

**TO: Youth Council**

**DATE: 5/10/06**

**FROM: Youth Council Staff**

**For Action**

**For Information**

**For Discussion**

**SUBJECT: PY 2006 Youth Contract Funding**

**PROPOSED MOTION(S): Information only.**

**DISCUSSION: The Federal allocation of WIA dollars continues to cause delays in establishing the local dollars available for WIA youth programs. When questioned during the last week in April, the State of California Employment Development Department voiced concern that the State's Adult and Youth allocations might not be forthcoming until mid-May. That could easily push the local allocation arrival into June.**

**To exacerbate the problem, the local workforce investment area must obligate its contract funding before June 30, 2006. What has been done is to pass initial working figures based on last year's allocation to MCOE for its initial budgets. Those figures are \$508,460 for the out-of-school contract, and, \$762,690 for the younger youth contract.**

**Once this year's contract closure is complete and the carryover has been calculated (usually by late August or early September), and the other 10% of the youth allocation arrives (expected in October), then an amendment will be added to each contract to complete the total amounts allotted to youth WIA programs. It is expected that final allocations will be 5% to 6% less than the current year.**

**ATTACHMENT(S): N/A**