Arkansas Division of
Workforce Services

ADWS Policy Number: WIOA I-B—5.3, Change 1	Effective Date: February 28,2024

Arkansas Division of Workforce Services (ADWS)
Workforce Innovation and Opportunity Act (WIOA)
High Concentration of Youth Funding
Allocation Methodology Policy
as defined by the Labor Market Information (LMI)

PURPOSE:
The purpose of this policy is to provide the procedure that will be followed when funding the WIOA required activity of providing additional assistance to Local Workforce Development Areas (LWDA) that have a high concentration of eligible youth. The procedure for funding this program is patterned after the Department of Labor's Youth, Adult, and Dislocated Worker funding stream formulas. **Substantial updates, included in change 1 are underlined.**

REFERENCES:
WIOA §**129**
20 CFR **681.200-290**
20 CFR **682**
Secretary's annual Lower Living Standard Income Level (LLSIL) for 2023
2023 Health and Human Services "Poverty Guidelines".

BACKGROUND:
States are required to provide additional assistance to local areas that have a high concentration of eligible youth (WIOA § 129 (b)(1)(F). At least 75% of these funds provided to local areas must be used to provide youth workforce development activities for out-of-school youth, as defined in WIOA § 129(a)(1)(B), unless the local area has an exception as described in WIOA § 129(a)(4)(B) (129 § (a)(4)(A) \; 20 CFR 682.200(1)). Up to 25% of the funds may be spent on in-school youth.

POLICY:

I.   **Criteria**: To award funding for assistance to the Local Workforce Development Areas (LWDA's) for "Eligible Youth" found in the WIOA law, Title 1, section 129. Eligible Youth, for the purpose of this policy, are defined as individuals 14-24 years of age, who

are considered low-income persons and who have one or more of the following risk factors as defined by LMI:

A. Deficient in basic literacy skills;

B. A school dropout;

C. Within the age of compulsory attendance, but has not attended school for at least the most recent complete school year calendar quarter;

D. Homeless, a runaway, or foster child;

E. Pregnant, or a parent;

F. An offender;

G. An individual who requires any additional assistance to complete an educational program, or secure and hold employment (as determined by each LWDA).

II.   **General Information**: It is the Division of Workforce Services' intent to categorize and prioritize risk factors that can be documented with reliable data from the following: 2020 Census; Arkansas Department of Education; Arkansas Department of Human Services; Arkansas Crime Information Center; and the Arkansas Department of Health. **(These sources will be updated annually).**

Part 1: ADWS Methodology to Define WIOA High Concentration of Eligible Youth for Additional Funding

A. Calculate the individuals for each county in each of the categories relying on available data provided by LMI.

B. Group the State's 75 counties into LWDAs and add the total number for each county in the LWDA to determine the total number in each LWDA. Some individuals will meet the criteria for more than one category. This calculation considers the number of barriers versus the number of individuals.

C. In all category calculations for the City of Little Rock LWDA and Central LWDA, a percentage of Pulaski County totals are used. Percentage used for the City of Little Rock LWDA is City of Little Rock Population divided by Total Pulaski County Population.

D. The LWDA's weighted number of "Eligible Youth" is divided by the LWDA's total population to determine what weighted percentage of the LWDA's population consists of Eligible Youth.

E. Any LWDA that has a weighted percentage of Eligible Youth, as compared to its overall population, that is equal to or greater than the risk factor designated by ADWS, will be deemed as having a "High Concentration of Eligible Youth" for purposes of the funding formula.

F. Each LWDA meeting the aforementioned criteria, will be awarded additional youth funding. This is based on a formula of total Eligible Youth divided by the total dollars available to be awarded under the part one methodology. This multiplier is used to determine each LWDA's amount to be awarded. **(Note: this weighted percentage of Eligible Youth risk factor will be adjusted annually as required to meet ADWS's goal of no less than 50% of the LWDAs receiving funding.)**

Note: Sources for this report are available from the Arkansas Division of Workforce Services, Labor Market Information.

Part 2: Funding Per LWDA based on "Average Barriers per Participant" Calculation

A. The part two funding methodology is based on the **"Average Barriers per Participant Calculation"**.
B. WIOA focuses on serving individuals with barriers to employment and seeks to ensure access to quality services for these populations.
C. The Average Barriers per Participant calculation is obtained by dividing the total barriers served by the total participants. The higher the average, the more effective the services to this special population.
D. In this calculation, the higher the percentage of Average Barriers per Participant, the higher the allocation percentage of the available funds will be awarded.
   Note: The source for this data is the Arkansas Job Link (AJL) system or the state's current management information system. Each LWDA enters the barriers for each participant.

III. Additional Information:

A. ADWS will not fund awards calculated at less than $5,000.00.
B. Awards will be distributed on a "funds available" basis, through WIOA Formula Grants/State Set-Aside Funds for WIOA program activities.
C. Award amounts and award dates will be published in an ADWS issuance prior to award date.