of the entire state's Unemployment Concentration value.

2. 18.75% based on the relative number of Long Term Unemployed persons living in the WDA as compared to the number of Long Term Unemployed persons in the state.
3. 6.25% based on the relative number of persons living in the WDA who have established an Unemployment claim as compared to that number for the state.
4. 25% based on Declining Industries where the relative number of jobs lost by industry within the WDA is compared to the number of jobs lost by industry within the state.
5. 12.5% based on the relative number of persons reported as receiving notice of lay off in Plant Closing/Mass Layoff notices in the WDA compared to the total reported for the state.
6. 12.5% based on each WDA's prorated share of Farm Hardship as measured by farm closings.

Although the WIA does not include a Dislocated Worker hold harmless, the hold harmless provided for in the Job Training Partnership Act will continue to be applied in WIA. The hold harmless ensures that each WDA will receive at least 85% of the prior year allocation percentage.

Data for the formula factors is the most recently available data as of January 23, 2010.

#### **POLICY**

The DWD is announcing the WIA allocation shares for PY11 included in Attachment A. Attachment B is the actual Excel Workbook that is used to calculate the shares and is described in the Guide. The Workbook contains the data for each of the formula factors.

#### **REGULATORY/LEGISLATIVE REFERENCES**

Youth Allocation Shares [WIA sec. 128(b)(2)(A)(i)]

Adult Allocation Shares [WIA sec. 133(b)(2)(A)(i)]

Dislocated Worker Allocation Shares [WIA sec. 133(b)(2)(B)(i)]

#### **ATTACHMENTS**

ATTACHMENT A Allocation Shares Table

ATTACHMENT B Allocations PY2011.xls

#### **FOR FURTHER INFORMATION**

Address questions or comments to A. Nelse Grundvig at (608) 266-2930 or [anelse.grundvig@dwd.wisconsin.gov](mailto:anelse.grundvig@dwd.wisconsin.gov) or your Local Program Liaison at DWD.