



INDIANA
WORKFORCE
DEVELOPMENT
AND ITS **WorkOne** CENTERS

TO: Indiana's Workforce Investment System

FROM: Randy Gillespie
Chief Financial Officer 

DATE: June 17, 2013

SUBJECT: DWD Policy 2012-09
Program Year 2013 Workforce Investment Act (WIA) Adult, Youth, and
Dislocated Worker Formula Allocations

PURPOSE:

To announce the policy for distributing the Program Year 2013 Workforce Investment Act (WIA) Adult, Youth, and Dislocated Worker formula allocations received from the U.S. Department of Labor Employment and Training Administration, and to explain the policy for distribution of the funding to Indiana's local workforce investment boards. The program year runs from July 1, 2013 through June 30, 2014. The funding is split between federal FY2013 funds that become available on July 1, 2013 and Federal FY 2014 which become available on October 1, 2013. Obligations cannot be made against the October 1st allotment until that date.

RESCISSION:

None

CONTENT:

Before distributions are made of Indiana's WIA formula funds, the Indiana Department of Workforce Development, acting in its capacity as staff to the State Workforce Innovation Council, is required by the WIA to reserve funding at the state level and to development a schedule of allocations to the state's local workforce investment boards.

First, five (5) percent is withheld from the total of the State's allocation for statewide activities administration. Activities performed with these funds include, but are not limited to:

- Financial Grant Administration of both the State grant with USDOL and our subrecipients;
- Oversight of subrecipients and program activities;
- Providing technical assistance to local areas for failing standards;

Michael R. Pence, *Governor*
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- Disseminating the State list of eligible training providers, information identifying eligible providers of on-the-job training and customized training, and performance information and program cost of such providers;
- Publishing a list of Youth providers;
- Assisting in establishment and operation of the one-stop system;
- Providing additional assistance to local areas with high concentrations of youth; and
- Operating a fiscal and management accountability information system.

Second, DWD reserved five (5) percent of the total available Dislocated Worker funding for statewide Rapid Response activities. Due to the reduced July allocation, DWD applied the total five percent to the October allocation. Mandatory Rapid Response activities are explained in the WIA, section 134(a)(2)(A) and include:

- Providing Rapid Response activities in local areas by the state or an entity designated by the state, in coordination with the local boards and chief elected officials in the local areas; and
- Providing additional assistance in the local areas that experience disasters, mass layoffs or plant closings, or other events that increase the numbers of unemployed individuals.

WIA Adult, Youth, and Dislocated Worker Formula Allocations to Indiana's Workforce Investment Boards

The calculations used to formula allocate the WIA funds to the local Workforce Investment Boards are as follows.

Adult Formula Allocations

The state followed Section 133(b)(2)(A)(i) and TEGL 21-12 to formula allocate funding for Adult activities. The following data are used in computing the allotments:

1. The number of unemployed for Areas of Substantial Unemployment (ASUs) averages for the 12-month period, July 2011 through June 2012, as provided by the Bureau of Labor Statistics;
2. The number of excess unemployed individuals or the ASU excess (depending on which is higher), averages for the same 12-month period as used for the ASU unemployed data; and
3. The number of economically disadvantaged adults (age 22 to 72, excluding college students in the workforce and military) from special tabulations of data from the American Community Survey (ACS), using data collected between January 1, 2006 and December 31, 2010.

Also, the State applies the 90% hold harmless provision contained in WIA, section 133(b)(2)(A)(ii). The hold harmless provision guarantees a local area will not received an allocation percentage for a fiscal year that is less than 90 percent of the local area average share for the two preceding fiscal years.

The following are important facts concerning the WIA Adult allocation:

- The allocations are available for obligation beginning July 1, 2013 or October 1, 2013 as indicated. (20 CFR Part 667.100);
- WIA Adult cost limitations are allocation-based;
- Funds must be, at a minimum 80% obligated at the end of the program year in which the funds were formula allocated – June 30, 2014 for Program year 2013 WIA allocations. (WIA section 133(c));
- Funds must be 100% expended by the end of the program year succeeding the program year in which the funds were formula allocated or be returned to the state – June 30, 2015 for Program Year 2013 WIA allocations. (20CFR Part 667.107(b)(2));
- Local Administration is limited to a maximum of 10 percent (WIA section 128(b)(4) and 20CFR Part 667.210);
- Workforce Investment Boards cannot transfer funds to or from the WIA Youth program (WIA section 133(b)(4));
- A Workforce Investment Board may transfer up to 50% of the Program Year 2013 Adult allocation and up to 50% of the Program Year 2013 Dislocated Worker allocation between the two programs. Approval must be provided before making any such transfer (WIA section 133(b)(4));
- 70% of program and administrative allocation including the transfer activities must be expended in the first year.

Youth Formula Allocations

The state followed Section 128(b)(2)(A)(i) and TEG 21-12 to formula allocate funding for Youth activities. The following data are used in computing the allotments:

1. The number of unemployed for Areas of Substantial Unemployment (ASUs) averages for the 12-month period, July 2011 through June 2012, as provided by the Bureau of Labor Statistics;
2. The number of excess unemployed individuals or the ASU excess (depending on which is higher), averages for the same 12-month period as used for the ASU unemployed data; and
3. The number of economically disadvantaged youth (age 16 to 21, excluding college students in the workforce and military) from special tabulations of data from the American Community Survey (ACS), using data collected between January 1, 2006 and December 31, 2010.

Also, the State applies the 90% hold harmless provision contained in WIA, section 128(b)(2)(A)(ii). The hold harmless provision guarantees a local area will not receive an allocation percentage for a fiscal year that is less than 90 percent of the local area average share for the two preceding fiscal years.

The following are important facts concerning the WIA Youth allocation:

- The allocations are available for obligation beginning July 1, 2013 or October 1, 2013 as indicated. (20 CFR Part 667.100);
- WIA Youth cost limitations are allocation-based;
- Funds must be, at a minimum 80% obligated at the end of the program year in which the funds were formula allocated – June 30, 2014 for Program year 2013 WIA allocations. (WIA section 128(c));
- Funds must be 100% expended by the end of the program year succeeding the program year in which the funds were formula allocated or be returned to the state – June 30, 2015 for Program Year 2013 WIA allocations. (20CFR Part 667.107(b)(2));
- Local Administration is limited to a maximum of 10 percent (WIA section 128(b)(4) and 20CFR Part 667.210);
- Workforce Investment Boards cannot transfer funds to or from the WIA Youth program (WIA section 133(b)(4));
- 70% of program and administrative allocation including the transfer activities must be expended in the first year.

Dislocated Worker Formula Allocations

The state followed Section 133(b)(2)(A)(i) and TEG 21-12 to formula allocate funding for Dislocated Worker activities. The following data are used in computing the allotments:

Allocation Factor	Data Source & Time Period	Weight
Insured Unemployment Data	Annual report of unemployment compensation claimants – unemployment insurance data for Calendar Year 2012	30%
Unemployment Concentration Data	Labor force for counties report – labor market information for Program Year 2012	30%
Plant Closing & Mass Layoff Data	Plant closure/mass layoff report – WARN Notices for Calendar Year 2012	15%
Declining Industries Data	County employment patterns report – labor market information for Calendar Year 2012	10%
Farmer/Rancher Economic Hardship Data	Census of Agriculture – county data for Calendar Year 2011	2%
Long-term Unemployment Data	Annual report of unemployment compensation claimants with 15 or more weeks claimed – unemployment insurance data for Calendar Year 2012	13%

Also, the State applies the 90% hold harmless provision contained in WIA, section 133(b)(2)(A)(ii). The hold harmless provision guarantees a local area will not received an allocation percentage for a fiscal year that is less than 90 percent of the local area average share for the two preceding fiscal years.

The following are important facts concerning the WIA Dislocated Worker allocation:

- The allocations are available for obligation beginning July 1, 2013 or October 1, 2013 as indicated. (20 CFR Part 667.100);
- WIA Dislocated Worker cost limitations are allocation-based;
- Funds must be, at a minimum 80% obligated at the end of the program year in which the funds were formula allocated – June 30, 2014 for Program year 2013 WIA allocations. (WIA section 133(c));
- Funds must be 100% expended by the end of the program year succeeding the program year in which the funds were formula allocated or be returned to the state – June 30, 2015 for Program Year 2013 WIA allocations. (20CFR Part 667.107(b)(2));
- Local Administration is limited to a maximum of 10 percent (WIA section 128(b)(4) and 20CFR Part 667.210);
- Workforce Investment Boards cannot transfer funds to or from the WIA Youth program (WIA section 133(b)(4));
- A Workforce Investment Board may transfer up to 50% of the Program Year 2013 Adult allocation and up to 50% of the Program Year 2013 Dislocated Worker allocation between the two programs. Approval must be provided before making any such transfer (WIA section 133(b)(4));
- 70% of program and administrative allocation including the transfer activities must be expended in the first year.

Effective Date:

July 1, 2013

Ending Date:

June 30, 2015

Ownership:

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Action:

Workforce Investment Board administrators shall distribute the information contained in this communication to appropriate staff.

Attachment:

Workforce Investment Act Program Year 2013 Allocations

ATTACHMENT 1-A

Workforce Investment Act Program Year 2013 Allocations

<i>FINAL 2013 Allocations per TEGL 25-12</i>	Adult	Youth	DW	Total
State Allotments	\$14,353,354	\$15,696,820	\$19,210,950	\$49,261,124
>State Admin	\$ 717,667	\$ 784,841	\$ 960,547	\$ 2,463,055
>Rapid Response (5%)	\$ -	\$ -	\$ 960,548	\$ 960,548
>Amount to be allocated to the workforce investment boards	<u>\$13,635,687</u>	<u>\$14,911,979</u>	<u>\$17,289,855</u>	<u>\$45,837,521</u>
Workforce Investment Boards				
Marion County	\$ 2,236,637	\$ 2,334,159	\$ 3,229,572	\$ 7,800,368
Region 01	\$ 1,916,782	\$ 1,970,162	\$ 2,093,103	\$ 5,980,047
Region 02	\$ 1,386,930	\$ 1,558,120	\$ 1,956,266	\$ 4,901,316
Region 03	\$ 1,553,428	\$ 1,700,160	\$ 2,227,652	\$ 5,481,240
Region 04	\$ 1,004,987	\$ 1,264,756	\$ 1,242,738	\$ 3,512,481
Region 05	\$ 1,462,122	\$ 1,501,616	\$ 1,932,508	\$ 4,896,246
Region 06	\$ 855,158	\$ 1,001,226	\$ 1,002,416	\$ 2,858,800
Region 07	\$ 625,712	\$ 681,759	\$ 538,982	\$ 1,846,453
Region 08	\$ 640,117	\$ 862,884	\$ 660,835	\$ 2,163,836
Region 09	\$ 619,859	\$ 639,122	\$ 841,456	\$ 2,100,437
Region 10	\$ 563,833	\$ 559,954	\$ 533,354	\$ 1,657,141
Region 11	\$ 770,122	\$ 838,061	\$ 1,030,976	\$ 2,639,159
Total	<u>\$13,635,687</u>	<u>\$14,911,979</u>	<u>\$17,289,855</u>	<u>\$45,837,521</u>

ATTACHMENT 1-B

Workforce Investment Act Program Year 2013 July1, 2013 Allocations

<i>July 2013 Final Allocation</i>	Adult	Youth	DW	Total
State Allotments	\$ 433,962	\$15,696,820	\$ 1,940,989	\$18,071,771
>State Admin	\$ 21,698	\$ 784,841	\$ 97,049	\$ 903,588
>Rapid Response (5%)	\$ -	\$ -	\$ -	\$ -
>Amount to be allocated to the workforce investment boards	<u>\$ 412,264</u>	<u>\$14,911,979</u>	<u>\$ 1,843,940</u>	<u>\$17,168,183</u>
Workforce Investment Boards				
Marion County	\$ 67,623	\$ 2,334,159	\$ 344,430	\$ 2,746,212
Region 01	\$ 57,952	\$ 1,970,162	\$ 223,227	\$ 2,251,341
Region 02	\$ 41,933	\$ 1,558,120	\$ 208,633	\$ 1,808,686
Region 03	\$ 46,967	\$ 1,700,160	\$ 237,576	\$ 1,984,703
Region 04	\$ 30,385	\$ 1,264,756	\$ 132,537	\$ 1,427,678
Region 05	\$ 44,206	\$ 1,501,616	\$ 206,099	\$ 1,751,921
Region 06	\$ 25,855	\$ 1,001,226	\$ 106,906	\$ 1,133,987
Region 07	\$ 18,918	\$ 681,759	\$ 57,482	\$ 758,159
Region 08	\$ 19,353	\$ 862,884	\$ 70,477	\$ 952,714
Region 09	\$ 18,741	\$ 639,122	\$ 89,740	\$ 747,603
Region 10	\$ 17,047	\$ 559,954	\$ 56,881	\$ 633,882
Region 11	\$ 23,284	\$ 838,061	\$ 109,952	\$ 971,297
Total	<u>\$ 412,264</u>	<u>\$14,911,979</u>	<u>\$ 1,843,940</u>	<u>\$17,168,183</u>

ATTACHMENT 1-C

Workforce Investment Act Program Year 2013 October 1, 2013 Allocations

<i>Oct 2013 Final Allocation</i>	Adult	Youth	DW	Total
State Allotments	\$13,919,392	\$ -	\$17,269,961	\$31,189,353
>State Admin	\$ 695,969	\$ -	\$ 863,498	\$ 1,559,467
>Rapid Response (5%)	\$ -	\$ -	\$ 960,548	\$ 960,548
>Amount to be allocated to the workforce investment boards	\$13,223,423	\$ -	\$15,445,915	\$28,669,338
Workforce Investment Boards				
Marion County	\$ 2,169,014	\$ -	\$ 2,885,142	\$ 5,054,156
Region 01	\$ 1,858,830	\$ -	\$ 1,869,876	\$ 3,728,706
Region 02	\$ 1,344,997	\$ -	\$ 1,747,633	\$ 3,092,630
Region 03	\$ 1,506,461	\$ -	\$ 1,990,076	\$ 3,496,537
Region 04	\$ 974,602	\$ -	\$ 1,110,201	\$ 2,084,803
Region 05	\$ 1,417,916	\$ -	\$ 1,726,409	\$ 3,144,325
Region 06	\$ 829,303	\$ -	\$ 895,510	\$ 1,724,813
Region 07	\$ 606,794	\$ -	\$ 481,500	\$ 1,088,294
Region 08	\$ 620,764	\$ -	\$ 590,358	\$ 1,211,122
Region 09	\$ 601,118	\$ -	\$ 751,716	\$ 1,352,834
Region 10	\$ 546,786	\$ -	\$ 476,473	\$ 1,023,259
Region 11	\$ 746,838	\$ -	\$ 921,024	\$ 1,667,862
Total	\$13,223,423	\$ -	\$15,445,915	\$28,669,338