

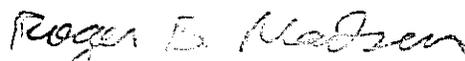
TRANSMITTAL # 2

MEMORANDUM

April 8, 2009

TO: Workforce Development Council

FROM: Roger B. Madsen, Director



SUBJECT: Modification No. 3 to the State Plan for Workforce Investment Act

ACTION REQUESTED: Recommend Approval of the WIA State Plan Modification

BACKGROUND:

The Workforce Investment Act and its rules established a five-year planning cycle for Title 1 of the Workforce Investment Act and Wagner-Peyser Act. All states must continue to have approved plans in place for ongoing receipt of formula allotments under the act. A simplified modification is required April 15, 2009 for the final year of the five-year plan. This will be followed by a comprehensive plan revision in June and is addressed separately.

Waivers

Federal planning guidelines stress that states should take advantage of flexibility provisions under current legislative authority to tailor service delivery and program design to fit the unique characteristics of their work forces. This is done by submitting a request for a waiver of compliance to administrative rules or program requirements. As part of the planning process, the Workforce Development Council is required to review the state's currently approved waivers and request extensions if desired. The council may also request additional waivers with the plan modification.

Current Waivers

With the second modification to the 2005 State Plan, Idaho sought and obtained approval of five waivers designed for the following:

- to minimize the administrative burden for eligible training providers with a proposed modification
- to use common measures reporting
- to allow the Workforce Development Council to serve as a local board for the statewide planning region

- to increase training opportunities by permitting the use of a portion of local area formula funds or funds reserved for rapid response activities to provide incumbent worker training, and
- to allow the state to choose the most appropriate mix of youth services needed within the state's economy

The council's redesign of WIA youth service delivery in Idaho also required federal waivers of two statutory and regulatory provisions of the Workforce Investment Act. The waivers align Idaho's youth service delivery structure with federal regulations and guidance advocating enhanced integration of youth services through the One Stop system, offer consistent access to and delivery of a broader design framework, decrease staff costs and bring consistency to occupational classroom training processes for all program funding streams.

- An exemption from the procurement requirement for the follow-up, support services and work experience components, to include internship and summer work experience, and having those services categorized as part of the design framework.
- An exemption from the prohibition on using WIA Youth dollars to fund Individual Training Accounts (ITAs) for older youth.

Since WIA reauthorization has still not occurred and since Idaho faced a decrease or minimum funding levels in all three categories of WIA funding, the Executive Committee approved the staff recommendation to extend the current approved waivers listed in *Attachment 1*. The state proposes to extend the waivers through the end of the new planning cycle, which will end on June 30, 2010.

Program Performance Levels

The Workforce Investment Act requires that states propose a level for each performance measure for each of the two program years covered by the Plan. At a minimum, states must identify the performance indicators required under section 136, and, for each indicator, the state must develop an objective and quantifiable performance goal for two program years.

The state received approval from USDOL a waiver to adopt and report on the six common measures in lieu of the existing 17 WIA performance measures for PY 2006 (beginning July 2006), coinciding with implementation of these measures for the state's Wagner-Peyser, Jobs for Veterans Act and Trade Adjustment Act programs. Idaho's proposed performance for common measures is contained in *Attachment 2*. These performance levels will be negotiated with the United States Department of Labor, Employment and Training Administration (ETA), taking into account the current and long-range impact on the state's workforce system by present-day economic factors.

Staff Recommendation:

The staff recommends adoption of Modification No. 3 to the WIA Five-Year Strategic Plan as presented.

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Attachments

Attachment 1

Extend the Waiver of the Time Limit on Period of Initial Eligibility for Training Providers

The State of Idaho will request an extension of an existing waiver regarding the Workforce Investment Act's time limit on the period of initial eligibility of training providers under 20 CFR 663.530. The state's training providers have expressed strong concerns with the implementation of subsequent eligibility requirements such as confidentiality and excessive administrative burden and costs associated with tracking all students. Idaho is committed to delivering quality employment and training programs under WIA. However, it is very likely that if the waiver is not extended, the implementation of the subsequent eligibility criteria will prevent providers from participating in WIA and deny the state the ability to continue to provide the broadest range of training options for its WIA participants. The state is also proposing to modify this waiver by listing all programs of study from each Idaho state-sponsored college and university for automatic designation to the state's ETP list. These institutions constitute the majority of programs listed on the ETP list and this process would ease the burden of continually monitoring those programs from each school and increase consumer choice. Despite placement on the ETP list, approval for any training must be supported by labor market need.

Statewide Regional Planning Area—Single Statewide Council

The State of Idaho will seek an extension of a waiver to apply 20 CFR 661.300(f), which permits a state board to carry out the roles of a local board in a single local area to a statewide regional planning area. The waiver allows the state to address the administration's strategic priorities and to further reforms envisioned in the Workforce Investment Act. To maximize resources available for service delivery, the state will continue to use the Workforce Development Council as the local workforce board for this area. This will foster sharing of data and information across regions and ease movement of customers from region to region.

Utilization of Common Measures

The State of Idaho is requesting an extension of a waiver to continue the use of the U.S. Department of Labor's six common measures for reporting and performance purposes in lieu of the 17 WIA performance measures. This is in conjunction with implementing these same measures for the state's Wagner-Peyser Act, Jobs for Veterans Act and Trade Adjustment Act programs. By using these six common measures, Idaho is able to eliminate duplicative administrative systems, reduce paperwork and labor costs associated with redundant data collection and establish a simplified and streamlined performance measurement system that is more cost effective. With consistent direction, program resources can be targeted on a single set of goals rather than competing goals and costly processes.

Use of Local Adult/Dislocated Worker Funds to Provide Incumbent Worker Training

The State of Idaho is requesting an extension of a waiver under WIA Section 134 to permit local areas to request the use of a portion of local area formula funds for adults and dislocated workers to provide incumbent worker training identified at WIA Section 134(a)(3)(A)(iv). USDOL has approved similar waivers for other states for training to incumbent workers in need of skill enhancement. This waiver allows for the development of public-private industry specific training programs using funds available to

the local level freed from eligibility considerations for workers and to maximize customer service and other demand-driven needs of the business community. Use of these funds will allow the state to more effectively market WIA-funded incumbent worker training to the private sector in support of building relationships with employers in high-demand, high-growth industries.

Use of Statewide Rapid Response Funds to Provide Incumbent Worker Training

The State of Idaho is requesting an extension of a waiver to allow statewide Rapid Response funds to be used to provide incumbent worker training as outlined in WIA Section 134(a)(1)(B). USDOL has approved these waivers for other states looking to provide training to incumbent workers in need of skill enhancement. This waiver would allow the state to upgrade the skills of entry level workers in industry specific projects where the state investments are matched by employers or groups of employers. Funds would be added to available funding from the Governor's 10 Percent Reserve funds for projects approved by the Workforce Development Council. This option would be implemented only in cases where dislocated worker funds are not needed to meet demand but rather to promote the strengthening of regional economies by focusing on employer and talent development through training.

An Exemption from the Competition Requirement for the Follow-up, Support Services and Work Experience Components, to Include Internship and Summer Work Experience, and Having Those Services Categorized as part of the Design Framework. WIA Section 123, Section 117(h)(4)(B)(i), and 20 CFR Part 664.400

The State of Idaho is requesting an extension of a waiver to integrate the coordination and provision of these youth activities with the elements of the state's youth program design framework delivered through Idaho's One Stop system and its twenty-five One Stop Career Centers, all operated by the WIA fiscal agent, the Idaho Department of Labor. Integration of these services will increase customer choice and flexibility in the customer's service strategy with greater access to WIA as well as partner program services accessed through the One Stop system. The waiver will ensure an efficient, cost-effective delivery system by eliminating duplicate processes among training providers for work experiences the waiver will allow for a smoother flow of data that documents the delivery of youth services, as well as the outcomes that result from youth participation.

An Exemption from the Prohibition on Using WIA Youth Dollars to Fund Individual Training Accounts (ITAs) for Older Youth. WIA Section 129 and WIA Regulations 29 CFR 664.510

The State of Idaho is requesting an extension of a waiver to allow WIA Youth service providers to employ the use of ***Individual Training Accounts (ITAs)*** for out-of-school youth. An ITA allows youth to receive individual training in accordance with systems established for WIA Adult and Dislocated Worker programs. The ITA is applicable to older youth who lack the occupational skills to be successful in employment and whose individual service strategy reflects that skill training is appropriate and necessary to attain self-sufficiency. The ITA gives service providers options for youth which maximize efficiency and customer choice. The waiver helps to increase the: 1) number of youth entering into employment; 2) percentage of youth receiving credentials; and, 3) number of youth being retained in employment.

Attachment 2

IDAHO WORKFORCE INVESTMENT ACT AND WAGNER PEYSER PERFORMANCE MEASURES		
PERFORMANCE GOALS FOR PY 2008 AND PY 2009		
	PY 08	PY 09(proposed)
WIA Adult Programs		
1. Entered Employment Rate	87%	78%
2. Retention Rate	85%	85%
3. Average 6 Month Earnings	\$9,500	\$9,500
WIA Dislocated Worker Program		
4. Entered Employment Rate	91%	85%
5. Retention Rate	93%	93%
6. Average 6 Month Earnings	\$13,000	\$13,000
WIA Youth		
7. Placement in Employment or Education	70%	70%
8. Youth Attainment of a Degree or Certificate	50%	50%
9. Literacy and Numeracy Gains	30%	30%
Wagner Peyser		
1. Entered Employment Rate	72%	65%
2. Retention Rate	82%	72%
3. Average 6 Month Earnings	\$10,600	\$10,200
New Proposed performance Levels		