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Oklahoma Employment and Training Issuance #19-2009 Interim Final State Policy

TO: Chief Local Elected Officials
Workforce Investment Board Chairs
Workforce Investment Board Staff

FROM: Richard J. Gilbertson, Director
Workforce Integrated Programs

DATE: September 10, 2009

SUBJECT: WIB Two Year Certification Process

PURPOSE: The purpose of this OETI is to clarify the certification process, timeline, requirements, and sample documentation for Local Workforce Investment Boards. The policy will also include and clarify the specific requirements to be followed for:

- WIB membership nomination, appointment and certification
- The separation of WIB, One Stop Operator, and WIA Title I provider staff
- Greater collaboration with Economic Development
- Regional Sector Strategies
- Revitalize Youth Councils

This issuance replaces OETI #10-2008, WIB One Year Certification Process dated May 29, 2008 and is prepared to better align State policy guidance with the Governor's Council for Workforce and Economic Development. This OETI is being issued as an Interim Final State Policy and will become Final State Policy after 30 days if no comments are received.

BACKGROUND:

WHY WIB CERTIFICATION IS IMPORTANT

In Oklahoma's Strategic State of the Workforce Investment Plan Governor Brad Henry's ultimate goal is to *"provide quality access to quality services that will create a quality workforce and ultimately link Oklahomans to quality jobs. It will create a workforce system that supports economic development and provides more efficient comprehensive*

services to business.” To accomplish this goal, one of the major initiatives of the Plan is “Local Workforce Investment Boards must serve as a broker in coordinating all workforce-related services within a regional area in collaboration with economic development.” This requires that each local WIB progress from the role of managing local workforce programs to the new role of community issues management. This also mandates WIBs to catch the state vision for workforce and economic development, as well as advance themselves to constantly move the system forward.

The Plan also states: *“The goal is to have WIBs that are seen as the authority on workforce and economic development issues. Too often, WIBs are seen as simply “WIA Oversight Committees” and are much too involved in programmatic minutia. The State wants to assist local WIBs to become truly system oriented by aligning services and resources and developing exciting and innovative collaborative efforts with all entities involved in economic and workforce development issues.”* The local WIBs must become a board of directors for system development, a convener of partners, a broker of services, and become focused on system development.

The desired state in each region is to have economic development, education, the WIBs and the One Stop system all moving towards the same goals to solve community workforce issues. It is the responsibility of the local WIB to create that alignment. This requires highly effective WIBs.

WIB certification is a process that will create effective WIBs by:

- ensuring WIBs have proper membership, including
 - key industry representation
 - geographic representation
 - key community leadership
- positioning the WIB to
 - convene and engage partners
 - facilitate community workforce development issue discussions
 - broker services and connect the dots
- WIBs will be able to empower themselves to
 - find solutions
 - provide a system of quality access to services
 - leave no worker behind and increase per capita income
 - enhance regional economic development

APPROACH USED TO DEVELOP THE WIB CERTIFICATION PROCESS

In order to ensure WIBs are recognized and rewarded for their growth and their leadership of the local workforce development systems and staff, the Governor’s Council Strategic Plan calls for a WIB certification process.

The Governor’s Council, Benchmarking and Best Practices Team worked to shape the final draft of the policy and parameters. After further development and review, the Benchmarking and Best Practices Team brought the WIB Certification process to the

Governor’s Council for review and approval. The Governor’s Council approved it on XXXX.

MESSAGE:

WIB CERTIFICATION PROCESS AND TIMELINE

A WIB must meet the WIB certification criteria established by the Council that is listed within this document to be certified. Once the WIB has completed the requirements, it will submit the required documentation to the Governor’s Council for Workforce and Economic Development. The Council will review the documentation and certify each WIB that meets the requirements outlined in this policy.

The following timeline for this process will be followed for the WIB certification:

Process Steps	Completion Date
Council completes certification policy guidance and requirements	10-2-2009
WIBs submit certification documentation as per the guidelines	3-1-2010
State reviews the submitted materials against the WIB certification criteria and brings recommendations for certification to the Benchmarking Committee for review and finalization	5-2010
State Council approves certification of WIBs	6-4-2010
WIBs are notified of certification by official letter	6-2010

WIB CERTIFICATION CRITERIA AND DOCUMENTATION TO BE SUBMITTED

The Act requires that the State certify Workforce Investment Boards every two years. The term “certify” means the Local Workforce Investment Area Board meets all the conditions set forth by the Act, Regulations, and the Governor’s Council for Workforce and Economic Development.

The following criteria must be completed and documentation submitted for the WIB to be certified. (Many of the requirements have already been completed by the WIB, or the WIB is currently working to complete them.) Successful local WIBs and workforce development systems require WIBs to:

- Set a vision, develop a mission and strategic and operational plans to carry out the vision
- Ensure appropriate WIB membership
- Ensure separation of WIB, One Stop Operator, and WIA Title I provider staff
- Build greater collaboration with Economic Development
- Develop Sector Strategies
- Revitalize Youth Councils

The Governor's Council has set the following criteria to assist the WIBs to successfully and effectively lead their local workforce development systems:

REQUIREMENTS FOR WIB MEMBERSHIP NOMINATION, APPOINTMENT, AND CERTIFICATION

A. Membership Requirements

The WIBs are responsible for creating a workforce system that serves all populations; the new entrant to the labor market, those looking for better jobs, individuals who have been working in the home without pay and are now seeking jobs with salaries, those who have been dislocated and are seeking re-employment, and the retired senior citizen looking to return to work to seek additional income. Since the workforce system is no longer targeted to serve only specific populations, the membership must be reflective of the general population that it serves. Therefore, the diversity of the WIB membership should match the diversity levels within the workforce investment area.

Each area may have multiple labor markets. The labor markets often have different needs and issues to be addressed. Therefore, *each* WIB should take into account these needs and issues including how the economy and the regional planning efforts has impacted each local labor market.

The Workforce Investment Boards full membership should represent:

- the key industry sectors
- the key community and economic development leaders/opinion leaders
- its diversity of the workforce area
- the workforce area geographically

Business Member Representation: The Workforce Investment Act requires that a majority of the members of the Local Board must be representatives of business in the local area.

The Workforce Investment Act further requires that business representatives on the local Workforce Investment Board represent businesses whose job opportunities reflect the employment opportunities within that specific local area. Therefore, business representatives may be appointed from employers that are representative of the local area. In those workforce investment areas that contain multiple local labor markets, business representatives on the board shall be selected on a proportionate basis from nominations. In order that business members reflect the employment opportunities of the local labor market, the desired composition on of each board's business representatives is determined using the following criteria:

- Employment by industry type
- Employment by geography
- Employment by establishment size
- Total payroll of employers

Profiles of the employment opportunities in each local labor market are available from the OESC Economic Research and Analysis Division. These profiles are to be used as a target by nominating and appointing authorities rather than as hard and fast requirements recognizing that 1) not all employers may choose to serve and 2) local knowledge of employment opportunities or personalities may indicate an appropriate alternative.

In support of the Governor's intent that Oklahoma's workforce investment system be demand driven, public entities can not be appointed to represent business if the public entity represents a specific membership category, such as education, community based organizations or program service provider. This applies even in those cases where a local board has determined that a public entity is a major employer within their workforce investment area. Entities such as co-ops, hospitals, tribal nations, or military installations/contractors that receive public funds may serve as business representatives.

Other Member Representation: Other WIA Board members will consist, at a minimum, of the following entities or programs:

- At least two representatives of local **educational entities** from the following categories:

Local educational agencies

Local school boards

Entities providing adult education and literacy activities

Post-secondary education institutions (including community colleges where they exist)

- At least two **labor representatives**
- At least two representatives from **Community Based Organizations**, including organizations representing the following:

Individuals with disabilities (example: Goodwill)

Veterans (example: American Legion)

- At least two representatives from **Economic Development Agencies**, including private sector economic development entities and Chambers of Commerce
- At least one representative from each of the **following programs or agencies**:
 - Oklahoma Department of Human Services
 - Oklahoma Employment Security Commission
 - WIA Title I (Adult and Dislocated Worker and Youth)
 - Adult Basic Education and Family Literacy Program
 - Post-secondary Carl D. Perkins Vocational and Applied Technology Education Program
 - Oklahoma Department of Rehabilitation Services

- Community Service Block Grant (if that program is expending grant funds for employment and training activities)
 - Title V Senior Community Services Employment Program (if national sponsor)
 - Housing and Urban Development Programs (if those programs are expending grant funds for employment and training activities)
- At least one **WIA Title I National Program Operator** for each of the following categories (if they are present in the local labor market):
 - Native American Programs
 - Migrant & Seasonal Farm Worker Programs
 - Job Corps
 - Youth Opportunity Grants
 - Veterans Workforce Investment programs
- May include such **other** individuals or representatives of entities as the Chief Local Elected Official may determine to be appropriate.

Members of the Local Board must be individuals with optimum policy making authority within the organizations, agencies, or entities that they are representing. Business representatives must be owners of businesses, chief executives or operating officers, or other executives or employers with optimum policy making or hiring authority.

Include a copy of your By Laws that have been established for membership on your Local Board.

B. Nominations

The Act specifies that certain representatives must be nominated for Local Workforce Investment Board membership by particular organizations. The Workforce Investment Act indicates that business representatives to the Local Workforce Investment Board must be appointed from nominees of local business organizations or business trade associations. Lead city business or trade organizations should nominate business representatives from their local labor market areas.

Local educational entities, including representatives of local educational agencies, local school boards, entities providing adult education and literacy activities, and postsecondary educational institutions including representatives of community colleges where such entities exist, must be selected from individuals nominated by regional or local educational agencies, institutions, or organizations representing such local educational entities.

Representatives of labor organizations must be nominated by local labor federations, or for areas in which no employees are represented by such organizations, other representatives of employees.

WIA Board staff must seek appropriate nominations and submit them to their Chief Local Elected Official (CLEO) for action. The CLEO may require more nominations than there are vacancies in order to exercise discretion in the selection and appointment of business representatives. The CLEO may also initiate the process of adding new members by seeking appropriate nominations, and making appointments in accordance with membership requirements, including the desire to include optional board members. However, entities that represent more than one funding stream should have no more than one representative on the Board.

C. Appointment of Representatives

The Act indicates that chief elected officials will make appointments to the Local Workforce Investment Board. Local elected officials in the workforce investment area will address, in their Consortium Agreement, the selection of a *Chief* Local Elected Official and the process for making Local Board appointments. A copy of each completed appointment shall be provided to the Director of Workforce Integrated Programs and is an integral document in the certification process. To avoid confusion between Chief Executive Officers (CEOs) and Chief Elected Officials (CLEOs), the State is using the term Chief Local Elected Official (CLEO) for the local elected official selected to function as the “chief.”

The local WIA board is appointed by the CLEO(s), in the local area, in accordance with state criteria and the local elected official consortium agreement. The local elected officials, in their consortium agreement, can identify other local elected officials who may share this appointment authority.

Occasionally new business representatives determine that someone else in their organization is more appropriate to serve on the WIA Board. When this occurs, it is not necessary to seek this member’s resignation and seek new nominations, etc. As long as any substitute is from the same business, and also has optimum policy making authority, it is acceptable to replace the originally appointed member with this designee.

D. Membership Certification

The Act requires that the State certify WIA Board membership every two years. The State requires that local Boards must provide updated Board Membership summaries to the Office of Workforce Integrated Programs whenever changes to membership are made.

The term “certify” means the Local Workforce Investment Area Board membership meets all the conditions for establishment according to the Act and the State’s membership criteria, including the appointments, the methods of nominations, and the final composition of the board. Chief Local Elected Officials will be responsible for submitting information necessary to certify the WIA Board membership.

E. Required Information to be Submitted

Please provide the following information:

- Membership checklist with names, name of company, company address, position, industry represented and industry sectors. (Updated membership information must be submitted to OESC and ODOC when new appointments occur.)
- Provide an explanation of the local area's process for board orientation.
- Copy of updated WIB staff individualized training plan as determined by the WIB and the desired state training support needed.
- A copy of the One-Year Local Plan Approval Letter

REQUIREMENTS FOR SEPARATION OF WIB, WIA TITLE 1 PROVIDER AND WIB STAFF

The State of Oklahoma is committed to each local WIB supporting the State's vision of a workforce system that assists economic development by facilitating regional cooperative efforts among education, workforce and economic development. This requires each WIB to represent and facilitate their work as a neutral entity to all of the partners and stakeholders within the regional area. Therefore, in order for the WIB to be certified, these minimum standards are to be developed and adopted by each WIB regarding the separation required for WIB staff and WIA Title I provider. The State bases this policy on WIA Sections 117(f)(1) and (f)(2), CFR 661.310 (a), (b), and (c).

The WIA law and regulations indicate that WIBs "may not directly provide core or intensive services, or be designated or certified as a One Stop Operator, unless agreed to by the Chief Elected Official and the Governor." WIBs also "are prohibited from providing training services, unless the Governor grants a waiver." The regulations state the above restrictions "also apply to the staff of the local Board". The regulations call for states to "establish policies, interpretations, guidelines, and definitions to implement provisions of Title I of WIA."

Oklahoma is relying on WIBs to fill the role of an entity serving as an objective, unbiased broker within the community, not tied to one service model or one service entity. All area stakeholders in the community must see the WIBs as strategic bodies that can do broad-based planning; credibly convene diverse players with multiple and at times competing agendas; and create a workforce investment system that extends well beyond Title I of WIA.

To accomplish this, WIBs must be in a position to do business that is beyond just conducting meetings and fulfilling the minimal WIA responsibilities of a local board. They must be able to study local issues, develop strategies and coalitions to address those issues, evaluate progress, garner resources to support initiatives, align service

delivery to meet the strategic objectives of the state and the local area, and to make hard decisions when there is not progress against the plans.

Experience from across the country indicates the most effective way to achieve these objectives is to ensure that the WIB function is not perceived as tied to one service delivery partner and the honest broker role is viewed as viable in the community. The optimum way of achieving this is a full separation of duties between the WIB staff providing the *system planning/oversight* activities, the Title I provider staff responsible for the *program services planning* and/or *operations* roles, and the System and/or One-Stop Operator staff conducting *system operations* activities. Full separation is defined as the WIB and its staff being a totally separate entity from the Title I provider or One Stop Operator staff – run by separate organizations. Another way to look at this is that the board staff is not an employee of the service provider.

Provide documentation that the local board staff is not on the service provider's payroll.

If you can not show this requirement, provide the information listed below:

- Organizational Chart reflecting the structure of the local service delivery model.
- Describe the “firewall” between the service provider, local WIB and Board Staff.
- A concrete example(s) that the local WIB has a separate identity from the board staff and service provider and functions as an unbiased entity within the community to provide value added leadership for the entire workforce investment and one-stop delivery systems.
- The results of a survey conducted of the local WIB membership indicating whether they perceive the board to be an objective, unbiased broker within the community not tied to one service model or one service entity. Results should include how many members were surveyed and how they voted.
- The views expressed by the local WIA mandatory one-stop partner programs indicating whether the programs consider the local WIB to be a strategic body that creates a workforce investment system that extends well beyond Title I programs of WIA. Submit copies of any letters of support and other views received by the WIB.
- Demonstrate the cost effectiveness of the local area's current organizational structure.

REQUIREMENTS FOR SEPARATION OF WIB AND ONE-STOP OPERATOR

The local WIB, with the agreement of the chief elected official, must designate and certify One-Stop operators in each local area. The One-Stop operator is designated or certified 1) through a competitive process or 2) under an agreement between the local WIB and a consortium of entities that includes at least three or more of the required One-Stop partners.

The agreement between the local WIB and the One-Stop operator shall specify the operator's role. This role may range between simply coordinating service providers with

the center to being the primary provider of services within the center, to coordinating activities throughout the One-Stop system. The One-Stop operator may be a single entity or a consortium of entities and may operate one or more One-Stop centers.

- Describe the role of your one-stop operator. List who the operator is, what the board has determined the role to be and how the duties fit with the roles of service provider, comprehensive workforce centers, mandatory partners, local WIB and fiscal agent.

COLLABORATION WITH ECONOMIC DEVELOPMENT

The governor's goal of creating a workforce system that supports economic development asks for local WIBs to serve as brokers in coordinating all workforce-related services within a region in partnership with economic development. Partnerships with local chambers of commerce or other economic development organizations are essential if WIBs are going to serve as brokers in coordinating workforce-related services within a regional area. When explaining your collaboration with economic development, please indicate economic development organization(s) other than the Chamber of Commerce, unless the Chamber is the only organization in your local area.

Demonstrate collaboration with economic development organizations in your area and region by providing the following:

- Name an economic development organization(s) that your local WIB currently works with on economic development projects together or have worked with in the past. Include a summary of the type of project, e.g., employer recruitment, employer retention, job creation for specific skills relating to an occupational or industry sector, etc., and what kind of role you might have played; such as advisory, monetary, information provider, etc.
- Describe any current, past or future events that your area will have someone presenting the assistance the board, board staff, service provider or area workforce can provide by working with economic development.
- Describe your plan to entice economic development organizations to become involved with your board on projects regarding recruitment of job seekers, job retention, job expansion, etc.

REGIONAL SECTOR STRATEGIES

Regional Skills Partnerships (RSPs) are public/private partnerships with industry that address workforce issues within specific industry sectors. Industry skills partnerships have a dual purpose of increasing that sector's competitiveness while creating employment and career advancement opportunities for workers. RSPs promote system change through realignment of public and private resources, expanded integration of services, leadership through workforce intermediaries, and development of career pathway strategies.

Sectors is a way to organize employers (the demand side) in order to better understand their needs and for the education, employment and economic development services to more efficiently and effectively meet those needs through a collaborative, unduplicated system approach.

Ultimately, the goal is to support regional economic development by developing a tangible process between public partners that will support business retention, expansion and location efforts within a regional area.

The state strategy is to develop approaches to spur industry involvement in sector initiatives. Regional Skills Partnerships focus on the needs of specific industries within a defined region and multiple employers and potential employers within those industries. Provide the following information:

- Identify the key industries within your region in the state.
- Identify the skills that those industries need in order to grow and expand.
- Explain how you would/have provided those skills to current employees or how you would/have created a pipeline of skilled workers through specific education and training to meet those needs. What products do you have available in your product box to meet the needs of these industries. Specify how you ensure that the products meet the needs of the LWIA industries and job seekers.

REVITALIZE YOUTH COUNCILS

Local Youth Councils, formed under the auspices of the Workforce Investment Act, present a powerful and viable opportunity to focus local communities on the development of comprehensive youth-serving systems. It is important for every community to create an effective Youth Council with diverse and engaged membership that is supported, connected, respected and heard. Provide the following information concerning your local Youth Council:

- The name of the Youth Council Chair and a list of individuals and affiliations on the youth council.
- A list of your major youth initiatives.
- A copy of the most recent minutes from Youth Council meeting.
- A list of program initiatives and/or goals to be accomplished by the Youth Council during the contract period.
- How did your Youth Council develop strategies for serving the neediest youth i.e., youth aging out of foster care, youth involved in the juvenile justice system, children of incarcerated parents, youth with disabilities, and runaway and homeless youth?
- Did the Youth Council make efforts to ensure that parents, youth participants, and other members of the community with experience relating to youth programs are involved in both program design and implementation?

CONTINUOUS IMPROVEMENT ACTIVITIES

The Governor's Council understands there is a desire for WIBs to be continually improving and strategic. Following is a list of activities that will be required in the next Local State Plan. LWIAs should work toward having the following information implemented by July 1, 2010.

- Documented progress on the goals/objectives and strategies of the WIB's local strategic plan
- WIB Chair attends system provided training to assist in accomplishing the mission of the council and local boards.
- Local System Development and Certification. To the extent possible, the state and the Governor's Council will support these efforts.
 - Determining basic skills required by all One Stop/partner agency/local staff.
 - Ensuring all One Stop/partner agency/local staff are trained and certified in those basic skills.
 - An established and successful workforce development One-Stop operator.
 - Documented evidence the local system is meeting and/or exceeding its system performance and common performance measures.
 - Documented evidence of changes to local services as a result of a local service gap analysis.
 - Documented steps that have been undertaken to connect with employers and targeted industry sectors.
 - In light of funding declines and the increased focus on skills, local WIBs should explore utilizing more short-term pre-vocational services. The product box should be populated with short-term pre-vocational demand driven products that are less costly than occupational training and allow the LWIA to serve more customers.

In essence, a local WIB should consider providing less intensive services to more customers through short-term pre-vocational services than occupational training. If the local WIB determines that they want a more balanced approach, please explain how you will serve more customers in this approach. Identify what the local WIB has determined should be available in the product box for the local workforce center. Are these products available and accessible to the job-seeking customers? Specify how you ensure that the products meet the needs of the LWIA business and job seekers. Is the box populated with demand-driven products? What products did you identify from your area partners that fit into your product box?

PROVISIONAL CERTIFICATION

If the local WIB fails to meet any of the requirements for Certification spelled out in this document, the WIB will be given a provisional certification. This provisional

certification will require the local WIB to work toward Certification within a designated time frame and develop a Corrective Action Plan, with timelines and action steps to be taken to achieve full Certification.

DECERTIFICATION

Failure to submit WIB certification requests in a timely fashion may result in:

- de-certification of Workforce Investment Boards
- withdrawal of the State's agreement that Workforce Investment Board staff may also perform WIA Title I services
- other appropriate actions

The Governor's Council's OETI Review Committee may de-certify a Workforce Investment Board for:

- fraud
- abuse
- failure to carry out the functions of the Board
- failure to meet all WIB certification requirements
- failure to meet the performance measures for two consecutive program years

Decertification may occur any time after the State has provided notice to the Workforce Investment Board granting them a reasonable opportunity for comment. If the State de-certifies a Workforce Investment Board, the State may require that a new Workforce Investment Board be appointed and certified pursuant to a reorganization plan developed by the State in consultation with the Chief Local Elected Official for the area.

ACTION: This issuance is official policy, and should be retained in local policy files. Please ensure that all interested parties are aware of this issuance. Completed documentation must be submitted to OESC, Workforce Integrated Programs Division, Attention Richard Gilbertson, Director, at P.O. Box 52003, Oklahoma City, Oklahoma 73152-2003 by **March 1, 2010**.

CONTACT PERSON: Ann Pendergraft, Chief, Workforce Integrated Programs Division ann.pendergraft@oesc.state.ok.us.