

# Mass Workforce Issuance

---

**Workforce Issuance No. 06-58**

Policy  Information

---

**To:** Chief Elected Officials  
Workforce Investment Board Chairs  
Workforce Investment Board Directors  
Title I Administrators  
Career Center Directors  
Title I Fiscal Officers  
DCS Associate Directors  
DCS Field Managers

**cc:** WIA State Partners

**From:** Susan V. Lawler, Director  
Division of Career Services

**Date:** August 25, 2006

**Subject:** **WIA Adult and Youth Final Allocations for FY2007**

---

**Purpose:** To provide notification to Local Workforce Investment Boards, One-Stop Career Center Operators and other local workforce investment partners of the local allocations of WIA Adult and Youth funds for FY2007.

**Background:** In accordance with the Workforce Investment Act of 1998, the U.S. Department of Labor (DOL) posted a Federal Register Notice on April 11, 2006 announcing the WIA Title I allotments to the states for FY2007. Training and Employment Guidance Letter (TEGL) 25-05 issued on the same date contained the allotments and a description of the federal allotment process. The Federal Register was updated on August 10, 2006 to provide Final WIA Adult and Youth allocations. The delay was due to a proposed change in the ASU allocation methodology at the Federal to State level which was subsequently reversed.

Attachment A contains the local area allocations for Adult and Youth programs based on the final allotment amount for the Commonwealth of Massachusetts.

The funds for the Adult and Youth programs are distributed nationally according to the following formula factors:

**1. ADULT**

- **The number of economically disadvantaged** residents, age 22 to 72 years. A disadvantaged adult is an individual who received an income, or is a member of a

family that received a total family income, that, in relation to family size, does not exceed the higher of the poverty line or 70 % of the lower living standard income level. DOL calculates this factor using the 2000 U.S. Census.

- **The number of unemployed within "Areas of Substantial Unemployment"** in each state. ASUs are areas that have had an average unemployment rate of at least 6.5% for the most recent 12-month period. ASU areas can vary considerably in size. An ASU area can be as large as an entire state, if the statewide unemployment rate meets the qualifying threshold; it can be an entire workforce investment area, if the area as a whole qualifies; or, if the area-wide unemployment rate is below 6.5% but pockets of high unemployment exist within it, the ASU can be as small as a city/town, or even a neighborhood within a town, but in no case can it be an area with a population of less than 10,000 people. USDOL uses a July-to-June reference period to determine Areas of Substantial Unemployment based on local unemployment data supplied by the states. For the FY2007 allotments, DOL used the reference period of July 2004 to June 2005.
- **The number of "Excess Unemployed"** in each state, i.e., the number of unemployed *in excess of* 4.5% of the labor force in areas with greater than a 4.5% unemployment rate. USDOL calculates excess unemployment against the same July-to-June period that it uses for the "ASU" factor. DOL calculates the "Excess" factor against the entire state if the statewide unemployment rate exceeds 4.5% *or* against ASUs within the state if either the statewide rate is less than 4.5% or the ASU-based count will yield a higher number of "Excess Unemployed" than the statewide calculation.

## 2. YOUTH

- **The number of economically disadvantaged** residents, age 16 to 21 years.
- **The number of unemployed within "Areas of Substantial Unemployment"** in each state. The same calculation of total unemployed is used for both Adult and Youth formulas.
- **The number of "Excess Unemployed"** in each state. The same calculation of total excess unemployed is used for both Adult and Youth formulas.

### **Action**

#### **Required:**

Each local Workforce Investment Board that has been allocated additional funds in either WIA Adult or Youth will need to modify its Integrated Budget to account for the additional FY2007 funds.

A financial modification is defined as a transaction that increases, decreases or otherwise modifies a budget item or cost so as to affect the integrated budget or other budget documents approved as part of the local plan.

The Integrated Budget modification request must be submitted to:

The Division of Career Services  
Central Operations Quality Assurance Unit  
Charles F. Hurley Building  
19 Staniford Street  
Boston, MA 02114  
Attn: Eddie Bartkiewicz

An electronic submittal of the Integrated Budget may be sent to [ebartkiewicz@detma.org](mailto:ebartkiewicz@detma.org), *however an original signature is required before the resulting contract modification will be processed.*

**Inquiries:** All inquiries should be directed to Holly Hill-Batista at [hbatista@detma.org](mailto:hbatista@detma.org) . Please reference the appropriate Issuance No. with each inquiry.