

Date: April 17, 2014 **ITEM V. B.**
To: Workforce Investment Board
From: Vivian Shimoyama, Chair
Subject: **Authorization for Executive Committee to Approve Final PY 2014-15 Budget**

BACKGROUND

One of the major responsibilities of the local Workforce Investment Board under the Workforce Investment Act (WIA) is to approve an annual budget. Program Year (PY) 2014-15 begins July 1, 2014 and its time to begin the budget development process.

DISCUSSION

On January 16, 2014 the US Senate passed the \$1.1 trillion Omnibus Spending Bill. The US House had passed the measure the prior day. This Bill funded the government through September 30 and established the Fiscal Year FY 14 spending levels for WIA Formula funds as follows:

Program	FY12	FY13 Enacted (in millions)	FY13 After Sequestration	FY14
WIA Adult	\$770,810	\$769,269	\$730,624	\$766,080
WIA Youth	\$825,913	\$822,704	\$781,375	\$829,439
WIA Dislocated Worker	\$1,008,151	\$1,006,135	\$955,591	\$1,001,000

Although these figures reflect only national WIA funding levels, this bodes well for the system as a whole as it returns funding to **pre-sequestration levels** and approximately **level funding compared to FY 12**.

The bill also made a few changes to WIA such as increasing the set-aside for Governor’s Reserve funding up to 8.5 percent (from the current 5 percent) and also allowing the transfer of up to 30 percent between WIA Adult and WIA Dislocated Worker funds (up from the current 20 percent).

On April 15 (Tuesday of this week) PY 2014-15 WIA Formula Adult, Youth, and Dislocated Worker allocations to the Local Workforce Investment Areas were published. The total Formula allocation reflects a decrease of \$191,563 compared to PY 2013/14 levels. Allocation amounts for Rapid Response activities have not been published to date. Until such time as Rapid Response allotments are published and estimates of funds available for carry forward into PY 2014/15 are completed, the Board will not have sufficient information to take final action to adopt the PY 2014-15 WIA budget. It is anticipated that this information will be available in time for consideration in June.

April 16, 2014
Page 2

RECOMMENDED ACTION

In order to support action by the Board to approve the annual Budget required under the WIA, authorize the Executive Committee to act on behalf of the Board to adopt the PY 2014-15 Budget.