



The Workforce Investment Act of 1998 provides the framework for a reformed national workforce preparation and employment system designed to meet the needs of the nation's employers, job seekers and those who want to further their careers.

The Act was signed into law on August 7, 1998.

This presentation highlights the major features of Titles I and V of the Act.

Note: citations are provided in the speaker's notes for WIA and for the Interim Final Regulations found in 20 CFR Parts 652 and 660-671.

Goal of the Workforce Investment System

To increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation.

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In establishing a comprehensive and accountable workforce preparation system, the Act strives to increase:

- the employment, retention and earnings of participants, and
- increase the occupational skill attainment by participants. These participant outcomes are designed to achieve the **three major goals** of WIA:

1. **Improve the quality of the workforce** - by equipping workers with skills and information needed to meet the demands of the labor market in the 21st century.

2. **Reduce welfare dependency.** Promoting collaboration among workforce investment and welfare systems is essential to the realization of improved employment and job retention of welfare recipients and other low-income individuals.

3. **Enhance the productivity and competitiveness of the Nation** - by enabling American workers and business to prepare for the rapidly changing global economy.

(WIA Section 106)

Key Principles

- Streamlining Services
- Empowering Individuals
- Universal Access
- Increased Accountability
- Strong Role for Local Boards and the Private Sector
- State and Local Flexibility
- Improved Youth Programs

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Seven key principles will guide the development of workforce investment systems:

- **Streamlining services.** Access to services for job seekers and employers is simplified and expanded through the One-Stop delivery system.
- **Empowering individuals.** Customer choice is a fundamental tenet of WIA. Individuals will be empowered to obtain the services and skills they need and to make informed choices about training providers.
- **Universal access.** Without regard to eligibility, every individual will have access to core employment-related services in the One-Stop system.
- **Increased accountability.** States, local areas, and training providers will be held accountable for their performance. Funding will be closely linked to performance.
- **Strong role for local boards and the private sector.** Local boards will be business-led and will have a strong role in policy development, strategic planning and oversight of the local system.
- **State and local flexibility.** Increased flexibility is one of the basic precepts of WIA. States and local areas will be able to build on model systems and tailor delivery systems to meet the unique needs of local communities.
- **Improved youth programs.** Youth programs will connect academic and occupational learning and will link closely with the local labor market and business community. Traditional employment and training services will be augmented with youth development activities.

Interim Final Regulations Background I.A.

Structure of the Workforce Investment Act

- **Title I - Workforce Investment Systems**
- **Title II - Adult Education and Literacy**
- **Title III - Workforce Investment-Related Activities**
- **Title IV - Rehabilitation Act Amendments of 1998**
- **Title V - General Provisions**

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The Act is organized into five titles:

Title I authorizes the new workforce investment systems. It establishes State and local workforce investment boards, and the One-Stop delivery system and activities. It sets forth the accountability, funding and administrative provisions for the workforce investment system. It authorizes national programs, such as Job Corps.

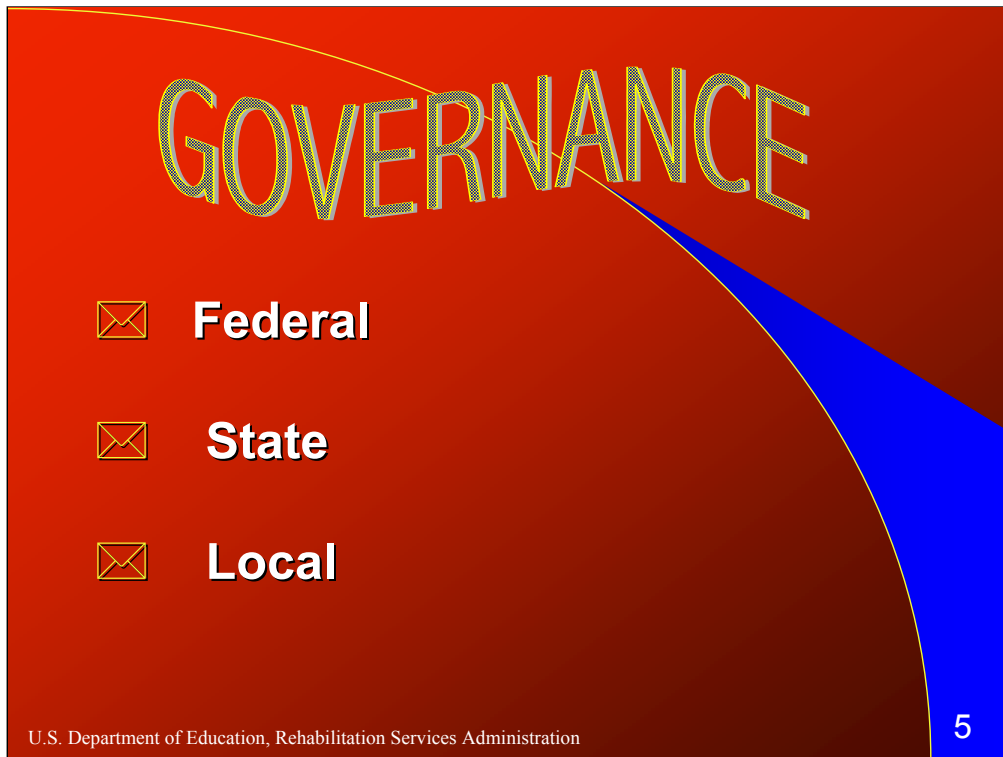
Title II reauthorizes the Adult Education and Literacy programs through FY 2003.

Title III amends the Wagner-Peyser Act to require that employment service activities become part of the One-Stop delivery system.

Title IV reauthorizes the Rehabilitation Act through FY 2003 and links vocational rehabilitation to State and local workforce investment systems.

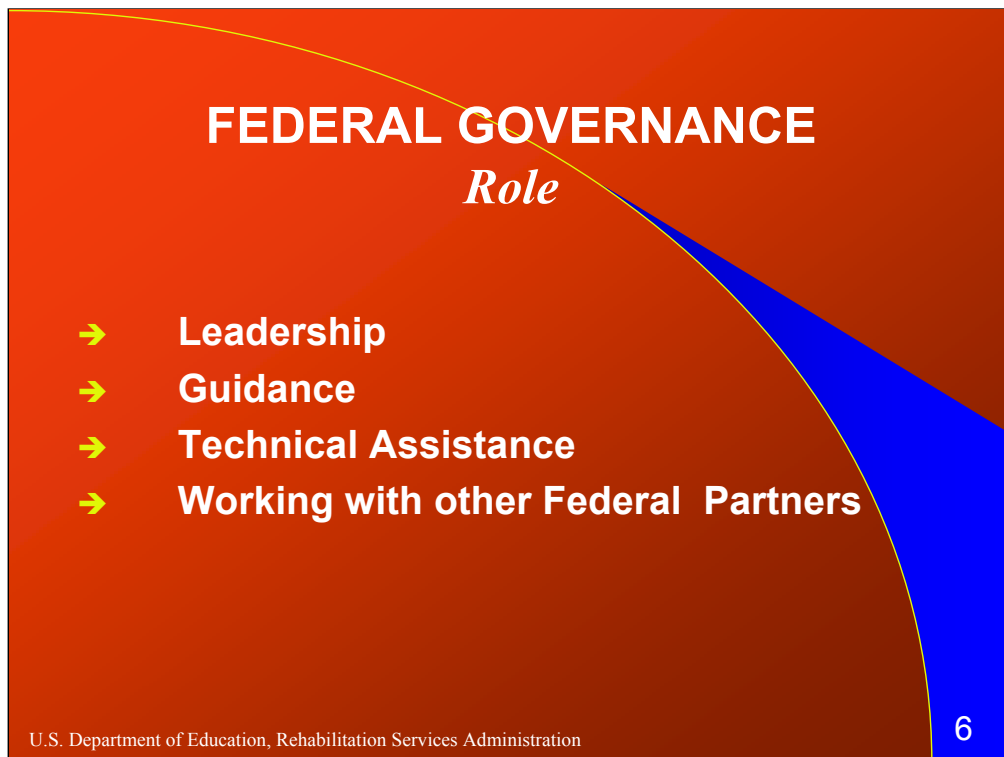
Title V contains general provisions relating to unified State plans, incentive grants and the transition from the Job Training and Partnership Act.

(WIA Section 1)



Unique and integral roles and responsibilities for the governance of the workforce investment system exist at each level of the system. Each level will be held accountable for outcomes.

True partnerships and collaboration at all three levels - federal, state and local- will be essential to bringing about authentic reform in building the nation's new workforce investment system. Policy formulation and strategic planning must be inclusive of all stakeholders at every level of governance.

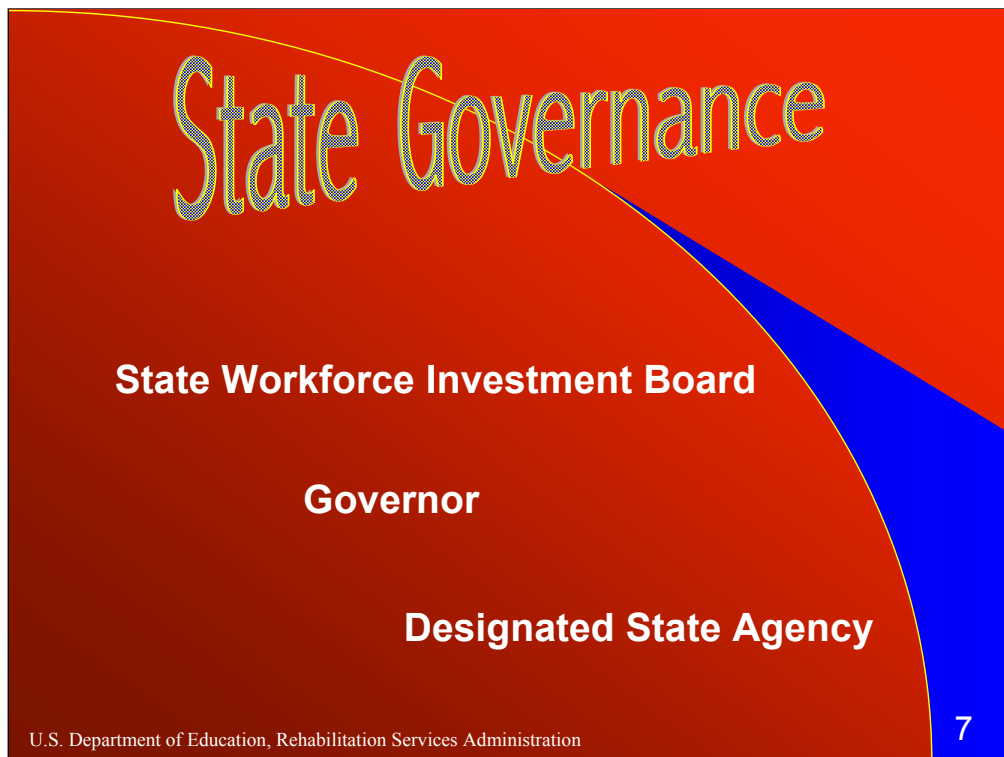


The Federal role will change from one of administrative oversight to **leadership and guidance** to support the system which is flexibly designed at the State and local levels. Leadership and enabling activities will primarily focus on assisting States and local areas to achieve performance outcomes and improved results for customers.

Through **technical assistance and expert guidance** States will be assisted in implementing strategies to improve performance.

Federal agencies must demonstrate **leadership in building and sustaining partnerships** at the Federal level. A myriad of new Federal partners and other entities that have not been part of the traditional workforce preparation system must be engaged in crafting collaborative strategies.

(20 CFR Part 661.110)



State governance provisions are primarily vested in the State Workforce Investment Board and the Governor with a supporting administrative role for the WIA designated state agency.

The **State Workforce Investment Board** is charged with designing and monitoring the State workforce investment system.

The Act prescribes new roles for the **Governor**. The Board assists the Governor in creating the five year strategic plan, designating the local workforce investment areas, developing State performance measures, and developing allocation formulas.

(WIA Section 111 and 112)

The WIA designated agency is a required One-Stop partner in each local One-Stop system, is represented on the workforce investment boards at the State and local levels, retains responsibility for funds authorized under WIA for services and activities delivered in the One-Stop system, and prepares the five year strategic plan.

(WIA Section 303 amending Section 7 of the Wagner-Peyser Act)

STATE WORKFORCE INVESTMENT BOARD

Establishment of New Board

- Required Membership
 - Business Majority/Chair
 - Optimum Policy Making Authority
 - Reflective of Customers
- Additional Membership

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Each State is to establish a State Workforce Investment Board which can be a new board or, if certain conditions are met, an alternate board.

- A **majority** of the members and the **chair** must represent business. Business representatives must be owners, chief executive officers, or others with **optimum policy making or hiring authority**.
- Likewise, members who represent other organizations, agencies or entities must be individuals with **optimum policy making or hiring authority** within their entities.
- The principle behind the required composition of the SWIB is that the board must be **reflective of the system's customers**.
- The Governor may appoint **other representatives** such as officials responsible for economic development or juvenile justice.

(WIA Section 111)

STATE WORKFORCE INVESTMENT BOARD

Alternative Entity

- In existence December 31, 1997
- Established as State Job Training Coordinating Council under JTPA or “substantially similar” to State Board in WIA
- At least two business and two labor representatives

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The Act permits the Governor to select an **alternate entity** in lieu of the new State Workforce Investment Board when the entity meets all three of the following requirements:

1. It must have been in existence since December 31, 1997.
2. It was established as the State Job Training Coordinating Council under JTPA or is “substantially similar” to the State Board under WIA.
3. At a minimum, it must include at least two or more representatives of business and at least two or more representatives of labor organizations in the State.

[WIA Section 111(e)]

STATE WORKFORCE INVESTMENT BOARD

Composition

- Governor
- Two members of each chamber of the State Legislature
- Representatives
 - Business (Majority)
 - Elected Officials
 - Labor Organizations
 - State Agency Heads representing One Stop Partners
 - Individuals with related experience (youth, community colleges, community-based organizations)
 - Others

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In addition to the Governor, the SWIB includes:

- two members of each chamber of the State Legislature, and
- representatives of
 - business
 - chief elected officials (cities and towns)
 - labor organizations
 - lead State agency officials for the One-Stop partners or if there is not lead State agency, representatives with expertise pertaining to the program or services
 - individuals with related experience and expertise from such entities as community colleges, community-based organizations, or youth
 - others such as from economic development or juvenile justice

[WIA Section 111(b)]

STATE WORKFORCE INVESTMENT BOARD *Role*

- ◆ State Plan
- ◆ Continuous Improvement
- ◆ Development of Linkages
- ◆ Review of Local Plans
- ◆ Perkins Act Performance Measures
- ◆ Local Area Designation

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The State Workforce Investment Board assists the Governor in:

- developing the State Plan
- developing and continuously improving the Statewide system
- developing linkages to ensure coordination and nonduplication among the programs and activities carried out by the One-Stop partners
- reviewing local plans
- commenting at least annually on the performance measures in the Carl Perkins Vocational and Technical Education Act
- designating the local workforce investment areas

[WIA Section 111(d)]

STATE WORKFORCE INVESTMENT BOARD

Role (continued)

- ◆ Local Area Allocation
- ◆ State Performance Measures
- ◆ Annual Report to Secretary
- ◆ Statewide Employment Statistics
- ◆ Incentive Grants

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(Continuation of the role of the SWIB)

- developing allocation formulas for the distribution of funds to the local areas
- developing and continuously improving State performance measures
- preparing the annual report to the Secretary of Labor
- developing the statewide employment statistics system (labor market information)
- developing the application for an incentive grant

[WIA Section 111(d)]

LOCAL WORKFORCE INVESTMENT BOARDS

Composition

Membership includes representatives of:

- **Business (majority)**
- **Local education entities**
- **Labor organizations**
- **Community-based organizations**
- **Economic development agencies**
- **All One-Stop partners**
- **Other entities as determined by local officials**

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The Governor establishes the criteria for membership for use by the chief local officials for appointment to the local board. At a minimum the membership of a new board must contain representatives of:

- Businesses in the local area, nominated by business organizations and trade organizations (majority)
- Local education entities (school boards, adult education and literacy and postsecondary institutions, including community colleges)
- Labor organizations
- Community-based organizations, including organizations representing individuals with disabilities and veterans, where such organizations are present in the local area
- Economic development agencies, including private sector entities
- All One-Stop partners
- Other entities as determined by local officials

[WIA Section 117(b)(2)]

Note: the State may designate an alternate entity if certain conditions are met. These are similar to the conditions for an alternate entity to the SWIB, except the existing entity may be the Private Industry Council established under the JTPA.

[WIA Section 117(I)]

LOCAL WORKFORCE INVESTMENT BOARDS

Functions

- ◆ **Local plan**
- ◆ **Selection of One-Stop operator**
- ◆ **Selection of youth service providers**
- ◆ **Identification of eligible providers**
- ◆ **Budget and administration**
- ◆ **Program oversight**

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The Local Workforce Investment Boards have significant policymaking and administrative roles in the development and implementation of the statewide workforce system in the local areas. The Local Board's duties include:

- development of the five year local plan
- selection of the One-Stop operators with the agreement of the chief elected official. Note: the Local Board may be selected as the One-Stop operator under certain conditions.
- selection of eligible youth service providers, based on the recommendations of the Youth Council
- identification of eligible providers of intensive and training services
- development of a budget for carrying out the activities of the LWIB, including administration
- oversight of the One-Stop system, youth activities and employment and training activities under Title I of WIA, in partnership with the chief elected official

[WIA Section 117(d)]

**LOCAL WORKFORCE
INVESTMENT BOARDS**

*Functions
(continued)*

- ◆ **Local performance measures**
- ◆ **Employment statistics system**
- ◆ **Employer linkages**
- ◆ **Promoting participation of private sector employers**
- ◆ **Youth Council**

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(Continuation of the functions of the Local Board)

- negotiation of the local performance measures with the chief elected official and the Governor
- assisting the Governor in developing the employment statistics system
- developing employer linkages and coordinating system activities with economic development strategies
- promoting private sector involvement through intermediates such as the One-Stop operator or other organizations
- appointing the Youth Council and coordinating workforce and youth activities with the council

[WIA Section 117(d)]



YOUTH COUNCIL

Composition

- **Subgroup of the Local Board**
- **Members representing:**
 - **Expertise on youth issues**
 - **Youth service agencies**
 - **Local public housing authorities**
 - **Parents**
 - **Former participants**
 - **Job Corps**
 - **Others**

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A Youth Council will be established as a subgroup of the Local Board in each local areas. The membership includes those representing:

- the Local Board who have special interest or expertise in youth policy, e.g. educators or representatives of human service agencies
- youth service agencies such as juvenile justice and local law enforcement agencies
- local public housing authorities
- parents of eligible youth seeking WIA services for youth
- individuals including former participants
- Job Corps if a Job Corps Center is located in the local area
- Others determined appropriate by the chair of the Local Board and the chief elected official

[WIA Section 117(h)(1) and (2)]

YOUTH COUNCIL

Duties

- ♦ **Coordinating youth activities in local area**
- ♦ **Developing youth portion of local plan**
- ♦ **Subject to Board's approval:**
 - ♦ **Recommending eligible youth providers**
 - ♦ **Conducting oversight**

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The Youth Council will be responsible for :

- coordinating youth activities in the local area
- developing the portions of the local plan relating to youth
- and subject to the approval of the Local Board,
 - recommending eligible youth service providers
 - conducting oversight of these providers

[WIA Section 117(h)(4)]

One-Stop Delivery System

Features

- Cornerstone of WIA
- Simplified and expanded access to services for :
 - Job Seekers
 - Employers
- Local system comprised of **partners**
- Local flexibility in designing the system

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The cornerstone and centerpiece of the Act is the One-Stop delivery system. It will enable customers, both job seekers and employers, to easily access information and a wide array of services from multiple training and employment programs.

Each local One-Stop system will be **comprised of partners** that will provide core services through the system.

The Act allows local areas substantial **flexibility** in designing and implementing their One-Stop systems.

(WIA Section 121)

Comprehensive One-Stop Center

Each local workforce investment area must have:

- ♦ **At least one full-service physical One-Stop center**
 - ♦ Core services
 - ♦ Access to other partner programs and activities
- ♦ **Supplementary One-Stop arrangements**
 - ♦ Network of affiliated sites
 - ♦ Network of electronically linked services
 - ♦ Specialized centers for specific needs

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Each local area is required to have at least one physical “full-service” or comprehensive center that provides **core services** and **access to other services from each of the required One-Stop partners**.

The system can include **supplementary One-Stop arrangements** such as:

- **a network of affiliated sites** that provide one or more partners’ programs or services
- a network of One-Stop partners through which **services are electronically linked** to affiliated sites that assures individuals are provided information on the availability of core services in the local area
- **specialized centers** addressing specific needs, such as those of individuals with disabilities

[WIA Section 134(b)(2)]

One-Stop Partners

An entity which participates, with the approval of the local board and chief elected official, in the operation of a One-Stop delivery system.

WIA Section 101(30)

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The definition of a One-Stop partner is...

“an entity which participates, with the approval of the local board and chief elected official, in the operation of a One-Stop delivery system.”

[WIA Section 101(30)]

One-Stop Partners

Some of the entities providing programs or activities through the one-stop delivery system:

- Title I of WIA
 - Adult
 - Youth
 - Dislocated Worker
 - Native American programs
 - Job Corps
- Employment Service
- Title V, Older Americans
- Unemployment Insurance
- Vocational Rehabilitation
- Client Assistance Program
- Welfare-to-Work
- HUD Emp. & Training
- Community Services Block Grant
- Adult Ed. & Literacy
- Postsecondary Voc. Ed.
- Trade Adjustment Assist.
- NAFTA Assistance

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The Act specifies 19 Federal programs and activities that are required One-Stop partners. The local area may also include other appropriate Federal, State or local programs, as well as programs initiated by the private sector, as partners in the One-Stop system. *[WIA Section 121(b)(2)]*

The entities that are required One-Stop partners include:

- Entities carrying out the WIA Title I activities (adult, youth, dislocated worker, Native American programs, Job Corps, migrant worker programs, and veterans' workforce programs)
- Employment service (Wagner-Peyser Act)
- Senior community service employment (Title V, Older Americans Act)
- Programs under State unemployment compensation laws
- Vocational rehabilitation
- Client Assistance Program
- Welfare-to-Work
- HUD employment and training activities
- Community Services Block Grant employment and training activities
- Adult education and literacy activities
- Postsecondary vocational education activities (Perkins Act)
- Trade Adjustment Assistance and NAFTA assistance activities

[WIA Section 121(b)(1)]

Memorandum of Understanding

An agreement developed and executed between the local board, the chief local elected official, and the One-Stop partners.

Two Options

- ☆ Single “umbrella” MOU
- 🕒 Separate MOU for one or more partners

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Each One-Stop partner is required to enter into a Memorandum of Understanding (MOU) with the Local Board and with the agreement of the chief local elected official.

There are two options for creating the MOU:

1. A **single “umbrella” MOU** may be developed that addresses the issues of the One-Stop delivery system for the Local Board and all partners OR
2. **Separate MOUs** may be entered into between the Local Board and one or more partners.

[WIA Section 121(c)(1)]

Memorandum of Understanding

Must include descriptions of:

- ◆ Customer services
- ◆ Funding for services and other operating costs
- ◆ Method for referrals between the One-Stop operator and partners
- ◆ Duration for MOU
- ◆ Procedures for amending MOU
- ◆ Other provisions

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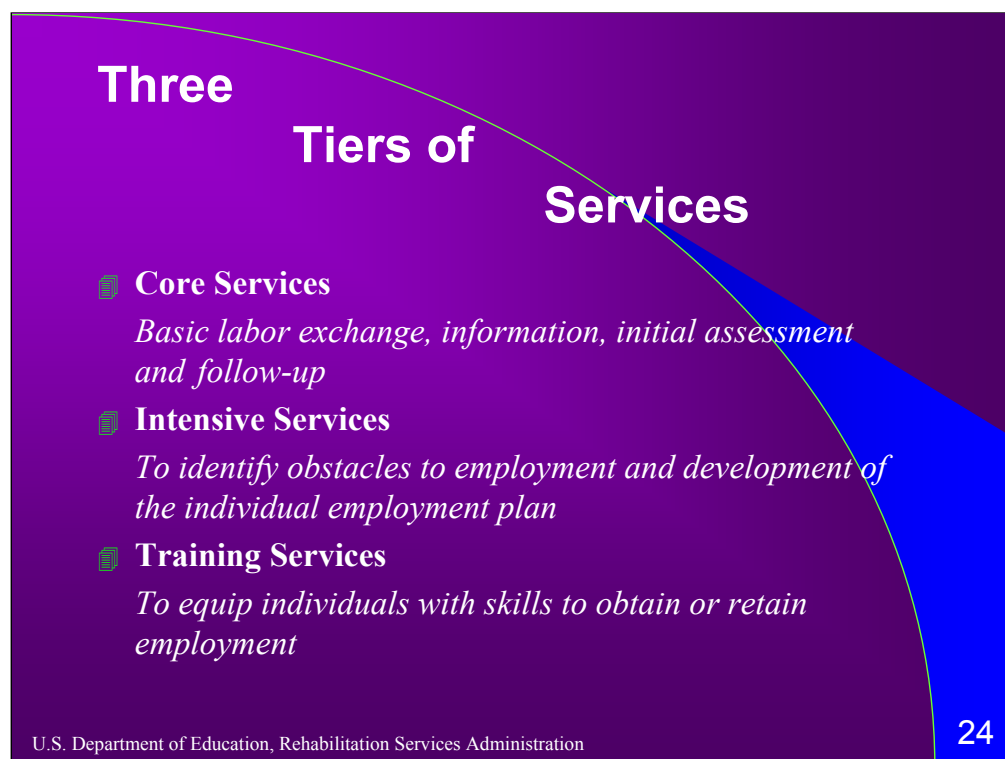
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The MOU must contain the description of:

- the services to be provided through the One-Stop system
- how the costs for services and operating expenses of the system will be funded
- the methods of referral between the One-Stop operator and the partners
- the duration of the MOU
- the procedures for amending the MOU
- other issues agreed to by the parties

[WIA Section 121(c)(2)]

Note: Sample MOUs may be found in the participant manuals.



The Act authorizes three levels of services in the One-Stop Centers:

1. **Core services** services are available to all adults or dislocated workers *with no eligibility requirements*. These include basic labor exchange services for jobs seekers and employers, as well as information, initial assessment for services and follow up. The core services in the centers and One-Stop system may be provided by the partners, the operator or through other arrangements, such as a contract.

[WIA Section 134(d)(2)]

Eligibility requirements apply to the second and third tiers of services (see later slides for these criteria):

2. **Intensive** services consist of more comprehensive assessment, counseling and other pre-vocational services. These services are designed to identify obstacles or barriers to employment and to develop an individual employment plan leading to the achievement of an employment goal.

[WIA Section 134(d)(3)]

3. **Training** services are designed to equip individuals with the skills needed to obtain or retain employment in occupations that are in demand in the local area.

[WIA Section 134(d)(4)]

CORE SERVICES

Universal Access for Adults and Dislocated Workers

- Eligibility determination
- Outreach, intake and orientation
- Skills assessment
- Job search, placement assistance, career counseling
- Information on:
 - Employment statistics information
 - Performance and cost data on eligible training providers
 - Local area performance outcomes
 - Availability of supportive services
 - Filing Claims on unemployment compensation
- Assistance in establishing eligibility for welfare-to-work and financial aid for training and education
- Follow up services for 12 months after placement

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Without regard to specific eligibility, adults and dislocated workers will have choices of any or all of the core services and information available in centers and the One-Stop system. In addition to the labor exchange services, labor market information and information on filing claims for unemployment compensation, the Act expands access to multiple programs and technology.

Core services applicable to the required partners must be made available in the comprehensive One-Stop center. These may be made available by the provision of technology at the comprehensive center, by co-locating staff, cross-training of staff or through a cost reimbursement or other agreement between service providers at the comprehensive One-Stop center and the partners, as described in the MOU. Partners can supplement these applicable core services through networks of affiliated sites.

- **Determination of eligibility** applies to assistance available within the state and local workforce investment systems (e.g. intensive services, training services, supportive services, or as applicable to the partners).
- Customers will receive a preliminary **assessment** of their skill levels, aptitudes, abilities and support service needs.
- **Follow up** for 12 months following placement in unsubsidized employment includes counseling regarding the workplace.

[WIA Section 134(d)(2)]

INTENSIVE SERVICES

Eligibility

Adults and Dislocated Workers who are:

- ★ **Unemployed and unable to find jobs through core services alone**
- ★ **Determined to be in need of intensive services, or**
- ★ **Employed, but need intensive services to obtain or retain employment leading to self-sufficiency**

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Two categories of adults and dislocated workers may receive intensive services:

- 1) **Unemployed individuals** who are unable to find jobs through core services alone. At a minimum, an individual must receive at least one core service, such as an initial assessment before receiving intensive services. A One-Stop operator must determine that the individual is in need of intensive services.
- 2) **Employed individuals** who need more help to obtain or retain employment leading to self-sufficiency, as determined by the One-Stop operator.

[WIA Section 134(d)(3)(A)]

INTENSIVE SERVICES

May include but is not limited to...

- Comprehensive and specialized assessments of skills and service needs
- Development of an individual employment plan
- Group counseling
- Individual counseling and career planning
- Case management
- Short-term prevocational services

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This list of intensive services is **not all-inclusive** and may include other intensive services, such as relocation assistance, internships, or work experience, as outlined in the **individual employment plan**.

[WIA Section 134(d)(3)(C)]

The individual employment plan is jointly developed by the participant and the case manager and identifies the employment strategy including employment goals, objectives to be achieved and the services required to achieve the employment goal.

[20 CFR Part 663.245]

TRAINING SERVICES

Eligibility

- Unable to obtain or retain employment through intensive services
- Determined to need training and to have skills and qualifications to be successful
- Selects training program directly linked to local employment opportunities
- Unable to obtain other grant assistance such as Pell grants

Priority for public assistance/low income recipients in areas with limited funding.

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In cases where qualified customers receive intensive services and are still not able to find or keep jobs, they may receive training services which are **directly linked to job opportunities in their local area or in another area where they are willing to locate.**

- To qualify, these individuals must be determined to have the skills and qualifications to succeed in the selected training program.
- They must be unable to obtain other or sufficient grant assistance to pay for the training such as Pell grants.

[WIA Section 134(d)(4)(A) and (B)]

If adult funds are limited in an area, recipients of public assistance and low-income adults will be given **priority for services.**

[WIA Section 134(d)(4)(E)]

TRAINING SERVICES

Minimum Requirements

- Eligible Individual
- Customer Choice
- Eligible Providers
- Individual Training Accounts
- Exceptions Policy allowing contracts
- Demand Occupations

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- The underlying principle of the provision of training services is **customer choice**.
[WIA Section 134(d)(4)(F)]
- Individuals may choose any provider from the list of approved or **eligible training providers**, whether or not the provider is located in the local areas where the individual resides. (See slides 29-30 for eligible training providers)
[WIA Section 122(e)(4)(B)]
- With limited exceptions, training services will be provided and paid for through the use of **Individual Training Accounts**. (See slide 31)
[WIA Section 134(d)(4)(G)]
- **Contracts** for services may be used instead of ITAs under three conditions:
 - on the job training or customized training
 - when an insufficient number of eligible providers exists in the local area, such as in rural areas
 - when a community-based organization or another private entity with demonstrated effectiveness is able to serve special populations that face multiple barriers
[WIA Section 134(d)(4)(G)(ii)]
- Training must be directly linked to **demand occupations in the local area** or another area to which the individual is willing to relocate.
[WIA Section 134(d)(4)(G)(iii)]

TRAINING SERVICES

- ◆ Occupational skills training
- ◆ On-the-job training
- ◆ Workplace training programs with related training
- ◆ Entrepreneurial training
- ◆ Skill upgrading and retraining
- ◆ Job readiness training
- ◆ Adult education and literacy combined with other training
- ◆ Customized training with employer hiring commitment

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This list of training services is **not all-inclusive** and other training services may be offered. Training services may be provided by the private sector.

[WIA Section 134(d)(4)(D)]

Occupational training includes training for nontraditional employment.

[WIA Section 134(d)(4)(D)(i)]

OJTs can be reimbursed up to 50% of the wage rate for the employer's extraordinary costs associated with the training program.

[WIA Section 101(31)(B)]

Customized training is designed to meet the special requirements of an employer or group of employers and requires a commitment by the employer to employ or continue to employ, in the case of incumbent workers, an individual on successful completion of training.

[WIA Section 101(8)]

Eligible Training Providers

Features

- State list of eligible training providers
- Choice of any provider on the State list
- States may enter into reciprocal agreements with other States
- Applications NOT required:
 - OJT and customized training programs
 - Short term prevocational services

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A wide array of eligible training providers, public and private, will be able to compete in this new market-based system for training job seekers.

- Through local boards, each State will compile and maintain a **list of eligible training providers** that meet performance levels set by the Governor. Local boards may adjust the performance levels upward. The State must update the list annually and disseminate to the One-Stop delivery systems.
- Consistent with a market-based system, individuals will be able to make **choices** based on how well training providers perform. Performance information and cost data from eligible training providers will be available to customers in the One-Stop centers.
- States may enter into **reciprocal agreements** with other States to permit eligible providers in each State to accept individual training accounts provided in the other State.
- Applications are not required for **OJT or customized training** provided by employers or for short-term prevocational services (e.g. resume preparation).

Note: Local boards may **not** directly provide training services unless they receive a waiver from the Governor. Exceptions are meant to be limited in order to reform the service delivery system.

(WIA Section 122)

Eligible Training Providers

Eligibility Requirements

Initial Eligibility

- **Automatic**
 - **Postsecondary education institutions**
 - **Apprenticeship programs**
- **Other providers must meet criteria established by Governor**

Subsequent Eligibility

- **Meets minimum level of performance**
- **Submits required performance and cost data**

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Initial eligibility to receive adult and dislocated worker funds for training requires a provider to be certified under the Higher Education Act, the National Apprenticeship Act, or an alternative procedure established by the Governor.

[WIA Section 122(a)(2) and (b)]

All providers must submit annual specified performance-based information relating to outcomes of their students, such as completion rates, numbers placed and earnings. To remain eligible, providers must meet or exceed minimum levels of performance established by the State and local boards.

[WIA Section 122(c)(5)]

INDIVIDUAL TRAINING ACCOUNTS

Features

- Finances training of eligible adults and dislocated workers
- Electronic transfers of funds, vouchers or other methods
- Incremental payment option
- Duration and dollar limits can be imposed
 - ☞ Individual limits based on needs
 - ☞ Range or maximum established by the State or Local Boards, as described in State/Local Plans
 - ☞ Must not undermine customer choice
- Exceptions

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“Provisions of the Act promote individual responsibility and personal decision-making through the use of Individual Training Accounts which allow adult consumers to ‘purchase’ the training they determine best for them.” (Overview of WIA, DOL ETA).

•With limited exceptions, training will be **financed** through the Individual Training Accounts (ITAs). State and local boards will decide how to design the ITA system in their areas. Examples include **electronic transfer of funds, vouchers, credit or debit cards**. Payments may be **incremental**.

•While the Act does not prescribe **time or cost limits** for training services, State or local boards are not precluded from setting a range or maximum cost or time limits. Established limits must be described in the State and Local plans but should not undermine the **customer choice** principles of the Act.

•The three **exceptions** where a contract for training may be used in lieu of an ITA are:

- on-the-job training by an employer or customized training;
- an insufficient number of eligible providers in a local area
- a training program with demonstrated effectiveness is offered by a community-based organization or other private organization to serve populations that face multiple barriers, e.g. individuals with language or cultural barriers, offenders, homeless individuals or other hard-to serve populations determined by the Governor.

[WIA Section 134(d)(4)(G)]

SERVICES UNDER FORMULA YOUTH PROGRAMS

- Tutoring, study skills training, dropout prevention
- Alternative secondary school services
- Summer employment opportunities
- Paid and unpaid work experience
- Occupational skills training
- Leadership development
- Supportive services
- Adult mentoring
- Follow-up
- Comprehensive guidance and counseling

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Eligible youth must be low-income, ages 14 through 21, and must face certain challenges to entry into the workforce. *[WIA Section 101(3)]*

• A **youth with a disability** may be eligible even if the family does not meet the income criteria if the youth's own income meets the established income criteria in WIA or for cash payments under any Federal, State or local public assistance program. *[WIA Section 101(25)(B) and (F)]*

Ten program elements are required for youth participants in local programs.

[WIA Section 129(c)(2)]

These services and programs are designed to **create youth systems** which prepare youth for postsecondary education or employment and link academic and occupational learning. The Act encourages strong connections with intermediary organizations that are closely linked to the labor market and employers.

[WIA Section 129(c)(1)(C)]

While programs must provide **summer employment opportunities**, the local boards will decide the mix of year-round and summer activities.

Youth, ages 18 to 21, may be eligible for adult and youth programs concurrently, although local operators must ensure that services are not duplicated.

(20 CFR Part 664.500)

Performance Accountability

Core Indicators for Adults, Dislocated Workers and Youth (Ages 19-21)

- ★ Entry into unsubsidized employment
- 🕒 Retention in employment 6 months after placement
- 🕒 Earnings 6 months after placement
- 🕒 Attainment of recognized credential

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The Act establishes increased accountability for results in exchange for more flexibility by States and local areas. The performance provisions in the Act place special emphasis on **outcomes** rather than process measures.

(WIA Section 136)

The Secretary of Labor will negotiate the levels of performance for the State as a whole with each State. *[WIA Section 136(b)(3)(iii)]*

Similarly, the State will negotiate with local areas, taking into account economic and demographic factors in each area. *[WIA Section 136(c)(2)]*

Four core indicators are to be applied to *both States and local areas* for adult and dislocated worker activities and for youth participants, ages 19-21:

1. Entry into unsubsidized employment;
2. Retention in unsubsidized employment 6 months after entry into employment;
3. Earnings received in unsubsidized employment 6 months after entry into the employment; and
4. Attainment of a recognized credential relating to achievement of educational or occupational skills for individuals who enter employment. (For youth, ages 19-21, educational and skill attainment is measured for all individuals who enter postsecondary education, advanced training or employment.

[WIA Section 136((b)(2)(A)(i)]

Performance Accountability

Core Indicators for Youth (Ages 14-18)

- ☆ Attainment of basic skills
- ✕ Attainment of secondary school diploma
- ✎ Placement and retention in Postsecondary school, military, employment, or apprenticeships

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Three core indicators for youth, ages 14-18, are established:

1. Attainment of basic skills and, as appropriate, work readiness or occupational skills;
2. Attainment of secondary school diplomas and their recognized equivalents; and
3. Placement and retention in postsecondary education or advanced training , or placement and retention in military service, or employment- including qualified apprenticeships.

[WIA Section 136(b)(2)(A)(ii)]

States may develop **additional performance measures** for adult, dislocated worker and youth activities as well as for special population groups. These and the required core indicators must be described in the State and local plans.

[WIA Section 136(b)(2)(C) and (b)(3)(A)(ii)]



Performance Accountability

Single Customer Satisfaction Measure

- ➔ Participants
- ➔ Employers

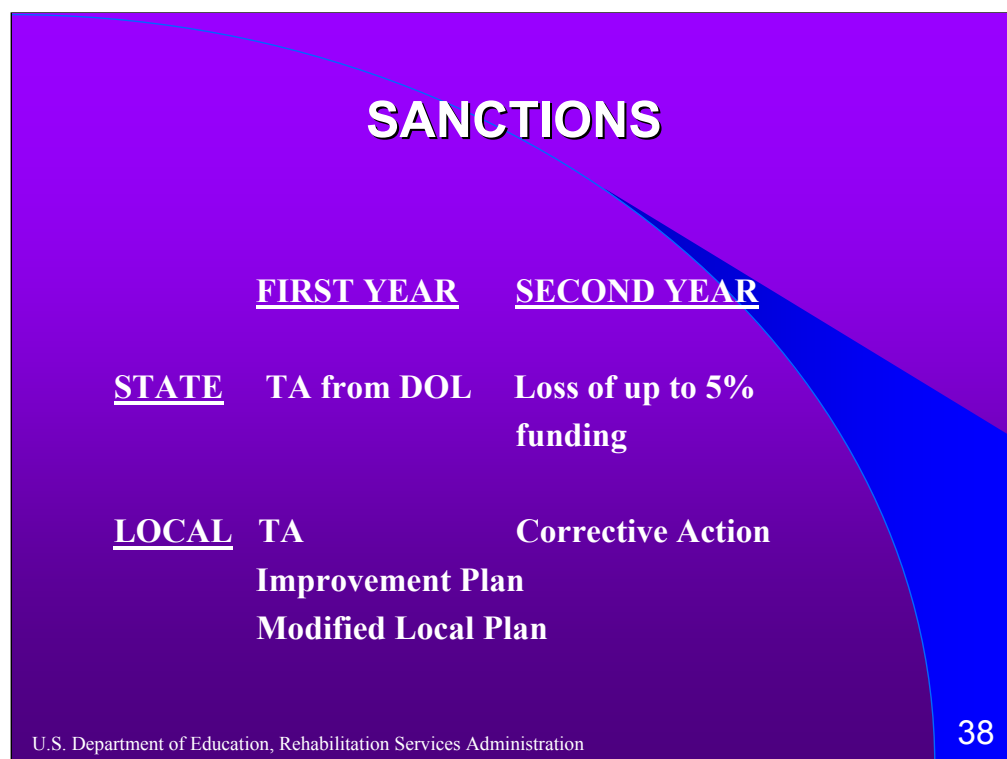
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Customer satisfaction is an essential element of any performance measurement system.

A single customer satisfaction measure for employers and a single customer satisfaction measure for the WIA Title I activities (adult, dislocated worker and youth) must be used. Customer satisfaction may be measured through surveys after services are concluded.

[WIA Section 136(b)(2)(B)]



To promote continuous improvement and positive results for job seekers, strong **sanctions** are tied to whether States and local areas meet the expected levels of performance.

If a **State fails to meet its expected levels of performance in any year**, it can request **technical assistance**. If a State fails to meet the the performance levels for the same program for a second year or if a State fails to report its performance in any year, **its funding can be reduced by 5%**.

[WIA Section 136(g)]

If a **local area fails to meets its performance levels in any year**, technical assistance must be provided. The **technical assistance** may include a performance improvement plan, a modified local plan, or other action to assist the local area to improve its performance.

If a **local area fails to meet the performance levels for the same program in two consecutive years**, the Governor must take corrective action which may include a reorganization plan. This action could include the certification and appointment of a new local board or a prohibition against using certain service providers or partners who perform poorly.

[WIA Section 136(h)]



INCENTIVES

- Start July 1, 2000
- States that exceed performance levels for
 - Workforce Investment Systems
 - Adult Education
 - Vocational Education
- To carry out innovative programs
- Not automatic
- \$750,000 to \$3,000,000

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The accountability provisions in the Act link performance and funding. Beginning July 1, 2000, each State will be eligible to receive an **incentive grant**, if the State exceeds performance expectations for the workforce investment system, adult education **and** vocational education.

[WIA Section 503(a)]

Incentive funds are to be used to carry out **innovative programs** for workforce investment system activities, adult education or vocational education, regardless of the source of the incentive grants.

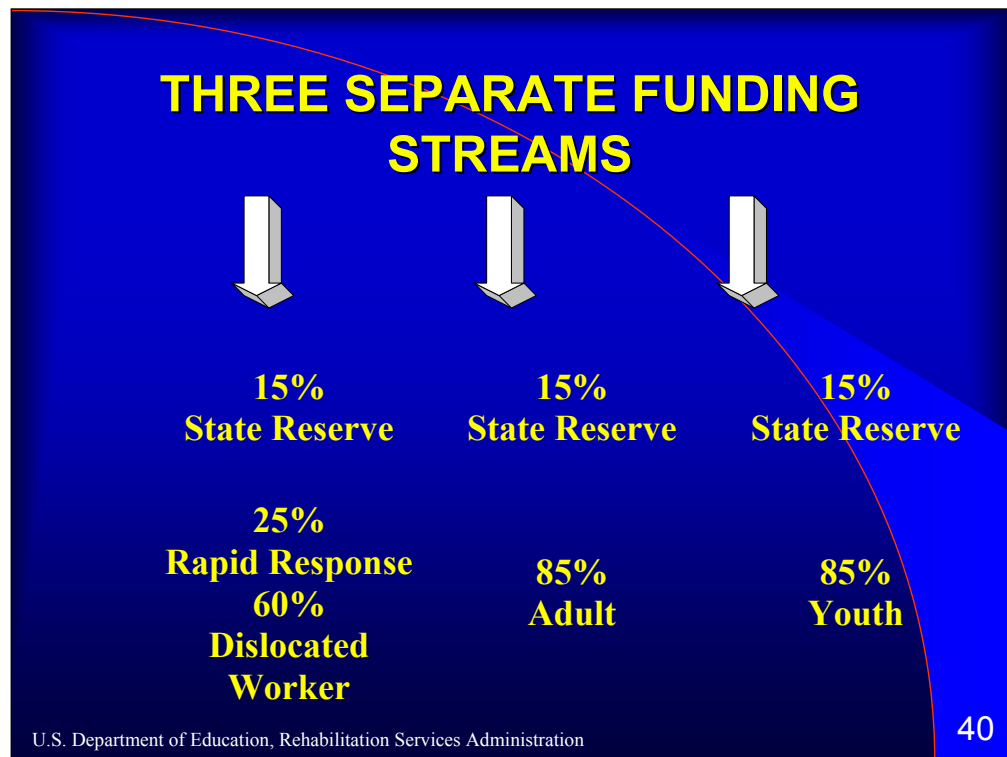
[WIA Section 503(a)]

The **amount** of the award to eligible States will be determined by the Secretary of Labor, in consultation with the Secretary of Education, and will vary depending upon a variety of factors, including the relative allocation and performance of an eligible State compared to other States.

[WIA Section 503(c)]

States must reserve a portion of their funds to provide **incentive grants to local areas** for regional cooperation among local boards, for local coordination activities and for exemplary performance.

[WIA Section 128(a) and 133(a)(1)]



The Act preserves **separate funding streams** for adult, dislocated workers and youth activities.

- 15% of each funding stream is **reserved for statewide activities** (incentive grants, technical assistance, management information systems, evaluation and One-Stop system building). The States may merge the 15% set-asides from each stream to increase services to one of the three groups.

[WIA Section 128(a) and 134(a)(3)(A)]

- 25% of **dislocated worker funding** is reserved by the State for rapid response activities.
- 60% of **dislocated worker funding** is allocated to local areas.

[WIA Section 133(a)(2)]

- 85% of the **adult funding** is allocated to local areas.

[WIA Section 133(b)(1)(A)]

- 85% of **youth funding** is allocated to local areas.

[WIA Section 1289b)(1)]

Administrative Cost Limits

- **States: 5% of total allotment**
- **Part of 15% State reserve**
- **Local Areas: 10% of allocation**
- **Uniform cost principles (OMB Circulars)**

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Not more than 5% of the State's 15% State reserve may be used for administration.

[WIA Section 134(a)(3)(B)(i)]

Local areas may use up to 10% of their allocation for administrative costs.

[WIA Section 128(b)(4)]

All recipients and subrecipients must follow the **Federal allowable cost principles outlined in OMB Circulars** that apply to their organizations.

[29 CFR 95.27 and 29 CFR 97.22]

The administrative costs do not have to be allocated back to the individual funding stream.

[WIA Section 134(a)(3)(B)(ii)]

Resource Sharing

The resources of each partner may only be used to provide services that are authorized and provided under the partner's program to individuals who are eligible under such program.

- ➔ **The MOU describes the funding arrangements for services and the operating costs of the One-Stop delivery system.**

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The resources of each partner (including manpower and funding) may only be used to provide services that are authorized and provided under the partner's program to individuals who are eligible under such program.

(20 CFR Part 662.280)

"Each entity that carries out a program or activities described in subparagraph (B) (in the One-Stop Delivery System) shall"-

(ii) participate in the operation of such system consistent with the terms of the memorandum described in subsection (c) (Memorandum of Understanding) and with the requirements of the Federal law in which the program or activities are authorized."

[WIA Section 121(b)(1)(A)]

The MOU describes how the cost of the identified services and the operating costs of the system will be funded.

[WIA Section 121(c)(2)(A))ii)]

Waivers

Includes broad authority for the Secretary to waive statutory or regulatory requirements of the Workforce Investment Systems provisions in Title I of WIA.

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The Secretary has broad authority to waive statutory and regulatory provisions pertaining to statewide and local workforce investment systems (Subtitle B) of WIA Title I.

[WIA Section 189(i)(4)(A)]

Note: with the exception of several sections in Title III (Wagner-Peyser Act amendments), **this waiver authority does not extend to other titles of the Act.**

The waiver authority in WIA is designed to provide flexibility to States and local areas and to enhance their ability to improve the statewide workforce investment system.

[20 CFR Part 661.400(a)]

Requests for waivers must address impediments to the implementation of a strategic plan and goals to be achieved. These must not violate the key reform principles of WIA.

[WIA Section 189(i)(4)(B)]

[20 CFR Part 661.400(b)]

Unified Plan

- Encourages submission of unified State plans
- Describes methods for joint planning and coordination
- Approval of partner plan portions subject to the requirements of the authorizing Federal statutes
- Specifies 15 programs that may be included
- Appropriate Secretary has 90 days to approve relevant portion of State plan

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The law permits States the option of submitting a **separate State plan for each of the mandated partners** in the State workforce investment system, or submitting a **unified State plan for two or more** of the fifteen specified programs or activities in the Act. By statute the unified State plan is five years.

[WIA Section 501(b)(1)]

The unified State plan describes the **methods** used for joint planning and coordination of the programs and activities included in the unified plan. There must be an assurance that the entities responsible for planning and coordinating the programs and activities had **opportunities to review and comment on all portions of the unified State plan**.

[WIA Section 501(c)(3)]

Each portion of the unified State plan is subject to the particular requirements of the Federal law authorizing the program. The **appropriate Secretary** for each portion of the plan has 90 days to approve the relevant portion of the unified State plan. Otherwise, the plan is considered to be approved.

[WIA Section 501(d)(1) and (2)]

Effective Dates

- Orderly transition from JTPA to WIA
- JTPA to be repealed on July 1, 2000
- Provisions of WIA effective on enactment, unless otherwise specified
- Interim final regulations within 180 days
- Final regulations no later than December 31, 1999
- Not more than 2% of JTPA or WIA allotment for FY 1998 or 1999 may be used to plan and implement WIA

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The Secretaries of Labor and Education are authorized to take appropriate action to ensure an orderly transition to the new programs under their purview.

[WIA Section 506(a) and(b)(1)]

The Job Training and Partnership Act is repealed effective July 1, 2000.

WIA is effective on the date of enactment (August 7, 1998), unless as otherwise provided in the Act.

(WIA Section 507)

The **interim final regulations** are to be developed and published in the Federal Register within 180 days of the enactment of WIA. They were actually published on April 15, 1999.

[WIA Section 501(c)(1)]

The **final regulations** must be published by no later than December 31, 1999.

[WIA Section 501(c)(2)]

No more than 2% of the total JTPA funding allotted to the States for fiscal years 1998 and 1999 may be expended for WIA transition planning activities.

[WIA Section 501(d)(2)]

Workforce Investment System

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