

Plan Overview

G. WORKFORCE INVESTMENT ACT (WIA) FUNDS AVAILABLE

Workforce Investment Act (WIA) monies from the federal government flow by formula, first to the fifty (50) states and then within California to Local Workforce Investment Areas. These formulas are complex and are different for each of the three funding streams: Adult, Dislocated Worker and Youth.

The table and accompanying chart below, details the City’s WIA allocations for seven years including “originally anticipated” funding levels for fiscal year 2006-2007. Allocations show a decrease in base funding in the second, third, and fourth years with relatively stable base funding in subsequent years. Up until FY 05-06 the base allocation from the State was supplemented with carry-over (unexpended) funds from the prior year. This decrease in base funding coupled with a diminishing carry-over has resulted in an overall 44% decrease in total funding since fiscal year 2000-01, the first year of the Workforce Investment Act. For PY 06-07 it had been projected that the City’s WIA award would be equal to that of PY 05-06. As of the writing of this document however, the City had not been formally notified of its PY 06-07 allocation by the State, and all indications are that the City will take a funding reduction of a yet to be determined amount. Funding allocations from the State are scheduled for release on July 1, 2006. Once the actual allocation is received by the City, any increases or reductions will be included to the report to the WIB identifying all carry-over funds due by September 30, 2006. The Department will prepare the recommendations subject to WIB approval regarding proposed use of additional funds or reductions. However given the high priority identified for training, access to training and system support for training, the WIB Innovation Fund/Sector Initiatives will remain fixed at \$1.5 million, and the training and support services set-aside in contractor budgets will remain fixed at \$1.5 million, and the Health Care Initiative will remain fixed at \$1 million.

| Funding Stream | FY 00-01 | FY 01-02 | FY 02-03 | FY 03-04 | FY 04-05 | FY 05-06 | FY 06-07 |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Adult | \$22,271,788 | \$21,551,591 | \$20,866,125 | \$16,963,413 | \$16,700,535 | \$17,071,700 | \$17,059,700 |
| Dislocated Worker | \$24,965,890 | \$21,166,069 | \$15,559,160 | \$12,767,172 | \$12,948,512 | \$13,892,649 | \$13,863,700 |
| Youth | \$24,813,752 | \$25,438,983 | \$24,768,117 | \$19,049,586 | \$17,399,974 | \$17,477,541 | \$17,476,600 |
| Carry Over | \$14,283,337 | \$28,400,000 | \$17,462,600 | \$14,176,000 | \$14,326,100 | \$0 | \$0 |
| Total | \$86,334,767 | \$96,556,643 | \$78,656,002 | \$62,956,171 | \$61,375,121 | \$48,441,890 | \$48,400,000 |

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