



New York City Recommendations on Workforce Investment Act Reauthorization

As the local oversight body for Workforce Investment Act (WIA) programming in the City of New York (City), the New York City Workforce Investment Board (Board) has developed the following recommendations for Congress and the Administration regarding WIA reauthorization. Overseeing the largest Local Workforce Investment Area (LWIA) in the country, the Board offers recommendations on behalf of the City, developed in collaboration with a broad array of public and private partners.

The City recommends that WIA reauthorization include the following components:

1. Define clear roles for state and local WIBs, with a strong local role for strategic planning and coordination
2. Increase local flexibility to train jobseekers and incumbent workers
3. Modify performance metrics to encourage longer-term trainings, career advancement and business growth
4. Create streamlined eligibility requirements and processes for adults and youth
5. Strengthen WIA alignment with other federal programs: WIA Title II, TANF, K-12, small business programs
6. Support enhanced national and state-level data capture and reporting capabilities
7. Fund a stand-alone Summer Youth Employment Program
8. Increase funding investment to meet local demand

RECOMMENDATION #1	Define clear roles for state and local WIBs, with a strong local role for strategic planning and convening local workforce programming
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Decentralization—the notion that decision-makers closest to ground level can best determine needs and design programming for their communities—is a core premise of the Workforce Investment Act. In practice, however, local Boards are constrained in their agenda-setting function by ambiguities in WIA governance. We urge that reauthorization include greater clarity delineating the roles of state and local boards, with specific focus on strategic planning. Outlining specific roles and responsibilities within the law will facilitate greater responsiveness to local needs, avoid duplication of programming and processes and support coordination between state and local boards to achieve maximum system-wide impact. Specifically, we recommend the following actions:

- Create clear, defined role for local WIBs to lead strategic planning and convene local workforce programming
 - Each local WIB has authority to set the strategic plan for the LWIA, including associated outcomes, subject to approval by state WIB. This authority should include discretion to:
 - Set economic development goals as a key component to the strategic plan, including programming targeted to employers and entrepreneurs, in cooperation with related local authorities
 - Define key indicators, such as low-income and sector focus, based on local data and tied to the overall local strategic plan and national Common Measures
 - Local WIB is responsible for coordination and oversight of all WIA Titles to and ensure a holistic and strategic approach to programming and avoid duplication of services
 - Local WIB serves as the convener of WIA and non-WIA workforce programming; articulating roles and helping to define relationships between stakeholders to achieve overarching system-wide goals
 - Local WIB mandated membership should be reduced to allow for a more nimble working Board
 - Limit the number of mandated local partners to seven: community college, labor, Temporary Assistance for Needy Families (TANF) oversight body, State Department of Labor, K-12 education system, WIA Title II and local economic development agency
 - In keeping with the emphasis of a demand-driven workforce system, the majority of the Board membership should represent private-sector entities that a) use the local workforce development system and/or b) transact in a high growth/demand sector for the local area
- Create clear, defined role for state WIBs as the primary governance oversight body

- State WIB facilitates coordination across LWIAs, where relevant
- State WIB to ensure access to state wage data is provided to local WIBs for compliance and performance management purposes; this data is critical to ensuring that local outcomes reflect accurate, real-time data
- State WIB to be comprised of key business members of local Boards, representing high value customers of each local system and/or economic sectors of importance to the local economy

RECOMMENDATION #2

Increase local flexibility to train jobseekers and incumbent workers

The City advocates fundamental reform to training, including the Individual Training Account model, which has proven inadequate as the sole training measure to meet the needs of a changing economy. Greater flexibility to use funds to purchase full classes of training, serve individuals across the full spectrum of skills and employability, and contract with for-profit entities all will strengthen the system and add value for jobseekers. Local authority pertaining to training also should incorporate control of training parameters, developed in close conjunction with each local WIB’s economic development goals. Finally, programming should be closely informed by local labor market data. We specifically urge changes to:

- Make permanent the ability of local authorities to buy cohort-based training classes
 - Through the American Recovery and Reinvestment Act, local WIBs have enjoyed the authority to purchase cohort-based classroom training. This capacity better enables local areas to be nimble and responsive to local trends, ensuring that training is available in high-demand, growth industries
- Increase flexibility to serve high- and low-skilled individuals
 - To meet the economic development goals of the LWIA, local WIBs must have the ability to serve individual jobseekers who can meet employer demand, driving local WIBs to fill mid- and high-level positions as well as entry level positions and place greater emphasis on career advancement
- Continue the ability to contract with for-profit entities as training providers
 - New York City has enjoyed great success in contracting with for-profit as well as non-profit providers of training and placement services. Continued flexibility in this regard will strengthen local performance
- Enable longer service periods to serve very low-skilled youth
 - Local areas should have the flexibility to serve youth functioning at the lowest educational attainment levels over longer periods of time through regular formula funding streams
- Enable innovation grants to local areas to serve lowest-skilled youth
 - Local flexibility over training should include authority to serve customers over a longer period of time, through grants similar to Youth Opportunity (YO!). To be made at the discretion of local policymakers, these grants would enable local areas to serve youth that are most in need of customized programming that incorporates employment, training, educational, and supportive service components
- Allow for the ability to “stack credentials” along training and preparation paths
 - Often, customers who might need longer-term training or preparation cannot afford to forego work and income while doing so. Working with the community college system to create sets of stackable credentials that are industry recognized within key sectors will allow customers to more effectively step into and out of longer-term training, balancing skill attainment with work obligations.

RECOMMENDATION #3

Modify performance metrics to encourage longer-term trainings, career advancement and business growth

Current metrics associated with WIA do not support innovative programming targeted at advancement and longer-term educational and training goals. Additionally, while the WIA system was designed to be demand-driven, none of the current metrics gauge engagement of businesses and the important factors associated with this customer relationship. Performance metrics should reflect the more coordinated, demand-driven model to which we aspire.

- Performance metrics for jobseekers
 - Promotion/advancement:
 - Measures should ensure that local areas do not solely focus on initial placement, support jobseeker customers in pursuing career ladders and enable employer customers to benefit from key cost-saving measures associated with internal promotion and advancement
 - Advancement should encompass wage increase and hours worked as well as formal promotion
 - Retention:
 - Job retention should be measured at six months and one year
 - Coupled with the turnover metric detailed below, this metric would focus on long-term employment goals as well as simply initial placement
 - Training:
 - Modify metrics to encourage longer training through inclusion of intermediate outcomes such as demonstrable skills gains and certifications. With placement/completion outcomes as the current key metric of success, local WIBs are impelled to emphasize shorter-term training and preparation. The ability to train, educate and prepare customers, measuring their incremental successes over fiscal years, will better prepare local jobseekers for more rewarding opportunities.
- Performance metrics for business growth
 - Turnover:
 - Turnover should be measured by the rate of change within existing job positions in the local area. Like job creation, this data can be accessed by local labor market data and investments by local areas in this research, such as the NYC Labor Market Information Service
 - Coupled with the retention metric above, this furthers local system understanding of key savings to employer customers. This metric should only be included if local WIBs have access to wage record data
 - New Business Creation/Support for Entrepreneurship:
 - To reinforce the message that local areas should work to grow new businesses, system metrics should include volume of new business creation or other measures of entrepreneurial activity
- Performance metrics for youth
 - Flexibility for long-term engagement:
 - Retain WIA common measures for OSY programs and create work readiness achievement, completion of work experience, and stay-in-school measures for ISY programs
 - Create separate Summer Youth Employment Program metrics:
 - Outcomes measured for SYEP should include number of youth served; number of youth achieving work readiness attainment (as defined by local authorities); and SYEP educational component achievement

RECOMMENDATION #4

Create streamlined eligibility requirements and processes for adults and youth

The processes required of local areas to enroll and serve customers are cumbersome and often prevent immediate service. Creating streamlined eligibility requirements and processes for all three WIA funding streams will ensure that local programming is more responsive in meeting the needs of the local community.

- Create streamlined adult and youth eligibility processes that allow a broader range of customers to be served by the system, tied to local WIB's strategic plan and definitions of low-income
 - Eligibility for youth should not require collection of sensitive family documents to determine family size and income. . Local areas should have the flexibility to determine eligibility through review of already available data such as 'Free and Reduced Lunch' status or proof of eligibility for other federal entitlement programs.

Further, local authorities should be empowered to exercise discretion pertaining to eligibility of youth that fall just short of standard criteria. State WIBs should have authority to strip local areas of this discretion should they grossly abuse it

- Because unemployment statistics poorly reflect youth rates of labor market attachment, state and local youth disconnection rates should be included in the formula to determine youth activity allocations
- Collapse Adult and Dislocated Worker funding streams to allow local decisions around the allocation of programming and funding to serve these populations. Additionally, the U.S. Department of Labor should facilitate a competitive grant process targeted at local areas with large Dislocated Worker populations to address the diverse needs of this customer population

RECOMMENDATION #5
Strengthen WIA alignment with other federal programs: WIA Title II, TANF, K-12 systems and small business programs

Provisions that articulate stronger alignment of WIA Title I programming with other workforce programs and funding streams will provide stronger outcomes for local customers. The current system is horizontally and vertically fractured, offering no support or consistency for customers whose eligibility for different services might change over time. The result is that as individuals bounce from one funding stream to the next, they must “start fresh”—causing great frustration for the individual and unnecessary waste for the system. Enhanced ability to coordinate resources to serve a customer and track progress across programs and streams will strengthen service delivery.

- Coordinate WIA Titles I & II through local WIBs to tighten link between literacy and employment outcomes
 - Title I serves the employment goals of the system; programming is tightly linked to local employer demands and informed by business intelligence ensuring alignment between training and preparation
 - Title II supports literacy and Adult Basic Education arm of the system; using contextualized literacy models such as I-BEST to focus on increasing the employability of participants, as well as educational gains. Title II should address the broad literacy needs and supportive services required by customers in a flexible manner. Specifically, Title II funds offer potential to augment scarce existing resources for very low-skilled out-of-school youth
 - Annual plans for expenditure of Title I and Title II funds in each LWIA should include explicit guidance on how programming supported by each Title supports and/or incorporates the other
- Better align WIA with TANF programs
 - Through common or compatible intake/assessment procedures, aligned programmatic outcomes and facilitated data-sharing, TANF customers should enjoy a more seamless transition into the WIA system upon completion of benefits.
- Create pathways for youth beginning with K-12 and articulating with a range of post-secondary options, including vocational training, service, and short- and long-term educational options
 - Stronger partnerships between WIA In-School-Youth and secondary schools, ensuring full support for students at risk of dropping out
 - Stronger partnerships between WIA Out-of-School-Youth and schools; ensuring better integration of education and workforce services to address the needs and develop skills
- Better align U.S. Small Business Administration (SBA) programs with WIA system
 - New York City has developed a strong model of local NYC Business Solutions Centers that provide assistance to small and mid-size businesses looking to operate and expand in the City. These Centers also provide assistance to local entrepreneurs looking to start a business. Greater clarity around the role of these business-centered programs and clearer articulation of alignment with SBA programs will support coordinated economic development

RECOMMENDATION #6	Support enhanced national and state-level data capture and reporting capabilities
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The capacity of local areas to capture timely performance to influence local programming, and to understand national trends in outcomes, is essential to a successful national system. Collecting and sharing performance data that speak to the demand-driven nature of the system and support a quicker, leaner process for measuring our successes locally and nationally will strengthen service delivery for all customers, both jobseeker and business.

- Create a national data system that will capture and report on national WIA outcomes
 - National data system at the federal level to capture timely outcomes fostering a more nimble, economically responsive system
- Mandate data sharing to increase local accountability and enhance ability to manage performance
 - State WIBs should provide access to wage record data to local WIBs
 - Local WIBs should have authority to track participants across WIA titles and other partner programs, such as Title II and K-12, to ensure seamless service delivery to customers and a more accurate representation of local service levels and outcomes

RECOMMENDATION #7	Fund a stand-alone Summer Youth Employment Program
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Investment in the Summer Youth Employment Program through ARRA allowed many local areas to operate a summer program for the first time in years. Some local areas, New York City included, have continued to operate summer programs with local funds and the infusion of ARRA funds allowed us to serve more youth than ever before. The restriction to programming, however, by tying summer programming to WIA, makes it harder to serve a broad range of youth in the summer months. By creating and funding a stand-alone summer program, more and diverse sets of young people can be placed in meaningful work experiences whether they are in-school or out-of-school. Eligibility requirements should be separate from WIA formula funding requirements to allow for broad participation.

RECOMMENDATION #8	Increase funding investment to meet local demand
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A skilled workforce is essential for a thriving economy. But investment in WIA programming has been dramatically cut nationwide since 2002, even as need has grown. In New York City alone, federal investment in WIA programming has been cut by more than half in real dollars over the last decade. While investments in WIA programming through the American Recovery and Reinvestment Act were critical to ensuring that the needs of the local economy were met during these challenging economic times, these funds will provide only temporary relief to a system that has been systematically underfunded for years. Continued, strong investment in WIA programming will ensure that cities can continue to meet the growing demand to provide programming to make our workforce attractive for new investors and to keep our local businesses thriving.