

AGENDA

April 12, 2016

ARKANSAS WORKFORCE DEVELOPMENT BOARD FULL BOARD MEETING

1:00 P.M.

Call to OrderCharlie Clark, Chair

ACTION Item 1

Minutes of January 19, 2016 Full Board Meeting

Report of Chairperson.....Charlie Clark, Chair

Report of Staff.....Cindy Varner, Assistant Director
Arkansas Department of Workforce Services

Report of Committees

- Strategic Planning Committee.....Committee Member
 - Report on PY 2016-2019 WIOA Combined Plan Public Comments and Submission
 - **ACTION Item 2: Open Public Meetings Policy**
 - **ACTION Item 3: WIOA Title I Funding Distribution Policy**
- Program & Performance Evaluation Committee.....Scott Bull, Committee Chair
 - **ACTION Item 4: Eligible Training Providers Continued Eligibility Policy**
 - **ACTION Item 5: Revision to Performance Accountability Policy**
- Temporary Assistance for
Needy Families Oversight Committee.....Tom Anderson, Committee Chair

Discretionary Grants Update.....Mark McManus, ADWS
Discretionary Grant Division

Open Discussion: The State Plan is Submitted and Now What?Charlie Clark, Chair

Embassy Suites Hotel
11301 Financial Centre Parkway
Little Rock, Arkansas



Announcements

Adjournment

NEXT MEETING DATES

July 12, 2016	10:00 a.m. 1:00 p.m.	Committees Full Board Meeting	Little Rock Little Rock
October 11, 2016	10:00 a.m. 1:00 p.m.	Committees Full Board Meeting	Little Rock Little Rock

Embassy Suites Hotel
11301 Financial Centre Parkway
Little Rock, Arkansas



**For Consideration of the
Arkansas Workforce Development Board**

April 12, 2016

AGENDA ITEM 1 – ACTION: Minutes of the January 19, 2016 Full Board Meeting

RECOMMENDATION: It is recommended that the Arkansas Workforce Development Board approve the minutes of the January 19, 2016 full board meeting.

INFORMATION/RATIONALE: Minutes of the meeting are attached.

UNOFFICIAL

MINUTES

ARKANSAS WORKFORCE DEVELOPMENT BOARD

January 19, 2016

A regular quarterly meeting of the Arkansas Workforce Development Board was held on January 19, 2016, beginning at 1:04 p.m., at the Crowne Plaza Hotel, 201 South Shackelford Road, in Little Rock, Arkansas. Chair Charles Clark presided with the following members present: Mr. Tom Anderson, Mr. Daryl Bassett, Mr. Chad Bishop, Mr. Lindsey Brown, Mr. Scott Bull, Ms. Charisse Childers by proxy Mr. Jonathan Bibb, Mr. Robert East, Mr. Jeff Griffin, Ms. Diane Hilburn, Mr. Alan Hughes, Mr. Brian Itzkowitz, Mr. Johnny Key by proxy Ms. Michelle Griffin, Ms. Holley Little, Mr. Alan McClain, Ms. Katy Morris, Mr. Brett Powell, Mr. Mike Preston, Mr. Jerry Riley, Mr. Gary Sams, Mr. Kelley Sharp, Mr. Robert Thorne. Ms. Karen Breashears, Judge Brandon Ellison, Ms. Melissa Hanesworth, Ms. Abby Houseworth, Mr. Dean Inman, Mr. Bart Langley, Mr. Michael Newcity, and Mayor Harold Perrin were unable to attend.

Agenda Item 1 – ACTION – Minutes of the October 13, 2015 Board Meeting: Chair Clark proceeded to Action Item 1, asking if there were any additions or corrections to the minutes. Hearing none, **a motion to accept the minutes as presented was made by Mr. Alan Hughes, seconded by Mr. Tom Anderson, and the motion carried unanimously.**

Report of the Chair: Chair Clark stated that he has been attending most all Local Workforce Board meetings and has found that all were very engaged. He stated that he had encouraged the local boards to share best practices with their counterparts throughout the state.

Next, Chair Clark reported that he would be attending the National Governor’s Association of State Workforce Board Chairs on February 19 – 21, 2016 in Washington DC. He stated that topics on the agenda for the meeting include: State Issues and Innovations, Pipeline Management, Employee Partnerships, Changing Nature of Work: Implications for Workforce Development of a Rapidly Growing Economy, Work-Based Learning as a Core Component of Career Pathways and Sector Strategies, the Role of Boards, and Developing High Performing Boards. He further stated that he would report back on this trip at the April meeting.

Report of the Staff: Chair Clark asked Ms. Cindy Varner to provide the staff report. Ms. Varner began by recognizing all of the people that have worked on the WIOA Combined State Plan and thanked them. Next, she reviewed the PY 14 Annual Report and answered questions. Ms. Varner reported that a delegation of 18 would be attending the upcoming WIOA National Convening in Washington, DC, January 25 – 28, 2016. She stated that representatives from all partners would be attending, as well as, ADWS staff and members of the Governor’s staff.

Ms. Varner stated that planning for Local Board member training, to be facilitated by Maher & Maher, Inc., has begun and the training will be held in February. She further reported that the U.S. Department of Labor will be providing training to WIOA monitoring staff March 8 – 9, 2016.

Next, Ms. Varner reminded the board members that their Statement of Financial Interest forms are due by January 30, 2016, and that they could complete and provide to staff for submittal or submit directly to the Secretary of State's offices.

Committee Reports

Action Item 2 – Committee Action Ratification: Chair Clark asked that Mr. Brian Itzkowitz, Chair of the AWDB – Strategic Planning Committee, give a report of the committee's activities since the last quarterly meeting. Mr. Itzkowitz began by stating that two meetings had been held since the last full board meeting, on December 16 and again this morning.

He reported that at the December 16th meeting the committee approved the minutes of the October 13th committee meeting. He stated that the committee listened to a report from staff regarding the November 30 – December 1, 2015 strategic planning session that was held in conjunction with the Arkansas Career Education and Workforce Development Board. He reported that Ms. Varner gave a PowerPoint presentation on the outcomes from the event including noted strengths, weaknesses, opportunities and threats (SWOT) to the existing workforce development system, as well as, input on the vision and mission statements. She reported that the goals that came out of the session fell into three areas, which were Partnerships, Service Delivery, and Awareness.

Mr. Itzkowitz stated that the committee voted to accept the SWOT analysis, goals and objectives as presented by staff with the following exceptions:

- The words "Government not at the table as an employer" was added to the weaknesses of the SWOT Analysis.
- The Skills Gap Issues were added as a fourth goal.
- Added the words "adult education, higher education, career and technical education, and adult education to provide consistent rules and eliminate barriers to implementing training programs around the State."
- Objective number nine from Goal 1, which reads, "Explore data sharing opportunities with non-governmental organizations that are committed partners to the state's workforce center system that will lead to improved intake, referral, and case management for customers served by multiple agencies (both public and private)" was added to Goal 2 since it supports both goals.

He further reported that the committee voted to accept the mission statement as presented, which reads, "To promote and support a talent development system in Arkansas that offers

employers, individuals, and communities the opportunity to achieve and sustain economic prosperity.” He explained that the committee did not feel that the vision statement presented met the intent of a vision statement to indicate where we see the state’s workforce development system in future years. The committee asked staff to do further research and to provide some examples from other states, which they did by email after the meeting.

He explained that Ms. Varner reported to the committee that due to the large volume of information collected at the strategic planning session that it was impossible to fit everything indicated into one vision and one mission statement; therefore, staff presented a philosophy for the State’s workforce system, which can be found on page 28 of the draft state plan. The committee adopted this philosophy.

Next, the committee reviewed a recommendation made by staff regarding the definition of regions for the State for WIOA planning purposes, which is required by the federal and state law. The committee adopted the proposed regions, which can be found on page 89 of the draft state plan. The definition adopted was that all multi-county local workforce development areas are considered to be regions for the purposes of Workforce Innovation and Opportunity Act planning. Any local workforce development area that is smaller than two counties will be part of a region for WIOA planning purposes with the local workforce development area(s) that closely aligns with the region’s economic development planning district or metropolitan statistical area. For purposes of regional planning, the City of Little Rock local workforce development area and the Central local workforce development area will be designated as a region.

Mr. Itzkowitz stated that concluded the business from the December 16th committee meeting.

Mr. Itzkowitz continued by reporting that the committee met again this morning and approved the minutes of the December 16th committee meeting; heard a report from Mr. Brian Roberts, Deputy Director for the Arkansas Department of Career Education, regarding feedback received from employers at a recently held Career & Technical Education Advisory Council meetings held statewide. Mr. Robert’s reported that feedback from employers fell into one of four groups:

1. Soft Skills examples: attendance, ownership, initiative, entitlement (too much) and humility (too little), work ethic, perspective, teamwork, customer service, dress code and professionalism
2. Basic/Core Skills examples: interviewing and resumes, computers generally (MS Office software), math, problem solving, communication, writing, reading, trouble shooting, critical thinking, and attention to detail
3. Technical Skills examples: electronics, maintenance, tool & die, CAN, welding, technical certifications, robotics, equipment & computer programming, CAD, math, biology, chemistry, drawing and schematics

4. Education Programming and Promotion examples: internships, demonstrations by employers at schools, job shadowing, apprenticeships, tours, mentoring, job/career fairs, concurrent credit, equipment donations, video demo's 'Work-based learning' for students, teachers counselors, career coaches, parents, and administrators.

He reported that Ms. Varner then reviewed the draft vision statement with the committee and the draft State WIOA Combined Plan. At this time, Mr. Itzkowitz deferred to Ms. Varner to present the State WIOA Combined Plan with the full Board, which she did and answered their questions. By direction of the Strategic Planning Committee, **Mr. Itzkowitz made a motion to adopt the vision, mission, workforce system philosophy, goals, objectives and approve the draft State WIOA Combined Plan for public comment and submission to the U. S. Department of Labor. Chair Clark recognized the motion, asked for any questions from the full board and hearing none, the board voted and the committee's recommendations passed unanimously.**

Next, Chair Clark recognized and requested that Mr. Scott Bull, Chair of the AWDB – Program & Performance Evaluation Committee give a report on that committee's activities since the last full board meeting.

Chair Bull reported that the committee had met this morning and approved the minutes of the November 20, 2015 meeting. He stated that at the November 20th meeting the committee reviewed one policy concerning Performance Targets Established for Eligible Training Providers Continued Eligibility Policy. He explained that the full board has already approved the initial eligibility criteria during the June, 2015 meeting. He said that the policy represented continued eligibility for training providers and at the time of the meeting had to be in place by December 31, 2015 per federal law. He reported that the committee approved the policy. He further reported that since that meeting the U. S. Department of Labor extended the due date an additional six months through June, 2016 for States to have a Continued Eligibility Policy in place.

Chair Bull reported that the committee reviewed the proposed WIOA Performance Goals for Core Programs and discussed the staff recommendation that the State submit a waiver request for the Credential Attainment Rate for all programs and the Measurable Skills Gains Measure for Vocational Rehabilitation for these measures to be baseline indicators for the first two years. The current data systems do not support the extract of data to establish baseline data to negotiate these measures. The committee approved the WIOA Performance Goals for Core Programs and associated waivers.

Next, Chair Bull reported that the committee reviewed and discussed the Talent Supply and Demand Dashboard Toolkit from the National Governors Association on how to approach the development of a dashboard for Arkansas. These performance dashboards are being utilized in other states for workforce planning and development. They are also used to show governors, state legislators and other policy makers, at a glance, how the state's education and training

programs are performing and how the workforce system is doing as a whole. He stated that the next meeting of this committee is scheduled for April 12, 2016.

By direction of the Program & Performance Evaluation Committee, Committee Chair Scott Bull made a motion to approve the WIOA Performance Goals for Core Programs and waiver requests for the Credential Attainment Rate and Measurable Skill Gains. Chair Clark recognized the motion, asked for any questions from the full board and hearing none, the board voted and the committee's recommendations passed unanimously.

Chair Clark asked Mr. Tom Anderson, Chair of the AWDB – TANF Oversight Committee to report on the committee's activities. Chair Anderson reported that they had met this morning and approved the minutes of the October 13th committee meeting. The committee reviewed a new drug screening and drug testing policy for TANF customers, required by state law. The policy, developed in response to Arkansas Act 1205 of 2015, requires drug screening of TEA and Work Pays applicants to determine if there is reasonable cause to believe the applicant engages in the usage of illegal drugs. If the result of the drug screening indicates a reasonable suspicion to believe that the applicant or recipient has engaged in the use of illegal drugs, then the applicant or recipient shall be required to take a drug test. This is a pilot program at this time. The committee reviewed and approved the policy.

Chair Anderson reported that the committee was provided information that was included in the WIOA Combined State Plan for TANF as an optional partner. TANF specific information is included in the copy of the draft state plan on pages 245 to 253.

He further reported that the committee received an update on the TANF Program's Two-Parent Case Work Participation Rates. Arkansas received notification that it did not meet the 90% work participation rate in Program Year 2012. Arkansas submitted a Corrective Compliance Plan to the federal Administration for Children and Families. This plan was approved in late 2015 and the Department of Workforce Services TANF Division has already implemented many of the strategies within this approved plan designed to improve the Two-Parent Case Work Participation Rates moving forward. He stated that the next meeting of the committee is scheduled for April 12, 2016 at 10:00 a.m.

By direction of the committee, Committee Chair Tom Anderson made a motion for the adoption of the committee actions to approve the TANF Drug Screening and Drug Testing Policy as presented by staff. Chair Clark recognized the motion, asked for any questions from the full board and hearing none, the board voted and the committee's recommendations passed unanimously.

Closing the Gap 2020: A Master Plan for Higher Education in Arkansas: Chair Clark introduced Dr. Brett Powell, Director of the Arkansas Department of Higher Education. Mr. Powell provided a PowerPoint presentation title *Closing the Gap 2020: A Master Plan for Higher Education in Arkansas*, which outlines a plan to bring Arkansas' post-secondary attainment rate

up from 43.4 % to 60% by 2025. A copy of the PowerPoint is filed with the official copy of the minutes.

Discretionary Grants Update and New Tech Hire Grant Opportunity: Chair Clark requested that Mr. Mark McManus, ADWS Discretionary Grants Division staff, give an update on all grants. Mr. McManus reviewed the status of seven active grants to include the Disaster Recovery Grant, Training Grant, Arkansas Apprenticeship Pathway Initiative, Arkansas Partnership for Nursing's Future, Arkansas Promise Grant, Sector Partnerships Initiative, and the National Job Driven Grant. He reported that the agency is planning to apply for a new grant, the U. S. Department of Labor Tech Hire Initiative. He stated that we are applying for approximately four million in funding to train approximately 400 individuals. He stated that the application deadline is March 11, 2016.

Announcements: Chair Clark announced that the next meeting of the full board will be held April 12, 2016, at 1:00 p.m., staff will provide a location at a later date.

Adjourn: Chairman Clark adjourned the meeting at 3:20 p.m., on a **motion made by Mr. Lindsey Brown, seconded by Ms. Holley Little, and carried unanimously.**

Charles Clark, Chairman

Daryl Bassett, Director
Department of Workforce Services

*Minutes recorded by Kim Kight
Department of Workforce Services Staff*

Policy Number: _____ Effective Date: _____

Preliminary - Open Public Meetings

Purpose:

The purpose of this policy is to outline and define open public meetings in accordance with the federal Workforce Innovation and Opportunity Act of 2014 and Arkansas Workforce Innovation and Opportunity Act of 2015.

Reference:

The Workforce Innovation and Opportunity Act, Sections 101 and 107.
The Arkansas Workforce Innovation and Opportunity Act.
The Arkansas Freedom of Information Act, §25-19-106

Policy:

The Arkansas Freedom of Information Act is one of the most comprehensive and strongest open-records and open-meetings laws in the United States.

Boards are subject to the requirements of the Arkansas Freedom of Information Act. [A.C.A §25-19-106]

A Board shall make available to the public on a regular basis through open meetings including but not limited to:

- Information regarding activities of the Board;
- Information regarding the local plan prior to submission;
- Board membership;
- Designation & certification of one-stop operators consistent with the state plan;
- Award of grants or contracts to eligible providers of youth activities; and/or
- Minutes for formal meetings of the Board

In the event of emergency or special meetings, the person calling the meeting shall notify the representatives of the newspapers, radio stations, and television stations, if any, located in the county in which the meeting is to be held, and any news media located elsewhere which cover regular meetings of the governing body, and which have requested to be so notified of emergency or special meetings, of the time, place, and date of the meeting. Notification shall be made at least two (2) hours before the meeting takes place in order that the public shall have representatives at the meeting.

Sunshine Provisions, 20 CFR 679.390

To comply with Sunshine Provisions, the board shall make available to the public, on a regular basis through electronic means and open public meetings, board membership, the designation and certification of one-stop operators, the award of grants or contracts to eligible providers of youth workforce development activities and information regarding the activities of the board, including information regarding the State/Local plan, or a modification to the State/Local plan, prior to submission of the plan or modification of the plan.

Each Board and/or subcommittee authorized to take official action on behalf of the Board shall:

- Take official action and engage in deliberations only at meetings open to the public;
- Ensure all meetings are held in an accessible location for those individuals with disabilities and ensure that all information is provided in accessible and alternate forms;
- Provide public notice of meetings in accordance with applicable state code provisions, including public notice in advance of any special meeting or rescheduled meeting;
- Ensure that votes of the Board members are publicly cast and, in the case of roll call votes, recorded;
- Keep and retain written minutes of all public meetings to include but not limited to:
 - Date, time and place of meeting;
 - Board members present;
 - Board members absent;
 - Substance of all official actions;
 - Record of roll call votes; and/or
 - Names of any citizens who appeared & shared testimony

Closed executive sessions may be used in accordance with A.C.A. §25-19-106. Such sessions may be held during or after an open meeting, or may be announced for a future time. If a closed session is not announced for a specific time, Board members shall be notified 24 hours in advance of date, time, location and purpose of the session. The purpose for holding an executive session shall be announced at the open meeting either immediately prior or subsequent to the executive session.

Meeting Dates and Agendas

The dates of all regularly scheduled meetings of the local workforce development board, local board committees, or meetings of chief elected officials where board business will be discussed shall be sent to the Arkansas Department of Workforce Services by email to wioa@arkansas.gov so that meeting dates may be made available on the state website. Additionally, the full agenda packets for these meetings shall be sent by the same means for posting on the state's website no later than one week prior to the meeting date. Notification of the dates and agendas for special meetings shall be made available to ADWS at the same time that local board members are notified.



Policy Number: _____ Effective Date: _____

Workforce Innovation and Opportunity Act (WIOA) Title I Funding Distribution Policy

Purpose:

The purpose of this policy is to outline the Workforce Innovation and Opportunity Act (WIOA) Funding Distribution guidelines for Chief Elected Officials and the Local Workforce Development Areas (LWDA) in accordance with the federal Workforce Innovation and Opportunity Act of 2014 and the Arkansas Workforce Innovation and Opportunity Act of 2015.

Reference:

The Workforce Innovation and Opportunity Act (WIOA), Sections 128, 129, 132 & 133
Arkansas Annotated Code §15-4-3707 through §15-4-3713

Policy:

The Arkansas Workforce Development Board (AWDB) coordinates and establishes policy for conducting all employment and training activities within the workforce development system created by the federal Workforce Innovation and Opportunity Act of 2014 and Arkansas Code §15-4-3707 through 15-4-3713, including all activities conducted in and through Arkansas’s one-stop centers. The criteria for funding the programs included in this plan will be consistent with the federal and state laws governing those programs and are described in detail in the funding sections below.

The chief elected official or lead elected official in a local workforce development area will serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area for youth, adult, and dislocated worker activities under Sections 128, 129, 132, and 133 of the Workforce Innovation and Opportunity Act.

In a case in which a LWDA includes more than one unit of general local government, the chief elected officials of such units will execute an agreement that specifies the respective roles of the individual chief elected officials, including responsibility for maintaining the integrity of the allocated funds. If, after a reasonable effort, the chief elected officials are unable to reach agreement about this responsibility, the Governor makes the determination. The local plan must include the agreement concerning this responsibility.

In order to assist in the disbursement of the grant funds, the chief elected official or lead elected official of a LWDA may designate an entity to serve as a local grant subrecipient for such funds or as a local fiscal agent. Such designation shall not relieve the chief elected official or lead elected official of the liability for any misuse of grant funds.

The local grant recipient or subrecipient will disburse such funds for workforce development activities at the direction of the local board. The local grant recipient or subrecipient will disburse the funds immediately on receiving such direction from the local board. The local board, in partnership with the chief elected official(s), will conduct oversight with respect to local programs of youth activities

authorized under WIA Section 129, local employment and training activities authorized under WIOA Section 134, and the One-Stop delivery system in the local area.

WIA Title I Youth Funding Allocation Formula

The in-state allocation of funds to local workforce development areas for Title I youth activities under the Workforce Innovation and Opportunity Act will be made using the formula described at Section 128(b)(2)(A)(i), as follows:

- 33 1/3 percent of the funds to the local workforce development areas will be based on the relative number of unemployed individuals in areas of substantial unemployment in each workforce development area compared to the total number of unemployed individuals in all areas of substantial unemployment in the state
- 33 1/3 percent of the funds based on the relative excess number of unemployed individuals in each workforce development area compared with the total excess number of unemployed individuals in the state
- 33 1/3 percent of the funds based on the relative number of disadvantaged youth in each workforce development area compared to the total number of disadvantaged youth in the state

To ensure that youth funds are distributed equitably and to avoid significant shifts in funding levels to local areas, a hold-harmless provision will be applied. Under this provision, consistent with WIOA Section 128(b)(2)(A)(ii), a local area will not receive an allocation percentage for a program year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding program years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence will be obtained by ratably reducing the allocations to be made to other local areas.

WIA Title I Adult Funding Allocation Formula

The in-state allocation of funds to local workforce development areas for Title I adult activities under the Workforce Innovation and Opportunity Act will be made using the formula described at Section 132(b)(1)(B)(ii), as follows:

- 33 1/3 percent of the funds to the local workforce development areas will be based on the relative number of unemployed individuals in areas of substantial unemployment in each workforce development area compared to the total number of unemployed individuals in all areas of substantial unemployment in the state
- 33 1/3 percent of the funds based on the relative excess number of unemployed individuals in each workforce development area compared with the total excess number of unemployed individuals in the state
- 33 1/3 percent of the funds based on the relative number of disadvantaged adults in each workforce development area compared to the number of disadvantaged adults in the state

To ensure that adult funds are distributed equitably and to avoid significant shifts in funding levels to local areas, a hold-harmless provision also will be applied. Under this provision, consistent with WIOA Section 132(b)(1)(B)(iv), a local area will not receive an allocation percentage for a program year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding program years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence will be obtained by ratably reducing the allocations to be made to other local areas.

WIA Title I Dislocated Worker Funding Allocation Formula

Funds for dislocated workers will be allocated based on a formula prescribed by the Governor of Arkansas. This formula may be amended by the Governor not more than once for each program year. The formula will use the most appropriate information available to the Governor to distribute amounts to address Arkansas' worker readjustment assistance needs.

The in-state allocation of funds to local workforce development areas for Title I dislocated worker activities under the Workforce Innovation and Opportunity Act will be distributed by placing the following weights on six factors:

- 5 percent insured unemployment
- 15 percent unemployment concentrations
- 30 percent plant closings and mass layoffs
- 15 percent declining industries
- 5 percent farmer-rancher economic hardship
- 30 percent long-term unemployment

To ensure that dislocated worker funds are distributed equitably and to avoid significant shifts in funding levels to local areas, a hold-harmless provision also will be applied. Under this provision, consistent with WIOA Section 133(b)(2)(B)(iii), a local area will not receive an allocation percentage for program year 2016 or subsequent program year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding program years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence will be obtained by ratably reducing the allocations to be made to other local areas.

Not more than twenty-five percent of the total state allotment will be reserved for Rapid Response activities. Rapid Response activities in Arkansas are administered by Arkansas Department of Workforce Services as the lead agency of the Governor's Dislocated Worker Task Force.

Consultation with Chief Elected Officials

As consistent with federal law, the Arkansas Workforce Development Board will assist the Governor by consulting on this formula with chief elected officials. Chief Elected Officials should submit any comments they have on the funding formula no later than December 31 each year to the following address:

Arkansas Workforce Development Board
Attn: Staff Director
P.O. Box 2981
Little Rock, AR 72203

Any comments submitted will be considered by the Arkansas Workforce Development Board and Governor in deciding if a change to the funding formula is needed for the subsequent program year.

Policy Number: _____ Effective Date: _____

Eligible Training Provider Continued Eligibility Certification Process

General Overview:

Section 122 of WIOA requires that training providers submit verifiable program specific information on the outcomes of WIOA program participants who have attended the training program when applying for continued eligibility. Section 122 also stipulates that some of the information submitted must meet minimum levels set by the State. Local Workforce Development Boards have the option of setting performance levels higher than the minimum levels established by the State.

Projected Employment Opportunities:

All training must be directly linked to employment opportunities either in the local area or in an area to which the individual is willing to relocate. If a local area does not have a particular occupation on its projected employment opportunities list, they may send a participant to, or a customer may choose, a training provider/program not approved by their LWDB if that participant agrees in writing that s/he would be willing to relocate or commute to become employed in that occupation.

An occupation is considered an employment opportunity for a local area if it appears on the *Projected Employment Opportunities List* for the State or local area. Occupations on an adjacent local area's list, including local areas in other states, may also be considered employment opportunities in the local area. If a local area would like to train in an occupation that is not on their local area's projected employment opportunities list, but is on the list of an adjacent area, they should contact the Labor Market Information section of the Department of Workforce Services to have the occupation added within the Arkansas Consumer Report System web site. For local areas in other states, the LWDB must provide the adjacent area's projected employment opportunities list, along with the adjacent state's contact information and occupations to be trained in before the occupations can be added to the Arkansas Consumer Report System.

Required Information for Continued Eligibility:

The information to be included on the continued application is described below.

1. The percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program
2. The percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program
3. The median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program
4. The percentage of program participants who obtain a recognized postsecondary credential or a secondary school diploma or its recognized equivalent, during participation in or within 1 year after exit from the program
5. The percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment
6. Information on cost of attendance, including cost of tuition and fees, for program participants
7. Information on the program completion rate for such participants

The Continued Eligibility Certification Process:

1. Providers eligible to apply under this section will complete an online electronic application for “continued certification” through the automated Arkansas Consumer Report System (ACRS) located at <https://www.workforce.arkansas.gov/acrs/>. Providers must apply for each individual program. If multiple training locations exist, an application must be made for **each location**. Providers may make application to any or all Local Workforce Development Boards (LWDBs) at the same time.
2. The LWDBs will receive the application via Internet file if (1) The program’s CIP Code appears on the current *Projected Employment Opportunities List* for the State or Local Workforce Development Area, and (2) Required items are complete and meet minimum qualifications.

3. The LWDB will electronically approve or disapprove each application received via the Internet. The LWDB is responsible for ensuring that the provider's performance information meets or exceeds the State minimum levels.
4. Upon approval by the LWDB, the provider will be automatically placed on the ACRS website as a WIOA Eligible Training Provider for the applicable program.

State Minimum Performance Standards for Training Providers

Performance Measure	State Minimum Level
PERFORMANCE MEASURES Programs must meet the State minimum levels for the performance measure.	
Percentage of WIOA participants who are in unsubsidized employment during the second quarter after exit from the program.	61%
Percentage of WIOA participants who are in unsubsidized employment during the fourth quarter after exit from the program.	63%
Median earnings of WIOA participants who are in unsubsidized employment during the second quarter after exit from the program.	\$5,000/qtr.
INFORMATIONAL MEASURES Programs must only report these performance measures.	
Percentage of WIOA participants who obtain a recognized postsecondary credential or a secondary school diploma or its recognized equivalent, during participation or within 1 year after exit from the program.	%
Cost of attendance, including cost of tuition and fees, for WIOA participants.	\$
Program completion rate for WIOA participants.	%

Policy Number: WIOA-2015-7 Effective Date: October 13, 2015

Preliminary Policy - ARKANSAS PERFORMANCE ACCOUNTABILITY POLICY

- I. **Purpose:** The purpose of this policy is to establish a comprehensive performance accountability system. The provisions of this policy are intended to hold the Arkansas Workforce Development Board (AWDB) and Local Workforce Development Boards (LWDB) accountable for the results obtained by their workforce development programs and systems. The policy is also intended to assess the effectiveness of workforce development activities and promote continuous improvement.
- II. **General Information:** This policy is written in accordance with the guidelines in the Workforce Innovation and Opportunity Act (WIOA or the ACT), WIOA Regulations, and Arkansas Act 907 of 2015.

All States submitting either a Unified or Combined State WIOA Plan must propose expected levels of performance for each primary indicator of performance for the adult, dislocated worker, and youth programs under Title I of WIOA, the Adult Education and Family Literacy Act (AEFLA) program under Title II of WIOA, the Wagner-Peyser Act under Title III of WIOA, and the Vocational Rehabilitation Program as amended by WIOA (§677.155(a)).

- III. **WIOA Performance Structure:** The Act identifies, in specific titles, and focuses on four “core” programs (§677.155(a)). These are:

- Title I: WIOA Adult, WIOA Dislocated Worker, and WIOA Youth Programs
- Title II: Adult Education and Family Literacy
- Title III: Wagner-Peyser
- Title IV: Vocational Rehabilitation

- IV. **WIOA Performance Measures**

In accordance with §677.155(a)(1)(i-vi), the primary indicators for performance are:

WIOA Adult & Dislocated Worker Performance Measures

- **Employment Rate** – Percentage of participants in unsubsidized employment in the second quarter after exit (Q2 post-exit).
- **Employment Retention** – Percentage of participants in unsubsidized employment in the fourth quarter after exit (Q4 post-exit).
- **Median Earnings** – Median earnings of participants in the second quarter after exit (Median earnings Q2 after exit).
- **Credential Rate** – Percentage of participants with post-secondary credential attainment or high school diploma or GED during participation in the program or within one (1) year after exit.
- **Measurable Skills Gain** – Percentage of participants who, during the PY, are in education or training programs that lead to recognized post-secondary credential or employment, and who achieve measureable skills gain (documented academic, technical, occupational or other forms of progress, toward the credential or employment).

In accordance with §677.155(d)(1-6), the primary indicators for the youth program under Title I of WIOA are:

WIOA Youth Performance Measures

- **Placement in Employ/Train/Ed** – Percentage of participants who are in education ~~and or~~ training **activities**, or in unsubsidized employment, during the second quarter after exit (Q2 post-exit).
- **Placement in Employ/Train/Ed** – Percentage of participants who are in education ~~and or~~ training **activities**, or in unsubsidized employment, during the fourth quarter after exit (Q4 post-exit).
- **Median Earnings** - Median earnings of participants ~~in who are in unsubsidized employment during~~ the second quarter after exit **from the program** (Median earnings Q2 after exit).
- **Credential Rate** - Percentage of participants with post-secondary credential attainment or high school diploma or GED during participation in the program or within one (1) year after exit.
- **Measurable Skills Gain** - Percentage of participants who, during the PY, are in education or training programs that lead to recognized post-secondary credential or employment, and who achieve measureable skill gain (documented academic, technical, occupational or other forms of progress, toward the credential or employment).

In accordance with §677.155(a)(1)(vi), there is a new primary indicator for the effectiveness in serving employers under Title I of WIOA, which is:

WIOA Employer Measures

(1) Employer Measure (TBD)

The Departments of Labor and Education are required to consult with stakeholders and receive public comment on proposed approaches to define this employer indicator.

In addition to the measures listed above, a state may identify in the State Plan additional performance accountability indicators.

Additionally, WIOA requires new data tracking and reporting requirements to identify the specific contributions of each partner in each performance metrics.

V. Performance Definitions

Participant

Under WIOA, the definition of “participant” establishes a common point of measurement at which an individual is meaningfully engaged in a core program. The term “participant” is defined as a reportable individual who has received staff-assisted services after satisfying all applicable programmatic requirements for the provision of services, such as eligibility determination (§677.150(a)).

For the AEFLA program, individuals who have been determined eligible and who have completed at least 12 contact hours in an adult education and literacy activity under AEFLA would be considered participants.

For the Vocational Rehabilitation program, individuals who have been determined eligible for services and who have an approved and signed Individual Plan for Employment (IPE) that outlines the services that the individual will receive would be considered participants.

The following individuals **do not** meet the definition of Participant:

- i. Individuals who have not completed at least 12 hours contact hours in the AEFLA program;
- ii. Individuals who only use the self-service system; and
- iii. Individuals who only receive information services or activities.

Reportable Individual

Under WIOA, a “reportable individual” is defined as one who has taken action that

demonstrates intent to use program services and who meets specific reporting criteria of the core program (§677.150(b)). This criterion is:

- i. Individuals who provided identifying information;
- ii. Individuals who only use the self-service system; and
- iii. Individuals who only receive information services or activities.

Exit

For the purposes of performance calculations in all core programs, except Vocational Rehabilitation, exit is the point after which an individual who has received services through any program meets specific criteria (§677.150(c)). This criterion is:

1. 90 days of no services has elapsed, and
2. No future services are planned

For the purposes of this definition, a participant's use self-service or the provision of information-only activities or follow-up services will not prevent a participant's exit.

For the Vocational Rehabilitation program, an individual would be determined to have exited the program on the date the individual's case is closed in accordance with the Vocational Rehabilitation program requirements.

Under Vocational Rehabilitation, those individuals who have achieved a supported employment outcome at a subminimum wage are excluded from the definition of "exit".

Measurable Skills Gain Documentation

Documentation verifying progression during participation in an education or training program includes the following:

- (1) The achievement of at least one educational functioning level of a participant in an education program that provides instruction below the postsecondary level;
- (2) attainment of a high school diploma or its equivalent;
- (3) a transcript or report card for either secondary or post-secondary education for 1 academic year (or 24 credit hours) that shows a participant is achieving the State unit's policies for academic standards;
- (4) a satisfactory or better progress report, towards established milestones from an employer who is providing training (*e.g.*, completion of on-the-job training (OJT), completion of 1 year of an apprenticeship program);

- (5) the successful completion of an exam that is required for a particular occupation, progress in attaining technical or occupational skills as evidenced by trade-related benchmarks such as knowledge-based exams; and
- (6) measurable observable performance that is based on industry standards.

These definitions are critical for determining who is subject to performance calculations.

VI. Negotiating Levels of Performance:

State

For each State submitting a WIOA State plan, there must be expected levels of performance for each of the corresponding primary indicators of performance for the programs listed in Section III, for the first two years of the State Plan period.

States are required to submit expected levels of performance for the third and fourth program year before the third program year.

The State must reach agreement regarding levels of performance with the U.S. Secretaries of Labor and Education, based upon the following factors:

1. How the levels of performance compare with other States;
2. The application of an objective statistical model established by the Secretaries of Education and Labor;
3. How the levels of performance promote continuous improvement and ensures optimal return on investment of Federal funds; and
4. The extent to which the levels of performance assist the State in meeting the established performance goals set by the Secretaries of Education and Labor.

Local

For each local area, the local board, the chief elected official, and the Governor shall negotiate and reach agreement on local levels of performance based on the State adjusted levels of performance.

In negotiating the local levels of performance, adjustments for expected economic conditions and the expected characteristics of participants to be served in the local area shall be made. In addition, the negotiated local levels of performance applicable to a program year shall be revised to reflect actual conditions using the statistical adjustment model.

VII. Measuring Performance Using Wage Records:

In accordance with §677.175, states must use quarterly wage record information in measuring the progress on State adjusted levels of performance for the primary indicators. The use of social security numbers from participants and such other information as is necessary to measure the progress of those participants through quarterly wage record information is authorized.

VIII. Assessing Performance:

State

Three criteria will be used to assess the State’s performance at the end of a PY. These are:

- a) An overall State program score,
- b) An overall State indicator score, and
- c) Individual indicator scores.

Overall State Program Score

The average score based the percent of the State’s adjusted goal achieved on each of the six primary indicators for a core program.

Overall State Indicator Score

The average score of the percent of the State’s adjusted goal achieved across core programs on each of the six primary indicators.

Individual Indicator Score

The percent of the State’s adjusted goal achieved on any single primary indicator for each of the six core programs.

Table 1 below illustrates the manner in which the State will be assessed using the overall State program score and the overall State indicator score. A failing average program score for any core program, a failing average indicator score for any indicator across programs, or a failing score on any individual indicator for each of the core programs would be a performance failure under WIOA.

Table I. State Program Score and State Indicator Scores

Indicator/Program	Title II Adult Education	Title IV Rehabilitation Services	Title I WIOA Adults	Title I WIOA Dislocated Workers	Title I Youth	Title III Wagner - Peyser	Average Indicator Scores
Employment 2 nd Quarter After Exit	50% min.	50% min.	50% min.	50% min.	50% min.	50% min.	State Indicator #1
Employment 4 th Quarter After Exit	50% min	50% min	50% min	50% min	50% min	50% min	State Indicator #2
Median Earnings 2 nd Quarter After Exit	50% min	50% min	50% min	50% min	50% min	50% min	State Indicator #3
Credential Attainment Rate	50% min	50% min	50% min	50% min	50% min	N/A	State Indicator #4
Measureable Skill Gains	50% min	50% min	50% min	50% min	50% min	N/A	State Indicator #5
Effectiveness in Serving Employers	50% min	50% min	50% min	50% min	50% min	50% min	State Indicator #6
Average Program Score	Title II – Adult Education Indicator Average #7	Title IV – Rehabilitation Services Indicator Average #8	Title I – Adults Indicator Average #9	Title I – WIOA DLW Indicator Average #10	Title I – Youth Indicator Average #11	Title III – Wagner – Peyser Indicator Average #12	

As the table indicates, there are a total of 12 scores on which the State will be assessed for the overall State indicator score and overall State program score.

The first six scores will be the average of the core programs’ percent achieved against their adjusted goals, while the second six scores are the average of the core programs’ percent achieved against their adjusted goals.

Employment Services provided under the Wagner-Peyser Program are exempt from indicators four and five. Consequently, the State’s Employment Services program will be assessed using the total average scores for indicators one, two, three, and six only.

Local

Each local workforce development area in the State under Title I of WIOA is subject to the same primary indicators of performance for the core programs for WIOA Title I that apply to the State (§677.205).

Under §677.220 (a), the State must establish the threshold for a local area to meet levels of performance prior to negotiating local area adjusted levels of performance.

The State must annually make local area performance reports available to the public using the federally-approved template. These performance reports must provide information on the actual achieved performance levels for the local area based on quarterly wage records consistent with the requirements for States under §677.175.

IX. Performance Failure Sanctions:

State

In §677.190, WIOA establishes two thresholds for performance failure. The first threshold is at 90 percent for each of the overall State program scores and overall State indicator scores. The second threshold is at 50 percent for individual indicator scores.

For the State, a performance failure occurs when:

- a) Any overall State program score or overall state indicator falls below 90% for any program year; or
- b) Any State individual indicator fall below 50% for any program year.

State sanctions for performance failure will be applied to the State if, for two (2) consecutive years, the State fails to meet 90% of the overall State program score, 90% of the overall State indicator score, or 50% on any individual indicator score for the same program or indicator.

If the State fails to meet adjusted levels of performance for any year, technical assistance will be provided, including assistance in the development of a performance improvement plan provided by the Secretary of Labor or Secretary of Education.

If the State fails to meet adjusted levels of performance for a second consecutive year, the Secretary of Labor and the Secretary of Education will reduce the Governor's Reserve Allotment by 5% of the maximum available amount for the immediately succeeding program year.

State Performance Improvement Plan Requirement

In all instances where a state performance improvement plan is required by the Secretaries of Labor and Education, the specific program(s) identified as failing to meet their adjusted levels of performance will provide to the Arkansas Workforce Development Board a Performance Improvement Plan (PIP).

This plan must be submitted using a PIP template approved by the Arkansas Workforce Development Board and must include the following:

(2) A detailed analysis of the program's performance problems that is based upon an extensive assessment of the following:

- program reports
- program policies
- program participant documentation
- program processes
- program staffing patterns

(3) The results of the assessments in these areas will be provided in a report including comprehensive recommendation for problem resolutions, corrective actions with corresponding milestones, quarterly performance report analysis and new performance-enhancing service delivery strategies.

Local

If a local area fails to meet the levels of performance for the primary indicators of performance in the adult, dislocated worker, and youth programs authorized under WIOA Title I in any program year, technical assistance must be provided by the Governor or, upon the Governor's request, by the Secretary of Labor.

The technical assistance may include:

- a) Assistance in the development of a performance improvement plan;
- b) The development of a modified local or regional plan; or
- c) Other actions designed to assist the local area in improving performance.

If a local area fails to meet the levels of performance for the primary indicators of performance for the adult, dislocated worker, and youth programs authorized under WIOA Title I for a third consecutive year, the Governor must take corrective actions.

The corrective actions must include the development of a reorganization plan under which the Governor:

1. Requires the appointment and certification of a new Local Board;
2. Prohibits the use of eligible providers and one-stop partners that have been identified as achieving poor levels of performance; or
3. Takes such other significant actions as the Governor determines are appropriate.

A local board and chief elected official for a local area that is subject to a reorganization plan, as referenced above, may appeal to the Governor to rescind or revise the reorganization plan not later than 30 days after receiving notice of the reorganization plan. The Governor must make a final decision within 30 days after receipt of the appeal.

The Local Board and chief elected official may appeal the final decision of the Governor to the Secretary of Labor not later than 30 days after receiving the decision from the Governor. Any appeal of the Governor's final decision must be:

1. Appealed jointly by the Local Board and chief elected official to the Secretary of Labor; and
2. Must be submitted by certified mail, return receipt requested, to the Secretary, U.S. Department of Labor, 200 Constitution Ave. NW. Washington, DC 20210, Attention: ASET. A copy of the appeal must be simultaneously provided to the Governor.
3. Upon receipt of the joint appeal from the Local Board and chief elected official, the Secretary must make a final decision within 30 days. In making this determination the Secretary may consider any comments submitted by the Governor in response to the appeals.
4. The decision by the Governor to impose a reorganization plan becomes effective at the time it is issued and remains effective unless the Secretary of Labor rescinds or revises the reorganization plan under WIOA Sec. 116(g)(2)(B)(ii).

X. Impact of Performance Failure on LWDA Risk Assessment

In accordance with the State's Risk Assessment Policy, local areas that fail to meet their negotiated levels of performance may experience an increase in their risk assessment rating.

Local Areas that are placed in "High Risk Grantee" status may be unable to draw WIOA Title I funds until such time that this status is addressed in a satisfactory manner and the High Risk designation is removed.

XI. Funding of Performance Accountability System

Each core partner shall be responsible for the costs associated with data collection and compilation for performance accountability within their respective programs.