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Sent: Friday, February 28, 2020 3:22 PM

Subject: Title I Funding Projections after Realignment of LWDAs

Chief Elected Officials,

As you are working through discussions to realign your Local Workforce Development Areas (LWDAs), one of the biggest factors to consider is the impact realignment will have on your area budgets. After receiving additional guidance from DOL regarding the use of the Hold Harmless provision required by WIOA legislation and regulations, IWD has worked to ensure we provide you accurate information regarding Title I allotments going forward.

The WIOA hold harmless provisions were established to help mitigate year-to-year volatility in funding levels. Under WIOA, hold harmless provisions ensure that each area receives no less than 90 percent of their average percentage share from the two prior years. The local areas that receive more than 100 percent of their average percentage share from the previous two years will be proportionately reduced by the amount of total funding necessary to ensure that all local areas receive at least 90 percent of their average percentage share from the two prior years. This provision is required to be calculated even after realignment of LWDAs.

The attached spreadsheets provide estimated Title I allotments for PY20 (using PY19 funding amounts) calculated using the appropriate hold harmless provision based on two versions of LWDA realignment.

Option 1 - This option shows funding levels with existing Regions 9 and 16 combining into one LWDA while all other LWDAs stay as already established.

Option 2 - This option shows funding levels if all existing LWDAs were to combine, resulting in 6 LWDAs in the state. (based on discussions from CEOs)

Using Regions 9 and 16 combined as an example, you can see that their combined budget is consistent, regardless of the number of other LWDAs. The overall number and combination of local areas will have a slight effect on the total funding for each area as the formula determines where within the minimum (90% of previous 2 year average percent share) and maximum (130% of previous 2 year average percent share) each area must adjust so that all areas fall within the min/max. But, the overall budget for any one LWDA will not fluctuate greatly.

As a reminder, these figures are based on 2019 funding allotments. From PY18 to PY19, Iowa experienced a 10% decrease in Adult and Youth funding, and 0.64% decrease in DW funding. While the current top line budget at the federal level does not reduce funding to WIOA, it is not final. It may be beneficial to assume a 10% decrease for each funding stream while budgeting for PY20. These spreadsheets do not take this into account.

UPDATE - after preparing this information, additional areas have expressed their intent to combine. I will update the information based on those areas and send additional information next week.

If you have any questions, please contact me.

Thank you,

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Option 1 from Email

		Adult		DW		Youth		Total		Admin		Program
1	\$	160,491	\$	172,924	\$	215,791	\$	549,206	\$	54,920.60	\$	494,285.40
2	\$	100,183	\$	111,667	\$	109,251	\$	321,101	\$	32,110.10	\$	288,990.90
3 and 4	\$	64,588	\$	143,771	\$	121,620	\$	329,979	\$	32,997.90	\$	296,981.10
5	\$	94,953	\$	100,164	\$	103,184	\$	298,301	\$	29,830.10	\$	268,470.90
6	\$	86,809	\$	149,074	\$	141,094	\$	376,977	\$	37,697.70	\$	339,279.30
7	\$	167,060	\$	180,937	\$	267,823	\$	615,820	\$	61,582.00	\$	554,238.00
8	\$	42,606	\$	64,621	\$	36,605	\$	143,832	\$	14,383.20	\$	129,448.80
10	\$	237,729	\$	271,765	\$	529,917	\$	1,039,411	\$	103,941.10	\$	935,469.90
11	\$	427,203	\$	419,547	\$	742,659	\$	1,589,409	\$	158,940.90	\$	1,430,468.10
12	\$	100,101	\$	143,187	\$	117,568	\$	360,856	\$	36,085.60	\$	324,770.40
13	\$	103,122	\$	141,821	\$	105,909	\$	350,852	\$	35,085.20	\$	315,766.80
14	\$	119,301	\$	105,353	\$	151,332	\$	375,986	\$	37,598.60	\$	338,387.40
15	\$	180,706	\$	210,942	\$	190,823	\$	582,471	\$	58,247.10	\$	524,223.90
9 and 16	\$	720,263	\$	584,954	\$	838,643	\$	2,143,860	\$	214,386.00	\$	1,929,474.00

previous region	LWDA	Adult	DW	Youth	Total	Admin	Program
3/4, 5, 8, 12, 13	1	\$ 370,715	\$ 593,488	\$ 484,570	\$ 1,448,773	\$ 144,877.30	\$ 1,303,895.70
1,2, 7	2	\$ 415,699	\$ 421,783	\$ 553,995	\$ 1,391,477	\$ 139,147.70	\$ 1,252,329.30
11	3	\$ 422,413	\$ 412,500	\$ 803,881	\$ 1,638,794	\$ 163,879.40	\$ 1,474,914.60
6, 10	4	\$ 375,919	\$ 418,050	\$ 649,228	\$ 1,443,197	\$ 144,319.70	\$ 1,298,877.30
9, 16	5	\$ 720,263	\$ 638,690	\$ 838,478	\$ 2,197,431	\$ 219,743.10	\$ 1,977,687.90
14, 15	6	\$ 300,110	\$ 316,216	\$ 342,067	\$ 958,393	\$ 95,839.30	\$ 862,553.70
	9 and 16				\$ -	\$	\$

Region	Adult		DW		Youth	
	PY18 Allocation %	PY19 Allocation %	PY18 Allocation %	PY19 Allocation %	PY18 Allocation %	PY19 Allocation %
1	6.92	6.77	5.45	5.54	6.69	6.37
2	4.38	4.16	3.75	3.53	3.42	3.19
3&4	1.81	2.21	5.38	6.02	2.74	3.13
5	4.2	3.9	4	3.95	3.24	3
6	3.88	3.53	5.74	5.87	4.47	4.07
7	6.05	7.18	7.85	6.51	6.2	6.89
8	1.19	1.43	2.61	2.52	1.15	1.07
9	13.16	13.11	10.76	11.73	10.72	10.72
10	6.65	8.14	9.93	11.63	11.47	13.63
11	11.95	14.63	12.03	12.57	16.08	18.98
12	3.93	3.64	6.27	5.1	3.71	3.41
13	2.88	3.53	5.71	5.54	2.92	2.73
14	5.27	4.91	4.39	3.96	4.74	4.42
15	8.03	7.39	8.79	7.96	6.03	5.52
16	19.7	15.47	7.34	7.57	16.42	12.87
	100	100	100	100	100	100

