

<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIA
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**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 21-12**

**TO:** STATE WORKFORCE SYSTEM

**FROM:** JANE OATES  
Assistant Secretary

**SUBJECT:** 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

1. **Purpose.** To advise states that economically disadvantaged Youth and Adult data for use in the WIA Youth and Adult within-state allocation formulas are available on the Employment and Training Administration (ETA) Web site and that states should use this data in their PY 2013 and future within-state allocation formulas.
2. **References.**
  - Workforce Investment Act Section 116, 127, 128, 132, 133, and 182, P.L. 105-220, 29 U.S.C. 2862 (c)
3. **Background.** Economically disadvantaged Youth and Adults is a data factor used in the statutory formulas to allocate WIA Youth and Adult funds among states and within states (see Appendix A for definitions). In January 2004, ETA provided states with CD-ROMs containing economically disadvantaged Youth and Adult data. These data were used in the within-state formula allocations to local areas for WIA Youth and Adult funding starting in PY 2004. The data provided in 2004 were based on special tabulations of data obtained from the 2000 Census long survey form. (The most current Census, conducted in 2010, did not include the long survey form). Instead, ETA worked with the Census Bureau to use data from the American Community Survey (ACS) (see Appendix A for more information on the ACS). Special tabulations of ACS data meeting the definition in the WIA for economically disadvantaged Youth and Adults are now available for use by states to determine within-state allocations.
4. **New Data Available.** ETA posted the updated economically disadvantaged Youth and Adult data on the ETA Budget Web site at the following link: <http://www.doleta.gov/budget/disadvantagedYouthAdults.cfm>. The state-level data will be used by ETA in the state allotment formula for PY 2013 and in the future. States must use the updated data to determine the number of economically disadvantaged Youth and Adults in states' local areas for use in within-state allocation formulas starting in PY 2013 and in the future. See Appendix A for responses to some general questions and Appendix B for a description of the files and their content.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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5. **Action Requested.** States shall use the updated data in their PY 2013 WIA Youth and Adult within-state allocation formulas.
6. **Inquiries.** Questions concerning this guidance should be directed to the appropriate regional office.
7. **Attachment(s).**
  - 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 an economically disadvantaged Youth or Adult?

See WIA Sections 127(b)(2)(C) and 132(b)(1)(B)(v)(IV). An economically 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 an economically disadvantaged Adult is similar; but, per WIA Section 132(b)(1)(B)(v)(I), the age restriction is 22 to 72. WIA requires college students and members of the Armed Forces to be excluded from the number of economically disadvantaged Youth and Adults to the extent practicable. The LLSIL is an income level determined annually by the Secretary of Labor (Secretary) based on the most recent lower living family budget issued by the Secretary. Because the ACS data used were from 2006-2010, the LLSILs used in the special tabulations were those published in Appendix D of the Federal Register/Vol.75, No. 88, May 7, 2010.

The LLSILs used in the special tabulations were those published in 2010 (see Appendix D of the Federal Register/Vol.75, No. 88, May 7, 2010). For ACS income data from 2006 to 2009, Census adjusted income levels for inflation in order to compare it with LLSIL and poverty levels for 2010.

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

The states of Kentucky, Minnesota, Montana, and Wisconsin, which have designated local areas served by rural concentrated employment program grant recipients under WIA Section 116(a)(2)(B), must use the higher of the number of economically 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 WIA Section 127(b)(2)(E) and WIA Section 132(b)(3)(B). ETA calculated the following “low-income levels” for these states for 2010 which were used by the Census Bureau to develop the special tabulations in Table 8:

<b>Low-Income Level</b>	
	<b>2010</b>
<b>Kentucky</b>	\$41,000
<b>Minnesota</b>	\$40,000
<b>Montana</b>	\$43,000
<b>Wisconsin</b>	\$40,000



3. If college students are excluded “to the extent practical”, why are college students in the labor force included in the counts for Tables 5 and 6?

Due to a change in the survey question format which started in the 2000 Census and continues in the ACS, Census cannot distinguish students who work full-time from those who work part-time. What Census can code are special tabulations excluding all college students or special tabulations excluding only college students who are not in the labor force. Census cannot code special tabulations that exclude college students who work part-time or not at all. In an effort not to lose elements of the economically disadvantaged population group WIA Adult and Youth funds serve, such as those working full-time and taking some college or graduate courses, ETA decided to only exclude college students who were not working. ETA recognizes that this decision may result in some areas with large concentrations of college students having a larger number of youth defined as economically disadvantaged, but it is not possible at this time to exclude college students who work part-time from the tabulations.

Demographic data on WIA Youth and Adult participants suggests that some participants are in post-secondary education and working while participating in the programs. This being the case, excluding all college students could remove potential WIA participants from the counts of economically disadvantaged Youth and Adults. According to the most recent WIASRD databook (PY 2011), 4.2 percent of WIA Youth exiters are in post-secondary education. Of those in post-secondary education, 16.7 percent are employed at enrollment. This information was not required for Adult exiters in PY 2011. However, for the 6,386 Adults for which ETA does have information on school status at enrollment, 450, or 7 percent, were in post high school education when they began participating. Although the statistics on Adults are incomplete it suggests that there are adults in the workforce who are taking some college classes who could be WIA participants and qualify as economically disadvantaged.

4. Why is ETA using the ACS?

The most recent Census, conducted in 2010, did not include the long form survey which ETA previously used to update the economically disadvantaged data. Instead, ETA worked with the Census Bureau to use data from the ACS.

ACS data are 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 economically disadvantaged Youth and Adults were collected between January 1, 2006 and December 31, 2010. 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/www/>.

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

The Census Bureau releases a new set of five-year estimates every year, but ETA anticipates updating the economically 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 2018 allocations.

6. My state's economically 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 economically disadvantaged Youth or Adults, depending on the program, compared with other states' relative shares. An increase in a state's economically disadvantaged data does not always increase its relative share. Despite increases in the number of economically 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 Web site do I need to use?

It depends on how your state defines local areas. Files labeled Table 6 contain data meeting the WIA definition of economically 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, Montana, and Wisconsin will need additional data in Table 8 because these four 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 economically 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 WIA Sections 127(b)(2)(E) and 132(b)(3)(B). 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) are also provided.

The other tables (1-5, and 7) are provided for states' information but are not used in the WIA 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 Web site contain the estimated number of individuals by age that fall within certain defined population groups at various geographic levels. For the WIA state allotment and within-state allocation formulas, the population meeting the WIA definition of economically disadvantaged Youth or Adult is contained in files labeled Table 6. Four states (Kentucky, Minnesota, Montana, and Wisconsin) will also need files labeled Table 8. According to WIA, the age range for economically disadvantaged Youth is 16-21, and the age range for economically disadvantaged Adults is 22 to 72 years.

The age groups are:

- Persons of all ages (0 and over)
- Persons 14 through 15 years of age
- Persons 16 through 21 years of age (the age group for economically disadvantaged Youth)
- Persons 22 through 24 years
- Persons 25 through 54 years
- Persons 55 through 64 years
- Persons 65 through 72 years
- Persons 73 years and older

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 2010 inflation adjusted income in the past 12 months below the standard Census Bureau's poverty threshold for that person. This is the number of persons in poverty.

- Table 3- Number of persons who had a 2010 inflation adjusted income (family or individual) in the past 12 months below 70 percent of the LLSIL published in Appendix D of the Federal Register/Vol. 75, No. 88, May 7, 2010. The Census 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, Census 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), Census 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, we used the person income to compare with the appropriate LLSIL threshold (those for a 1-person family).
- Table 4- 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- 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 2006-2010 ACS reference week.
- Table 6- The number of persons in Table 4 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 2006-2010 ACS reference week. **The population in Table 6 meets the definition of an economically 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 2006-2010 ACS reference week.
- Table 8- The number of persons living in Kentucky, Minnesota, Montana, and Wisconsin (the four states that have designated local areas served by rural concentrated employment program grant recipients) who received a 2010 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 WIA Section 127(b)(2)(E) and WIA Section 131(b)(3)(B).

Low-Income Level	
	2010
<b>Kentucky</b>	\$41,000
<b>Minnesota</b>	\$40,000
<b>Montana</b>	\$43,000
<b>Wisconsin</b>	\$40,000



## **File Layout**

The layout of the data in the files is different from what was provided to states in 2004. Each file contains a different geographic level of detail (for example, state versus county) and a different population group, but all 52 state entities are contained in each file. Each file contains two tabs. One tab contains the ACS data tabulations obtained from Census (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 Census 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 52 state entities, filters have been added so that states can select their state or counties of interest.

The “Census Orig” tab contains nine columns:

- 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)
- GEOID – Geographic Code Identifiers (For most summary levels, a concatenation of FIPS codes)
- Name – Geographic Area Name
- TBLID – Table Identifier
- 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. Census 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.