



PARTNERS' REPORT

And the *Agency for Workforce Innovation*

December 8, 2000

Workforce Florida and the Agency for Workforce Innovation welcome new members to the Florida Senate and House of Representatives. This is the second in a series of reports to our partners and stakeholders on progress in implementing the Workforce Innovation Act of 2000, which consolidated state workforce programs and funding streams under a single umbrella to provide better accountability and customer service. This edition includes an overview of Florida's workforce system as background for those who may be new to the issues.

Inside this issue:

Workforce Board Recap	1
Chairman's Challenge	2
Training Results	3
Workforce At A Glance	4
Governance	5
Welfare Reform	7
Calendar	8

Workforce Board Gets Down To Business

Information technology, workforce performance measures and strategies for moving people into better jobs dominated discussions at the third meeting of the Workforce Florida Board on November 15 in Orlando. Workforce Councils met in the morning, with the full board meeting in the afternoon to take up Council recommendations and other actions. **Highlights of Board actions:**

Information Technology Budget

Approved initial plans and budgets to go forward with the integrated Management Information System to support one-stop delivery of career and employer services in Florida, including a web-based job matching and labor market information system.

Performance Measures and Incentive Awards

Approved performance measures ranking workforce regions on employment and wage rates, customer satisfaction and their effectiveness in minimizing welfare recidivism, as examples, and requested an additional measure based on regional utilization of individual training accounts (ITAs) available to help low-income workers to upgrade their skills and earnings. Recommendations for performance incentive awards to regional workforce boards were also approved.

(Continued on page 2)

Highlights

- ▶ Early response from workforce boards suggest WFI will exceed the Chairman's Challenge to begin training 2,000 underemployed Floridians for better paying jobs and find jobs for another 1,000 youth at risk by March 2001.
- ▶ Florida's **Quick Response Training** has provided funds to train more than 46,000 new high skill/high wage jobs and has been a catalyst in helping more than 200 businesses locate or expand in Florida.
- ▶ Florida continues to set national pace in welfare reform with 81 percent caseload decline and savings of more than \$400 million since 1996.

*Board Recap,
(Continued from page 1)*

Workforce Estimating Conference

Approved general recommendations of the Workforce Estimating Conference working group on the list of targeted occupations for the current year, the process for revising that list, and moving forward with updated statistical information. The Board also approved the recommendation to raise the average entry wage from \$9 to \$13 per hour, for jobs classified as High Skill/High Wage in Florida, noting that the category as presently configured is somewhat misleading. A "floor" wage will be established by mid-December after further study.

Training Institute Grant Awarded

Selected Brevard-based Learning Link as the recipient of a one-time \$200,000 grant to establish a workforce training institute for workforce professionals, which must be self-sustaining within one year.

Statewide Projects Approved

Approved Council funding requests with carry-forward funds from the previous year, including \$500,000 for World Class Schools, \$1.5 million for teen pregnancy prevention projects through the Department of Health, \$842,000 for Workforce 2020 to replicate and export the Chamber program, and \$1 million for the Commission on Responsible Fatherhood.

Regional Projects Approved

Approved \$675,000 in state Dislocated Worker Reserve funds to First Coast Workforce Development Board (Jacksonville area) to provide re-employment assistance to workers impacted by layoffs.

Approved 12 Step-Up Challenge grants totaling \$1.2 million in federal funds to provide job placement and employment retention and advancement assistance for the hardest-to-serve welfare recipients.

Councils Step-up to Chairman's Challenge

The Board's standing councils reported strong regional responses to the Chairman's challenge (made in August) to begin training at least 2,000 underemployed Floridians for better paying jobs and find unsubsidized jobs for another 1,000 at-risk youth by March 2001.

First Jobs/First Wages Council has made up to \$25,000 in matching funds available to regional workforce boards that develop or enhance youth employment plans. Twenty-three workforce regions responded to the offer with plans to serve more than 1,500 youth. Phase two involves engaging the state and local chambers to encourage employer partnerships with regional workforce boards. Phase three is to incorporate these goals into a statewide Youth Summit to be held in 2001, highlighting successes and best practices.

Better Jobs/Better Wages Council has secured commitments from 21 regions to help more than 1,000 former welfare recipients access special training accounts to upgrade their skills. These regional workforce boards have committed to identifying and enrolling former welfare recipients in training by March using special Retention Incentive Training Accounts or RITAs that pay for schooling and ancillary costs like childcare.

High Skills/High Wages Council awarded \$4 million to 10 regions selected from a pool of 34 proposals to train and certify at least 1,000 individuals in high technology fields. Projects selected for funding will result in the certification of more than 1,200 new information technology professionals.

Training Programs Sharpen Florida's Competitive Edge

Two customer-driven grant programs available to assist Florida employers in hiring and maintaining a highly skilled workforce are the Quick Response Training and the Incumbent Worker Training Programs. Since their inception, these programs have been highly successful in providing training dollars to new or expanding businesses to sharpen their competitive edge. Key accomplishments for these programs are:

Quick Response Training (QRT)

Designed and created in 1993, this program provides customized training grants to retain and expand Florida industries as well as attract additional value-added jobs to the state. In the last seven years, it has provided grant funding for more than 46,000 new high skill/high wage jobs at an average annual wage of \$28,060. More than 31 percent of QRT funding has gone to businesses in rural communities, enterprise zones or brownfield areas, which receive priority consideration.

From July through October 2000, 24 companies have submitted applications with plans for creating 5,833 new high skill jobs at an annual average wage of \$31,670. Twenty-two grants have been awarded totaling \$4.45 million, or nearly 75 percent of this year's \$6 million appropriation. State funds were matched with \$98 million of in-kind training support from businesses receiving the grants.

Incumbent Worker Training (IWT)

In 1999, the IWT program was created to provide businesses with grant funding for customized training. The program helps to retain businesses and keep them competitive by upgrading the skills of existing employees. Since its inception, the IWT program has awarded 95 grants to businesses to train more than 6,800 incumbent workers. About 53 percent of the of IWT grants awarded have gone to businesses with 100 or fewer employees in keeping with the legislative mandate to target small businesses.

Initial legislative appropriations from the state's discretionary federal Workforce Investment Act funds amounted to only \$633,234. Demand for IWT was so great in the first year of the program that funding was increased by \$1 million. This year's legislature provided \$2 million in funding with a new statutory provision giving priority consideration to companies in targeted industries and for averting layoffs.

Already this fiscal year (July through November), more than \$1.6 million was awarded in 49 grants to businesses to train 3,248 incumbent workers at an average cost of \$493 per trainee. The total dollar amount of requests for IWT grants for this period has already exceeded the state appropriation by 80 percent or **77 applications totaling \$3.6 million.**

QRT Highlights

July 1993—October 2000

46,000+ people trained for high skill jobs
\$28,060 average annual wage
Over 31% of funding went to businesses in rural communities, enterprise zones or brownfield areas

July—October 2000

5,833 people trained for high skill jobs.
\$31,670 average annual wage
22 grants awarded
\$4.45 million in state funds awarded with
\$98 million of in-kind matching from businesses

IWT Highlights

July 1999—November 2000

95 grants approved
6,800+ incumbent workers trained
53% of funding awarded to small businesses (fewer than 100 employees)

July — November 2000

77 applications received
49 grants awarded
3,248 incumbent workers trained
\$493 is average cost of training per person

Workforce Florida: At a Glance

Understanding where we are today requires perspective on where we have been. What follows is a brief history of Florida's workforce system and events leading up to the integrated system now in place.

Before July 1996

Regional Private Industry Councils (PICs) existed in Florida and elsewhere across the country. The federal Job Training Partnership Act (JTPA) established the councils to oversee spending of federal job training funds. There was minimal state law governing job training and other workforce programs.

July 1996

The state Workforce Florida Act replaced Private Industry Councils with Regional Workforce Development Boards and realigned regions to match community college districts. The Legislature also passed the Work & Gain Economic Self-Sufficiency (WAGES) Act to implement welfare reform. While two separate boards existed at the state level, the law allowed regional workforce boards to also function as WAGES coalitions overseeing welfare reform at the local level. Meanwhile, the state Department of Labor began running WAGES activities and placing people in jobs. The department continued providing upfront job registration and placement for the next year.

July 1998

The Legislature took all WAGES responsibilities from the Department of Labor and gave them to local boards, which were already contracting for case management and support services for welfare recipients in their areas. WAGES contracting and fiscal management was transferred to the Department of Management Services.

August 1998

The federal Workforce Investment Act was signed into law replacing the Job Training Partnership Act and consolidated about 14 different funding streams under the One Stop System, which was to be governed by local workforce boards. Florida was one of six states that signed on as an early implementing state, beginning July 1999.

October 1999

Senator Toni Jennings announced the creation of a Senate Select Committee on Workforce Innovation to consolidate workforce and welfare reform programs into a single point of accountability. Chaired by Senator Jim King of Jacksonville, the Committee held meetings throughout the state and issued a final report in early 2000 that became the foundation for the proposed legislation. Governor Jeb Bush signed the landmark Workforce Innovation Act into law which took effect July 1, 2000.

July 2000

The Florida Workforce Innovation Act became law. At the state level, Workforce Florida was created as a separate not-for-profit corporation replacing the state Workforce Development Board which functioned as a board of Enterprise Florida, Inc. and the WAGES board. Regional boards also were consolidated. Additionally, the law transferred most of the functions of the Department of Labor to a smaller Agency for Workforce Innovation, which also assumed fiscal and contracting responsibility for WAGES from the Department of Management Services. The Agency for Workforce Innovation now contracts with the 24 regional workforce boards to provide workforce and welfare transition services at the local level through 200 One-Stop Career Centers.

Governance and Structure

Planning and Policy - Workforce Florida, Inc.

To overcome fragmented policy and decision making, Workforce Florida, Inc. (WFI) was created as an independent, not-for-profit public/private partnership to serve as the state's principal workforce policy organization. WFI is governed by a board of directors with the number of members determined by the Governor. The Governor makes all appointments to the board including the Chairman. The WFI President is appointed by the Board but serves at the pleasure of the Governor.

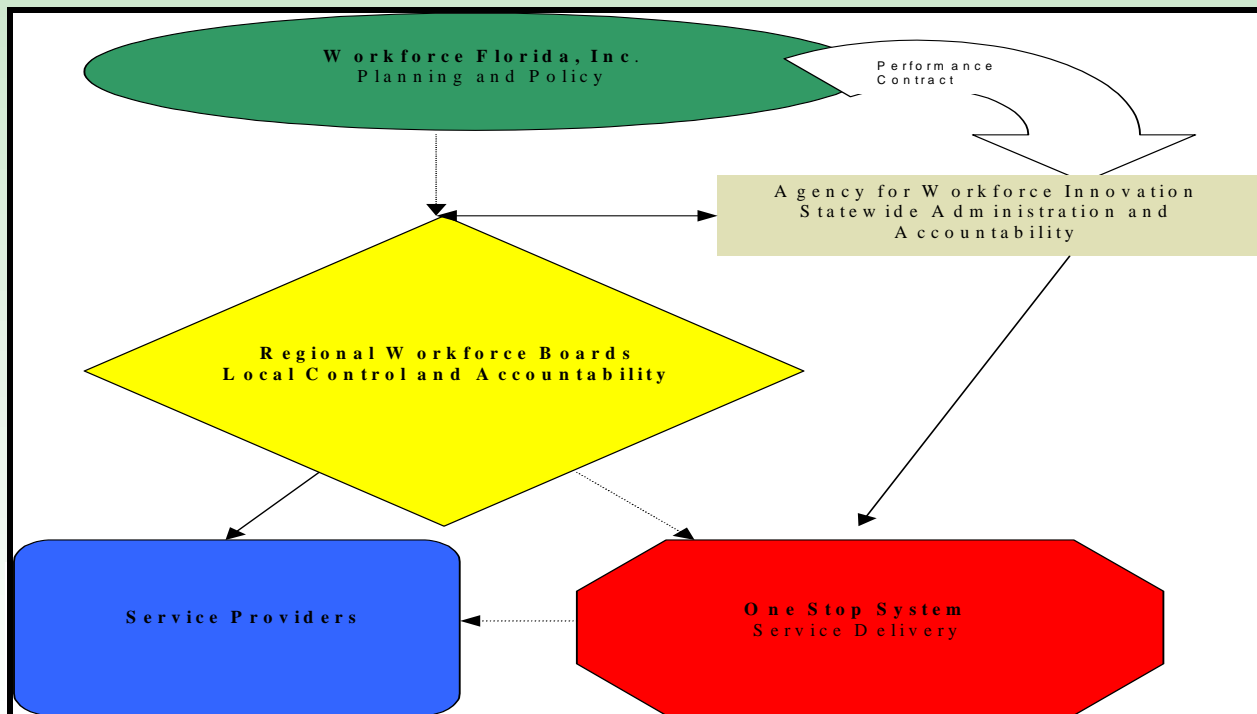
Statewide Administration and Accountability - Agency for Workforce Innovation (AWI)

AWI is designated as the State agency responsible for implementing policy and programs as approved by the Workforce Florida Board and for ensuring that workforce funds and programs are appropriately administered. In conjunction with Workforce Florida and its Board, the agency is also charged with preparation and submission of a unified budget request for workforce development in accordance with Chapter 216, F.S.

The Executive Director of the Agency is appointed by the Governor but takes its charge under a performance-based contract with Workforce Florida, Inc. to carry out board policy and for the delivery of the workforce system programs and services. The agency carries out its duties and responsibilities through performance based contracts with the 24 regional workforce boards and the following three offices:

- **Office of Workforce Services** – responsible for state merit system program staff within the workforce development system and the delivery of services through the One-Stop service delivery system, including welfare transition services, workforce training, diversion assistance, support service, subsidized child care and transportation services, Medicaid services and transition assistance to enable clients to succeed in the workplace.
- **Office of Workforce Innovation** – responsible for the delivery of information on labor markets, employment, occupations, and performance as well as implementing and maintaining information systems as required by the effective

(Continued on page 6)



(Continued from page 5)

operation of the one-stop delivery system.

➤ **Office of Workforce Investment and Accountability** – responsible for providing an array of administrative and operational support services including, human resource management; facilities management; procurement and contracting services; financial and budget management and control; accounting, auditing and verification of financial and performance information; as well as quality assurance and performance reporting at the state and local level.

Local Control, Accountability, and Delivery of Services - Regional Workforce Boards and One-Stop Service Delivery Centers

There was broadening consensus in Washington and Tallahassee during the 1990s that local control and flexibility in service delivery produces better results. Community-managed programs can create better-

tailored and more innovative solutions to local problems than “broad brush” solutions from state government. The 24 regional workforce boards were created as the platform for building a world-class workforce for the new economy.

The local boards are business-led “Boards of Directors” for the local area. They focus on strategic planning, policy development and oversight of the local system, choosing local managers to direct the operational details of their “One-Stop Centers.”

Each of the 24 boards operate under a “performance based contract” with the Agency for Workforce Innovation. The contracts are structured to allow for local innovation and delivery of community identified services through the One-Stop Service centers – while ensuring that federal and state dollars they receive bring results to their service area.

Congratulations to:

Linda Cooke Named High Tech Exec of the Year

Workforce Florida Board member Linda Cooke was recently named High Tech Executive of the Year by the American Electronics Association. Ms. Cooke is Director of Manufacturing Services for Habilitation Center of Davie, Florida.

Rebecca Rust Honored for Excellence in Labor Market Information

Rebecca Rust, Labor Statistics Manager for the Agency for Workforce Innovation, was awarded the prestigious Vladimir Chavrid Memorial Award for excellence in labor market information and employment research. Ms. Rust was recognized for her achievements and contributions in the national field of labor market information.

Treasure Coast Takes Top Honors for One-Stop System

The National Alliance of Business (NAB) awarded its Distinguished Performance Award for One Stop Career of the Year in October 2000 to the Treasure Coast Workforce Development Board, serving Indian River, Martin, Okeechobee and St. Lucie counties. The Treasure Coast was honored for its one-stop system, which includes centers in Vero Beach, Ft. Pierce, Stuart, Indiantown and Okeechobee, with a regional website (www.thepartnership.net) providing broader electronic access, including targeted services for employers. Business representatives serving on the workforce board were instrumental in designing the service structure and establishing a process to review and certify each One-Stop annually to ensure that they meet the requirements of employers.

NAB is a leading national business organization dedicated to building a world-class workforce through education and training. This annual Distinguished Performance Awards bring national recognition to individuals, businesses and organizations whose commitment and efforts have resulted in positive changes in workforce education and quality at the local level and across the nation. Enterprise Florida's Workforce Development Board (the predecessor to Workforce Florida) received NAB's Distinguished Performance Award as the State Business Coalition of 1998.

Four years later, Florida Continues To Set National Pace In Welfare Reform

Since 1996, the number of families on welfare has declined by 81 percent allowing the state to shift or reinvest more than \$400 million in funding to workforce training programs and support services. Florida's bold welfare reform effort began in 1996 with sweeping changes to a decades-old welfare entitlement program. In its place came a new program and a new premise: Work & Gain Economic Self-Sufficiency or WAGES.

Some of the most obvious changes brought about by WAGES – work requirements and time limits for participants – were the most publicized and hotly debated. The biggest concern was what would happen to families, especially women with children, when their time limits were exhausted.

Fortunately, less than one percent of the 155,000 families facing time limits when the program started have stayed long enough to face the possibility of a cut-off in 1998 when Florida's first two-year time limit was imposed. The scenario two years later is very similar; less than 1 percent of the families on welfare in 1996 faced the lifetime limit on cash assistance this October when their 48-month eligibility for cash assistance expired. That's because people are staying on welfare for shorter periods of time. In fact, the average stay has dropped by two-thirds, from 24 months in July 1996 to less than 8 months today.

Today, less than 30,000 families subject to time limits remain on welfare [down 81 percent from 155,000 when the program began in October 1996]. Most former welfare recipients are finding jobs and wages are increasing as they gain job experience. A 1999 survey, commissioned by the now defunct WAGES Board, of more than 4,500 former welfare recipients in Florida found that more than 60 percent left welfare for work, and of those who left for other reasons, another 50 percent subsequently found employment. A follow-up study indicates that incidences of severe economic hardship are declining for former welfare recipients and wages are increasing as individuals gain work experience. However, only 55 percent of those working are employed full-time, includ-

ing many in jobs that lack health benefits and earnings sufficient to support a family without some government assistance.

As caseloads have shrunk, the strategies have changed. The emphasis now is on the front and back ends: diverting families at risk of welfare dependency and keeping new hires employed and helping them move up. How Florida and the nation respond to these challenges marks the next critical chapter in welfare reform: moving people to self-sufficiency.

The assignment now falls to Workforce Florida and the Agency for Workforce Innovation following the consolidation of the state workforce and WAGES programs earlier this year. The change also is expected to bring about more emphasis on education and training while individuals are receiving assistance to better equip them for work in the first place. Only about 40 percent of those on welfare today have a high school diploma or GED. Regions also are promoting Retention Incentive Training Accounts (RITAs) of up to \$5,000 to encourage former welfare recipients to upgrade their skills while they work. Incentives such as these will play a pivotal part in meeting the challenge made by Workforce Florida Chairman Jennings in August to begin training at least 1,000 former welfare recipients for better jobs by March 2001.

Highlights from October 1996 to July 2000

- An 81% decrease in families on welfare, from 155,000 families in 1996 to less than 30,000 today.
 - A shift of more than \$400 million in funding to support workforce training and support services.
 - In 1996, the average stay on welfare was 24 months, today the average is less than 8 months.
-

The next issue of Partners' Report will focus on results from various studies that have tracked the State's welfare reform efforts.

Data source: Florida Department of Children and Family Services.

Calendar

December 13, 2000
Council Chairmen Teleconference
9:00-10:00

Executive Committee Teleconference
10:00-12:00

January 17, 2001
MEETING OF REGIONAL WORKFORCE BOARDS AND OTHER
PARTNERS
Orlando, FL
Agenda/Time TBD

January 18, 2001
WORKFORCE FLORIDA STATE BOARD MEETING
Orlando, FL
Agenda/Time TBD

Check out

www.workforceflorida.com

for updates and agendas.

You can contact us at:

WORKFORCE FLORIDA
850-921-1119
<http://www.workforceflorida.com>

AGENCY FOR WORKFORCE INNOVATION
850-488-7228
<http://www.awi.state.fl.us>



325 John Knox Road
Building 200
Tallahassee, FL 32303

An equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. All voice telephone numbers on this document may be reached by persons using TTY/TDD equipment via the Florida Relay Service at 711.