
To: Indiana's Workforce System

From: Indiana Department of Workforce Development (DWD)

Date: June 3, 2025

Subject: DWD Memorandum 2024-14
PY 2025 Workforce Innovation and Opportunity Act Formula Allocations

PURPOSE

To outline the methods and factors used by the Department of Workforce Development (DWD) to distribute Workforce Innovation and Opportunity Act (WIOA) allocations to local workforce development areas and to provide WIOA allocation amounts for each region for Adult, Dislocated Worker, and Youth programs.

REFERENCES

- WIOA Sections 127, 128, 129, 132, 133, 134, and 182
- 20 CFR Sections 683.120 and 683.205
- TEGL 11-24: *Workforce Innovation and Opportunity Act Adult, Dislocated Worker, and Youth Activities Program Allotments for Program Year (PY) 2025; PY 2025 Allotments for the Wagner-Peyser Act Employment Service Program; and PY 2025 Allotments of Workforce Information Grants to States and Outlying Areas*¹

CONTENT

WIOA requires the Governor of each state to distribute employment and training formula funds to local workforce development boards (LWDBs) and chief elected officials (CEOs) who have responsibility for oversight and management of these funds. In Indiana, the DWD is the agency designated by statute to receive these federal allocations, distribute them to LWDBs, and to then monitor the LWDBs to ensure their use of the federal funds complies with federal and state law. The process by which DWD distributes these funds to LWDBs for the Adult, Dislocated Worker, and Youth programs is outlined below.

The U.S. Department of Labor (USDOL) announced Program Year 2025 (PY 2025) WIOA Allotments to states and territories on May 20, 2025, via TEGL 11-24. Indiana's PY 2025 federal allocation is \$41,339,168, which represents a 4.95% increase from PY 2024. LWDBs will find a summary of the USDOL allotments to Indiana and their PY 2025 allocations in **Attachment A**.

Formula Methodology

DWD receives funding from the USDOL for WIOA Adult, Dislocated Worker, and Youth programs based on a statutorily prescribed formula for each of the programs. Then, DWD

¹ <https://www.dol.gov/agencies/eta/advisories/tegl-no-11-24>

uses the sub-state allocation methodology outlined in TEGL 11-24 to make allocations to LWDBs.

Consistent with Sections 127, 128, 132, and 133 of WIOA, and as outlined in 20 CFR 683.205, the State is permitted to hold back or reserve certain percentages of allocated funds to support state administration, Rapid Response activities, and other mandatory statewide workforce education and training activities. TEGL 11-24 reiterates the reserve limitations for PY 2025. Reserve amounts and funding sources are as follows:

- State administration
 - 5% of Adult funds
 - 5% of Dislocated Worker funds
 - 5% of Youth funds
- Rapid Response
 - 5% of Dislocated Worker funds
- Mandatory statewide workforce education and training activities
 - 10% of Adult funds
 - 10% of Dislocated Worker funds
 - 10% of Youth funds

Additionally, states must establish and use a minimum percentage (or stop loss) to ensure that no local area receives a total allocation percentage that is less than 90% of the average allocation *percentage* received by the local area for the previous two years. An allocation percentage is the local area's share or percentage of funds allocated to all local areas. States must not use 90% of the average *amount* allocated to the local area for the last two years. States must obtain amounts necessary to increase allocations to local areas to comply with the minimum percentage requirement by proportionately reducing the allocations to be made to other local areas.²

Adult Formula

Adult funds are to be distributed according to the following formula:³

- 33 1/3% based on the number of unemployed individuals in Areas of Substantial Unemployment (ASUs) in each local area compared to the total number of unemployed individuals in ASUs in all local areas in the state. For this factor, the timeframe for comparison is the 12-month period immediately preceding the new program year;
- 33 1/3% based on the relative excess number of unemployed individuals in each local area compared to the total excess number of unemployed individuals in all local areas in the state. For this factor, the timeframe for comparison is the 12-month period immediately preceding the new program year.
 - The term “excess number” means, used with respect to the excess number of unemployed individuals within a local area, the higher of:

² WIOA Sec. 128.

³ The state follows WIOA Sec. 133(b)(2)(A)(i) and TEGL 11-24 to formula allocate funding for adult activities.

- The number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the local area; or
- The number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in ASUs in such local area; and
- 33 1/3% based on the number of economically disadvantaged adults (aged 22-72, excluding college students not in the workforce and military) in each local area, compared to the total number of disadvantaged adults in all local areas in the state. The Census Bureau collected the data used in the special tabulations for disadvantaged adults between January 1, 2016, and December 31, 2020.

Youth Formula

Youth funds are distributed according to the following formula:⁴

- 33 1/3% based on the number of unemployed individuals in ASUs in each local area compared to the total number of unemployed individuals in ASUs in all local areas in the state. For this factor, the timeframe for comparison is the 12-month period immediately preceding new program year;
- 33 1/3% based on the relative excess number of unemployed individuals in each local area compared to the total excess number of unemployed individuals in all local areas in the state. For this factor, the timeframe for comparison is the 12-month period immediately preceding the new program year.
 - The term “excess number” means, used with respect to the excess number of unemployed individuals within a local area, the higher of:
 - The number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the local area; or
 - The number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in ASUs in such local area; and
- 33 1/3% based on the relative number of economically disadvantaged youth (age 16 to 21, excluding college students not in the workforce and military), in each local area, compared to the total number of disadvantaged youth in all local areas in the state. This information is collected from special tabulation data available from the American Community Survey (ACS). The Census Bureau collected the data used in the special tabulations for disadvantaged youth between January 1, 2016, and December 31, 2020.

Dislocated Worker Formula

Governors prescribe the Dislocated Worker formula for sub-state allocations. Indiana's Dislocated Worker funds are to be distributed according to the following formula:⁵

- Insured Unemployment Data for the preceding Calendar Year (30% weight);
- Unemployed Concentration Data for the preceding Program Year (30% weight);
- Plant Closing and Mass Layoff Data for the preceding Calendar Year (15% weight);

⁴ The state follows section 128(b)(2)(A)(i) and TEGl 11-24 to formula allocate funding for youth activities.

⁵ The state follows WIOA Sec. 133(b)(2)(B)(i) and TEGl 11-24 to formula allocate funding for Dislocated Worker activities.

- Declining Industries Data for the preceding Calendar Year (10% weight);
- Farmer/Rancher Economic Hardship Data for the preceding Calendar Year (2% weight); and
- Long-term Unemployment Data for the preceding Calendar Year (13% weight).

Dislocated Worker formula weights are included in the WIOA State Plan and are consistent with TEGL 11-24.

Timing of Funding Availability

Consistent with Section 182(e) of WIOA, sub-state allocations must be made available no later than 30 days after the date the funds are made available to the state, or 7 days after the date the local plan for the area is approved, whichever is later.

Transfer Authority

WIOA provides that a local area must seek the approval of the Governor/designee to transfer funds between Adult Activities and Dislocated Worker Activities. Indiana is providing blanket approval for LWDBs to transfer up to 100% of PY 2025 Adult and Dislocated Worker funds at their discretion if the funds to be transferred have not already been drawn down or expended. LWDBs remain responsible for meeting negotiated performance measures regardless of fund transfers. TEGL 11-24 specifies that no funds may be transferred to or from the WIOA Youth program.

ATTACHMENTS

Attachment A – Summary of USDOL allotments to Indiana and PY 2025 WIOA Formula Allocations

ADDITIONAL INFORMATION

Questions regarding the content of this publication should be directed to policy@dwd.in.gov.

ATTACHMENT A

Summary of USDOL Allotments to Indiana

USDOL Allotments to Indiana for WIOA Programs								
PY	Adult	PY Chg	Dislocated Worker	PY Chg	Youth	PY Chg	Total	PY Chg
2025	\$14,202,901	12.67%	\$11,115,373	-10.02%	\$16,020,894	11.02%	\$ 41,339,168	4.95%
2024	\$12,605,374	-2.70%	\$12,352,607	-1.17%	\$14,430,689	2.39%	\$ 39,388,670	-0.40%
2023	\$12,955,282	-8.41%	\$12,498,913	-8.29%	\$14,093,876	-8.57%	\$ 39,548,071	-8.43%
2022	\$14,145,314	-9.27%	\$13,628,787	-8.92%	\$15,415,332	-8.99%	\$ 43,189,433	-9.06%
2021	\$15,591,116	29.42%	\$14,963,227	12.11%	\$16,938,860	27.92%	\$ 47,493,203	22.92%

PY 2025 WIOA Formula Allocations (TOTAL)

2025 WIOA Allocations	Adult	Youth	DW	Total
State Allotments	\$ 14,202,901	\$ 16,020,894	\$ 11,115,373	\$ 41,339,168
State Admin	710,145	801,045	555,769	2,066,959
Discretionary	1,420,290	1,602,089	1,111,537	4,133,916
Rapid Response	-	-	555,769	555,769
Total Allocated to WDB's	\$ 12,072,466	\$ 13,617,760	\$ 8,892,298	\$ 34,582,524
Workforce Development Boards				
Region 01	\$ 4,705,141	\$ 5,282,312	\$ 1,015,367	\$ 11,002,821
Region 02	769,245	869,262	987,547	2,626,055
Region 03	837,443	942,717	816,013	2,596,172
Region 04	628,577	813,450	653,165	2,095,192
Region 05	902,893	938,355	1,126,257	2,967,506
Region 06	545,506	637,570	404,155	1,587,231
Region 07	464,790	528,805	571,541	1,565,135
Region 08	489,708	606,467	302,640	1,398,815
Region 09	430,190	457,829	286,634	1,174,654
Region 10	408,906	429,640	564,262	1,402,809
Region 11	521,555	576,916	396,484	1,494,955
Region 12	1,368,511	1,534,436	1,768,233	4,671,180
Total	\$ 12,072,466	\$ 13,617,760	\$ 8,892,298	\$ 34,582,524

PY 2025 WIOA Formula Allocations (JULY)

July 2025 Allocation	Adult	Youth	DW	Total
State Allotments	\$ 2,764,092	\$ 16,020,894	\$ 2,372,575	\$ 21,157,561
State Admin	142,030	801,045	122,269	1,065,344
Discretionary	284,058	1,602,089	244,538	2,130,685
Rapid Response	-	-	122,269	122,269
Total Allocated to WDB's	\$ 2,338,004	\$ 13,617,760	\$ 1,883,499	\$ 17,839,263
Workforce Development Boards				
Region 01	\$ 911,217	\$ 5,282,312	\$ 215,067	\$ 6,408,596
Region 02	148,975	869,262	209,175	1,227,412
Region 03	162,183	942,717	172,842	1,277,742
Region 04	121,733	813,450	138,348	1,073,531
Region 05	174,858	938,355	238,555	1,351,768
Region 06	105,645	637,570	85,605	828,820
Region 07	90,013	528,805	121,059	739,877
Region 08	94,839	606,467	64,104	765,410
Region 09	83,312	457,829	60,713	601,854
Region 10	79,191	429,640	119,518	628,349
Region 11	101,006	576,916	83,980	761,902
Region 12	265,032	1,534,436	374,533	2,174,001
Total	\$ 2,338,004	\$ 13,617,760	\$ 1,883,499	\$ 17,839,263

PY 2025 WIOA Formula Allocations (OCTOBER)

October 2025 Allocation	Adult	Youth	DW	Total
State Allotments	\$ 11,438,809	\$ -	\$ 8,742,798	\$ 20,181,607
State Admin	568,115	-	433,500	1,001,615
Discretionary	1,136,232	-	866,999	2,003,231
Rapid Response	-	-	433,500	433,500
Total Allocated to WDB's	\$ 9,734,462	\$ -	\$ 7,008,799	\$ 16,743,261
Workforce Development Boards				
Region 01	\$ 3,793,924	\$ -	\$ 800,300	\$ 4,594,224
Region 02	620,270	-	778,372	1,398,642
Region 03	675,260	-	643,171	1,318,430
Region 04	506,844	-	514,817	1,021,661
Region 05	728,035	-	887,702	1,615,738
Region 06	439,861	-	318,550	758,411
Region 07	374,777	-	450,482	825,259
Region 08	394,869	-	238,536	633,405
Region 09	346,878	-	225,921	572,800
Region 10	329,715	-	444,744	774,460
Region 11	420,549	-	312,504	733,053
Region 12	1,103,479	-	1,393,700	2,497,179
Total	\$ 9,734,462	\$ -	\$ 7,008,799	\$ 16,743,261