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TO: Barbara Levin Bergman, Chair
Ways & Means Committee

THROUGH: Robert E. Guenzel
County Administrator

FROM: Tenda Rusher, Director
ETCS

DATE: July 2, 2008

SUBJECT: Workforce Investment Act (WIA)

BOARD ACTION REQUESTED:

It is requested that the Board of Commissioners ratify the signature of the Chair of the Board on the Program Year (PY) 2008 Workforce Investment Act (WIA) Adult, Dislocated Worker, and Youth Plan for the period of July 1, 2008 through June 30, 2009 in the total amount of \$3,993,840.

BACKGROUND:

Enabling workers to acquire the skills necessary to succeed in the fast-changing global economy of the 21st Century is the foundation for the Governor's No Worker Left Behind (NWLB) initiative. Having an adaptive, highly skilled workforce is central to Michigan's strategy for economic transformation. The Michigan Department of Labor and Economic Growth (MDLEG) is the state department that is charged with overseeing NWLB.

The NWLB initiative aligns all federal workforce dollars used for worker training into a unified workforce development strategy. The federal Workforce Investment Act (WIA) is the primary funding source for the NWLB initiative. The Workforce Investment Act (WIA) was mandated on August 7, 1998 and provides the framework for a unique national workforce preparation and employment system designed to meet both the needs of businesses and the needs of job seekers and those who want to further their careers.

ETCS is the administrator and operator of workforce development programs in Washtenaw County. It is funded by the Workforce Investment Act (WIA), the United States Department of Labor (USDOL), and the Michigan Department of Labor and Economic Growth (MDLEG) to provide employment training and placement services. The Washtenaw County Workforce Development Board (WDB) and the Board of Commissioners (BOC) oversee, recommend and approve workforce development programs throughout Washtenaw County. ETCS is also referred to as the local Michigan Works! Agency (MWA). There are three (3) separate funding sources under the Workforce Investment Act (WIA): (a) the Adult Program; (b) Dislocated Worker Program; and (c) the Youth Program.

DISCUSSION:

Governor Granholm announced the NWLB initiative on August 1, 2007; an ambitious plan to train 100,000 citizens in three (3) years for jobs in high demand occupations and emerging industries or entrepreneurial endeavors. NWLB gives Michigan workers the opportunity to acquire the skills they need to win good-paying jobs in today's global economy. By reorganizing and augmenting federal funds currently used for workforce development, NWLB will provide \$5,000 per year for up to two (2) years of free tuition per participant (for a total of \$10,000 of free tuition) at any Michigan community college, university, or other approved training program for qualifying participants.

Governor Granholm has mandated Michigan Works! Agencies (MWAs) to align the use of existing training resources and accelerate worker transitions through learning to support the state's employers and economic development needs. As such, Washtenaw County WIA funds are utilized to enroll its job seekers in training and the NWLB.

The MDLEG has implemented a policy that requires only one plan for the WIA programs. In the past, three separate plans were requested for submission to the MDLEG for approval. The change allows for funding approval of 2008 WIA Programs to consist simply of the Budget Information Sheets (BIS) for each WIA program: (A) Adult, (B) Dislocated Worker, and (C) Youth. This change only extends to the submission of plans; the program goals and budgets remain distinct in their purpose.

(A) Adult Program:

ETCS/MWA provides three levels of services under WIA: (1) core services; (2) intensive services; and (3) training services.

Adult Program Eligibility:

Eligible customers under the workforce investment system include all county residents and employers for core services, as the WIA system is a universal system. Eligibility requirements for intensive services and training services are strictly restricted to adults and dislocated workers who are unemployed or employed and in need of intensive services in order to obtain or retain employment that allows for self-sufficiency. Referral to training and the use of on-the-job training and customized training becomes very important for workforce development strategies in the Washtenaw County area to improve the skills gaps of current job seekers.

(1) Core Services:

All residents and employers have access to WIA Core Services. These services are available to the general public at no charge, creating a universal access system. Some of the highlights of these local services include Face-to-Face Job Fairs, where employers interview applicants on site and a weekly seminar on Job Readiness and Retention topics. The Michigan Works! Agency (MWA) will coordinate targeted Job Fairs for specific industries, which include customized recruitment strategies.

Core services that are not primarily informational and must be staff assisted will require WIA registration. Intensive services and training services also require WIA registration. For all individuals registered in WIA, an Individual Employment Plan (IEP) shall be developed. The IEP is an ongoing strategy jointly developed by the participant and the case manager that identifies the participant's employment goals, the appropriate achievement objectives, and the appropriate combination of services for the participant to achieve the employment goals.

(2) Intensive Services:

- Comprehensive and specialized assessments of the skills levels and services needs of the adult or dislocated worker;
- Development of an individual employment plan to identify employment goals and achievement objectives;
- Group counseling;
- Individual counsel and career planning;
- Case management for participants seeking training services;
- Short-term pre-vocational services, including learning skills development, communication skills, interviewing skills, punctuality, professional conduct, and personal maintenance skills

(3) Training Services:

- Occupational skills training
- On-the-job training
- Programs combining workplace training with related instruction;
- Training programs operated by the private sector;
- Skill upgrading and retraining;
- Entrepreneurial training;
- Job readiness training;
- Adult education and literacy activities, provided in combination with services described above

For PY 2008, ETCS will receive \$841,338 in WIA Adult Program funding, which is an increase of \$233,307 from PY 2007. With these funds, ETCS anticipates serving approximately 174 eligible WIA Adult Program customers. This represents a planned increase of forty-eight (48) customers. New performance standards have not been released, but it is expected that program performance will be similar to last year and will include: 85% of the customers enter employment, 80% of those adults retain employment past six (6) months, the average earnings for a six (6) month period for an adult is \$8,000, and 81% for the adult credential rating.

The Washtenaw County MWA has developed a supportive services policy that ensures resources and service coordination. Supportive services are provided to any eligible participant, based on need, to reduce barriers in the transition into employment. Supportive services include transportation, childcare, dependent care, temporary housing services and needs-related payments. These supportive services must be necessary to enable the individual to participate in WIA activities. WIA supportive services shall only be provided when the individual is unable to obtain the services through other programs or resources. WIA case manager will refer individuals to other resources when appropriate. The MWA administration, as the One-Stop designee, may grant exceptions to the supportive services policy, on a case-by-case basis.

(B) Dislocated Worker Program:

Dislocated worker skills are often outmoded in the existing fast-changing labor market. Often, the dislocated worker's only experience is in low skill, high paying manufacturing jobs, which are becoming rapidly obsolete. Dislocated workers face several challenges in their effort to become marketable. Dislocated workers must first accept that returning to their former job is not an option; recognizing that without updated skills, they will not command the wages and fringe benefits of their former job; and make the decision to seek retraining to learn new job skills. These services include at a minimum, basic skills training, on-the-job training, job-search

assistance, counseling and customized training. These services may improve the dislocated worker's prospects of returning to productive employment. Again, training becomes very important for workforce development strategies in the Washtenaw County area to improve the skills gaps of current job seekers.

Dislocated Worker Program Eligibility:

Eligible persons include customers displaced from employment or displaced homemakers within Washtenaw County as defined by the WIA.

The WIA Dislocated Worker Program shall depend on close coordination with the local Unemployment Agency offices and the Trade Adjustment Act of 2002 at both the planning and implementation level. Currently, MWA staff communicates on a regular basis with the local Unemployment Agency (UA) offices to discuss integration of the current available pool of resources accessible to the two agencies for dislocated workers and the unemployed in the area through the Michigan Works! System. Services include registration, employment counseling, vocational testing, job development, supportive services, classroom training, self-directed job search, job search allowances, and relocation allowances. Referral to training and the use of on-the-job training and customized training becomes very important for workforce development strategies in the Washtenaw County area to improve the skills gaps of current job seekers.

Rapid response assistance will continue to be provided on the site of dislocation, if possible within forty-eight (48) hours of receipt of information of an actual or eventual plant closing or mass layoff received by local officials, the Washtenaw County MWA, the local Unemployment Agency, or a labor organization. A Rapid Response Team (RRT), which includes the Washtenaw County MWA or its designee(s), will meet with the employer to assess the situation, provide initial information on available assistance, and initiate an appropriate intervention or response.

In addition, the MWA Director and appropriate MWA staff will work with MDLEG staff to encourage the formation of a labor-management committee.

For Program Year (PY) 2007, ETCS received \$1,874,593 in WIA Dislocated Worker Program funding. With these funds, ETCS planned on serving 341 participants. Since PY 2007 ends on June 30, 2007, actual numbers served for the entire PY are not yet available. Data through May 2008 shows that 367 Dislocated Workers have been served thus far. This indicates that the goal for PY 2007 has already been exceeded by twenty-six (26) customers with one (1) more month of PY 2007 left.

For PY 2008, ETCS will receive \$1,508,916 in WIA Dislocated Worker Program funding, which is a decrease of \$365,687 from PY 2007. With these funds, ETCS anticipates serving approximately 271 eligible WIA Dislocated Workers. Since the funding amount is less, the number of individuals that we are able to serve is less.

New performance standards have not been released, but it is expected that program performance will be similar to last year and will include: 90% for Dislocated Worker Entered Employment Rate, 88% for Dislocated Worker Employment Retention Rate at Six Months, Average Earnings of \$13,500, and 81% Dislocated Worker Employment Credential Rate.

(C) Youth:

It is the intent of both the Washtenaw County Workforce Development Board (WDB) and the local government to offer employers a labor force trained to meet employer needs and to establish a training system that is responsive to the demands of business and industry.

The primary services available to Youth Program participants at the Michigan Works! Service Center (MWSC) includes:

- Preparation for postsecondary educational opportunities;
- Educational opportunities;
- Strong linkages between academic and occupational learning;
- Preparation for unsubsidized employment opportunities;
- Effective linkages with intermediaries with strong employer connections;
- Alternative secondary school services;
- Summer employment opportunities;
- Paid and unpaid work experiences;
- Occupational skill training;
- Leadership development opportunities;
- Comprehensive guidance and counseling;
- Supportive services; and
- Follow-up services

The Washtenaw County MWA/ETCS may also provide basic skills training, case management services, work-based learning instruction, skill upgrading and retraining, entrepreneurial training, vocational exploration, GED preparation, customized training with employers who make commitments to employ, job search assistance, outreach services, specialized surveys, dissemination of information on program activities and development of job openings. These may be provided upon participant assessment. The Washtenaw County MWA/ETCS will also address self-esteem and motivation of youth to encourage school-to-work type programs. In addition and where appropriate, mentoring, job shadowing and youth leadership development within the private sector may be provided.

Youth Program Eligibility:

Eligible customers under the workforce investment system include youth who are between 14 and 21 years of age, youth who are low-income, as defined in the WIA 101(25), and youth with significant barriers to employment within one of the following:

- Deficient in basic literacy skills
- School dropout
- Homeless, runaway, or foster child
- Pregnant or parenting
- Offender
- An individual who requires additional assistance to complete an educational program, or to secure and hold employment

For Program Year (PY) 2007, ETCS received \$1,362,138 in WIA Youth Program funding. With these funds, ETCS planned on serving 400 participants. Since PY 2007 ends on June 30, 2007, actual numbers served for the entire PY are not yet available. Data through May 2008 shows that 459 WIA Youth Program participants have been served thus far. This indicates that the goal for PY 2007 has already been exceeded by fifty-nine (59) customers with one (1) more month of PY 2007 left.

For PY 2008, ETCS will receive \$1,643,586 in WIA Youth Program funding, which is an increase of \$281,448 from PY 2007. With these funds, ETCS anticipates serving approximately 483 eligible WIA Youth Program participants. This represents a planned increase of approximately eighty-three (83) Youth.

New performance standards have not been released, but it is expected that program performance will be similar to last year and will include: 80% of the older youth customers shall enter employment, 82% of that group shall retain employment past six months, the average earnings of the older youth in six months will be \$1,200, with a 73% credentialing rate. 90% of younger youth shall achieve skill attainment while 79% shall obtain their diploma with an overall retention rate of 72%.

IMPACT ON HUMAN RESOURCES:

The requested board action has no impact on Washtenaw County positions, personnel or procedures.

IMPACT ON BUDGET:

The impact on budget is a total of \$3,993,840. This is an impact of \$3,594,456 on program funding and \$399,384 in funds related to administering the programs.

The budgets for the three (3) WIA programs are as follows:

Program dollars:

\$ 757,204	Adult
\$ 1,358,024	Dislocated Worker
\$ 1,479,227	Youth
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\$ 3,594,455	TOTAL WIA PROGRAM

Administrative dollars are limited to 10% of the total budget:

\$ 84,134	Adult
\$ 150,892	Dislocated Worker
\$ 164,359	Youth
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\$ 339,385	TOTAL WIA ADMIN

Total budgets (program + administrative):

\$ 841,338	Adult
\$ 1,508,916	Dislocated Worker
\$ 1,643,586	Youth
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\$ 3,993,840	TOTAL WIA BUDGET

There are no county funds or match required.

IMPACT ON INDIRECT COSTS:

Indirect costs are not included in this budget.

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:

The requested board action has no impact on other County departments or outside agencies.

CONFORMITY TO COUNTY POLICIES:

The action is in conformity with County policies.

ATTACHMENTS/APPENDICES:

Program Year (PY) 2008 Workforce Investment Act (WIA) Program Plan

Program Year (PY) 2008 Workforce Investment Act (WIA) Program Budgets

A RESOLUTION RATIFYING THE SIGNATURE OF THE CHAIR OF THE BOARD ON THE WORKFORCE INVESTMENT ACT (WIA) ADULT, DISLOCATED WORKER, AND YOUTH PLANS IN THE TOTAL AMOUNT OF \$3,993,840 FOR THE PERIOD OF JULY 1, 2008 THROUGH JUNE 30, 2009 FOR ETCS; AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN NOTICE OF GRANT AWARDS; AMENDING THE BUDGET AND AUTHORIZING THE ADMINISTRATOR TO SIGN DELEGATE CONTRACTS

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 2, 2008

WHEREAS, enabling workers to acquire the skills necessary to succeed in the fast-changing global economy of the 21st Century is the foundation for the Governor's No Worker Left Behind (NWLB) initiative; and

WHEREAS, having an adaptive, highly skilled workforce is central to Michigan's strategy for economic transformation; and

WHEREAS, the NWLB initiative aligns all federal workforce dollars used for worker training into a unified workforce development strategy; and

WHEREAS, the NWLB gives Michigan workers the opportunity to acquire the skills they need to win good-paying jobs in today's global economy by reorganizing and augmenting federal funds currently used for workforce development; and

WHEREAS, the federal Workforce Investment Act (WIA) was mandated in 1998 and is the primary funding source for the NWLB initiative; and

WHEREAS, the WIA provides the framework for a unique national workforce preparation and employment system designed to meet both the needs of businesses and the needs of job seekers and those who want to further their careers; and

WHEREAS, there are three (3) separate funding sources under the WIA: (a) the Adult Program; (b) the Dislocated Worker Program; and (c) the Youth Program; and

WHEREAS, eligible participants could include Washtenaw County residents and employers for core services under the Adult Program, as the WIA system is a universal system; and

WHEREAS, eligible participants under the Dislocated Worker Program or Youth Program could include individuals displaced from employment and unable to find employment or low-income youth who are between 14 and 21 years of age and have significant barriers to employment; and

WHEREAS, ETCS is the administrator and operator of workforce development programs in Washtenaw County and is funded by the Workforce Investment Act (WIA) of 1998, the United States Department of Labor (USDOL), and the Michigan Department of Labor and Economic Growth (MDLEG) to provide employment, training, placement, and other workforce development services; and

WHEREAS, ETCS is also referred to as the local Michigan Works! Agency (MWA); and

WHEREAS, the Washtenaw County Workforce Development Board (WDB) and the Board of Commissioners (BOC) oversee, recommend and approve employment and training programs throughout Washtenaw County; and

WHEREAS, this matter has been reviewed by the Washtenaw County Workforce Development Board (WDB), Corporation's Counsel, the Finance Department, Human Resources, the County Administrator's Office, and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners (BOC) hereby ratifies the signature of the Chair of the Board on the ETCS (Employment Training Community Services department) Program Year (PY) 2008 Workforce Investment Act (WIA) Adult, Dislocated Worker, and Youth Program Plans in the total amount of \$3,993,840 for the period of July 1, 2008 through June 30, 2009, as on file with the County Clerk.

BE IT FURTHER RESOLVED that the Board of Commissioners hereby takes the following actions contingent upon receipt of the grant award in conformity with the application:

1. Authorizing the County Administrator to sign the Notice of Grant Award
2. Amending the budget as attached hereto and made a part hereof
3. Authorizing the County Administrator to sign delegate contracts upon review and approval of Corporation Counsel, to be filed with the County Clerk.

Washtenaw County ETCS
Chart of Accounts / Budget
WIA Adult
Business Unit: 2320089100
07/01/08 – 06/30/09

		<u>Original</u>		<u>Revised</u>	<u>Variance</u>
Revenues					
50000	Federal Revenue	\$ -		\$ 757,204	\$ 757,204
Expenditures					
80001	Other Services & Charges	\$ -		\$ 757,204	\$ 757,204

Washtenaw County ETCS
Chart of Accounts / Budget
WIA Dislocated Worker
Business Unit: 2350089100
07/01/08 – 06/30/09

		<u>Original</u>	<u>Revised</u>	<u>Variance</u>
Revenues				
50000	Federal Revenue	\$ -	\$ 1,358,024	\$ 1,358,024
Expenditures				
80001	Other Services & Charges	\$ -	\$ 1,358,024	\$ 1,358,024

Washtenaw County ETCS
 Chart of Accounts / Budget
 WIA Youth
 Business Unit: 2340089100
 07/01/08 – 06/30/09

		<u>Original</u>	<u>Revised</u>	<u>Variance</u>
Revenues				
50000	Federal Revenue	\$ -	\$ 1,479,227	\$ 1,479,227
Expenditures				
80001	Other Services & Charges	\$ -	\$ 1,479,227	\$ 1,479,227

Washtenaw County ETCS
 Chart of Accounts / Budget
 WIA Administration
 Business Unit: 2310089100
 07/01/08 – 06/30/09

		[1] <u>Original</u>	[1] <u>Revised</u>	[1] <u>Variance</u>
[1] Derived as follows:				
	WIA adult	-	84,134	(84,134)
	WIA youth	-	164,359	(164,359)
	WIA dislocated worker	-	150,892	(150,892)
	Total	\$ -	\$ 399,385	\$ (399,385)
Revenues				
50000	Federal Revenue	-	399,385	(399,385)
Expenditures				
80001	Other Services & Charges	-	399,385	(399,385)