

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION WIOA
	CORRESPONDENCE SYMBOL OWI
	DATE April 4, 2018

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 14-17

TO: STATE WORKFORCE AGENCIES

FROM: ROSEMARY LAHASKY
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SUBJECT: Updated Disadvantaged Youth and Adult Data for use in Program Year (PY) 2018 and future Workforce Innovation and Opportunity Act (WIOA) Youth and Adult Within-State Allocation Formulas

1. **Purpose.** To advise states that disadvantaged Youth and Adult data for use in the WIOA Youth and Adult within-state allocation formulas is available on the ETA website and that states should use this data in their PY 2018 and future within-state allocation formulas.
2. **References.**
 - Workforce Innovation and Opportunity Act Section 2, 107, 127, 128, 132, 133, and 182; P.L. 113-128; 29 U.S.C. 3101, 3121, 3162 (b), 3163 (b), 3172 (b), 3173 (b);
 - Training and Employment Guidance Letter (TEGL) No. 21-12, March 26, 2013, *Updated Economically Disadvantaged Youth and Adult Data for use in Program Year (PY) 2013 and future Workforce Investment Act (WIA) Youth and Adult Within-State Allocation Formulas.*
3. **Background.** Disadvantaged Youth and Adults is a data factor used in the statutory formulas to allocate WIOA Youth and Adult funds among states and within states (see Appendix A for definitions). In March 2013, the Employment and Training Administration (ETA) issued TEGL No. 21-12 regarding updated disadvantaged Youth and Adult data for use in the state allotment and within-state allocations to local areas for the Workforce Investment Act (WIA) Youth and Adult funding starting in PY 2013. WIOA, which became effective for PY 2015, uses the same data for determining distribution of funding. This TEGL replaces TEGL 21-12 and notifies states of the availability of updated special tabulations of disadvantaged Youth and Adult data from the American Community Survey (ACS) (see Appendix A for more information on the ACS) to be used in determining state allotment and within-state allocations starting in PY 2018.
4. **New Data Available.** ETA posts the updated disadvantaged Youth and Adult data on the ETA Budget website at the following link:
<http://www.doleta.gov/budget/disadvantagedYouthAdults.cfm>. The state-level data will be used by the ETA National Office in the state allotment formula for PY 2018 and in future

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program years. States must use the updated data to determine the number of disadvantaged Youth and Adults in each state's local areas for use in their within-state allocation formulas starting in PY 2018 and in future program years. See Appendix A for responses to some general questions and Appendix B for a description of the files and their content.

5. **Action Requested.** States must use the updated data in their PY 2018 within-state allocation formulas.
6. **Inquiries.** Questions concerning this guidance should be directed to the appropriate Regional Office.
7. **Attachments.**
 - Appendix A Questions and Answers
 - Appendix B Description of Data File Contents, Layout, and Caveats

Appendix A: Questions and Answers

1. What is the definition of a disadvantageded Youth or Adult?

See WIOA Sections 127(b)(2)(C) and 132(b)(1)(B)(v)(IV). A disadvantaged Youth is defined as “an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income that, in relation to family size, does not exceed the higher of the poverty line, or 70 percent of the Lower Living Standard Income Level (LLSIL).” The definition of a disadvantaged Adult is similar; but, per WIOA Section 132(b)(1)(B)(v)(I), the age restriction is 22 to 72. WIOA Sections 127(b)(3) and 132(b)(1)(A)(v)(V) requires college students and members of the Armed Forces to be excluded from the number of disadvantaged Youth and Adults to the extent practicable. WIOA Section 3(36)(B) defines LLSIL is the income level determined annually by the Secretary based on the most recent lower living family budget issued by the Secretary. The LLSILs used in the special tabulations were those published in 2015 (see Appendix D of the Federal Register/Vol.80, No. 59, March 27, 2015 and any applicable corrections published in the Federal Register/Vol. 80, No. 136, July 16, 2015). For ACS income data from 2011 to 2014, the Census Bureau (the Bureau) adjusted income levels for inflation in order to compare it with LLSIL and poverty levels for 2015.

2. What additional requirements are there for states with rural concentrated employment program grant recipients?

The states of Kentucky, Minnesota, and Wisconsin, who have designated local areas served by rural concentrated employment program grant recipients under WIOA Section 107(c)(1)(C), must use the higher of the number of disadvantaged Youth (or Adults) in such areas or the number of individuals age 16 to 21 (or Adults age 22 to 72) in families with an income below the “low-income level” in such area. The low-income level is defined in WIOA Section 127(b)(2)(E) and WIOA Section 132(b)(1)(B)(v)(VII). ETA calculated the following “low-income levels” for these states for 2015 which were used by the Bureau to develop the special tabulations in Table 8:

Low-Income Level	
	2015
Kentucky	\$45,000
Minnesota	\$43,000
Wisconsin	\$43,000

3. If college students are excluded “to the extent practicable,” why are college students in the labor force included in the counts for Table 6?

Due to a change in the survey question format which started in the 2000 Census and continues in the ACS, the Bureau cannot distinguish students who work full time from those who work part-time. What the Bureau can code are special tabulations excluding all college students or special tabulations excluding only college students who are not in the labor force. The Bureau cannot code special tabulations that exclude college students who work part-time. In an effort not to lose elements of the disadvantaged population group WIOA Adult and Youth funds serve, such as those working full-time and taking some college or graduate courses, ETA decided it was better to only exclude college students who were not working at all. As a result, at the local level, some college towns may have a larger number of youth defined as disadvantaged than what the state feels is justified. ETA recognizes the issue, but it is not possible at this time to exclude college students who work part-time from the tabulations.

Demographic data on WIOA Youth and Adult participants suggest that a small percentage of participants are in post-secondary education and working while participating in the programs. This being the case, excluding all college students could remove some potential WIOA participants from the counts of disadvantaged Youth and Adults. According to the most recent WIOA data (PY 2016), 3.0 percent of WIOA Youth participants were in post-secondary education at enrollment. Of those in post-secondary education, 27.9 percent were employed at enrollment. For Adult participants in PY 2016, 8.1 percent were in post-secondary education at enrollment. Of those, 26.8 percent were also employed at enrollment. This suggests that there are adults in the workforce who are taking some college classes who could be WIOA participants and qualify as economically disadvantaged.

4. Why is ETA using the American Community Survey?

The most recent Census, conducted in 2010, did not include the long form survey that ETA previously used to update the disadvantaged Youth and Adult data. Instead, ETA worked with the Bureau to use data from the American Community Survey (ACS).

ACS data is based on a rolling annual sample survey mailed to approximately three million addresses a year over five years. The data used in the special tabulations for disadvantaged Youth and Adults was collected between January 1, 2011 and December 31, 2015. By pooling several years of survey responses, the ACS can generate detailed statistical portraits of smaller geographies that can replace the data no longer collected in the long form of the decennial Census.

For more information on the ACS go to <http://www.census.gov/acs/>

5. When will the next update of the disadvantaged Youth and Adult data occur?

The Bureau releases a new set of five-year estimates every year, but ETA anticipates updating the disadvantaged Youth and Adult data using the ACS only every five years. Therefore, the next update is anticipated to be in time for the PY 2023 allocations.

6. My state's disadvantaged data increased. Why did my state's allotment not also increase?

Allotment amounts are based on a state's relative share of the total number of disadvantaged Youth or Adults, depending on the program, compared with other states' relative shares. An increase in a state's disadvantaged data does not always increase its relative share. Despite increases in the number of disadvantaged data, a state's relative share may decrease, and that could cause the state's allotment amount to decrease.

7. What data files on the website do I need to use?

It depends on how your state defines local areas. Files labeled Table 6 contain data meeting the WIOA definition of disadvantaged Youth and Adults and are available at different geographic levels. Most states will need Table 6 at the County-level (050). Some states may need additional data at the County-Subdivision level (060) and County or State-Place levels (155 and 160) in order to develop data sets for their states' local areas. States that are a single area do not need the data at all. The State-level (040) and National-level (010) data are provided for states' information.

Kentucky, Minnesota, and Wisconsin will need additional data in Table 8 because these three states have designated local areas served by Rural Concentrated Employment Program (RCEP) grant recipients, and those RCEP local areas use the higher of the number of disadvantaged Youth or Adults in such areas or the number of individuals in the appropriate age range with an income below a low-income level calculated based on the definition described in WIOA Sections 127(b)(2)(E) and 132(b)(1)(B)(v)(VII). Table 8 contains the number of individuals below these calculated income levels, and is available at various geography levels (County 050, County-Subdivision 060, County-Place 155, and State-Place 160).

Arizona and New Mexico also will need county-level American Indian Area/Alaska Native Area/Hawaiian Homeland Areas (270) data to determine Navajo Nation grant allocation amounts. Similar data at the state level (260) is also provided.

The other tables (1-3, and 7) are provided for states' information, but are not used in the WIOA Adult and Youth formulas. See Appendix B for a further description of the contents of tables 1-8

Appendix B: Description of Data File Contents, Layout, and Caveats

File Contents

The Excel files on the website contain the estimated number of individuals by age that fall within certain defined population groups at various geographic levels. For the WIOA state allotment and within-state allocation formulas, the population meeting the WIOA definition of disadvantaged Youth or Adult is contained in files labeled Table 6. Three states (Kentucky, Minnesota, and Wisconsin) will also need files labeled Table 8. According to WIOA, the age range for disadvantaged Youth is 16-21, and the age range for disadvantaged Adults is 22 to 72 years.

The age groups are:

- Total (Persons of all ages (0 and over))
- Persons 0 to 13 years of age
- Persons 14 through 15 years
- Persons 16 through 21 years
- Persons 22 through 24 years
- Persons 25 through 54 years
- Persons 55 through 64 years
- Persons 65 through 72 years
- Persons 73 years and over

The geographic levels are:

- National (010)
- State (040)
- County (050)
- County-Subdivision (060)
- County-Place (155)
- State-Place (160)
- State-Level American Indian Area/Alaska Native Area/Hawaiian Homeland Areas (260)
- County-Level American Indian Area/Alaska Native Area/Hawaiian Homeland Areas (270)

The population groups include:

- Table 1A- Total number of persons, including persons living in housing units and persons living in Institutional or Non-Institutional Group Quarters
- Table 1B- Total number of persons in the poverty universe (excludes unrelated individuals under 15 years of age, persons living in Institutional Group Quarters, persons in college dormitories, and persons in military group quarters). The above-listed groups are not in the poverty universe. Persons not in the poverty universe do not have a poverty status. They are neither poor nor non-poor.

- Table 2- Number of persons in the poverty universe who have a 2015 inflation adjusted income in the past 12 months below the standard Bureau’s poverty threshold for that person. This is the number of persons in poverty.
- Table 3- Number of persons who had a 2015 inflation adjusted income (family or individual) in the past 12 months below 70 percent of the Lower Living Standard Income Level (LLSIL) published in Appendix D of the Federal Register/Vol.80, No. 59, March 27, 2015 and any applicable corrections published in the Federal Register/Vol. 80, No. 136, July 16, 2015. The Bureau compared the LLSIL threshold for a person to his (or her) income in the past 12 months in the following manner:
 - If a person was a member of a family, the Bureau used their family income to compare with the appropriate LLSIL threshold (those for 2-person families, 3-person families, 4-person families, etc.).
 - If a person was a member of a Non-Family household or a Group Quarters person (either Institutional or Non-Institutional), the Bureau used the person income to compare with the appropriate LLSIL threshold (those for a 1-person family).
 - If a person was in a family household, but was a non-relative to the householder, the Bureau used the person income to compare with the appropriate LLSIL threshold (those for a 1-person family).
- Tables 4 and 5 from TEGL 21-12 were not provided because they were not approved by the Bureau’s Disclosure Review Board (DRB). Please contact your regional representative, who in turn will contact the national office, if this presents any state or local entity with an issue. Table 4 would have provided the number of persons who satisfy the requirements of Table 2 or Table 3 above. This includes persons in poverty but not below 70 percent of LLSIL, persons not in poverty but below 70 percent of LLSIL, and persons both in poverty and below 70 percent of LLSIL. Table 5 would have provided the number of persons in poverty (Table 2) excluding college students (undergraduate and graduate) not in the labor force (Employment Status Recode (ESR) of 6) or persons on active duty in the armed forces (ESR of 4 or 5) during the appropriate 2011-2015 ACS reference week.
- Table 6- The number of persons who satisfy the requirements of Table 2 or Table 3 (persons in poverty but not below 70 percent of LLSIL, persons not in poverty but below 70 percent of LLSIL, and persons both in poverty and below 70 percent of LLSIL) excluding college students (undergraduate and graduate) not in the labor force (ESR of 6) or persons on active duty in the armed forces (ESR of 4 or 5) during the appropriate 2011-2015 ACS reference week. **The population in Table 6 meets the definition of a disadvantaged Youth or Adult.**
- Table 7- The number of persons in the civilian labor force. The universe of Table 7 is limited to persons 16 years and over who were employed (ESR – 1 or 2) or unemployed (ESR = 3) during the appropriate 2011-2015 ACS reference week.
- Table 8- The number of persons living in Kentucky, Minnesota, and Wisconsin (the three states that have designated local areas served by rural concentrated employment program grant recipients) who received a 2015 inflation-adjusted income (either family or person) below the specified state “low-income levels” listed below. The “low-income levels” below were calculated according to the definition in WIOA Section 127(b)(2)(E) and WIOA Section 132(b)(1)(B)(v)(VII).

Low-Income Level	
	2015
Kentucky	\$45,000
Minnesota	\$43,000
Wisconsin	\$43,000

File Layout

The layout of the data in the files is very similar to what was provided to states in 2013. Each file contains a different geographic level of detail (for example, state versus county) and a different population group, but all fifty-two state entities are contained in each file. Each file contains two tabs. One tab contains the ACS data tabulations obtained from the Bureau (labeled “Census Orig” with the appropriate table number identifying the population group). On the “Census Orig” data tab, geography and age extend down the Y axis. This tab also includes margin of error information the states may find helpful. On a second tab, ETA used pivot tables to reformat the data provided by the Bureau in order to make it easier to use. The second tab contains just the number of individuals by age group meeting the population group definition for the file. This tab has been formatted to read age across the X axis instead of down the Y axis. Because each file contains information for all fifty-two state entities, filters have been added so that states can select their state or counties of interest.

The “Census Orig” tab contains nine columns:

- TBLID – Table Identifier
- GEOID – Geographic Code Identifiers (For most summary levels, a concatenation of FIPS codes)
- GEONAME – Geographic Area Name
- TITLE – Description of Row Estimate
- ORDER – Order of Table Values (Identifies a particular characteristic across the geographic areas in a summary level. The values are repeated for each geographic area)
- SUMLEVEL – Census Bureau Summary Level Code
- CEST – Estimate
- CME – Margin of Error on Estimate at the 90-percent confidence level
- SOURCE – Source of data

Caveats

Please note that the lower level geographies may not sum to the higher level geographies. The Bureau separately tallied and rounded counts for each geographic summary level. Therefore, the U.S. counts do not equal the sum of the state counts, and counts for a particular state do not equal the sum of the county counts for that state, and so on. Also, the Total columns, or rows if using the “Census Orig” format, were tallied and rounded separately. For example, Total Persons, All Ages, may not always equal the sum of the eight (or six) age categories for Total Persons.