



STATE OF ARKANSAS  
 EMPLOYMENT SECURITY DEPARTMENT  
 Post Office Box 2981  
 Little Rock, Arkansas 72203-2981  
 www.accessarkansas.org/esd

Mike Huckabee  
 Governor

Ed Rolle  
 Director

EMPLOYMENT ASSISTANCE  
 ISSUANCE PY 01-19

May 22, 2002

Ed Rolle, Director

TO: Local Area Workforce Investment Areas/Service Providers  
 SUBJECT: New Subgrants to Local Areas With a High Concentration of Eligible Youth

- Purpose:** To communicate to all LWIAs those areas qualifying for these Subgrants and to issue procedures to qualifying areas for submission of Subgrant Award packages.
- General Information:** On April 9, 2002, the Arkansas Workforce Investment Board approved the definition and funding allocations for "High Concentration of Eligible Youth." The Workforce Investment Act and implementing regulations require States to use a portion of statewide activity funds to provide additional assistance to local areas that have "high concentrations of eligible youth." The Arkansas Workforce Investment Board has previously budgeted \$115,000.00 for this purpose. Of our State's ten local areas, only three areas qualified as having a high concentration of eligible youth.

For reference, the methodology and worksheet associated with these funding allocations have been posted to the Arkansas Workforce Investment Board's Web site at [www.arworks.org](http://www.arworks.org) and are also included as attachments to this Issuance.

**Subgrant Award Numbers and Funding Amounts are as follows:**

LWIA	Subgrant Number	Amount
Eastern	05-P01-HCYOUTH-31	\$ 34,627
Southeast	05-P01-HCYOUTH-40	\$ 41,615
Southwest	05-P01-HCYOUTH-50	\$ 38,758
Total		\$115,000

**NOTE:** These funds are to provide additional assistance to qualified areas in carrying out the activities described in the Workforce Investment Act, Public Law 105-220, Section 129(c). As the source of these funds are from the State's 15% reserve funds (which have no administration for local areas), **no WIA-defined Administrative Costs may be charged to these grant funds.**

- Action Required:**
  - Please submit Subgrant Award packages to the AESD Office of Employment Assistance by June 15, 2002.

If mailed, address to:

Arkansas Employment Security Department  
 Office of Employment Assistance  
 Post Office Box 2981  
 Little Rock, AR 72203

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Approved by the Arkansas Workforce Investment Board on April 9, 2002

**For Consideration of  
Arkansas Workforce Investment Board  
April 9, 2002**

**ACTION ITEM 3: “High Concentration of Eligible Youth” Definition  
and Funding Allocations**

**ACTION RECOMMENDED:** It is recommended that the Arkansas Workforce Investment Board approve the following definition and accompanying funding allocations for “High Concentration of Eligible Youth”.

**INFORMATION/RATIONALE:** The Workforce Investment Act (WIA) and implementing regulations requires States to use a portion of statewide activity funds to provide additional assistance to local areas that have “high concentrations of eligible youth”. It is the responsibility of each State to develop methodologies to define or identify the local areas in which “high concentrations of eligible youth” exist in order to allocate funds to those areas.

The Arkansas Workforce Investment Board has previously budgeted \$115,000 for this purpose but a definition of “high concentration of eligible youth” was not established during the budget process. The Arkansas Employment Security Department has proposed the following definition and accompanying funding allocations for “high concentration of eligible youth” in Arkansas.

Approved by the Arkansas Workforce Investment Board on April 9, 2002

## **PROPOSED METHODOLOGY TO DEFINE WIA HIGH CONCENTRATION OF ELIGIBLE YOUTH**

A proposal to define the term "High Concentration of Eligible Youth" must be based on certain characteristics listed in the Workforce Investment Act (WIA). The definition for the term "Eligible Youth" can be found in the WIA law, Title 1, section 101. This definition referenced states eligible youth are " individuals 14-21 years of age, who are considered low-income persons, and who have one or more of the following risk factors:

- (i) Deficient in basic literacy skills;
- (ii) A school dropout;
- (iii) Homeless, a runaway, or foster child;
- (iv) Pregnant, or a parent;
- (v) An offender;
- (vi) An individual who requires additional assistance to complete an educational Program, or secure and hold employment.

These categories can be further broken down into specialized risks. We have data sources to count:

- 1) Individuals age 14-21 category.  
The closest data we have, by county, for all categories are for ages 10-17.
- 2) Low income characteristics category.  
Data on hand consist of 4 sub-categories:
  - a. Receives food stamps -- have ages 0-17 by county
  - b. Receives TEA -- have ages 0-17 by county
  - c. Family income under poverty level **OR** 70% of lower living standard  
**Note** - data are restricted to ages 0-17 living in poverty for State Level only
  - d. Foster children ages 0-17 by county.
- 2) A school dropout:  
Age not determined, but from grades 7-12.
- 3) Homeless, a runaway, or foster child:  
Data available is for children in foster care ages 0-17.
- 4) Pregnant, or a parent:  
The rate of pregnancies (births, fetal deaths, and abortions) age 10-17.
- 5) An offender:  
Certain sub-categories by crime committed are on hand; these reflect arrests ages 10-17 by county.

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6) An individual who requires additional assistance to complete an educational Program, or secure and hold employment:

This category differs tremendously throughout the State, and our intention is to encourage each Local Workforce Investment Board (LWIB) to define what is specific to their area. Further, we propose not including it for the purposes of developing a formula to measure High Concentration of Eligible Youth.

It is the Employment Security Department's intent to categorize and prioritize risk factors that can be documented with reliable data from the University of Arkansas at Little Rock's Institute for Economic Advancement. Here is our specific strategy for computation of priority:

1. Count the individuals for each county in each of the categories we have available data.
2. Group the State's 75 counties into Local Workforce Investment Areas (LWIA), and add the total number for each county in the LWIA to determine the total number in each LWIA. There will be individuals counted more than once because they fit more than one category, but that will serve to weight more heavily areas that have more individuals with multiple eligibility factors.
3. Divide the LWIA's weighted number of "Eligible Youth" by the LWIA's total population to determine what weighted percentage of the LWIA's total population consists of Eligible Youth.
4. We propose any area that has a weighted percentage of Eligible Youth, as compared to it's overall population, that is equal to or greater than 25% will be deemed as having a "High Concentration of Eligible Youth" for purposes of the funding formula.
5. Thus each LWIA that has a weighted percentage of Eligible Youth equal to 25% or more will share in the funds. This is based on a formula of Total Eligible Youth divided by the total dollars available, and then uses that multiplier to determine each districts amount to be awarded. (See totals page for amount to be awarded).

Activity # 28 of the approved WIA Activity Responsibilities document provides that ESD is responsible for proposing Title I policy and operational definitions. Under Activity # 30, ESD is responsible for offering Title I funding formula options. In accordance with these responsibilities, the information contained in this document represents ESD's recommendations for establishing a methodology to determine those Local Workforce Investment Area's with a "High Concentration of Eligible Youth" in Arkansas.

Approved by the Arkansas Workforce Investment Board on April 9, 2002

**ARKANSAS WORKFORCE INVESTMENT BOARD  
COMPUTATION OF FUNDING ALLOCATIONS FOR HIGH CONCENTRATION OF  
ELIGIBLE YOUTH PER LOCAL WORKFORCE INVESTMENT AREA (LWIA)**

<b>LWIA</b>	<b>Total at Risk Youth</b>	<b>Total Population in LWIA</b>	<b>% Risk Per LWIA</b>
Central	78,205	395,001	20%
City of Little Rock	39,232	183,347	21%
Eastern	56,546	240,846	23%
Northeast	56,546	240,846	23%
North Central	44,336	215,789	21%
Northwest	72,960	420,275	17%
Western	49,181	225,847	22%
West Central	54,477	276,566	20%

**PROPOSED DISTRIBUTION OF FUNDS FOR ELIGIBLE YOUTH**

<b>LWIA</b>	<b>LWIA Total at Risk</b>	<b>Multiplier</b>	<b>Funds per LWIA</b>
Eastern	52,209	0.663237058	\$34,627.00
Southwest	58,437	0.663237058	\$38,758.00
Southeast	62,746	0.663237058	\$41,615.00
Total	173,392		\$115,000.00

Funds Available	\$115,000.00
Percentage Multiplier	0.663237058