

Economic Factors in WIOA Allocation: January 2019

Department of Employment, Training, & Rehabilitation

Research & Analysis Bureau

Financial Management

Workforce Investment Support Services

Presented to Nevadaworks and Workforce Connections

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WIOA Allocation Process

- 1. The WIOA Allocations are governed by an internal policy incorporated in the State Plan. This policy lays out the factors and weights to be used in splitting funding between the local boards.
- 2. Under a Cooperative Agreement with the U.S. Bureau of Labor Statistics, the DETR Research & Analysis Bureau identifies <u>Areas of Substantial Unemployment</u> in the state.
- 3. DETR's Financial Management office compiles the necessary economic information to allocate Adult / Youth / Dislocated Worker funds between the northern and southern areas.
- 4. WIOA Allocations are received from the U.S. Department of Labor. Allocations are calculated based on the economic information that has been collected, and any stop-loss provisions are applied.







Adult / Youth Allocation Factors

- Number of unemployed individuals in ASUs in the local area relative to all unemployed individuals in ASUs statewide. (1/3)
- Number of excess unemployed individuals in the local area relative to the number of all excess unemployed individuals statewide. (1/3)
- Number of disadvantaged adults / youth in the local area relative to the number of disadvantaged adults / youth statewide. (1/3)

Dislocated Worker Allocation Factors

- Relative level of insured unemployment in local area. (Data used: number of unemployment insurance first payments) (1/2)
- Relative level of long-term unemployment in local area. (Data used: number of unemployment insurance final payments) (1/2)







Area of Substantial Unemployment

- A contiguous geographic area within a state
- With an unemployment rate of at least 6.5%
- With a population of at least 10,000
- R&A joins together individual census tracts to meet these criteria while targeting the highest possible number of unemployed people in an area.
- Beginning in PY2018, R&A has calculated an ASU for each local area to ensure equitable geographic distribution of excluded areas between north and south.

ASU Unemployment Counts

- Total unemployed in ASU a count of all the unemployed people in the areas identified as ASUs.
- Excess unemployed the difference between the number of unemployed people in either the ASU or the local area as a whole and the number of unemployed that would equal an unemployment rate of 4.5% in that ASU or local area as a whole.

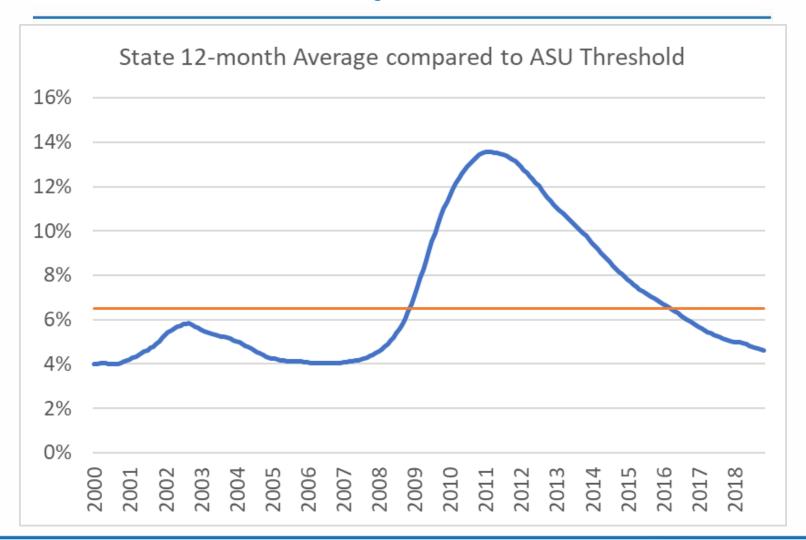






State Unemployment Rate

12-Month Average 4.8% in June 2018









Methodology Note

ASU designations require calculation of labor force and unemployment for individual census tracts – often very small geographic areas. This calculation is done by using ratios of unemployed individuals taken from the U.S. Census at the census tract level on a 5-year average basis and then calculating unemployment based on the county unemployment estimates for the most recent year. These areas **should not be directly compared** to either state or county unemployment rates for a given month, as county and state totals are computed each month based on current data and trends.



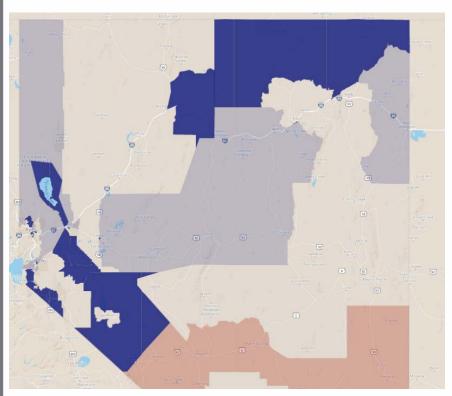


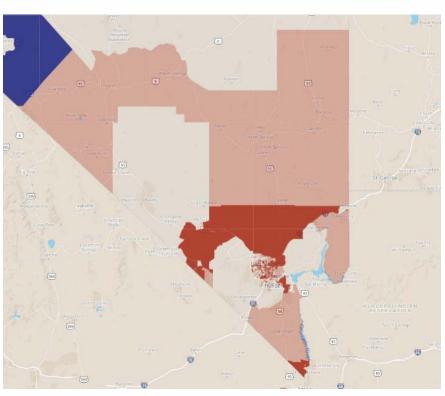
2019 ASU Designations

Google Map Link

Northern Area

Southern Area

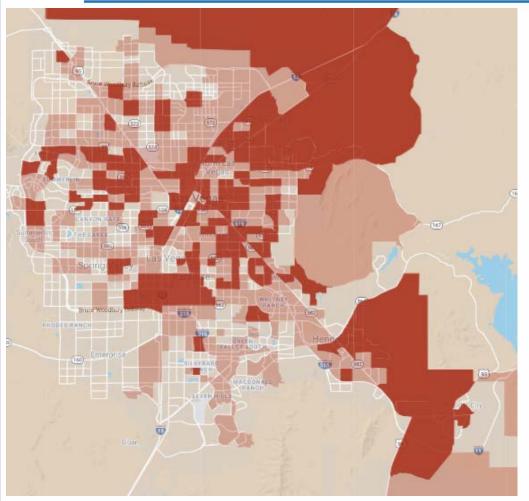


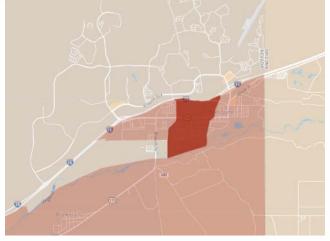






Southern Area Detail





Southern Area Facts

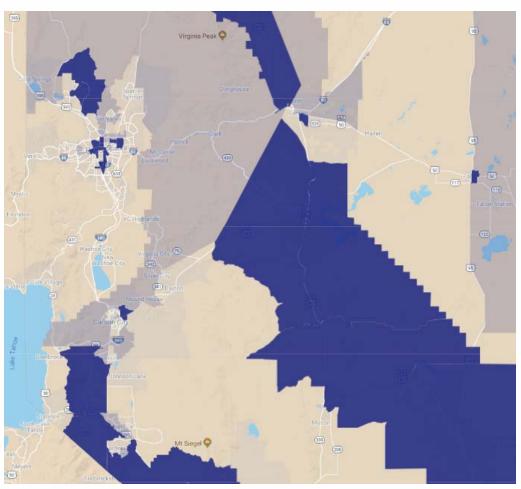
- Area contains 500 census tracts
- 329 tracts included in the ASU
- Average Labor Force: 672,148
- Average unemployed: 43,358
- ASU Unemployment Rate: 6.45%
- Area Unemployment Rate: 5.06%
- Share of area unemployed in ASU: 60.8%







Northern Area Detail





Northern Area Facts

- Area contains 187 census tracts
- 66 tracts included in the ASU
- Average Labor Force: 120,257
- Average unemployed: 7,788
- ASU Unemployment Rate: 6.48%
- Area Unemployment Rate: 4.08%
- Share of area unemployed in ASU: 50.7%







2019 Calculation of Excess Unemployment**

**Area totals to be revised in February / March, unlikely to change outcomes due to nature of calculation. ASUs not revised.

Taken from Nevada Department of Employment, Training & Rehabilitation, Research & Analysis Bureau.

July 2017 to June 2018	North	South
Area Labor Force	406,909	1,198,501
Area Unemployment	16,586	60,503
4.5% of Area Labor Force	18,311	53,933
Excess Unemployment, Area	(1,725)	6,571
ASU Labor Force	120,257	672,148
ASU Unemployment	7,788	43,358
4.5% of ASU Labor Force	5,412	30,247
Excess Unemployment, ASU	2,376	13,111
Max Excess, Area or ASU	ASU	ASU
Excess Unemployment	2,376	13,111
Share of Excess Unemployment	15.3%	84.7%

Excess Unemployment Facts

- Excess unemployment is the larger of the number of unemployed in excess of a 4.5% unemployment rate in the whole local area, or the excess within ASUs in the local area.
- Due to the nature of this calculation, the ASU total is normally as large as or bigger than the area total.
- Because the unemployment rate in the north is less than 4.5%, there are no excess unemployed in the area, but there are in the ASU.
- Because this is relative to the ASU unemployment total, it closely mirrors the ASU distributions.







2019 Economically Disadvantaged Details

Taken from 2011-2015 American Community Survey, U.S. Census Bureau

NORTH										
STATE	COUNTY	0 to 13 years	14 and 15 years	16 to 21 years	22 to 24 years	25 to 54 years	55 to 64 years	65 to 72 years	73 years and over	Total
Nevada	Carson City	2,950	145	1,075	450	3,870	1,190	595	590	10,865
Nevada	Churchill County	1,225	175	415	270	1,570	395	155	170	4,375
Nevada	Douglas County	1,360	200	650	375	1,615	695	255	345	5,495
Nevada	Elko County	1,985	325	700	190	2,520	415	145	145	6,425
Nevada	Eureka County	25	-	10	-	65	45	30	40	215
Nevada	Humboldt County	475	105	180	140	635	285	70	140	2,030
Nevada	Lander County	315	25	35	50	140	65	65	100	795
Nevada	Lyon County	3,180	305	1,075	460	3,950	805	600	145	10,520
Nevada	Mineral County	295	15	90	90	380	60	20	75	1,025
Nevada	Pershing County	300	10	180	145	1,570	275	140	40	2,660
Nevada	Storey County	70	-	15	10	155	45	30	-	325
Nevada	Washoe County	22,705	2,295	9,225	4,485	27,465	6,625	2,860	2,640	78,300
Nevada	White Pine County	340	95	215	110	1,340	140	40	85	2,365
Grand To	tal	35,225	3,695	13,865	6,775	45,275	11,040	5,005	4,515	125,395
SOUTH										
STATE	COUNTY	0 to 13 years	14 and 15 years	16 to 21 years	22 to 24 years	25 to 54 years	55 to 64 years	65 to 72 years	73 years and over	Total
Nevada	Clark County	115,035	13,920	35,820	16,130	141,125	28,855	13,860	12,920	377,665
Nevada	Esmeralda County	45	-	10	15	80	25	40	10	225
Nevada	Lincoln County	215	25	175	100	380	95	50	30	1,070
Nevada	Nye County	2,625	235	790	200	2,890	820	555	575	8,690
Grand To	tal	117,920	14,180	36,795	16,445	144,475	29,795	14,505	13,535	387,650

	Youth	Youth %	Adults	Adult %	
North	13,865	27.4%	68,095	24.9%	
South	36,795	72.6%	205,220	75.1%	

Economically Disadvantaged Details

Overall, the distribution of Youth and Adult economically disadvantaged workers is similar across ages and similar to the population as a whole.





2019 Unemployment Insurance Details

Taken from program records, Nevada Department of Employment, Training & Rehabilitation, Research & Analysis Bureau.

COUNTY	FIRST PAYMENTS	EXHAUSTIONS	Area
CARSON CITY	1172	337	North
CHURCHILL	351	87	North
CLARK	43146	15875	South
DOUGLAS	647	177	North
ELKO	676	150	North
ESMERALDA	11	9	South
EUREKA	11	3	North
HUMBOLDT	174	42	North
LANDER	82	30	North
LINCOLN	47	21	South
LYON	1130	300	North
MINERAL	73	36	North
NYE	568	246	South
PERSHING	68	26	North
STOREY	30	7	North
UNKNOWN	1609	728	
WASHOE	7699	1928	North
WHITE PINE	123	49	North

	First	Final	Exh Rate*
North #	12,236	3,172	25.9%
South #	43,772	16,151	36.9%
North %	21.8%	16.4%	
South %	78.2%	83.6%	

Unemployment Insurance Facts

- First payments, measuring people beginning a period of unemployment insurance benefits, is distributed in a way that is similar to the population between North and South.
- Final payments, measuring people unemployed long enough to use up their full unemployment insurance entitlement within a year, leans somewhat more heavily toward the South.







Economic Details for WIOA Allocation

Adult / Youth Allocation

	North #	South #	North %	South %	
(Both) Number of unemployed individuals in ASUs:	7,788	43,358	15.2%	84.8%	
(Both) Number of excess unemployed individuals:	2,376	13,111	15.3%	84.7%	
(Adult) Number of disadvantaged adults:	68,095	205,220	24.9%	75.1%	
(Youth) Number of disadvantaged youth:	13,865	36,795	27.4%	72.6%	
Adult Share:			18.5%	81.5%	
Youth Share:			19.3%	80.7%	

Dislocated Worker Allocation

	North #	South #	North %	South %
Relative level of first payments:	12,236	43,772	21.8%	78.2%
Relative level of final payments:	3,172	16,151	16.4%	83.6%
Dislocated Worker Share:			19.1%	80.9%





What Happens Next

- 1. WIOA Allocations have not been received from DOL.
- 2. Once WIOA Allocations are received, the distributions will be formally calculated and any stop-loss provisions will be applied.
- 3. Once the final allocations are determined, these will be distributed as normal to the boards.







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