

**REPORT ON THE WORKFORCE INNOVATION AND OPPORTUNITY ACT
PROGRAM FUNDING AVAILABILITY AND TRAINING EXPENDITURES
BY LOCAL WORKFORCE DEVELOPMENT AREA
FOR THE STATE FISCAL YEAR ENDED JUNE 30, 2025**

I. Introduction

Section 14211 of the California Unemployment Insurance Code (CUIC) requires the Director of the Employment Development Department (EDD) to provide an annual report of federal Workforce Innovation and Opportunity Act (WIOA) training expenditures to the Governor, Legislature, and the California Workforce Development Board by November 30 of each year. The report must identify the training and supportive services expenditures incurred and reported by each of the Local Workforce Development Areas (Local Area). It must also include the total amount of WIOA funding provided to the state and to each Local Area for the adult and dislocated worker programs, and the amount of these federal funds expended for training services. The report must also include, for each Local Area, the total amount of leverage funds utilized as training-expenditure allowances to meet the expenditure requirement. The report shall specify the share of leveraged funds that were expended on both training and supportive services for each Local Area.

The expenditures shown on the report are for Program Year (PY) 2023-24 as of June 30, 2025. Expenditures identified for training include, but are not limited to: the payments for classroom instruction or training, contracted services for customized training, on-the-job training, and development of training materials. Leveraged funds that may be applied toward the allowances to meet the expenditure requirement include, but are not limited to: Federal Pell Grants established under Title IV of the federal Higher Education Act of 1965, programs authorized by WIOA, Trade adjustment assistance, Employment Training Panel grants, and supportive services as defined by WIOA.

II. Workforce Innovation and Opportunity Act Systems Overview

The federal WIOA of 2014 offers a comprehensive range of workforce development activities and services for adults and dislocated workers through statewide and local organizations. Available workforce development activities and trainings provided in local communities benefit job seekers, laid-off workers, incumbent workers, new entrants to the workforce, veterans, persons with disabilities, and employers. The purpose of these activities is to promote an increase in the participants' occupational skills that improve employment opportunities, job retention, and earnings.

Federal law requires that 85 percent of a state's WIOA Adult funding and 60 percent of Dislocated Worker funding be allocated to the Local Areas for PY 23-24. The funding is allocated to each Local Area by statutory formula and is therefore

referred to as “formula funds.” The formula funds allocated to Local Areas are used to finance the operations of America’s Job Center of CaliforniaSM where individuals can access the above described program services.

During PY 23-24, 45 Local Areas were designated by the Governor that provided WIOA services. These Local Areas received WIOA funds that were used to operate America’s Job Center of California sites where WIOA services and training were provided using a variety of strategies to offer appropriate services that best meet their customers’ needs.

The WIOA law and regulations divide services into six categories. These categories are listed below.

1. Basic Career Services

These basic but fundamental services are available to all customers, providing eligibility determination, labor market information, initial assessment of skill levels, and job search and job placement assistance.

2. Individualized Career Services

These staff-assisted services are available, if determined appropriate, for the individual to obtain or retain employment. These services include, but are not limited to: job counseling, résumé writing, interviewing skills, advanced skill assessments, and development of an individual employment plan.

3. Follow-Up Career Services

These services must be provided for up to 12 months after a participant’s first day of employment. These services include:

- Career and workplace counseling
- Assistance with securing higher paying jobs, career development and further education
- Referrals to community resources
- Supportive services such as transportation, purchasing work-related attire and tools

4. Training Services

There is no sequence of service requirement for training. This means that the America’s Job Center of California staff may determine training is appropriate regardless of whether the individual has already received Basic and/or Individualized Career services. However, as required by federal law, if training services are provided before career services, staff must document the circumstances that justify the determination to provide training without career services.

Per federal law, enough information must be obtained from a participant to make an eligibility determination for training services. This can be

accomplished through an interview, evaluation or assessment, and career planning.

5. Employer Services

The America's Job Center of California sites provide services to employers to meet their workforce needs and offer opportunities for workers to learn and upgrade skills. Employers are incentivized to access these services with increased reimbursement rates of up to 75 percent for on-the-job and customized training.

6. Other Program Services

Costs reported in this category do not directly involve a WIOA participant and are not categorized as training services. Other program services include, but are not limited to: indirect program costs (i.e., costs and benefits for managers and staff not directly related to serving participants), marketing costs, advertising, membership dues, subscriptions, program planning and design costs, recruitment of employers for local job fairs, communication costs, user fees, consultant fees, insurance costs, information services costs, management information systems and supplies.

For more information about the accomplishments of the state's workforce system and the results achieved under the WIOA, readers can view the PY 23-24 [Annual Report](#) on the California Workforce Development Board website.

III. Training Expenditure Specifications

The CUIC Section 14211 specifies that the qualifying training services that shall count toward the minimum percentage of required expenditures, shall include only training services as defined in Section 3174(c)(3)(D) of Title 29 of the United States Code, and the corresponding sections of the Code of Federal Regulations. This section provides a mandatory list of services that qualify as training expenditures and allows Local Areas to use leveraged funds to receive a credit of up to 10 percent of the total allocation for Adult and Dislocated Worker funds toward meeting their training expenditure requirement. This section also provides the types of services to which leveraged funds may be applied toward the 10 percent credit to meet the minimum training expenditure requirement.

IV. Total Available Funds and Expenditures for Adults and Dislocated Workers

The CUIC Section 14211 requires EDD to specify the total amount of federal funding provided to the State and to each of the Local Areas for the Adult and Dislocated Worker programs, and the amount expended for training and supportive services. The total amount of available funds and expenditure information in this report are for PY 23-24, which covers the period of July 1, 2023, through June 30, 2025. Local Areas may expend Adult and Dislocated Worker funds during the

program year they are allocated and the succeeding program year (WIOA Section 189(g)(2)(A)).

The attachment shows the financial chart for the PY 23-24 WIOA Adult and Dislocated Worker programs. The chart provides financial information as reported to EDD by each Local Area, as well as statewide totals.

The chart includes the following financial information in total, and by Local Area:

1. Total Formula Funds Available to the State and Local Areas

The WIOA allows Local Areas to expend base formula funds over two program years. The chart shows the total Adult and Dislocated Worker funds available to each Local Area over the two program years.

2. Total Expenditures and Breakdown by Category of Expenditure

The column containing training expenditures reflects amounts reported by each Local Area for the training services and activities specified in Section 3174(c)(3)(D) of Title 29 of the United States Code, and the corresponding sections of the Code of Federal Regulations.

Supportive services and leveraged training services are shown as reported by each Local Area and specified in Section 14211 of the CUIIC. Local Areas may apply designated leveraged resources used for training and supportive services (up to 10 percent of the combined total of their Adult and Dislocated Worker fund allocation) toward meeting the minimum training expenditure requirement.

V. Conclusion

A Local Area that does not meet the 30 percent expenditure requirement must submit a corrective action plan to EDD within 90 days of receiving the calculations described in this report. The corrective action plan must provide reasons for not meeting the requirements and describe actions taken to address the identified expenditure deficiencies.