

TO: WIB

DATE: 09/28/04

FROM: WIB Executive Committee

Action

For Information

For Discussion

SUBJECT: Reallocation of Youth Funds

PROPOSED MOTION(S): Ratify the Executive Committee's action of reallocating \$105,598 of PY 2003/04 Out-of-School youth funds to Younger youth funds.

DISCUSSION: Merced County has contracts with Merced County Office of Education Regional Occupational Program to provide Workforce Investment Act services to youth ages 14-18, and out-of-school youth, ages 17-21. The younger youth program has been in existence since September 2000. The out-of-school program began in September 2003 as a result of the previous provider terminating its contract with Merced County.

WIA Section 129 (c)(4) states that at a minimum, 30 percent of youth funds shall be used to provide youth activities to out-of-school youth. With the closure of JCG and the late start of the MCOE out-of-school program, funds were allocated to the out-of-school program at a 35% rate, rather than the previous 30% rate of other out-of-school programs. Later, when it became evident that at least 30% of the youth funds would actually be spent on out-of-school youth, and additional out-of-school funds were available but would not be spent by the out-of-school program, the younger youth program was then allowed to include more of their participants in the summer work experience program. To cover these younger youth costs necessitates moving approximately \$105,598 of out-of-school funds to the younger youth contract. The movement of this money will still allow the WIA required 30/70 split of youth funding between programs to be maintained. This action was taken after-the-fact to allow for actual costs rather than forecast spending.

ATTACHMENT(S): N/A