

TO: Youth Council

DATE: 04/11/2007

FROM: Youth Council Staff

For Action

For Information

For Discussion

SUBJECT: 60/40 Percentage Discussion

PROPOSED MOTION(S): That the Youth Council recommend to the WIB youth program funding split for PY 2007/08.

DISCUSSION: The Employment and Training Administration (ETA) of the US Department of Labor (DOL) has placed an emphasis on serving out-of-school youth.

Across the nation, youth programs are beginning to shift from in-school to out-of-school. The following are examples:

- **Macomb/St. Clair Workforce Development Board** **May 2004**
 - "...last year's budget, was initially divided into a 50/50 split. Once again, priority will be focused on identifying and attracting out-of-school back into the program."
- **Workforce Tulsa** **March 2005**
 - "Original RFP Recommendation for WIA Youth Programs, item 3 is Resource split 50/50, In-School/Out-of-School.
- **Kentucky Workforce Investment Board** **August 2003**
 - Discussion at board meeting included, "Probably 50/50 youth split for in and out of school.
- **Cape & Islands Workforce Investment Board**
 - The Cape & Islands WIB supports the changes in the funding ratios that the House proposed which caps at 30 percent for youth formula funding for in-school youth" and the Senate bill "caps at 60 percent" for out-of-school youth in H.R. 1261.
- **Coalition** **February 2007**
 - National Association of Counties (NACo), National Association of Workforce Boards (NAWB), the United States Conference of Mayors (USCM), the National Workforce Association (NWA) and USA Works! recognizes as a Coalition, that a compromise of 50% in-school/ 50% out-of-school youth is possible, and would support such a funding split.
- **Utah State Youth Council** **October 2005**
 - Utah is requiring a higher percentage spent on out-of-school youth, a 50/50 split. The minutes continue emphasizing that regional youth councils need to encourage providers to increase spending on out-of-school youth and achieve 50% expenditure level for out-of-school youth.

- **Northeast Missouri Workforce Investment Board May 2006**
 - **...the Department of Labor's expectations and vision have changed and they want to serve more out-of-school youth. Therefore, in the Program Year 2006 RFP, we adopted a 50-50 funding split between the in-school and out-of-school youth programs to address the issue.**

Training Employment and Guidance Notice No. 3-04

- **"To inform states and local areas of ETA's new strategic vision to serve out-of-school and at-risk youth under the Workforce Investment Act.**

Training Employment and Guidance Letter 28-05

- **"To inform states and local areas of the *expansion* of ETA's strategic vision to serve out-of-school and our most at-risk youth.**

Currently the in-school and out-of-school split is 60/40 respectively. In order to plan ahead and stay in tune with the Department of Labor's vision, consideration should be given to increase the percentage of out-of-school youth, possibly a 50/50 split, or remain at current levels.

ATTACHMENT(S): N/A