



Local Workforce Investment Area (LWIA) 26

Local Workforce Investment Board
(LWIB) Training
May 8, 2012
Harrisburg, IL



Purposes and Goals


- Provide basic information on Workforce Investment Act (WIA) programs and how they work
- Give an overview to board members and CEOs of their responsibilities and duties
- Provide resources and tools to promote board member effectiveness



Overview

- Training
 - Part 1 – WIA Programs
 - What they are
 - How they work
 - Part 2 – Governance
 - Federal
 - State
 - Local
 - Part 3 – LWIBs & CEOs
 - Roles and responsibilities in general
 - Specifics for LWIA 26 Board

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Part 1 – WIA Programs



Relevant History

- The Workforce Investment Act (WIA) is the fourth major Federal job training program. Predecessor programs were:
 - Job Training Partnership Act
 - Comprehensive Employment and Training Act (CETA)
 - Manpower Development and Training Act (MDTA)

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WIA Overview

- The Workforce Investment Act (WIA) changed the landscape of local workforce development
 - Reformed existing programs
 - Established a statutory basis for local one-stop delivery systems
 - Created a major opportunity to reform local workforce development systems

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Seven Principles of WIA

- Streamline services
- Empower job seekers in new ways
- Provide universal access
- Increase accountability
- Strengthen local workforce investment boards
- Provide new flexibility for local areas
- Improve youth programs

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Governing Laws, Regulations and Policies

- The Workforce Investment Act of 1998 (Public Law 105-220)
- WIA Regulations (20 CFR - Parts 660 through 667)
- Trade Act of 2002, 2009 and 2012
- State policy, promulgated by DCEO
- Local policy, established by LWIBs, in consultation with CEOs

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Administrative Structure

- USDOL– ETA administers the program
- Each Governor designates a state administrative agency (DCEO in Illinois)
- DCEO as administrator:
 - Implements statewide programs and initiatives
 - Establishes and certifies local workforce investment areas and boards
 - Issues planning instructions and reviews and approves local area plans
 - Issues planning instructions and reviews, approves and monitors local area MOUs
- States divided geographically into local workforce investment areas (Illinois has 26 LWIAs)
- Each area operates its own program under the leadership of the CEOs and LWIB

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Basic Funds Flow

- USDOL – ETA annually allocates funds to states
 - Funds are used in accordance with state plan
- DCEO annually allocates funds to local workforce investment areas
 - Funds within local areas are used in accordance with the local area plan

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Workforce Development Hierarchy

- **USDOL/ETA**
 - Awards grant to State (DCEO)
 - Establishes and enforces policies
 - Provides oversight to state (DCEO)

- **State (DCEO)**
 - Awards grants to local area
 - Establishes and enforces state policies
 - Provides oversight and technical assistance to LWIAs

- **LWIAs (LWIA 26)**
 - Receives DCEO Grants
 - Administers programs in compliance with grant
 - Plans and delivers services
 - Serves participants

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State of Illinois Perspective

- LWIA 26 Serves 14 counties
- Annual Allocation
 - PY 2009 - \$2,216,563
 - PY 2010 - \$1,588,064
 - PY 2011 - \$1,281,276
 - PY 2012 - \$1,146,801
- Ranked #24 in state for PY 2012 Allocation

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Grants - Grant Administration

- WIA grants come to local areas from DCEO
 - Grants are awarded to grant recipients
 - An enforceable contract that specifies terms and requirements
 - Grantees perform according to grant agreement
 - Grantees report on program and financial activity

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Types of Grants

- Formula grants – awarded annually to local areas in an amount calculated using a standard formula
 - "Funding streams" Unique requirements
 - Adult
 - Youth
 - Dislocated workers
 - Funds also provided for administration (10% max.)
- Title I –E grants (emergency funds in the event of mass layoffs or closing)
- National Emergency Grants (NEG)
- Trade Act Grants

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Discretionary Grants

- Grants can be awarded to local areas
- Special purpose grants, such as
 - Incentive grants (for performance)

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Grant Recipient

- The CEOs have choices:
 - They can receive and administer grants
 - They can designate an entity to do this on their behalf
- The CEOs in LWIA 26 have designated So. 14 WIB as the Grant Recipient
- CEOs remain liable for questioned or disallowed costs

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Grant Recipient

- So. 14 WIB has a contractual relationship with DCEO and receives all grant funds
- So. 14 WIB is responsible for grant administration including financial management and reporting

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Memorandum of Understanding

- MOU is required by WIA
- Defines how services of workNet partners are coordinated
- Details agreements among partners to share resources and to pay for workNet center costs
- LWIB is responsible for negotiating the MOU

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One-Stop Delivery System

- WIA established a statutory basis for “integrated” service locations
- Number and location of centers is a local decision (1 comprehensive center per LWIA @ minimum)
- Increasing emphasis on services through technology (Illinois workNet)
- 3 Comprehensive Illinois workNet centers in LWIA 26 and 12 Affiliate sites

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One-Stop Partners

- State and local agencies that make workforce development services available through one-stop centers
 - “Required partners” - agencies that provide workforce services in Federal and State programs specified in WIA and State Policy
 - Other entities that the CEOs and the LWIB want to provide services through one-stop centers

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One-Stop Operator

- WIA requires CEOs and the LWIB to designate a “one-stop operator”
 - Must be competitively bid, unless
 - A “consortium” of three or more one-stop partners is designated
 - LWIA 26 uses the “consortium” model
 - Different set of required partners for each of the three comprehensive centers

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Services Available to Adults and Dislocated Workers

- Eligible Adults
 - Authorized to work in the U.S.
 - Registered with Selective Service
 - At least 18 years old
 - At least 51% meet low income criteria (generally: public assistance or Food Stamps recipient or poverty level income)

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Services Available to Adults and Dislocated Workers

- Eligible dislocated workers
 - An individual who meets eligibility requirements such as:
 - Unlikely to return to prior industry or occupation
 - Laid off or terminated due to plant closure or substantial layoff
 - Formerly self-employed but now unemployed
 - Displaced homemaker

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Services Available to Adults and Dislocated Workers

- Core services such as:
 - Resource Room Utilization (Self and Staff Assisted)
 - Self assisted services are generally limited to information and services available in the resource room
 - Case Management
- Intensive services (staff assisted services) such as:
 - Skills assessments
 - Employability planning

Career counseling

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Services Available to Adults and Dislocated Workers

- Training services
 - Occupational skills training
 - On-the-job training (OJT) programs
 - Customized training
 - Skills upgrading and retraining
- Provided mostly through Individual Training Accounts (ITAs)

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Services Available to Adults and Dislocated Workers

- ITAs are:
 - “Market driven”
 - Basically, “vouchers” good for training in any eligible training program
 - Participants choose training program on eligible list (in consultation with case manager based on assessments and testing)
 - Limitations on amounts and duration determined locally (policy)

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Services Available to Adults and Dislocated Workers

- Eligible training provider list
 - Statewide list of WIA-funded training programs
 - LWIBs responsible for initial determination of eligibility
 - LWIBs must annually re-determine eligibility based on the training program's performance and other factors
 - Should not be rubber stamped

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Services Available to Adults and Dislocated Workers

- Other types of training – services to businesses
 - OJT – Reimbursement for employer-provided training
 - Customized training – specific training provided for employers who commit to hire following the training
 - Incumbent worker training
 - Must be tied to layoff aversion
 - Skills upgrading for employees of participating employers
 - Limited to 10% of DW allocated amounts
- 40% minimum direct training expenditure requirement

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Services Available to Adults and Dislocated Workers

- Supportive services – services that enable eligible individuals to participate in WIA services (determined by local policy) such as:
 - Child care
 - Transportation
 - Cash payments (“Needs Related Payments”)
 - Housing

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Youth Services

- Eligible youth
 - Are 14-21 years of age
 - Low income (public assistance or Food Stamps recipient, family income)
 - Up to 5% do not have to meet low income if they are within one of more categories (e.g., school dropout or basic skills deficiency)
 - At least one of nine different barriers to employment (e.g., school dropout, basic skills deficiency, pregnant or a parent)

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Youth Services

- Funding limitations
 - Not more than 70% of funds allocated for youth service can be spent on in-school youth
 - Not less than 30% of funds allocated for youth services must be spent on out-of-school youth

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Youth Services

- Youth funds may be used for the 10 required elements:
 - Needs assessment and service planning
 - Tutoring needed to complete high school
 - Summer employment
 - Work experience
 - Occupational skill training
 - Counseling and other services
 - Other locally defined services

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Youth Services

- Illinois has a waiver from DOL allowing local areas to provide ITAs for certain youth
 - So long as an approved waiver is in place, youth ages 16 and over and out-of-school youth participants may receive an ITA for training

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Youth Services

- Youth services are planned and coordinated by a Youth Council, which operates under the LWIB to:
 - Complete the youth part of the local plan
 - Evaluate and recommend youth service program providers based on performance
 - Provide oversight of youth programs

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Performance Accountability

- A national goal under WIA
- Performance measures integrated into WIA
 - Negotiation with DCEO every two years (usually)
 - Outcomes result in incentives or sanctions
 - Incentive grants for local areas that meet or exceed all performance standards
 - Progressive sanctions for failure to meet performance standards

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Performance Measures

- Performance measures for adults and dislocated workers
 - Entered employment rate (EER)
 - Employment retention rate (RR)
 - Average earnings (AE)

	Adults	Dislocated Workers
EER	79%	84.8%
RR	82%	89%
AE	\$9,400	\$11,150

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Performance Measures Outcomes

Adult Average Earnings

\$9,400 = \$9.64/hour

DW Average Earnings

\$11,150 = \$11.43/hour

- Based on 37.5 hour work week

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Performance Measures

- Performance measures that apply to youth
 - Rate placed in employment or education
PEER
 - PY'11 standard = 56%
 - Attainment of degree or certificate rate
ADC
 - PY'11 standard = 45%
 - Literacy and numeracy gains LNG
 - PY'11 standard = 33%

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Incentives and Sanctions

- Incentive grants
 - DCEO has asked for a waiver from doing so as suggested in TEGL 09-11.
- Sanctions
 - Technical assistance in year one
 - Drastic action if failed performance in two consecutive years

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Part 2 – Governance



Governance – Federal

- USDOL-ETA administers the program
 - Enforces statutory and regulatory requirements
 - Administers Federal grants awarded under WIA
 - Provides policy guidance
 - Conducts oversight of states
 - Administers reporting systems

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Governance - State

- DCEO as the State Oversight Agency
 - Awards and administers local area grants
 - Establishes and enforces Statewide policy
http://www.illinoisworknet.com/vos_portal/WIA_Works/en/Home/policyMakers/Policies
 - Conducts annual fiscal and program monitoring of local areas outlining findings, corrective action & local area response
 - Administers the performance management system
 - Provides technical assistance

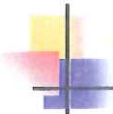
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Governance - Local

- Chief elected officials are responsible for programs. They:
 - Either act as or designate a grant recipient
 - Appoint and remove members of the local workforce investment board
 - Approve all major local workforce plans, policies and decisions

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Governance - Local

- CEO Agreement
 - Among the 14 CEOs in LWIA 26
 - Defines CEO structure and decision processes
 - Establishes procedures for appointing LWIB members
 - Designates the Grant Recipient

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Governance - Local

- CEO/Grant Recipient Agreement
 - Delegates wide authority to grant recipient
 - Enter into contracts
 - Receive and distribute funds
 - Establishes CEO expectations of the grant recipient
 - General expectations
 - Procedural expectations
 - Reporting expectations

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Governance - Local

- Key CEO expectations of grant recipient:
 - To assure compliance
 - To responsibly manage grants and funds
 - To take action to correct deficiencies
 - To assure fair and equitable allocation of grant funds across counties
 - To provide meaningful reports

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Part 3 – LWIBs & CEOs



Context: Evolving Priorities Under WIA

- Emphasis on training for jobs in demand occupations in a global economy
- Training resources:
 - Training should be geared toward demand occupations
 - Targeted toward skill deficiencies in the region *
 - Emphasizing training for high-paying, high-growth jobs
 - Minimum expenditure levels required on ⁴⁹



Evolving Priorities- Continued

- Local workforce systems focused on meeting employer needs
- Local workforce systems aligned with economic development priorities
- Options for individuals needing remedial training first
- LWIBs provide leadership for priorities

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Dual Roles of LWIBs

- Mandated responsibilities
 - Planning responsibilities
 - Administrative responsibilities
 - Oversight responsibilities
- Strategic responsibilities
 - Understand workforce needs of the local area
 - Align available funds with these needs

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Summary of Mandated Responsibilities of Local Boards

According to the law, Boards have responsibilities for:

- Developing a comprehensive local area plan
- Selecting a one-stop operator and other service providers
- Identifying training provider programs eligible for ITAs

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Mandated Responsibilities (Cont.)

- Providing oversight of programs
- Negotiating performance standards/goals
- Coordinating workforce development with economic development
- Promoting employer participation
- Appointing a youth council
- Directing the disbursement of WIA funds

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Mandated Responsibilities (Cont.)

- Most responsibilities are performed in partnership with CEOs
- How the Board and CEOs work in partnership is described in a CEO/LWIB Agreement
- The Board may have a budget – subject to CEO approval

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Summary of Board Planning Responsibilities

- Board has responsibility for determining:
 - What kind of workers do employers need?
 - What kind of skills do workers need to obtain employment?
 - What sectors and employers drive the economy?
 - Where are the jobs?
- Board needs a mechanism to refine priorities based on this intelligence

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Board Planning Responsibilities (Cont.)

- The Board then has the strategic responsibility to:
 - Align WIA funds with strategic needs
 - Establish priorities for participant services
 - Advocate for other workforce funds to be targeted to employer need areas (i.e. Migrant Workers, Job Corps, CSBG, DOL NEG, etc.)
 - Remain aware of evolving employer needs for workers and jobs

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Board Planning Responsibilities (Cont.)

- Board has tactical responsibility to:
 - Develop a comprehensive local plan that reflects strategic priorities
 - Prepare and submit the plan in accordance with DCEO policies and requirements, including public comment requirements
 - Modify the plan as conditions and circumstances change

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Examples of Board Administrative Responsibilities

- Develop the local Memorandum of Understanding
- Manage and maintain the local area's portion of the Eligible Training Provider List
- Negotiate performance standards with DCEO bi-annually
- Establish and maintain needed local policies

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Board Oversight Responsibilities

- Three primary areas for oversight of the LWIB include:
 - How funds are spent (financial oversight)
 - Program outcomes (performance oversight)
 - Whether things are being done "right" (compliance oversight)
- Report findings to CEOs

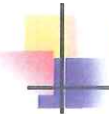
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Financial Oversight

- Some key metrics to watch
 - Obligation percentage
 - Expenditure rates
 - Percentage spent on direct training
 - Percentage spent on in-school youth
 - Percentage spent on out-of-school youth

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Performance Oversight

- Progress towards meeting negotiated standards for the nine performance measures
- Performance of core and intensive services by service providers
- Performance of individual training institutions and programs

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Compliance Oversight

- Results of external reviews
 - Annual DCEO program and fiscal monitoring
 - DOL or other Federal reviews
 - Annual independent audit
- Results of internal reviews
 - Annual monitoring of service providers

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Reports Enabling Financial Oversight

- Periodic financial reports
 - Report of financial activity under WIA and TAA grants
 - Key metrics for Financial Oversight of WIA Grants
 - Summary of Financial Activity for Service Providers
 - Plan versus Actual Summary Report

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Reports Enabling Financial Oversight (Cont.)

- Statement of Grant Recipient Expenditures
- Report of Training Provider Expenditures

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Reports Enabling Oversight of Performance

- Report of LWIA 26 Performance Outcomes

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Reports Enabling Oversight of Compliance

- Periodic compliance reports
 - Summary of Required Annual Service Provider Monitoring
 - Status Summary for External and Internal Oversight Reviews
 - Review Findings and Status Detail

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County-Level Reports

- Report of County-level Participant Data
- Report of County-level Participant Directed Training Expenditures

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CEO/LWIB Agreement (current CEO Agreement)

- Identifies CEO expectations of LWIB
- Exclusive responsibilities of CEOs (examples)
 - Appoint and remove LWIB members
 - Designate Grant Recipient
 - Assume liability for questioned or disallowed costs (i.e., misspent funds)

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CEO/LWIB Agreement

- Examples of shared responsibilities or actions requiring CEO approval
 - Local area plan and subsequent modifications
 - MOU
 - LWIB budget, if any
 - Policy setting
 - Oversight

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CEO/LWIB Agreement

- CEO Expectations of LWIB
 - Focus on services
 - General expectations (e.g., achieve service goals, responsibly fulfill duties)
 - Organizational responsibilities (e.g., hold meetings, comply with bylaws, etc.)
 - Service responsibilities (e.g., approve contracts, set service priorities, etc.)

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CEO/LWIB Agreement

- CEO Expectations of LWIB (Continued)
 - Youth program responsibilities (e.g., develop youth program, award grants and contracts to youth service providers, etc.)
 - Other CEO expectations (e.g., work together and in harmony with CEOs)

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LWIB Structure

- Bylaws are needed
 - Membership terms and election of officers
 - Meeting schedule
 - Committee structure (recommendations)
 - Executive
 - Planning
 - Oversight
 - Finance
 - Marketing
 - Youth Council

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LWIB Structure

- The Board employs staff
 - Three employees provide staff support
 - Support provided for both routine and strategic board functions
 - Described in a formal "staffing plan"
 - Staff to support each committee identified

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Other Items to Mention

- Rapid Response responsibilities
- Trade Adjustment Act responsibilities

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CHARACTERISTICS OF A SUCCESSFUL BOARD MEMBER



- Successful workforce board members:
 - bring their expertise and knowledge to the table
 - communicate the board's purpose to the community and advocate the use of workforce solutions
 - stay abreast of local labor market and economic conditions
 - actively participate and serve on committees

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CHARACTERISTICS OF A SUCCESSFUL BOARD MEMBER

- As a board member you should network throughout the community. This provides an opportunity to:
 - promote the workforce services available to employers and job seekers
 - bring workforce issues from the community to the workforce board

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IT'S MORE THAN WIA!

- What other programs can participate in workforce development?
- What programs/services do the partner programs provide?

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