

**TO: Finance Committee**

**DATE: 04/26/06**

**FROM: WIB Staff**

**For Action**

**For Information**

**For Discussion**

**SUBJECT: Limited Funds Policy**

**PROPOSED MOTION(S): None**

**DISCUSSION: On March 27, 2003, the WIB declared that Workforce Investment Act funding was “limited”, and approved a Limited Funds Policy. The immediate result was to give preference to low-income individuals for the receipt of intensive and training services. When the policy was implemented, the WIB’s primary customer was the participant.**

**Since that time, there has been a primary shift in that business is now the primary customer. Businesses deserve the “best” participant, not the best of the low-income participants.**

**The local workforce investment area has exceeded its enrollment goals every year since program inception. It is ahead of this year’s objectives. The major impact of the Limited Funds Policy has been to increase the workload of staff to ascertain low-income status. The numbers of low-income individuals have proven to be relatively small; therefore, nonlow-income participants have been able to be served.**

**The Limited Funds Policy is inconsistent with the present WIB policy of business first. The process was implemented to ensure low-income individuals received training priorities, but funding has proven adequate to serve both low-income and nonlow-income participants. The extensive amount of time spent verifying income could be spent better serving clients.**

**At their April 3, 2006 meeting, the Executive Committee approved revoking the Limited Funds Policy. This will go to the WIB for ratification at their May meeting.**