

1 **Combined Youth Program Funding**
2 **Discussion Paper**

3 **Background**

4 At the March 28, 2023, Texas Workforce Commission (TWC) meeting, TWC Chairman Bryan
5 Daniel directed staff to combine all current youth initiative funding line items into two line
6 items, Workforce Innovation and Opportunity Act (WIOA) and Temporary Assistance for Needy
7 Families (TANF). Through WIOA and TANF, TWC provides a variety of programs to support
8 youth. Although all the programs are successful, recent reviews have shown that demand for the
9 programs varies significantly from year to year. The fluctuating demand is difficult to forecast,
10 resulting in the underfunding of some programs while other programs receive excess funding.

11 **Issue**

12 Demand for the programs fluctuates because of the changing priorities of youth activity
13 organizations and public popularity, causing significant year-over-year variation in the number
14 of youth program applications. During the annual budget development process, staff will present
15 all youth programs funded by both WIOA and TANF, each under a single line item in the budget
16 planning document. Staff will continue to set individual amounts for each youth program. With a
17 single line item, staff will be allowed flexibility to move funds within the different youth
18 programs to address under- or over-budgeting. Staff will monitor individual program
19 expenditures and continue to optimize each program’s budget, and new initiatives for youth will
20 be incorporated into one of the two combined line items. The three-member Commission
21 (Commission) may approve a single combined line item for each funding source (WIOA and
22 TANF) that will be proposed in the budget planning document based on the total number of the
23 youth programs for that funding source.

24 **Decision Point**

25 Staff seeks direction on combining all current youth program funding into two single line items,
26 one for WIOA and one for TANF. This agenda item is presented for Commission consideration
27 and approval before the Fiscal Year 2024 (FY’24) budget development process begins. If
28 approved, the revised youth budget approach will be incorporated into the FY’24 budget
29 development process and included in the briefings.