The Workforce Investment Act (WIA) constitutes the largest federal funding source for workforce development activities. Its goal is to streamline and coordinate service delivery of multiple employment, education and training programs. Title I funding for adults and dislocated workers provides funding for “one-stop” career centers where employers and job seekers can access job preparation and job search activities, and a more limited number of job training opportunities. These funds are allocated through formula grants to states, with a mandatory pass-through to local areas. Nonprofit organizations can access funds by entering into agreements with local Workforce Investment Boards (WIBs) to provide core or intensive workforce services, either as “satellite one-stops,” or as part of a consortium of providers. Nonprofits may also become eligible training providers that participants can access through “individual training accounts” (ITAs).

### Elements of Integrated Service Delivery

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<th>Infrastructure</th>
<th>Core 1: Employment and Career Advancement</th>
<th>Core 2: Income Enhancements and Work Supports</th>
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<td>Job Training</td>
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<tr>
<td>Research &amp; Evaluation</td>
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### State and Nonprofit Examples

**The Job Center, Dayton, Ohio:** The WIA one-stop in Dayton, Ohio is the largest one-stop in the country. It was created with a “no wrong door” concept, meaning that clients have access to an array of services regardless of which service they seek out first. The Job Center integrates social services and workforce functions by providing core and intensive WIA services, access to case workers who can determine eligibility for cash assistance and means tested work supports, and links to medical and financial services. The Center is a public/private partnership and, after more than ten years, contains 47 organizations as well as the government-run WIA one-stop. The Job Center has been the subject of a number of research projects, including MDRC’s Work Advancement and Support Center demonstration project, whose purpose was to test whether combining job retention and advancement services with simplified access to financial supports would improve outcomes for low-income job seekers.
Instituto Del Progreso Latino, Chicago, Illinois: Instituto runs a Center for Working Families (CWF) that provides individualized case management, financial literacy and one-on-one financial coaching, tax preparation, income and work supports, and workforce training. Instituto is well-known in the community as a provider of citizenship, adult education and bridge training programs. Participants in each program are referred to others at the organization when appropriate. Instituto partners with organizations that provide financial literacy workshops, one-on-one financial coaching and free tax preparation. The CWF is funded through Chicago’s WIA Title I grant, which funds all aspects of the program, including individualized coaching and integrated services delivery. Supplemental funds come from Chicago’s Community Services and Community Development Block Grants, the Illinois Social Services Block Grant and private foundations. Instituto blends these funding streams and allocates them to different pieces of the CWF to ensure it meets the requirements of each federal program and targets the populations set forth in private grants. 4

Eligibility and Targeting

These programs are targeted towards:

- **Adults:** Individuals aged 18 and older. When funds are limited, adult programs must give priority to public assistance recipients and other low-income individuals.
- **Dislocated workers:** Individuals, who have lost their jobs, are dislocated as a result of plant closings or mass layoffs in industries that are unlikely to return, formerly self-employed individuals, and displaced homemakers who have been dependent on income of another family member.

WIA Title I funds are allocated to states and outlying areas through formula grants. 5 The largest difference between the formulas for the adult program and the dislocated worker program is that 20 percent of the dislocated worker program appropriation is reserved for the federally administered National Emergency Grant (NEG) program, dislocated worker demonstration projects and technical assistance (TA). NEG grants are competitive grants for states and outlying areas experiencing major economic dislocations which can be used for the same purposes as other dislocated worker funds, such as for the retraining or reemployment of dislocated workers affected by significant layoffs, adverse economic events or major disasters. Other differences between adult and dislocated work programs are outlined in the charts below.

**Federal Funding:** In Fiscal Year (FY) 2010, the adult program received $861.5 million. The dislocated worker program received $1.4 billion, of which $229 million was reserved for National Emergency Grants.

These programs also received funds through the Recovery Act enacted in 2009. $500 million was allocated to the adult program and $1.45 billion to the dislocated worker program.

**Type of Program:** Formula grants to states with a mandatory pass-through to local workforce investment areas.

**Agency with Jurisdiction:** U.S. Department of Labor (DOL), Employment and Training Administration.

**Non-Federal Funds:** No matching requirement or maintenance of effort funds required.
In addition, states that exceed set performance targets in Title I, Title II (Adult Education and Family Literacy Act) and Career and Technical Education (Perkins Act) receive WIA incentive grants. These grants can be used in the same way as formula funds, or “to support innovative workforce development and education activities.”

In Fiscal Year 2010, 10 states received a total of $9.7 million in incentive grants. Though these funds can be used for the same purposes as formula grants, because they are “extra” or not budgeted funds, they may be more available to community based organizations (CBOs) implementing integrated service delivery models.

**Services/Program Support**

Local area adult and dislocated worker funds support three categories of services, labeled as core, intensive and training services.

- **Core services** include outreach, job search and placement assistance, and labor market information. Core services are available to all jobseekers, often on a self-serve basis.

- **Intensive services** include more comprehensive assessments, development of individual employment plans and counseling, and career planning. Most components of the CWF model would be considered intensive services.

- **Training services** are targeted to unemployed individuals as well as low-income workers who require training to achieve self-sufficiency. In most cases, training must be provided through ITAs, which allow participants to select and attend their choice of training program from among eligible providers. One exception to the use of ITAs for training is when a training program is run by a private or community based organization that has demonstrated effectiveness in services to special populations with barriers to employment.

Grant amounts passed through to WIBs fund local plans and providers. Most frequently, these funds are expended by public agencies running one-stops, rather than by public or nonprofit groups providing training opportunities. Local WIBs also designate eligible training providers, who offer training to individuals using their ITAs to pay for program fees.

A nonprofit can receive WIA funding in a number of ways:

- Operating a full-fledged WIA one-stop center. Examples of nonprofits that have done this are Seedco in New York City and Instituto del Progreso Latino in Chicago;
- Operating a “satellite one-stop,” a center that provides a more limited set of services to job seekers;
- Providing core or intensive services by contract;
• Becoming an eligible training provider that can receive program reimbursement through ITAs; or
• Receiving a contract to provide a training program for a special population with barriers to employment.

Of these options, contract services are the best fit for organizations using the integrated service delivery approach, as they allow for a customized program that includes a more complete package of support services to be provided to the entire cohort of trainees. Some organizations who have received contracts have been able to hire case managers to serve training program participants.

The 15 percent set aside from state formula funds for both adults and dislocated workers, also called “state discretionary funding,” is a much more flexible funding source than local area pass-through funds. These funds are more flexible because they are not subject to performance standards or a required pass-through to local WIBs (although states may choose to allocate funds to WIBs). These features make state discretionary funding appropriate for the integrated service delivery providers. If a local WIB does not fund integrated service delivery, organizations can seek support from state departments overseeing WIA.

Program Limitations

WIA funds are quite limited relative to the number of individuals who could benefit from services, and they are mostly expended by public agencies to run one-stops or provide ITAs. Given this limited funding, in most cases where one-stops offer access to supportive services, they do so with private funding or through a partnership with a human services agency, rather than with WIA dollars.

CBOs may experience challenges in accessing funds, as the extent to which nonprofit organizations are able to enter into agreements to provide core or intensive services depends on the goals and outlook of state agencies and local WIBs. Some states are more open than others to allowing CBOs to operate satellite one-stops.

Title I of the Workforce Investment Act has built-in, performance standards based on labor market outcomes. Programs providing WIA services are not able to be certified without meeting these standards. This creates disincentives to serve less-educated and disadvantaged individuals because these individuals are less likely than higher-educated or higher-skilled individuals to achieve strong labor market outcomes. State discretionary funds are more flexible as they are not subject to performance standards, but these funds constitute only a small percentage of the total allocation for each state.

In order to receive ITA funding to train job seekers, a CBO must be designated as an “eligible provider” of workforce training. This can be a lengthy and administratively complex process that requires providers to demonstrate results through reporting outcomes for all participants in a training program.

State Allocations and Contacts

For state allocations of WIA Title I adult worker funds, see: http://www.doleta.gov/budget/docs/10adu$.pdf. For state allocations of WIA Title I dislocated worker funds, see: http://www.doleta.gov/budget/docs/10dw$.pdf.

A list of state WIA contacts can be found at: http://www.doleta.gov/usworkforce/statecon.cfm Eligible training providers by state can be found at: http://www.careeronestop.org/wiaprovidersearch.asp.


5 The relative number of unemployed individuals in areas of substantial unemployment in the State; the number of unemployed individuals (above 4.5 percent) in each state; and the relative number of disadvantaged adults in each state.


7 Ibid.