



Subsequent Local Area Designation

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What is local area designation?

- WIOA Sec. 106 (b) Local Areas
 - In order for a state to receive an allotment under Sec. 127(b) or 132(b), the Governor of the State shall designate local workforce development areas (WDA).
 - Through consultation with the state board (That's You!);
 - After consultation with chief elected officials and local boards;
 - And after consideration of public comments.
 - Considerations: the extent to which the areas—
 - Are consistent with labor market areas in the state;
 - Are consistent with regional economic development areas in the state;
 - Have available Federal and Non-Federal resources necessary to effectively administer activities (i.e. education and career/technical education schools)



What are the criteria?

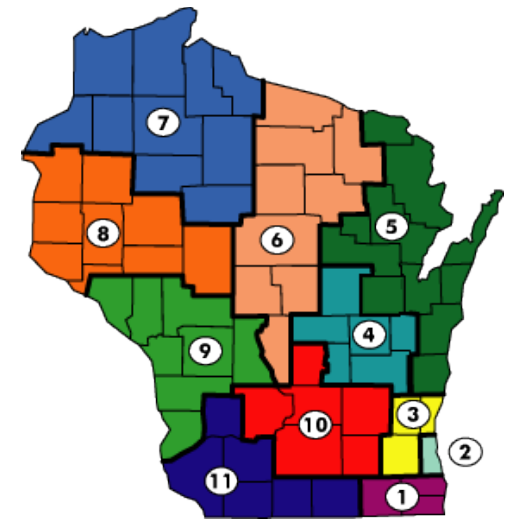
- Performed Successfully
- Sustained Fiscal Integrity
- Met requirements of Regional Planning

Meeting these allows existing areas to continue.



Flashback to 2015

- Initial Designation
- Completed prior to the initial WIOA State Plan PY16-19
 - Each “performed successfully” because none had 2 consecutive years not meeting a WIA performance indicator prior to the enactment of WIOA. (July 22, 2014)
 - Each sustained fiscal integrity



Why Subsequent Designation?

- 20 CFR §679.250
- The Governor:
 - **May** review a local area designated at any time to evaluate whether the area continues to meet the requirements for subsequent designation;
 - **Must review** a local area designated before submitting the State Plan during each 4-year State planning cycle to evaluate whether the area continues to meet the requirements for subsequent designation;
 - The local area and CEO are considered to have requested unless the local area and CEO notify the Governor they no longer seek designation.



Criteria Definitions

- 20 CFR §679.260: What do the terms “performed successfully” and “sustained fiscal integrity” mean for the purposes of designating local areas? (We will discuss the regional planning later...)
- The local area met or exceeded the levels of performance negotiated with the Local WDB for core indicators of performance. And that local area has not failed any **individual measure** for the last 2 consecutive program years with the **state-established definition** provided in the state plan of met or exceeded;

↓
90%



When does performance kick in?

- May make subsequent designation prior to the end of PY17 but may only consider Employment Rate 2nd Quarter After Exit and Median Earnings.
- At the conclusion of PY18 or any point thereafter, performed successfully must be based on all six of the WIOA Indicators of Performance for the 2 most recently completed program years.

Why is WIOA Performance Implementation so complicated???



WIOA Performance Implementation

- Came in like a leisurely stroll by a lamb;
 - Will not consider exits prior to 7/1/16;
 - May not have full year of results for a few years;
 - Effectiveness in Serving Employers (still) has no timeline for full enactment;
- Will bite like a lion soon enough
 - Sanctions (Sec. 116(g)) (PY2020)
 - Subsequent Area Designation
 - Local Board Decertification (Sec. 107 (c) (3) (B))



Demonstration

Indicator	PY16	PY17	PY18	PY19
Q2 Unsubsidized Employment	No Results	Exits July '16 – June '17	Exits July'17 – June '18	Exits Jul'18 –June'19
Q4 Unsubsidized Employment	No Results	Only 6 months	Exits Jan'17-Dec'17	Exits Jan'18-Dec'18
Median Earnings	No Results	Exits July'17 – June '18	Exits July'17 – June '18	Exits Jul'18 –June'19
Credential Attainment Rate	No Results	Only 6 months	Exits Jan'17 – Dec'17	Exits Jan'18-Dec'18
Measurable Skill Gain	Incomplete	Training Jul'17-Jun'18	Training Jul'18-Jun'19	Training Jul'19-Jun'20
Effectiveness in Serving Employers	No identified indicator			



Subsequent Designation End PY17

All Areas met all WIOA Performance Indicators

Let's Review the Results

Subsequent Designation End PY18

WDA 04 Youth Credential Attainment Rate

WDA 06 Youth Credential Attainment Rate



Sustain Fiscal Integrity

- The secretary (of Labor) has not made a formal determination that either the grant recipient or the administrative entity of the area misexpended funds due to willful disregard of the requirements of the provision involved, gross negligence, or failure to comply with accepted standards of administration for the 2-year period preceding the determination.
- Spoiler Alert: No LWDAs received formal determinations since 7/22/14.



Met Regional Planning Requirements

- local area in a planning region, met the requirements
 - the preparation of a regional plan,
 - the establishment of regional service strategies,
 - the development and implementation of sector initiatives for in-demand industry sectors or occupations for the region;
 - the collection and analysis of regional labor market data
 - the establishment of administrative cost arrangements, including the pooling of funds for administrative costs,
 - the coordination of transportation and other supportive services,
 - the coordination of services with regional economic development services and providers; and
 - agreement in performance negotiations.



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