

To: Indiana’s Workforce System

From: Indiana Department of Workforce Development (DWD)

Date: April 2, 2024

Subject: DWD Policy 2023-14
Identification of Regions and Designation of Local Areas under the Workforce Innovation and Opportunity Act (WIOA)

Purpose

This policy establishes the process for the identification of regions and designation of Local Workforce Development Areas (referred to as LWDAs or local areas in this guidance), as well as the procedures for non-designation, in alignment with WIOA and the strategy outlined in Indiana’s WIOA State Plan.

Rescission

DWD Policy 2017-11 *Regional Designations under WIOA*

References

- WIOA Sec. 106
- 20 CFR 679.200-290 and 679.510.
- TEGL 27-14 *Workforce Innovation and Opportunity Act Transition Authority for Immediate Implementation of Governance Provisions*
- Indiana WIOA State Plan (prior and current versions)
- DWD Policy 2019-02, Change 3 *Local Workforce Development Boards and Chief Elected Officials*

Content

Background

WIOA requires states to designate local areas, which serve as a jurisdiction for the administration of workforce development activities and execution of adult, dislocated worker, and youth funds allocated by the state. Within local areas, Local Workforce Development Boards (local WDBs) oversee strategic planning, operational alignment, and service delivery design. Partners within local areas align resources at a sub-state level to design and implement overall service delivery strategies.¹ Each local area exists within an identified region. WIOA regions align workforce development activities and resources with larger regional economic development areas and available resources to provide coordinated and efficient services to both job seekers and employers.²

¹ 20 CFR 679.220(a).

² 20 CFR 679.200.

Note: Indiana's structure consists of twelve (12) regions and twelve (12) local areas, which are aligned in geographic composition, with "Region" and "Local Area" or "LWDA" used interchangeably when referencing either.

The Governor assigns local areas to a region prior to the submission of the State Unified or Combined Plan in order for the state to receive WIOA Title I adult, dislocated worker, and youth allotments. This policy outlines Indiana's prior, current, and subsequent region and local area designation processes, including non-designation.

Indiana's Identification of Regions and Designation of Local Areas

Indiana's local areas received initial designation approval from the Governor to maintain current local area designations during WIOA implementation in 2015 following written requests for designation pursuant to WIOA Sec. 106(b)(2) and TEGL 27-14.³

In determining current local area and regional designations under WIOA, the State took part in a taskforce of the Indiana Career Council, which was focused on assessing system alignment. This taskforce thoroughly reviewed and discussed the workforce development board areas to determine if the twelve (12) areas should be modified. After several meetings, which included input from local WDBs, the recommendation of the taskforce was to have the standing Workforce Investment Act (WIA) local areas remain intact.

For initial designation, all twelve (12) of the existing local areas met the required criteria for performing successfully and sustaining fiscal integrity.⁴

- **Performing successfully** means the local area met or exceeded its local WIOA negotiated levels of performance, and the local area has not failed any individual measure for the last two (2) consecutive program years.⁵
- **Sustaining fiscal integrity** means that the Secretary of Labor has not made a formal determination, during either of the last two (2) consecutive years preceding the determination regarding such integrity, that either the grant recipient or the administrative entity of the area misexpended funds to willful disregard of the requirements of the provision involved, gross negligence, or failure to comply with accepted standards of administration.⁶

Indiana verified, and continues to verify on an ongoing basis, these requirements through data reporting and monitoring efforts. Indiana has continued this structure through the state and local planning process, aligning its twelve (12) local areas with its twelve (12) WIOA regions. Since initial designations were approved, there have been no requests to retract or change designation status, and thus, the local areas and Chief Elected Officials (CEOs) are considered to have requested continued designation pursuant to 20 CFR 679.250(e).

³ Indiana PY 2016-2017 WIOA State Plan.

⁴ 20 CFR 679.250-260.

⁵ 20 CFR 679.260.

⁶ WIOA Sec. 106(e)(2).

Types and Identification of Regions

Types of Regions

WIOA regions must consist of:⁷

- (1) One local area;
- (2) Two or more contiguous local areas in a single state; or
- (3) Two or more contiguous local areas in two or more states.

Note: Planning regions are those regions described in (2) or (3) above. Planning regions are subject to the regional planning requirements in WIOA Sec. 106(c)(1) and 20 CFR 679.510.

Identification of Regions

When identifying regions, consideration must be given regarding the extent to which the local areas in a region:⁸

- Share a single labor market;
- Share a common economic development area; and
- Possess the federal and non-federal resources, including appropriate education and training institutions, to administer WIOA activities.

In addition to the required criteria above, consideration may also be given to:

- Population centers;
- Commuting patterns;
- Land ownership;
- Industrial composition;
- Location quotients;
- Labor force conditions;
- Geographic boundaries; and
- Additional factors as determined by the Secretary of Labor.

Criteria for Designation of Local Areas

When designating local areas, the Governor will consult with the State WDB, DWD, the Chief Elected Officials (CEOs), and affected local WDBs. The process will include a public comment period before approval of a local area designation.⁹

Criteria for Initial Designation

If the chief elected official and local WDB in a local area submit a request for initial designation, the Governor must approve the request if, for the two (2) program years preceding the date of enactment of WIOA, the following criteria are met:¹⁰

⁷ 20 CFR 679.210(d)

⁸ 20 CFR 679.210(b)(2)

⁹ 20 CFR 679.230

¹⁰ 20 CFR 679.250

- The local area was designated as a local area for purposes of WIA;
- The local area performed successfully; and
- The local area sustained fiscal integrity.

New Requests for Designation

Designation or redesignation will take into consideration the extent to which the proposed area:¹¹

- Is consistent with the labor market;
- Is consistent with regional economic development within the state; and
- Has available federal and non-federal resources necessary to effectively administer activities and provisions required by WIOA, including whether the areas have the appropriate education and training providers, such as institutions of higher education and area career and technical education schools.

The Governor may approve a request at any time for designation as a workforce development area from any unit of general local government, including a combination of such units, if the State WDB determines that the area meets applicable designation requirements and recommends designation. Regardless of whether a local area has been newly designated or designated via initial or subsequent designation, the Governor may redesignate a local area if the redesignation has been requested by a local area and the Governor approves the request.

Subsequent Requests for Designation

The Governor may review a designated local area at any time to evaluate whether the area continues to meet the requirements for subsequent designation under that paragraph. After initial designations, if the chief elected official and local WDB submits a request for subsequent designation, the Governor must approve the request if the following criteria are met for the two (2) most recent program years of initial designation:¹²

- The local area performed successfully;
- The local area sustained fiscal integrity; and
- In the case of a local area in a planning region, the local area met the regional planning requirements described in WIOA Sec. 106(c)(1).

Regarding subsequent designation, as part of the local board certification process that takes place every two (2) years, *DWD's Local Workforce Development Boards and Chief Elected Officials* policy requires local areas to assure that they have performed successfully and have sustained fiscal integrity for the preceding two (2) program years. These assurances are also reviewed as part of the state and local planning processes.

For purposes of subsequent designation, the local area and chief elected official must be considered to have requested continued designation unless the local area and chief elected official notify the Governor that they no longer seek designation.

¹¹ 20 CFR 679.250(a).

¹² 20 CFR 679.250(b).

Appeals

In alignment with WIOA Sec. 106(b)(5), a denied request for local area designation by the State WDB may be appealed. An appeal must be submitted in writing to policy@dwd.in.gov within thirty (30) days of the denial and must include the reason for appeal, all material originally submitted for consideration, and any additional relevant material responding to the denial from the State WDB.

In the event of a hearing, it will be scheduled within sixty (60) days of receipt of the appeal. If a decision on the appeal for designation has not been rendered in ninety (90) days (from receipt of appeal) or if designation is denied, the requesting entity may request review by the Secretary of Labor. The Secretary may require that the area be designated as a workforce development area if the Secretary determines that the entity was not accorded procedural rights under the State appeals process, or if the area meets the designation requirements.

Effective Date

Immediately

Ending Date

Upon rescission.

Additional Information

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