

Oklahoma Employment Security Commission



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Oklahoma Employment and Training Issuance # 07-2009

TO: WIA Board Staff
Fiscal Agents

FROM: Richard J. Gilbertson, Director
Workforce Integrated Programs Division

DATE: May 4, 2009

SUBJECT: Local Recovery Act Plan

PURPOSE: To provide the Interim Final State Policy guidance for 30-day comment on completing a Recovery Act Plan as a result of the American Recovery and Reinvestment Act of 2009. This Policy will become Final State Policy after 30-days if no comments are received.

REFERENCES:

- American Recovery and Reinvestment Act of 2009 (P.K. 111-5), Division A, Title VIII;
- USDOL Training and Employment Guidance Letter (TEGL) 14-08, Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009 and TEGL #14-08 Change 1;
- Training and Employment Guidance letter (TEGL) No. 13-08, Allotments for training and employment services as specified in the American Recovery and Reinvestment Act of 2009 (Recovery Act) for activities under the Workforce Investment Act of 1998 (WIA). Workforce Investment Act Adult, Dislocated Worker and Youth Activities Program Allotments; Wagner-Peyser Act Allotments, and Reemployment Service (RES) Allotments; and
- USDOL Training and Employment Notice (TEN) 30-08, Overview of the Employment and Training Administration's implementation strategy for Workforce Investment Act and Wagner-Peyser funding under the American Recovery and Reinvestment Act of 2009.

BACKGROUND: The American Recovery and Reinvestment Act (Recovery Act) of 2009 was signed into law by President Obama on February 17, 2009. The Recovery Act is intended to preserve and create jobs, promote the nation's economic recovery, and assist those most impacted by the recession. With this Recovery Act comes an unprecedented level of funding for the public

workforce development system and associated employment and training programs. It is expected that services and training will be provided to a significantly greater number of individuals over the next 18 months using strategies meeting long term economic recovery as well as immediate needs. Administrative expenditures should be kept to a minimum while primarily spending on services and training with these funds.

LWIBs should review the guidance contained in USDOL Training and Employment Notice 30-08, Overview of the Employment and Training Administration's implementation strategy for Workforce Investment Act and Wagner-Peyser funding under the American Recovery and Reinvestment Act of 2009 which was published on March 4, 2009. It provides many of the key provisions and expectations for use of the Recovery Act funds. This will be very useful in developing local approaches to expending Recovery Act funds.

MESSAGE: The Training and Employment Guidance letter (TEGL) No. 13-08, dated March 6, 2009 provides some important guidance to the states, including a host of goals that Congress and the President wants to achieve with the Recovery Act funding. Among these goals are:

- Preserve and create jobs and promote the nation's economic recovery
- Provide USDOL with unprecedented levels of funding ... to help Americans acquire new skills and get back to work
- Expeditiously and effectively implement the Act, with full accountability for expenditure of funds
- Advance transformational efforts by demonstrating a capacity to innovate and implement effective One-Stop delivery strategies
- Take an expansive view of how the funds can be integrated into efforts to improve the effectiveness of the public workforce system
- Consider the needs of workers and employers as equally important
- Leverage changes in the system's basic operation to develop a strong, innovative public workforce system
- Align adult education , job training, postsecondary education, registered apprenticeships, career advancement and supportive services with economic and community development strategies
- Align education and training at every level to industries important to local and regional economies
- Link education, training, assessments and certifications to the requirements of the next level of education and employment

In addition, this TEGL provides a clear mandate regarding spending: "It is the Congress' intent, as well as that of the Administration, that the majority of these funds will be utilized within the first year of availability."

The Training and Employment Guidance letter (TEGL) No. 14-08, dated March 18, 2009 and TEGL #14-08 Change 1, provided much additional information with regard to authorized funding as well as specific instructions regarding the requirements for states to modify their WIA and Wagner-Peyser Strategic State Plans. The TEGL also provides important guidelines for summer youth employment activities. We strongly urge all LWIB directors and their Boards to be very familiar with these guidance letters from USDOL.

OESC would like an understanding of your plans for these funds. Therefore, LWIBs must submit a Local Recovery Plan to Richard J. Gilbertson, Director of the Workforce Integrated Program Division, by June 1, 2009. The Local Recovery Plan should include, but is not limited to:

- An Amended Monitoring Plan
- A Revised Demand Occupation List
- Supportive Services/Needs Related Payments (NRP)
- Individual Training Accounts
- Summer Youth Strategic Plan

Local Monitoring Plan Guidance

The Governor's Oversight and Monitoring Plan requires all Local Workforce Investment Boards (LWIBs) and local area subrecipients/sub-grantees (i.e., fiscal agents) to develop local written policies and procedures to direct monitoring and oversight activities funded by the Workforce Investment Act and other related federal grants.

As part of OESC's policies and procedures, local monitoring policies, procedures and activities are reviewed annually by State monitors. All areas do have written policies and procedures for evaluating program and financial compliance which have been reviewed by OESC. While current Local Monitoring policies and procedures may be sufficient to ensure compliance with the Workforce Investment Act additional or increased program and oversight requirements are necessary due to the American Recovery and Reinvestment Act of 2009.

In accordance with the contractual agreement between Oklahoma Department of Commerce and Oklahoma Employment Security Commission, Local Grant Recipients must develop monitoring plans that ensure strict compliance with the Recovery Act funds. OESC is providing the following guidance; if the Local Monitoring Policies and Procedures do not currently address the requirements listed below, they must be revised or an addendum made to existing policy and procedures to include:

1. One hundred percent (100%) review of new youth enrollees (being May 1, 2009) receiving services under the Recovery Act funds must be conducted through a 30-day eligibility review process.
2. Identify the number on Summer Work Experience worksites that will be reviewed on-site, (e.g., 100%, sample percentage, etc.).
3. Describe your policy/procedures for participant interviews, if any.

4. Describe your policy/procedures for Summer Work Experience Worksite Supervisor orientation, and how you will ensure Worksites are compliant with applicable State, Federal Laws and local policy requirements.
5. Describe your policy/procedures to ensure proper completion of Summer Work Experience attendance records and payment of wages.
6. Describe your policy/procedures to ensure stipends and/or incentives are paid properly to include meeting benchmarks established by local policy.
7. Describe your policy/procedure to ensure all costs charged by service providers or contractors to the Recovery Act Grants are allowable and documented, specifically if any costs that were originally charged to another funding stream and journal entries were made to transfer expenses to the Recovery Act funds.
8. Describe your policy/procedures to ensure Needs Related Payments are paid in accordance with Federal, State and Local established policies.
9. Describe the frequency of monitoring, (e.g., schedule by date and/or component) Include a monitoring schedule.
10. Describe any changes to the established reporting process (e.g., issuance of reports, necessary responses and the timeframes for each).
11. Include any forms that will be used to document the above processes.

Submit a copy of your Monitoring Policies and Procedures and any addendum, schedule and forms for review and approval to Richard J. Gilbertson, Director of the Workforce Integrated Program Division, by June 1, 2009.

Revised Local Demand Occupation List Guidance

[Training and Employment Guidance Letter No 14-08](#) and TEGL #14-08 Change 1, details Recovery Act support for activities designed to help individuals impacted by the recession to obtain new jobs. The Recovery Act has a clear emphasis on training for high growth/high demand occupations identified by labor market data.

“To achieve this vision of a strong and vital workforce system, system stakeholders at every level must continue to develop and refine innovative service delivery strategies in the context of regional economies. Although we confront the challenges of a global economy on a national level, economic prosperity for individuals and families will be determined in large part in regional economies – both metropolitan and rural. It is critical therefore that workforce boards partner with each other regionally and across political jurisdictions, and develop solutions in collaboration with community colleges and other education providers, registered apprenticeship, employers, business and labor organizations, civic groups and community philanthropy to align workforce

development services with strategies for regional development. Sector strategies that enable low-income, displaced and under-skilled adults and disconnected youth to acquire the knowledge and skills for success at work in key industries are an important service delivery innovation. Sector strategies for renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high-demand industry sectors identified by local areas should become an integral part of comprehensive approaches to workforce development and regional growth.”

Based on ETA’s vision for clients receiving Recovery Act funding, Oklahoma is requiring that all Recovery Act training funds be spent on training that leads to employment in high growth/high demand occupations as defined by the local Workforce Investment Board. Whenever possible, Recovery Act funds should support training needs identified in regional partnership activities such as WIRED, RIG grants, Sector Partnerships, etc.

LWIBS must update their growth occupations and targeted industries to include the President’s targeted priorities of green jobs and health care occupations and Oklahoma’s sector strategies. As stated in the Governor’s Council for Workforce and Economic Development 2008 Annual Report – Developing our Sector Strategy,

“Oklahoma has organized its workforce efforts around key industry sectors that drive our economy. Aerospace, manufacturing, energy, and health care have been identified as our state’s “super sectors.” In addition, transportation, construction, tourism, food processing, and distribution are top regional industry sectors.”

As LWIBs plan how their One-Stop systems will make immediate use of the Recovery Act funds, OESC encourages them to take an expansive view of how the funds can be integrated into transformational efforts to achieve a new level of effectiveness throughout the public workforce system. Sector strategies for renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high-demand industry sectors identified by local areas should become an integral part of comprehensive approaches to workforce development and regional growth. The OESC encourages LWIBs to recognize opportunities to prepare workers for “green jobs” related to other sources of federal funding. For example, LWIBs should collaborate with local government agencies and employers who are creating jobs in road and bridge projects, local food production and processing, nursing and allied health, and local conservation projects and energy efficiency programs such as the Weatherization Program run by many local Community Action Agencies.

The LWIBs must review and single out those programs which best reflect the intent of this plan from the Eligible Training Provider List (ETPL). Additionally, communication with area training program providers must occur to ensure all programs related to the intent of the Recovery Act are maintained on the Oklahoma Joblink (OJL) ETPL of programs. Ideally, this will also facilitate the identification of Recovery Act related programs recently developed, but not currently on the OJL ETPL of programs. Each LWIB is responsible for making the list of Recovery Act related training programs, approved for their area, available to applicants using stimulus funds. For technical assistance contact: **OESC, WIP, 405-557-5462** or pam.hoskins@oesc.state.ok.us.

LWIBs are required to review their training capacity for the following:

- Eligible Training Providers (ETP) – Current and projected needs
- Updated training courses
- Direct Contracts with Community Colleges and Eligible Training Providers

Local Individual Training Accounts (ITA) Guidance

State Priorities – The ITA mechanism and local one-stop system are an effective infrastructure for delivering training services, and are important to supporting the implementation of state training priorities. Therefore, OESC requires the LWIBs to identify demand occupations and associated training programs deemed a priority by the state that should be implemented through the local ITA mechanism in collaboration with LWIBs.

In doing so, LWIBs must transform career pathways that lead low-income and low skilled Oklahomans to high wage, life sustaining jobs to include:

- Emphasis on training and innovation in our service delivery systems (Key Measures)
- An increase in the number of Oklahomans receiving training (Guiding Principle)
- Seamless education, job training, apprenticeships and supportive service.
- Summer Youth program including Summer Jobs
- Emphasis on services to hard to serve

Based on the above, the LWIB must review their written local ITA policy and procedures to address the following issues:

- ITA caps/levels
- Direct Contract with Community Colleges and eligible training providers
- ITA time frame;
- Priority of service;
- Self-sufficiency standards;
- Demand occupations/skills in the local area;
- Training programs that address the skills needed for the demand occupations;
- The availability of funding for ITAs.

Local Supportive Services Guidance/Local Needs Related Payments (NRP) Guidance

Supportive Service including Needs-Related Payments

As required by the Recovery Act, LWIBs must provide Adult/DLW participants with training activities, including supportive services and needs-related payments described in section 134 (e)(2) and (3) of the WIA, provided that a priority use of these funds shall be for services to individuals described in § 134 (d)(4)(E) of the WIA.

One of the key Recovery Act provisions is the *Emphasis on Serving Low-income, Displaced and Under-skilled Adults and Disconnected Youth*. These populations have been heavily impacted by the recession, and have particular challenges in regaining employment. ETA emphasizes that states and local areas are to pay particular attention to these populations in the

development of implementation strategies for Recovery Act funds. Therefore, regional and local workforce development strategies should include robust approaches to helping these workers access training and employment services that advance them along career pathways in high-growth industries, and help them gain access to and remain in the middle class. The Recovery Act contains several provisions designed to target services to these populations. Priority use of WIA Adult formula funds under the Recovery Act must be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). Furthermore, the law requires LWIBs to ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are made available to support the employment and training needs of these priority populations. The provision of supportive services and needs-related payments are also a focus for the Recovery Act Dislocated Worker formula funds. Summer youth work experiences are similarly intended to include youth who are disconnected from education and the workforce.

OESC expects that with the availability of the Recovery Act funds – LWIBs will take advantage of these funds to provide the required supportive services and needs-related payments as described above. The Recovery Act specifically emphasizes the authority to use these funds for supportive and needs-related payments to ensure participants have the means to pay living expenses while receiving training. This should allow workers to pursue training of sufficient duration to acquire skills and credentials of value that will connect them to emerging jobs as the economy recovers.

As stated earlier, priority use of these funds shall be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). LWIBs are particularly encouraged to provide training opportunities to these individuals. Again, because family and income responsibilities often prevent these priority populations from successfully entering or completing training, states should ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are available to support the employment and training needs of priority populations. Supportive services may include transportation, child care, dependent care, housing, and other services that are necessary to enable an individual who is unable to obtain the services from other programs to participate in activities authorized under WIA. Needs-related payments may be provided to adults who are unemployed and do not qualify for or have ceased to qualify for unemployment compensation for the purpose of enabling such individuals to participate in programs of training services. One-Stop Career Centers should take advantage of the availability of these payments so that customers can pursue their career goals, rather than their short-term income needs determining the length of their training.

OESC expects LWIBs to develop plans and strategies that target the use of WIA Adult formula funds on the services that most efficiently and effectively assist workers impacted by the current economy to obtain employment, with priority given to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). The Recovery Act recognizes that adults participating in training to advance or retool their skills will need supportive services and needs-related payments to remain and succeed in training. These strategies should include assisting adults to adapt their skills and career goals to the rapidly changing economy and employment options. LWIBs should make every effort to assess the skills, abilities, and career goals of adults and to help them map their skills against current and anticipated jobs.

Because of the nature of our nation's changing economy, many dislocated workers may need training to increase their skills and gain employment. OESC encourages LWIBs to establish policies that assure that supportive services and needs-related payments, described in WIA section 134(e)(2) and (3) and in WIA regulations 20 CFR part 663, subpart H, that may be necessary for an individual's participation in job training are part of the dislocated worker service strategy. Guidance on the provision of needs-related payments to dislocated workers can be found in 20 CFR 663.820 and 663.825. To maximize the reach of these funds, One-Stop Career Centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act by coordinating with the Pell Grant program in accordance with 20 CFR 663.320. One-Stop staff should also take into account the additional weeks of UI benefits available under the Emergency Unemployment Compensation and Extended Benefits that may help eligible customers complete longer-term training.

OESC encourages LWIBs to align their use of WIA Dislocated Worker formula funds with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, LWIBs should integrate their implementation of Dislocated Worker services with Reemployment Services and UI programs such that individuals have easy access to all programs, regardless of their point of entry into the system. Since significant Recovery Act investments are targeted to key industries such as construction, transportation, healthcare and other industries with emerging "green" jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship, states are also encouraged to leverage new and existing registered apprenticeship programs and assets.

LWIBs must review and update policies for the delivery of supportive services to include the provision of needs-related payments. LWIBs must:

- Describe their capacity to accurately disseminate and track all supportive services including needs-related payments.
- LWIBs must ensure the payment of Needs-Related Payments to those most in need.
- LWIBs must describe local strategies that will ensure emphasis on serving public-assistance recipients, low-income and under-skilled adults, and adults who are disconnected from the workforce.
- Describe coordination and alignment with Wagner-Peyser, Reemployment Services, TRA, TAA, UI, and One-Stop Career Center Partner Programs to ensure the most efficient and effective use of all funding. **To verify the receipt of TRA payments, inquiries should be emailed to:**

April Johnson, TRA/DUA Coordinator
OK Employment Security Commission
<mailto:april.johnson@oesc.state.ok.us>

Local Summer Youth Strategic Plan Guidance

Because all 10 youth program elements are available through existing WIA Youth Funds, Local Areas must provide a **Local Summer Youth Strategic Plan** to Richard J. Gilbertson, Director of the Workforce Integrated Program Division, by June 1, 2009.

The **Local Summer Youth Strategic Plan** must:

1. Describe the anticipated program design for the WIA Youth funds provided under the Recovery Act. Include in this description a program design for both younger, in-school, and older or out-of-school youth (including the 22-24 year olds that can be served with Recovery Act funds).
2. Describe the LWIBs methodology for determining work readiness skills upon beginning and completing the summer experience in order to determine whether a measurable increase has occurred.
3. Provide the anticipated number of youth to be served with Recovery Act funds, including the anticipated number of summer employment opportunities created with Recovery Act funds. If you will fund a combination of 2009 and 2010 – include number of youth and number of summer employment opportunities for both summers.
4. Describe the LWIB’s strategy for how and when the targeted youth and employers will be recruited.
5. TEGL 14-08 and TEGL #14-08 Change 1 gives the LWIBs the flexibility to determine the level of objective assessment for youth participants being served with the Recovery Act funds during the summer months only. The local programs also have the flexibility to determine what, if any, academic needs should be addressed for these summer only participants. Describe the LWIB’s assessment process.
6. Describe the LWIB’s strategy for developing the mix of classroom versus worksite time in a summer employment opportunity. Describe the LWIB’s strategy for determining that summer employment opportunities are connected to academic and/or occupational learning and the types of connections that will be utilized.
7. Describe the types of worksites that will be developed for summer employment, to include a mix of public and private sector work experiences, and how the LWIB will ensure that meaningful and high quality work experiences will be developed.
8. Describe the LWIB’s pre-employment/work readiness skills activity that must be provided to each youth prior to their participation in a summer employment activity.
9. Describe the mix of summer employment opportunities, work experience throughout the year, and/or other year-round services?
10. Describe how the LWIB will develop work experiences and other activities that expose youth to opportunities in “green” educational and career pathways.

11. Describe the LWIB strategy for expanding work experience opportunities to registered apprenticeships offered by employers in the information technology, health care, and financial services sectors.
12. LWIBs may provide stipends to youth in a classroom-based component of a summer employment opportunity. Describe the LWIB's policy regarding the payment for classroom based stipends.
13. Local areas are required to provide priority of services for veterans and eligible spouses pursuant to 20 CFR part 1010, the regulations implementing priority of services for veterans and eligible spouses in the Department of Labor's job training programs under the Jobs for Veterans Act published at 73 Fed. Reg. 78132 on December 19, 2008. Given the expanded age range to 24 under the Recovery Act, local areas may encounter an increased volume of veterans. Describe how the LWIB will ensure that priority of service is provided to veterans and eligible spouses.
14. Describe any policies or strategies that the LWIB is implementing to ensure that the activities implemented will support out-of-school youth during summer and / or non-summer months, such as supportive services.
15. Out-of-School youth, ages 16-24, experience some of the highest rates of unemployment and their future labor market prospects are poor given their lack of education and work experience. Describe the LWIB's outreach and recruitment efforts to engage this population.
16. Describe the LWIB's strategy for focusing services on the youth most in need including: out-of-school and those most at risk of dropping out, youth in and aging out of foster care, youth offenders and those at risk of court involvement, homeless and runaway youth, children of incarcerated parents, migrant youth, Indian and Native American youth and youth with disabilities. (LWIB's might want to point out the tribes in their labor markets that are receiving Recovery Act Funds and any coordination efforts)
17. Describe the LWIB's strategy for determining if youth participants being served with the Recovery Act funds during the summer months will be exited at the end of the summer, participate in a work experience activity during the non-summer months, or continue to receive WIA services through the year around program with WIA formula funds.
18. Describe the LWIB's policy for providing follow-up services to youth that only participate in the summer employment opportunity.

ACTION REQUIRED: Workforce Investment Board Staff are requested to widely distribute copies of this issuance to staff and partners within the Workforce Investment Area for immediate implementation. Local Recovery Plans must be received by Richard J. Gilbertson—in electronic and hard copy format—not later than Monday, June 1, 2009. This is official interim final state policy. It will become Final State Policy after 30-days if no comments are received.

INQUIRIES: Questions pertaining to this issuance should be directed to Richard J. Gilbertson at 405-557-7121, richard.gilbertson@oesc.state.ok.us or Tami Decker at 405-962-7595, tdecker@oesc.state.ok.us.