



REVISED PY 17-18 WIOA FORMULA AND RR ALLOCATIONS

The forthcoming release of Round two Program Year (PY) 2017-18 *Workforce Innovation and Opportunity Act* (WIOA) formula funds (commonly referred to as "advanced" funds) was recently announced by the U.S. Department of Labor (DOL) (refer to DOL Training and Employment Guidance Letter (TEGL) 27-16 Change 1, dated October 20, 2017). The funding allocations released reflects a 0.6791 percent reduction in funding from the initial allocation figures issued in TEGL 27-16, dated June 09, 2017. This reduction or "recession" will be applied to the second round allotments only.

Formula Funds

The revised allotments to California and the amounts available for formula allocation for Local Areas are listed below. Attachment 1 reflects the revised total Formula PY 17-18 allotment amounts sorted by Local Area and formula funding stream.

PY 17-18	Total Allotment	Formula Allocation
Adult Program (Title I)	\$116,762,679	\$99,248,277
Youth Program (Title I)	\$122,708,017	\$104,301,815
Dislocated Worker Program (Title I)	\$151,037,947	\$90,622,770

Rapid Response and Layoff Aversion Funds

State policy sets the formula allocation methodology at 50 percent of the Rapid Response (RR) funds being allocated to the Local Areas, and the other 50 percent of the RR funds being set aside for the Additional Assistance account. Local Areas experiencing a significant increase in unemployment in their areas caused by plant closures, downsizing, natural disasters, or "other events" may apply for Additional Assistance funds.

Attachment 2 reflects revised allocations for RR funds reflecting the funding reduction referenced above. Please note that these allocations include both the formula RR funding, along with separate allocations for Layoff Aversion (LOA). This is consistent with the policy detailed in *Rapid Response and Layoff Aversion Activities* (WSD16-04), published on July 22, 2016.

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.

The state has decided to allow Local Areas to carry forward any unspent PY 17-18 RR and LOA funds, and will extend the term end dates for those funds to June 30, 2019. Due to anticipated funding reductions for PY 18-19, the state will not reduce the Local Areas' PY 18-19 RR and LOA allocations by their PY 17-18 carry forward amounts. Although the state is extending PY 17-18 RR and LOA funds for an additional year, this will not be a continued practice and unexpended RR and LOA funds may be de-obligated after the first year. If you have any questions regarding this information, please contact your assigned Regional Advisor.

If you have any questions about this Information Notice, please contact Laura Caputo from the Financial Management Unit at Laura.Caputo@edd.ca.gov.

/S/ JAIME L. GUTIERREZ, Chief
Central Office Workforce Services Division

Attachments are available on the internet:

1. [Youth, Adult, and Dislocated Worker Activities Program Allocations – Program Year 2017-18 \(Revised\)](#)
2. [Rapid Response and Layoff Aversion Funding – Program Year 2017-18 \(Revised\)](#)