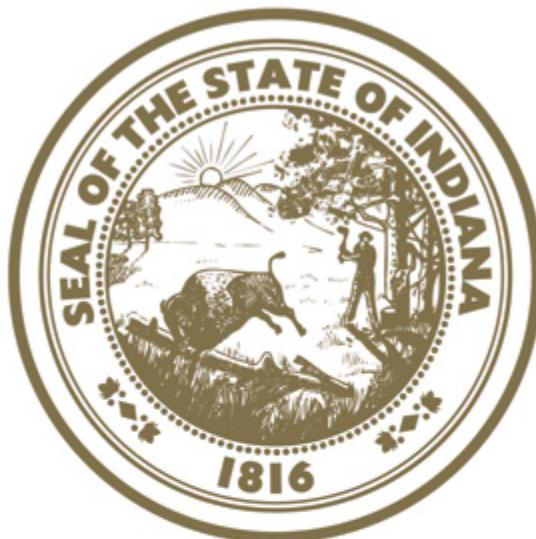


**STRATEGIC TWO YEAR PLAN  
FOR TITLE I OF THE WORKFORCE INVESTMENT  
ACT OF 1998 AND THE WAGNER-PEYSER ACT**

**July 1, 2005 through June 30, 2007**

**MODIFICATION 1, AMENDMENT 1**



INDIANA  
**WORKFORCE**  
DEVELOPMENT

Mitchell E. Daniels, Jr., *Governor*  
Ronald L. Stiver, *Commissioner*

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An Economic Development Partner



STATE OF INDIANA  
OFFICE OF THE GOVERNOR  
State House, Second Floor  
Indianapolis, Indiana 46204

Mitchell E. Daniels, Jr.  
*Governor*

July 28, 2005

Byron Zuidema  
Region V Chicago  
Klucynski Federal Building  
230 South Dearborn, Room 638  
Chicago, IL 60604

Dear Administrator Zuidema:

Indiana is working rapidly to upgrade the skills of Hoosier workers in order to provide a competitive edge to Indiana businesses, attract new industry and accelerate economic growth. To be more effective in achieving these goals, we desire to transform the public workforce system to increase training and employment opportunities for regional economies.

Under my guidance the Indiana Department of Workforce Development has modified what I believe is the best strategic direction for implementation of the Workforce Investment Act (WIA) and the Wagner-Peyser Act in Indiana. The two year strategic plan provides decisive and measured action to return Hoosier workers to work, expedite skill growth, and advance economic development. Indiana strongly believes the actions outlined in the plan are vital to streamline its workforce system.

Growing Hoosier jobs and personal income are two of the organizing principles for my administration. Indiana severely lags behind the rest of the nation in job and income growth. It is my position that growth in these two areas will contribute most significantly to Indiana's overall health and recovery. To make this happen, Indiana must implement changes outlined in this two year strategic plan.

As the Governor, I certify that for the State of Indiana, the agencies and officials designated have been duly designated to represent the State in the capacities indicated for the Workforce Investment Act, Title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act in accordance with this Plan and the assurances herein.

Sincerely,

A handwritten signature in black ink that reads "M E Daniels, Jr." followed by a period.

Mitchell E. Daniels, Jr.

## United States Department of Labor's Approval Letter

**U.S. Department of Labor**

Assistant Secretary for  
Employment and Training  
Washington, D.C. 20210



NOV 28 2005

The Honorable Mitch Daniels  
Governor of Indiana  
206 State House  
Indianapolis, Indiana 46204

Dear Governor Daniels:

This is to respond to the letter of November 16, 2005, in which Indiana submitted a revised modification request and two supporting waiver requests to restructure and streamline its delivery of workforce services under the Workforce Investment Act (WIA). We support Indiana's efforts to streamline its governance structure in order to improve efficiency and assure greater accountability.

ETA has reviewed Indiana's two-year Strategic Plan, as modified, in accordance with Title I of the Workforce Investment Act, the Wagner-Peyser Act, the corresponding regulations, and the planning guidance. Pursuant to 20 CFR 661.230, this letter constitutes a written determination under WIA section 112(c) and (d) (29 USC 2822(c) and (d)) that the Plan, as amended, is consistent with the requirements of WIA and the Wagner-Peyser Act.

Given the major transformations that Indiana is undertaking effective July 1, 2006, there will be a need to develop a strong transition plan as well as new policies that align with your new structure. It is possible that additional modifications to your State Plan may be needed as a result of new policy development and/or the development of a new operating framework. 20 CFR §661.230(b)(2) identifies when modifications are required. We will provide, in a separate letter to the Indiana Department of Workforce Development, a list of issues that should be addressed during the transition period. The Employment and Training Administration is committed to supporting Indiana during the transition in whatever way is helpful.

In its modification submission, Indiana submitted a request for two waivers. The following is the disposition of the state's waiver submission:

**Requested Waiver 1:** To permit the state to apply 20 CFR 661.300(f) to the proposed balance of state workforce investment area, beginning July 1, 2006.

This regulatory provision permits the state workforce investment board to perform the functions of a local board in certain circumstances, such as when the state has been properly designated as a single statewide local area. Indiana is seeking to use its state board to carry out the roles and responsibilities of the local board in the balance of state workforce investment area described in its state plan modification request. The proposed balance of state workforce area is comprised of 91 of the state's 92 counties; contains 87 percent of the state's population; and includes the majority of Indiana's industries.

The state indicates that a waiver will enable it to implement a governance structure that is responsive to the unique characteristics of Indiana's labor market. Under the waiver, the state says that it will streamline administration of services, eliminate duplication, and increase efficiency in its workforce investment system, leading to improved services to citizens, personal income growth, and job and employment growth.

The waiver is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). We are granting a waiver to permit the state to apply 20 CFR 661.300(f) to the proposed balance of state workforce investment area. Under the waiver, the Governor may designate the state board to carry out the roles and responsibilities of the local board for the balance of state identified in the plan.

Requested Waiver 2: Waiver of WIA section 101(25) and 20 CFR 664.250 to include youth receiving free or reduced lunches under the National School Lunch Program to be considered low-income.

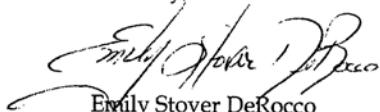
This request is similar to a request submitted by the state in its two-year Strategic Plan. That request was not approved and was dated July 7, 2005. Provisions related to eligibility of providers and participants are excluded from the WIA waiver authority and cannot be waived. Accordingly, we are not approving this request. The statute provides some flexibility to states in this area through a limited exception to the low-income criterion at WIA Section 129(c)(5). Additionally, the regulations (20 CFR 661.120) give states and local governments authority to establish their own policies and guidelines relating to verifying and documenting eligibility, as long as they are consistent with the statute, the regulations and other federal statutes.

There may be other WIA-related youth waivers that we could grant. Our staff stand ready to assist your state workforce staff in trying to find other means to gain flexibility in the provision of youth services.

The granted waiver is incorporated by reference into the state's WIA Grant Agreement, as provided under paragraph 3 of the executed Agreement. The waiver will be incorporated into National and Regional Office copies of the Plan. A copy of this letter should be filed with the state's WIA Grant Agreement and approved Plan, as appropriate.

We commend you for using the modification and waiver processes to make changes in your governance structure. We agree that it should reduce administrative costs, provide for an increased focus on performance, and strengthen the commitment of the employer community to the workforce investment system. We will be excited to hear about your progress under this new streamlined governance structure. We look forward to continuing to work with you and your staff as Indiana prepares for implementation of the new governance structure on July 1, 2006. If I can be of assistance, please feel free to call me at (202) 693-2700.

Sincerely,



Emily Stover DeRocco

cc: Ronald L. Stiver, Commissioner, Indiana Department of Workforce Development

Brooke Huntington, Deputy Commissioner, Indiana Department of Workforce Development

Byron Zuidema, Regional Administrator

Gay M. Gilbert, Administrator, Office of Workforce Investment

E. Fred Tello, Grant Officer

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## **State Plan Development Process**

The Indiana Department of Workforce Development (DWD) has prepared a new 2-Year Strategic Workforce Investment Plan for the Title I Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act (WP). The Governor and DWD consider the development of the Strategic Plan to be a continual and fluid process. The vision, goals, objectives, and processes defined in the plan represent the result of on-going planning efforts that incorporate the Governor's vision and goals for Indiana's Comeback.

Upon taking office on January 10, 2005, Governor Mitchell E. Daniels, Jr. outlined his vision and objectives for the State of Indiana and DWD. Governor Daniels vision and objectives guided the creation of the plan. The plan also incorporates recommendations from Workforce Investment Boards, the Indiana Economic Development Corporation (IEDC), the Indiana Business Research Council (IBRC), WorkOne (Indiana's One-Stop) system partners, elected officials, partner agencies, and clients. Input is gained through on-going communication with these entities and through direct input to the planning process.

Indiana's State Workforce Investment Board, called the State Human Resource Investment Council (SHRIC), constituted under the previous administration, has been dysfunctional for over three of the past four years. The board had not met since 2003. Attempts to locate and validate a membership list have been unsuccessful. As a result, Governor Daniel's reconstituted the SHRIC with members representing all areas of the State. Members represent the established and leading growth industries in the State, labor, education, workforce development partners and elected officials. In addition DWD worked and consulted with Governor Daniels' office, state elected officials, local elected officials, local WIB Chairpersons, WIB Directors, WIB members, the higher education community and staff in creation of this plan.

On May 31, 2005 Indiana submitted a 2-Year Strategic Plan to DOL for approval. The plan was indeed strategic, visionary, and innovative. The plan assumed continued system operation until proposed enhancements were implemented. Following direction from DOL and response to public comment, Indiana respectfully submits an enhanced strategic plan for PY05-PY06. This amended version of the modified plan comprises responses to detailed operational questions regarding state structure, funding, target populations, service delivery efforts and other modifications and amendments required by the U.S. Department of Labor. Upon final drafting of the plan, it was submitted to the Governor for approval.

The original State Plan and the modified State Plan were published for public comment in May and in July of 2005. Many comments received have been simple questions asking for clarification or detail which would be more properly addressed by a direct response rather than in the plan. Several of the questions are addressed in state policies which are currently available (or will become available) on the DWD Web site, but which were not released specifically with the draft plan. A personal response has been sent to those who provided comments. This amended version of the State Plan was published for public comment from October 28 through November 11, 2005.

## I State Vision

### **State's Economic Development Goals for Attracting, Retaining, and Growing Business and Industry within the State of Indiana**

The state's economic development goals are encompassed by the following two areas of focus:

- Jobs and Employment Growth
- Personal Income Growth

It is the state's position that these two factors will contribute most significantly to Indiana's overall health and recovery. The state has been hit hard with higher than average job losses, primarily because of the state's reliance on manufacturing, which has forced an inordinate amount of job loss and associated wage decline for many Hoosiers. Focusing intra- and interagency efforts and objectives on the overarching goals will create a system honed on jumpstarting the state's economy.

These two goals feed directly into the state's approach when it comes to attracting, retaining, and growing business and industry throughout the state. Indiana's industry backbone to date has been manufacturing as myriad auto suppliers, equipment manufacturers, and industrial parts suppliers have counted on the strong work ethic and abilities of Hoosiers to provide excellent quality and service to their customers around the globe. However, this industry has been in a state of decline since the early 1990's as its share of jobs has decreased from a 1990 level of 25.1% to a 2002 level of 20.8%. Looking into the future, this decline is expected to continue, albeit not as precipitously, to a level of 18.8% in 2012.

From a growth perspective, the Education and Health Services sector expects to be one of the stronger super-sectors, as its 1990-2012 share growth will have exploded from 17.0% to 21.5%. Higher than average wages are also associated with this particular super-sector, primarily driven by the wage increases in the health services sector. The state will focus efforts on attracting and retaining jobs and workers within this super-sector as the job growth and associated wage growth will assist the state in achieving its overarching goals of increased jobs and employment, along with personal income.

The state's goals for attracting, retaining, and growing business and industry will focus on six key clusters over the coming years: Advanced Manufacturing; Information Technology; Life Sciences; Transportation, Distribution, and Logistics; Motor Sports; and Value-added Agriculture. Specific strategies are being implemented to increase the amount of potential incentives that can be awarded for companies entertaining Indiana as a place of residence. Fungibility in funding sources and uses should also be investigated and allocated where appropriate and compliant, in order to increase the attractiveness of Indiana as a place to do business.

When breaking down the state's goals to an additional level of detail, the state plans to view the economic development efforts through two lenses: demand-side and supply-side. With the passing of recent legislation, the former Department of Commerce has now been moved to quasi-private status in an attempt to make the organization more agile and flexible to the competitive

demands that exist in today's economic development world. The Indiana Economic Development Corporation will aim to attract and retain the "demand-side" to Indiana's job and personal income equation. In conjunction with the IEDC's efforts, Indiana Department of Workforce Development will work to bolster the attractiveness of the "supply-side" by instituting a number of new workforce reforms and strategies. The IEDC will work to consistently market benefits such as tax incentives, transition dollars, additional local incentive packages, land and property deals, and fungible financing arrangements in an effort to both attract, and perhaps more importantly, encourage organic growth among the state's resident businesses and industry.

DWD is implementing a number of strategies and reforms from organizational structural changes assisting in the brokering and delivery of services, to redesigning the local structure and platform from which innovative workforce solutions can be delivered. Efforts will be aimed at identifying current and future skill gaps within high-wage and high-demand industries. In the forthcoming months and years, the state will address the needs of those workers who may not be adequately prepared to enter and remain in the workforce competitively without additional remediation or training. These represent just a sample of what both the IEDC and DWD will be doing over the coming years to ensure that the state fulfills its primary, overarching goals of growing jobs and employment, along with boosting personal income.

### **Governor's Vision for Maximizing and Leveraging Federal and State Resources through Indiana's Agencies to Ensure a Skilled Workforce for the State's Business and Industry**

Governor Daniels has made growing Hoosier jobs and personal income the organizing principles of his administration. Critical to this is the development of a competitive workforce that meets the needs of 21<sup>st</sup> century employment. To ensure alignment between economic and workforce development and to maximize scarce state and federal resources, the Governor, via Executive Order, has shifted responsibility of the Indiana Manpower and Comprehensive Training (IMPACT) employment and training program from the Family and Social Services Agency (FSSA) to DWD. This change will help integrate parallel programs, enabling Indiana to better leverage resources and result in a more customer-friendly experience. A cross-functional team with representatives from FSSA and DWD are currently identifying and evaluating various integration models.

In addition, legislation was passed in the 2005 General Assembly that directed IEDC and DWD to jointly oversee the state-funded incumbent worker training fund. The \$17M in annual funds is offered on a competitive and matching basis to employers who wish to invest in incumbent worker training in high demand and high wage industries. Joint oversight by IEDC and DWD will help ensure alignment of scarce training resources to the needs of regional economies.

The Governor has also directed that DWD coordinate with the following agencies to maximize and leverage resources and ensure the presence of a skilled workforce:

- Ivy Tech Community College of Indiana
- Indiana Commission for Higher Education
- Indiana Department of Education

- Indiana Department of Corrections
- Indiana Family and Social Services Agency
- Indiana Economic Development Corporation
- Office of Faith-Based and Community Initiatives
- Office of Hispanic and Latino Affairs

In all cases, a partnership through a joint commission or specific initiative(s) fosters coordination amongst these state agencies and commissions.

### **Governor's Vision for Ensuring a Continuum of Education and Training Opportunities that Support a Skilled Workforce**

In light of the continuously changing needs that business and industry have in today's economy, the Governor and Indiana General Assembly have directed or introduced several reforms, including:

- The merger of Ivy Tech State College and the Community College of Indiana into the Ivy Tech Community College of Indiana. This merger, in effect, greatly expands the community college system in Indiana to Ivy Tech's 23 campuses, providing exponentially greater access to associate degree programs aligned to the workforce needs of the 21<sup>st</sup> century.
- The adoption of the Core 40 diploma as the standard high-school diploma with minimal opt-out limits. This new requirement effectively increases the expectations that a student graduating from an Indiana high school will be better prepared for further education and employment.
- Implementation of Career Tech Prep and Technical education programs to foster science and math learning directly applicable to employment, along with entrepreneurship experiences. One such program is Project Lead the Way, a partnership with Purdue University to begin developing engineering talent with students in high school.
- \$4-5M per annum strategic investment in worker assessments and job profiling. This investment helps match employees to employers and also serves to identify skill gaps and appropriate training. DWD will be working with the community college and Department of Education to adopt a consistent skills assessment across the human capital continuum.
- The Indiana Strategic Skills Initiative discussed later in the plan.

Further, DWD will be working with the Indiana Department of Education to leverage Indiana's federal incentive grant on a Workforce literacy initiative to better prepare dislocated and incumbent workers for successful employment in the 21<sup>st</sup> century.

### **Governor's Vision for Bringing Together Key Players in Workforce Development**

The Governor's vision for bringing together the key stakeholders in the workforce development equation revolves around the element of partnering in an efficient and effective manner that can produce results aimed at bettering the lives of Indiana residents. Partnering to develop systems and structures that revolve around the aspect of accountability and measurement are top priorities. The state will continue to sharpen its ability to produce better results with less resources, as this is not only a problem endemic to private industry due to global competitive

pressures, but also in the public sector as an ever-aging workforce and population will bring on significant challenges in the form of shrinking revenue streams (tax base; income, sales, or property) and increasing expense streams (health care and retirement costs).

By increasing the scale of abilities within and across state government, the probability to achieve the state's goals should increase accordingly. Initiatives being undertaken at the current time are aiming to drive cooperation and competition at the local and regional level. In an effort to leverage regional and local strength, the state is trying to reduce the burden on its financial resources so value can be returned to residents of the state in the form of higher personal income. As a result, Hoosiers should be expected to drive additional capital back into the economy in the form of consumption, which in turn should create the need for businesses to expand and grow which lead to an increase in jobs. Albeit elementary, the analysis supports the view of reducing government's presence in the private sector and public's everyday life in an effort to create a more fluid market for competition and consumption.

As one examines the competitive landscape from a global business or political viewpoint, it is becoming increasingly evident and critical to approach strategies and goals from a regional perspective. The global landscape has adopted this format over the past 50-plus years with the implementation of the Association of Southeast Asian Nations, the Mercosur in South America, and the more recent development and implementation of the European Union. Strategies are becoming increasingly more relevant from a single country perspective as states and provinces partner to secure resources, institute policy, and execute programs aimed at improving the quality of life for those in their region, not just in their local area.

Encouraging regional partnerships will be a primary focus of the workforce development efforts for the administration. Through the Strategic Skills Initiative, DWD aims to instill a demand-driven approach to devising and implementing regional solutions. This effort will encourage local and regional partners to work across city and county lines and focus their efforts toward devising solutions that are needed by an entire region, not a single county or city.

## **Governor's Vision for Youth**

Youth in Indiana will be provided the opportunity to develop and achieve career goals through education and workforce training. This includes youth most in need of assistance, such as out-of-school youth, homeless youth, youth in foster care, youth aging out of foster care, youth offenders, children of incarcerated parents, migrant and seasonal farmworker youth, and other youth at risk. This will be accomplished by implementing the Department of Labor's (DOL) new strategic vision for the delivery of youth services under the Workforce Investment Act.

DWD's vision for youth emphasizes:

- Services that result in academic and employment success for the youth.
- Providing comprehensive, integrated, and effective services, including a variety of options for improving educational and skill competencies, and providing effective connections to employers.

- Ensuring ongoing mentoring opportunities for eligible youth with adults committed to providing such opportunities.
- Providing training opportunities.
- Providing supportive services to eligible youth.
- Providing incentives based on recognition and achievement.
- Providing opportunities in activities related to leadership, development, decision making, citizenship, and community service.

Indiana's youth program provides and will continue to provide comprehensive, integrated services to eligible youth as indicated above. Comprehensive services include basic skills remediation, helping youth stay in or return to school, employment, internships, help with attaining a high school diploma or GED, post-secondary vocational training, apprenticeships, and enrollment in community and four-year colleges.

Coordination with other funding streams will be critical. An increased emphasis on successful coordination will begin through the work of Indiana's Youth Team. The State Youth Team will set goals, design strategies, and oversee implementation of the strategies for all of Indiana's youth, not just those participating in Workforce Investment Act services.

The State Team will conduct strategic planning to determine its goal, conduct resource mapping, develop a plan of action, and implement the plan of action. Initial members of the State Team may include youth and WIA youth participants, parents, state and local representatives from Indiana Department of Workforce Development, Family and Social Services Administration, and Education, plus other entities representing juvenile justice and the Job Corps. Businesses may be represented, as well as faith-based and community-based organizations, and the disabled community. Other members may be added.

### **Strategic Skills Initiative**

As economic centers around the world move to embrace regional cooperation as an economic growth strategy, the benefits of executing this strategy at the state level are becoming increasingly clear. The 21<sup>st</sup> century economy presents changes and challenges to the way Americans work, which will demand a coherent vision and a concerted, cooperative effort to compete. Each state is comprised of a specific number of counties, townships, and cities. The strength of each state will be determined by its ability to harness and institute the concept of having a "sum of the parts that is greater than the whole." If Indiana is to become such an economic force, the time to implement a regional partnership approach to economic and workforce development is now.

It is upon this premise that the Strategic Skills Initiative (SSI) was formulated and brought into being. DWD recognizes that creating a workforce for Indiana's 21<sup>st</sup> century economy means more than simply putting people in jobs. *It means encouraging the development of skills that will promote personal growth for Hoosiers and economic growth for their communities and their state.*

To achieve this goal, DWD is undertaking significant reform to harness the power of regional

cooperation by ensuring the proper platform and delivery mechanisms are in place to make this vision a reality. It is through this platform that the SSI will be delivered. Regional consortia will determine the true success of this effort, much like they will spearhead the personal income growth, career advancement, and economic prosperity throughout the state. The time is now to arm and empower our regions, both financially and operationally, to rapidly move Indiana's workforce forward for the 21<sup>st</sup> century.

The Strategic Skills Initiative aims to achieve two primary goals:

1. Identify and alleviate present and future shortages of critical occupations and specific cross cutting skill sets within the industries that drive Indiana's economy, and,
2. Instill a lasting, demand-driven approach to workforce development at the regional level.

Key to successfully completing the initiative is the notion of a logical "line of sight" that moves from identifying and then quantifying workforce shortages, to specifying the root causes behind the shortages and finally to defining solutions that are tied directly to the root cause. Essential to the success of the initiative is a constant focus by each regional consortium on the entire "line of sight." The most important outcome of this initiative will be the creation of institutionalized knowledge of the process, findings, and implemented solutions for each Economic Growth Region (see below). If this knowledge departs the regional consortia at the end of SSI's first cycle, the money and time spent on it will be largely wasted. SSI will not serve as a one-time effort but rather should serve as a sustained approach to workforce development in Indiana for the 21<sup>st</sup> century.

### **Strategic Skills Initiative – Key Components**

The SSI is built on the following foundations:

- 1 Indiana's future economic development and that of its regions will depend critically on having a workforce that is adequate in quantity and quality to power the growth of key industries and industrial clusters.
- 2 Shortages of critical occupations and essential skill sets would impede the growth of those key industries and clusters.
- 3 Therefore, workforce development should aim to support economic development by identifying and attacking the "bottlenecks" posed by any existing and future shortages of critical occupations and skill sets.

This initiative is structured around the creation of eleven (11) *Economic Growth Regions* (EGR's) in the state as illustrated below. Designated by both the SSI and State Plan teams, these geographic regions were created through quantitative analysis and qualitative evaluation. The teams wanted to identify a specific set of regions, throughout the state, that would provide the most efficient platform from which to launch the initiative and complement other statewide initiatives to build greater strength.

The following key quantitative indicators were used in the analysis to identify the regions:



- 1) Commuting patterns (into/out of counties)  
*Specifically:* Percent of workers residing in area and percent of residents working in area (team set coherence level at 85%)
- 2) Cluster location/coherence within specific regions (size and type of businesses within each region)
- 3) Educational attainment by region
- 4) New job creation by region
- 5) Net migration (2000-2040)
- 6) Projected median age by county.

Qualitative factors were then used to “layer” the analysis and add further refinements to the regions and the (county) makeup of those regions.

The key qualitative factors used in this determination were:

- 1) Long range, strategic growth potential for key counties throughout state
- 2) Proximity and location of vocational and academic institutions
- 3) Current infrastructure (i.e. access to major roadways and arteries)
- 4) Proximity and location to existing WorkOne offices (full service/express)
- 5) Indiana House and Senate legislative districts
- 6) Input from regional thought leaders and stakeholders.

After running multiple scenarios as part of their analysis and collecting regional feedback, the team determined that the regional definitions in Exhibit A demonstrated the strongest coherence from both a quantitative and qualitative standpoint.

Each region will assemble an SSI planning consortium comprised of WIBs, economic development officials, regional employers, business and industry associations, educational institutions, Chamber members, organized labor, and others deemed appropriate. *It is critical that the consortia embrace and encourage the involvement of industry representatives who will have a “front-line” perspective on current and long-term shortages that relate to their specific sector-industry.*

Each EGR’s consortium will be led by a Core Agent, selected by Indiana Workforce Development based on specific criteria. These individuals will be empowered and held accountable by their peers (regional constituents, partners, and competing regions) for the success of this initiative in their respective regions. The Core Agents will work in the near term to assemble their key consortium members and participants, conduct an initial meeting to introduce SSI to their members, and complete the Research & I.D. Phase Grant Application. The Core Agents will work directly with the fiscal agent for the SSI, Crowe Chizek and Company LLC Financial.

The initiative will be conducted in two phases:

- 1) Research & Identification Phase (planning)

## 2) Solutions Implementation Phase (training)

Prior to initiating the Research & ID phase, each consortium must submit a completed SSI Application along with the consortium's Research & ID Phase Grant Application.

Upon approval by the SSI team, DWD will distribute \$3mm according to the complexity and need for each region during their Research & ID Phase. These monies can be utilized by the consortia to subsidize the cost of hiring local staff who may lead the execution of this initiative, or hire consultants to assist with the execution of the Research & ID Phase, and to defray the costs of additional primary research efforts that may provide the consortium with additional insight into their shortages, root causes, and possible solutions. Any unused monies will be applied directly to the Solutions Implementation Phase.

It is strongly encouraged, based on findings from best practices research, that each consortium give significant consideration to hiring additional local staff that can "institutionalize" the SSI process in an effort to sustain a demand-driven approach to identifying workforce development solutions over the long-run. Towards this end, an over-reliance on consultants is highly discouraged. The State does encourage the integration of the core SSI team into the Regional Workforce Board as board members or as a committee of the board in order to build and maintain the capacity in the region for the processes associated with the strategic skills initiative.

The Research & ID phase will generate deliverables to the DWD in the form of three report submissions:

- 1) Occupational and Skill Shortages Report
- 2) Root Causes Report
- 3) Regional Solutions Report

Each report will be submitted for review by the SSI Report Review committee. A hard copy will be sent to DWD and an electronic copy will also be uploaded onto the SSI website. The consortia will be given approximately 6 weeks to complete and submit each of the three reports.

At the conclusion of the Research & I.D. phase, consortia will begin implementing their solutions through a combination of local, regional funding along with leveraging DWD funding, awarded in proportion to the quality of their proposals as determined by the Report Review committee and the SSI team. DWD will fund 100% of approved solutions, on a regional basis, for the 1<sup>st</sup> year of the Solutions & Implementation phase by means of \$13mm earmarked for SSI. In year 2, each region will submit a solutions renewal request and be required to fund a minimum of 50% of the training solution into and through year 2. DWD will fund the remaining 50% through an additional \$7mm. DWD funding for this initiative will total \$23mm. This amount far exceeds any other state skills initiative executed in recent history. It is important to note that, during the implementation phase, consortia will be required to leverage their own funds and resources in addition to the funds awarded by DWD. Throughout years 1 and 2 of the training phase, sustainability checks will be required in order for the consortia to maintain their eligibility to receive continued funding from DWD.

## **II State Workforce Investment Priorities**

Governor Daniels has made growing Hoosier jobs and personal income the organizing principles of his administration. As such, he has asked that every state agency identify opportunities to contribute to this growth. Clearly, the Indiana Department of Workforce Development (DWD) and its publicly funded workforce system have an especially pivotal role in the Governor's agenda. Given Indiana's tight state budget, DWD will have little to no new money to spend on expansion grants, tax incentives or infrastructure improvements designed to jumpstart short-term employment. A primary lever for job and personal income growth will be strategic investments to improve the skills of Indiana's workforce, improve the innovative capacity for our regions and develop a competitive advantage in human capital to compete in the global economy over the long haul.

In line with the Governor's overall agenda, he has laid out the following three priorities for the publicly funded workforce system:

- 1. Grow Hoosier Jobs and Employment** – While Indiana's job and employment recession preceded that of the nation, Indiana has lagged the nation in recovery. As of January 2005, the United States had fully recovered from the recession, reaching all-time highs in jobs (source: Bureau of Labor Statistics [BLS]-Current Employment Statistics [CES]) and employment (source: BLS-Local Area Unemployment Statistics [LAUS]). Meanwhile, Indiana remains roughly 55,000 and 46,000 off of our peaks in terms of Hoosier jobs and employment respectively. Clearly, this calls for both rapid and bold measures in our workforce development system.
- 2. Grow Hoosier Personal Income** – As of the quarter ending June 2004, the average Hoosier worker earned just 89 percent in wages compared to the average US worker (source: BLS-Quarterly Census of Employment and Wages [QCEW]). Further, Indiana lags all other neighboring states in average wages with the sole exception of Kentucky. Clearly, this calls for both rapid and bold measures in our workforce development system.
- 3. Deliver Premier Customer Service** – After the Indiana Bureau of Motor Vehicles, Indiana's public workforce system interfaces directly with more Hoosiers than any other state agency. With this comes a special responsibility to not only meet the needs of our customers, both employers and employees (dislocated and incumbent), but to exceed those needs through premier customer service. Such service will lead more customers to appropriately leverage the workforce system. We will be implementing numerous reforms to improve our customer service, from integrating resources (previously delivered through silos) around the customer, to offering alternative operational hours, and implementing a consistent professional dress code. Further, we will be developing customer satisfaction measures beyond those requested from the US Department of Labor in order to gain more immediate and insightful feedback.

To achieve meaningful near-term and long-term success on these three priorities, we must act with urgency in implementing a four-prong strategy. This strategy consists of:

**“Regionalizing”** – Structuring economic and workforce development efforts on a regional basis will be increasingly critical to delivering services and competing in the global economy. Strategies organized and implemented properly on a regional basis will lead to growth of jobs and personal income for Hoosier citizens. As such, we will be launching substantial initiatives designed to build capacity within appropriately defined economic and labor market regions. Further, we will be moving to the “regionalization” of many state resources.

**Integrating** – Too often, services in Indiana’s public workforce system are delivered through programmatic silos, with system employee allegiance more closely aligned with their program than the region, office or customer. This leads to inefficiencies, and sub par customer service. With this in mind, we will be working to integrate resources within regions through implementation of a common reporting structure, cross-training and other measures.

**Aligning** – At its best, workforce development is closely aligned with economic development through a demand driven system. There is substantial opportunity in Indiana to foster greater alignment with the economic and industry needs of our various regions. Further, we know that the majority of new job development comes from small business. Again, great opportunity exists to align the workforce development system to support small company growth. Thus, we will be rolling out various initiatives and reforms, incorporating greater competition and accountability, to create such alignment.

**Innovating** – Innovation is clearly critical to the success in the new global economy. If the public workforce system is to support industry growth and the preparation of workers in this new economy, then it must be innovative, too. Indiana Department of Workforce Development intends to introduce a variety of innovations ranging from technical systems to program design to service delivery. We will further aspire to pilot programs and systems for the nation that, while perhaps not entirely proven, offer significant upside opportunity.

### **III State Governance Structure**

The organizational chart (Attachment E) delineates the relationship of the Governor to the agencies involved in the public workforce investment system. This includes education, economic development, and the required and optional WorkOne (One-Stop) partner programs managed by each agency.

Indiana House Enrolled Act (HEA) 1003 established the Indiana Economic Development Corporation (IEDC). The Governor serves as the chairperson of the IEDC board, which consists of 12 members. The Department of Workforce Development works closely with IEDC. This new focus on collaboration fosters business growth in target sectors utilizing the availability of a skilled workforce in those same sectors.

DWD administers the following:

- Workforce Investment Act
- Wagner-Peyser (labor exchange)
- Local Veterans Employment Representative/Disabled Veterans Outreach
- Trade Adjustment Assistance and NAFTA Trade Adjustment Assistance
- Unemployment Insurance
- Carl D. Perkins  
(DWD staffs the Indiana Commission on Vocational and Technical Education)
- Indiana Job Training Program
- Special Employment and Training Services Fund

Family and Social Services Administration (FSSA) administers the following:

- Food Stamps
- Indiana Manpower and Comprehensive Training (IMPACT)
- Temporary Assistance for Need Families (TANF)
- Title V Older Workers
- Vocational Rehabilitation
- Other family and social services

Agency designees meet routinely on various boards and commissions to coordinate the operation of programs administered in collaboration.

DWD and FSSA are investigating the relocation of the IMPACT program. IMPACT was designed to provide services to help recipients of food stamps and TANF achieve economic self-sufficiency through education, training, job search and job placement activities. Formally and fully integrating the funding and administration of these services with the overlapping mission and services of DWD will create a more comprehensive, streamlined and cost-effective delivery to the customer. DWD and FSSA are currently determining the appropriate course of action, including researching the co-location of services and a memorandum of understanding between the two administering agencies.

Beginning in 2005, the Indiana Commission on Community Services and Volunteerism (ICCSV) was dissolved. On January 11, 2005, the Office of Faith-Based and Community Initiatives was established through Executive Order 05-16 in an effort to strengthen volunteerism and community service, and to increase partnering opportunities with faith-based organizations. The previous activities of FaithWorks Indiana and the Commission on Volunteerism and Community Service are being consolidated into this new initiative. Formerly, ICCSV coordinated with DWD to develop programs to benefit youth activities under WIA.

The guiding principles of the Workforce Investment Act have always served and will continue to serve in Program Years 2005 and 2006 as the foundation for Indiana's workforce development system. These principles include but are not limited to universal access, customer choice, integrated service delivery, etc. Customers may access our services through the 27 WorkOne Centers located across the State. The Centers include access to all partner services and an information resource center. Each information resource center meets the state's requirements for equipment; software; community resources; labor market information; education institution information; career and job resource topical library and publications and videos; and other locally determined content. During Program Year 2005, service delivery will be administered through our 15 workforce investment boards – the same mechanism and delivery structure as first described in 1999.

Over the course of this two-year plan, we anticipate:

- Development of common data collection and reporting mechanisms for all the partners to the extent supported by changes in federal agency level coordination and policy requirements.
- Development of strong independently staffed Workforce Investment Boards/Regional Workforce Boards with broad oversight authority.
- A stronger demand-side system, strengthening our ties with economic development.
- Development of regional plans that are based around labor markets, not administrative delivery areas, and that plan beyond the scope of federal categorical programs.
- Greater access to government services through the use of technology so that the public may search for jobs; submit wage and tax data; access labor market information; and apply for workforce development services without leaving their home or business.

## **State Workforce Investment Board**

The Indiana Human Resource Investment Council (SHRIC) serves as the State Workforce Investment Board. Indiana's Council has responsibility for the State Board functions identified in WIA. In April 1999, the Council was given the statutory responsibility to serve as the State Workforce Investment Board by Indiana HEA 1652, the state's enabling legislation for WIA. The Council advises the Governor on developing the statewide workforce investment system and the statewide labor market information systems, and assists the Governor in reporting to the US Secretary of Labor and monitoring the statewide system.

Indiana Legislation Outlining the Council Mandates: (Table 1)

No.	Category	Comments
1	Governor	Specifically stated in the legislation.
2	State Senate	2 members from each legislative chamber
2	State House	2 members from each legislative chamber
16	Business	Must be a majority. Chair must be business.
2	City & County Elected Officials	Minimum of 1 county and 1 city official.
2	Labor	Legislation is plural meaning at least 2.
2	Youth Representatives	Legislation is plural meaning at least 2.
	Workforce Development Delivery Providers	Legislation is plural meaning at least 2.
2	Lead Agency Officials	That would be DWD. Legislation is plural meaning at least 2. There could be multiple lead agencies.
31	Total	

The Council was expanded in 1999 to include:

- 4 City/County Officials
- 3 Lead Agencies (included FSSA, Education & DWD)
- 6 Labor Representatives
- 5 Youth/Service providers

The Council has attempted to represent the broadest possible involvement of all the stakeholders in Indiana's workforce investment system. The specific membership categories of the Council include the following:

- Business and industry representatives, including individuals who represent business and industry on Workforce Investment Boards in Indiana (recommendations received informally from business contacts throughout Indiana)
- Representatives of labor, special populations, and community-based organizations (with a majority of these members recommended to the Governor by the state labor federation).
- Representatives of education and local government
- The directors of various state agencies

The office of the Governor has the responsibility for the identification and selection of appointed State Council members. Guided by the requirements of the statute establishing the Council, the Governor's office carefully evaluates potential members of the Council on the basis of geographic diversity, policy-making authority, expertise and interest. Prospective members are contacted and briefed on the Council's purpose and mission and are given the opportunity to voluntarily determine if they can make a contribution to the efforts of the Council.

The Indiana Department of Workforce Development is responsible with providing staff for the Council, as well as providing the budget and funds for study grants. The size of the Council has proved a liability to conducting meaningful sessions aimed at strategy development. In order to set a strategic course, there will be a need to strengthen the Council, establishing working groups that are smaller in size and more focused on specific goals. The Council should include members who are actively engaged in the development, deployment, and review of recommendations and policy. As it currently stands, the legislation and actions of the Council define it as a relatively passive entity, concerned more with complying with federal laws than displaying proactive vision, leadership, and developing innovative strategies. Indiana will move the Council into a leadership role. The Council is required to comply with the State's Public Meeting and Open Records Statutes.

In October of 2005 the Governor officially reconstituted the SHRIC appointing representatives in compliance with both Federal and State law. The membership represents all workforce service areas, all regional workforce areas and the six leading business and industry clusters. The SHRIC will have an executive committee which will be comprised of the SHRIC Chair and the chairs for each subcommittee. The subcommittees will include: Assessment and Evaluation, Policy and Planning, Employment and Placement, Workforce Readiness, Legislative, and Youth.

In addition to serving as the state board, effective July 1, 2006 the SHRIC will also serve as the local board for the Balance of State workforce investment area. In support of this intention Indiana has requested a waiver to 20 CFR Part 661.300(f) of the regulations. The two workforce service areas will be Marion County and the balance of state. Marion County will have a workforce investment board. The SHRIC will serve as the balance of state workforce investment board. 91 of the 92 counties will be in the balance of state workforce service area and that area will represent about 92% of the State's population. Policies will be in place to insure that conflict of interest between the State Board and the local boards does not occur.

DWD Policy 2004-19, Establishment of Local Workforce Investment Boards, Section 5, Economic Interest/Conflict(s) of Interest Statements, addresses minimum conflict(s) of interest standards plus a sample Disclosure Letter of (Potential) Conflict of Interests to be used.

The SHRIC will hold no less than four meetings per year. DWD's Deputy Commissioner of Customer Solutions will serve as liaison.

### **Structure/Process for Collaboration between State Agencies**

The Governor will establish committees consisting of department heads or designees to address customer needs. DWD policies, which are disseminated on the local and state level, serve to effectively share information among state agencies and local boards. In addition, federal guidance as well as technical assistance is disseminated via DWD's website

The state will be looking for opportunities to establish interagency MOUs for the purpose of program integration and improved customer service. The IMPACT MOU between FSSA and DWD is the first example of interagency MOUs to improve service.

DWD is currently investigating any crosscutting organizations at the state level designed to guide and inform an integrated vision for serving youth. This includes working closely with US Department of Labor, Region V, on possibilities to implement cross-agency approaches.

## **IV Economic and Labor Market Analysis**

The following section describes, in detail, the current and projected occupational and industry makeup for Indiana's economy. The majority of the section highlights industries and occupations that have been identified through the analysis of currently available information. There are a number of sections, G-J, that cannot be addressed at the current time due to inadequate data collection tools or methodologies aimed at identifying these components of the local economy. However, DWD will be undertaking a major initiative to specifically address the issues of "in or out migration", skill shortages and their size, the associated skill gaps and underlying root causes, and workforce issues most critical to the future success of the economy.

### **Industry Makeup of Economy**

Three industry segments make up over 60% of total employment in Indiana. Those three are: 1) Manufacturing, 2) Trade, Transportation and Utilities, and 3) Educational and Health Services. Of those three, only Educational and Health Services has grown since 1990, and it is expected to continue to do so.

In 1990, Manufacturing was the single largest industry representing over 25% of Indiana employment. The next highest percentage of total employment was 21.4% in the Trade, Transportation, and Utilities industry. The Educational and Health Services industry came in third highest at 17%.

By 2002, Manufacturing had dropped by 3.7% from its 1990 level and Trade, Transportation, and Utilities had increased by 14.2%. As a result, these two major industry groups were within one tenth of a percent of having equal shares of the 2002 total state employment at 20.8% and 20.9% respectively. Following close behind, Educational and Health Services had increased its share of total employment from 17% to 19.4% by 2002. Of the remaining eight major industry groups, five had by 2002 lost from 0.1% to 0.4% of their share of total employment. Three had gained from 0.4% to 2.5% of their share of total employment. The high of 2.5% was in the Professional and Business Services industry.

The projected 2012 Indiana Industry Employment indicates several significant trends. While nine of the eleven major industry groups are projected to increase employment from 2002, only three major industry groups are projected to increase their share of total state employment from 2002 to 2012. Understandably, those same three industry groups also have the three largest projected percentage increases in employment from 2002 to 2012. Only two major industry groups are projected to lose employment by 2012, Natural Resources and Mining (-3.9%) and Manufacturing (-1.1%). They each had already decreased in employment from 1990 to 2002 by 3.4% and 3.7% respectively. Manufacturing went from having the highest share of total employment at 25.1% in 1990, to losing first place by 0.1% in 2002 to Trade, Transportation, and Utilities, and finally coming in third highest in the 2012 projected employment at 18.8%. Education and Health Services is projected to have the highest percent share of 2012 total employment at 20.2%.

Within Manufacturing, three sub-industries, from the 3 digit North American Industry Classification System (NAICS) industries, are projected to decrease over the ten-year period from 2002 to 2012. Leather and Allied Product Manufacturing (NAICS 316) is projected to decline by 50.9%. Apparel Manufacturing (NAICS 315) and Textile Mills (NAICS 313) will decline by 48.1% and 39% respectively. The total projected numerical loss is 1,104 jobs combined. The largest numerical loss is over 7,800 jobs in Primary Metal Manufacturing, 14.2% of its total 2002 employment.

Two Manufacturing sub-industries are projected to increase over the ten-year period from 2002 to 2012. Chemical Manufacturing (NAICS 325) and Plastics and Rubber Products Manufacturing (NAICS 326) are projected to increase by 11.2% and 11.8% respectively. Total projected numerical increase in these two industries combined is over 9,000 jobs.

Projected employment gain is the highest in Professional and Business Services at 24.3%, a gain of 61,603 jobs. The highest sub-industry gain within Professional and Business Services is Administrative and Support Services (NAICS 561) at 30.9% which also represents the second highest numerical gain of 41,561. The second highest projected percentage gain is in Education and Health Services at 21.8%, an increase of 119,678 jobs. The highest sub-industry gains are in Ambulatory Health Care Services (NAICS 621) and Social Assistance (NAICS 624) at 33.6% (32,073 jobs) and 37.4% (13,639 jobs) respectively.

Tables and Charts in Attachment D are included for each industry segment, with growth/decline detailed from 1990 to 2012 (projected).

## **Occupational Issues**

The greatest growth in a single occupation is expected to be for Registered Nurses, followed by Food Prep workers, Waiters and Waitresses, Truck Drivers (Heavy/Tractor Trailers.), and Retail Salespersons. Both Registered Nurses and Truck Drivers are in the “high wage” (jobs paying more than the state average of \$33,025) earnings group. In Attachment D, a table and chart are included for the “top 10” occupations in growth. The remainder of this section is limited to “high wage” occupations.

## **High Wage Occupations**

There are 72 individual occupations that are expected to grow by at least 50 jobs per year (500 jobs or more for the 10 year period) from 2002 to 2012 and currently pay more than the state average of \$33,025 for all jobs in the 2003 Occupational Employment Statistics survey of employers conducted by the Indiana Department of Workforce Development. Of these, 15 are in the medical fields, 13 in education and 8 in computer related occupations. Outside of those fields, large increases are expected for Heavy and Tractor-Trailer Truck Drivers, Electricians, Carpenters, Heating and Air Conditioning Installers along with an assortment of management specialties. The High Wage/High Growth Occupations table in Attachment D is sorted by annual wages, with Surgeons topping the list.

# Indiana Occupational Projections 2002-2012

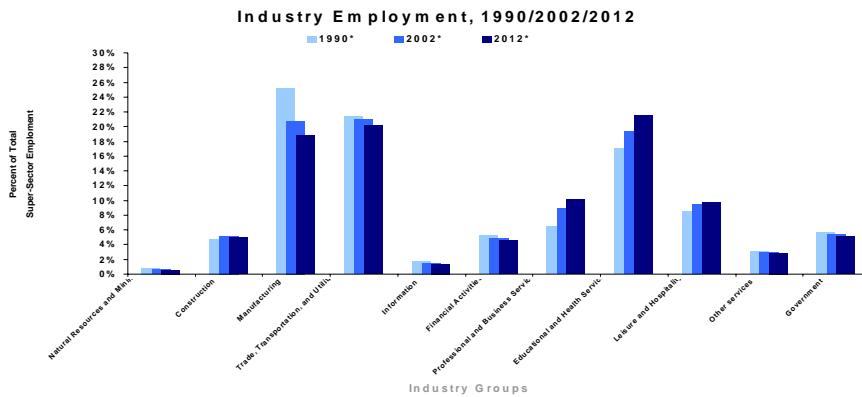
## Percent of Total Occupational Growth, and Openings

Occupational Title	00-0000 Rank	Total, All Occupations	2002	2012	Total Growth	% of Total Occupational Growth	Annual Growth	Annual Openings	Total Openings	Annual Total Openings	Average Annual Wdg
			3,015,262	3,268,507	253,245	25,325	985,827	98,583	\$33,025		
29-1111	1	Registered Nurses	47,593	59,335	11,742	4.64%	1,174	21,700	2.20%	2,170	\$46,242
35-3021	2	Food Prep & Serving Workers, Incl. Fast Food	59,950	68,029	8,079	3.19%	808	34,062	3.46%	3,406	\$14,769
35-3031	3	Waiters and Waitresses	45,695	52,822	7,127	2.81%	713	30,638	3.11%	3,064	\$14,603
53-3032	4	Truck Drivers, Heavy and Tractor-Trailer	52,292	59,376	7,084	2.80%	708	15,624	1.58%	1,562	\$35,382
41-2031	5	Retail Salespersons	83,181	89,455	6,274	2.48%	627	36,510	3.70%	3,651	\$21,239
43-4171	6	Receptionists and Information Clerks	21,203	26,810	5,607	2.21%	561	10,816	1.10%	1,082	\$21,043
31-1012	7	Nursing Aides, Orderlies, and Attendants	30,481	35,891	5,410	2.14%	541	9,403	0.95%	940	\$20,586
25-3999	8	Teachers, Primary, Secondary, & Adult, All Other (OES Only)	15,248	20,587	5,339	2.11%	534	7,216	0.73%	722	\$29,076
25-9041	9	Teacher Assistants	24,260	29,420	5,160	2.04%	516	9,846	1.00%	985	\$18,261
13-1199	10	Business Operations Specialists, All Other	20,477	25,170	4,693	1.85%	469	8,179	0.83%	818	\$48,292
37-2011	11	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	44,847	49,482	4,635	1.83%	464	13,145	1.33%	1,315	\$20,622
43-4051	12	Customer Service Representatives	29,663	34,047	4,384	1.73%	438	8,794	0.89%	879	\$29,004
25-2021	13	Elementary School Teachers, Except Special Education	26,415	30,541	4,126	1.63%	413	9,956	1.01%	996	\$43,140
31-9092	14	Medical Assistants	7,183	11,165	3,982	1.57%	398	5,311	0.54%	531	\$24,836
41-2011	15	Cashiers	76,390	80,203	3,813	1.51%	381	40,979	4.16%	4,098	\$15,852
11-1021	16	General and Operations Managers	35,286	39,065	3,779	1.49%	378	10,434	1.06%	1,043	\$81,468
49-9042	17	Maintenance and Repair Workers, General	34,002	37,566	3,564	1.41%	356	10,092	1.02%	1,009	\$32,602
53-7064	18	Packers and Packagers, Hand	27,793	31,283	3,490	1.38%	349	8,689	0.88%	869	\$20,055
39-9021	19	Personal and Home Care Aides	9,493	12,806	3,313	1.31%	331	4,834	0.49%	483	\$19,061
25-2031	20	Secondary School Teachers, Except Special and Vocational Education	17,327	20,609	3,282	1.30%	328	8,158	0.83%	816	\$43,667

**Indiana Occupational Projections 2002-2012 (Table 2)**

The table above displays occupations that show signs of growth and the number of associated openings. As evidenced by the table, RNs continue to top this list as it mirrors the broader demographic trend of the national population. The need for qualified nurses will increase accordingly. One of the most prevalent, and perhaps concerning, trends among this table is the continued demand for service-support type occupations (i.e. food service personnel, waiters and waitresses, cashiers, and retail salespersons), as opposed to strong industrial-based occupational growth. The demand and job openings available for these categories are fairly robust; however, the associated wages may not provide the necessary momentum or purchasing power to drive the economy forward by significant measures.

**Industry Employment, 1990/2002/2012 (Table 3)**



The above table displays a longitudinal look at industry employment from 1990 to 2002 to 2012. When the chart is examined in greater depth

along with the associated table on the following page, it further emphasizes the state's reliance on manufacturing as its primary source of industrial-based employment. However, the presence of manufacturing from an industry perspective will be reduced from 25.1% in 1990 to roughly 18.8% in 2012. The pressure from global competitive forces, whether they be cost or technologically based, will continue to threaten the state's reliance on this industry. If there is any solace in this trend, it is that Indiana is not alone in waging this battle at a national level.

From a size and growth perspective, one NAICS super-sector stands out in the table below: Educational and Health Services. When we combine the growth component with the wages associated with these super-sectors and associated occupations, one could infer that this category might be an area which warrants further investigation. From purely a growth (percentage) perspective, Professional and Business Services is expected to nearly double in its size relative to the total by 2012 (6.4% to 10.1%, or 253,152 of 2,833,438 in 2002 to 314,755 of 3,102,078 in 2012).

	Super-Sectors	Sectors	1990*	2002*	2012*	1990-%of Total	2002-%of Total	2012-%of Total
Goods Producing	A Natural Resources and Mining	11,21	19,213	18,560	17,836	0.8%	0.7%	0.6%
	B Construction	23	116,997	145,976	156,736	4.8%	5.2%	5.1%
	C Manufacturing	31,32,33	611,410	588,681	582,186	25.1%	20.8%	18.8%
Service Producing	D Trade, Transportation, and Utilities	22,42,44,45,48,49	519,841	593,449	626,843	21.4%	20.9%	20.2%
	E Information	51	44,871	42,547	44,355	1.8%	1.5%	1.4%
	F Financial Activities	52,53	128,443	138,207	142,480	5.3%	4.9%	4.6%
	G Professional and Business Services	54,55,56	155,801	253,152	314,755	6.4%	8.9%	10.1%
	H Educational and Health Services	61,62	414,663	548,380	668,058	17.0%	19.4%	21.5%
	I Leisure and Hospitality	71,72	207,970	268,558	302,745	8.5%	9.5%	9.8%
	J Other services	81	74,884	84,246	88,319	3.1%	3.0%	2.8%
	Government		138,739	151,682	157,765	5.7%	5.4%	5.1%
Total	Industry Group Total		2,432,832	2,833,438	3,102,078	100.0%	100.0%	100.0%

\* Micro Matrix Industry Control Totals

#### *NAICS Super-Sector Occupational Growth, 1990/2002/2012 (Table 4)*

Occupations with slower growth in Indiana than the nation are top-heavy in computer-related occupations. While Indiana is showing high growth in those areas, it is still projected to be lower than in the nation.

Occupations with faster growth in Indiana than the nation are dominated by Educational and Health occupations. Others in this group are legal occupations and Industrial Machinery Mechanics. The listings in the Super-Sector Occupational Growth table are limited to occupations with at least 50 jobs per year in growth.

High-wage occupations with a numeric loss expected are dominated by those occupations found in manufacturing. These include Tool and Die Makers and Machinists.

#### **Demographics of the Labor Force**

The table below depicts the current and projected population of available workers for Indiana.

# Indiana

## Employment Status of the Civilian Noninstitutional Population by Sex, Age, Race and Hispanic Origin, 2002 Annual Averages

(numbers in thousands)

### Population Group

	Civilian Non-institutional Population	Civilian Labor Force		Employment		Unemployment		*Projected 2002 Population	*Projected 2012 Population	%Increase in Population 2002-2012
		Number	% of Population	Number	% of Population	Number	Rate			
Total	4,656	3,175	68.2%	3,012	64.7%	163	5.1	6,113	6,325	3.47%
Men	2,227	1,684	75.6%	1,592	71.5%	93	5.5	2,980	3,092	3.76%
Women	2,429	1,491	61.4%	1,420	58.5%	70	4.7	3,132	3,233	3.22%
Both sexes, 16 to 19	337	164	48.6%	139	41.3%	25	15.1	357	379	6.16%
White	4,285	2,945	68.7%	2,804	65.4%	141	4.8	5,490	5,607	2.13%
Men	2,069	1,577	76.2%	1,497	72.4%	80	5.1	2,685	2,750	2.42%
Women	2,217	1,368	61.7%	14	59.0%	61	4.5	2,806	2,857	1.82%
Both sexes, 16 to 19	305	157	51.3%	134	43.9%	22	14.3	315	328	4.13%
Black	316	192	60.8%	172	54.6%	20	10.2	529	596	12.67%
Men	128	85	66.4%	75	58.2%	11	12.4	250	281	12.40%
Women	187	107	56.9%	98	52.1%	9	8.5	279	314	12.54%
Both sexes, 16 to 19								36	42	16.67%
Hispanic Origin	113	90	79.3%	83	73.8%	6	6.9	NA	NA	
Men	65	58	89.7%	55	84.2%	4	6.1	NA	NA	

### *Employment Status of the Civilian Non-institutional Population (Table 5)*

### Strategic Skills Initiative

Please see the explanation about the new DWD's Strategic Skills Initiative described in the State Vision section of this plan.

## **V Overarching State Strategies**

Indiana's continued focus on serving the employers and citizens of Indiana will be heightened over the course of the next two years. A number of agency-wide strategic initiatives are planned. Indiana Department of Workforce Development is moving to ensure positive returns on investment, whether granting monies for training or when responding to worker dislocations. The SSI initiative will squarely address current and future skill shortages. The objective will be a demand-driven approach to local economic development and workforce issues that emphasizes entrepreneurial spirit.

Through the utilization of WIA dollars (and other funding streams), DWD will create a seamless and comprehensive system which includes employment services, education, and training for unemployed workers. Also, additional efforts will be made to ensure that Indiana's incumbent workers and emerging workforce are truly prepared with the critical skills required for Hoosier businesses now and in the future. There will be many challenges ahead as DWD continues efforts to fully engage the business community as partners.

Strategic reorganization has occurred at DWD to ensure greater responsiveness to workers who are dislocated. The objective will be to return those workers to Indiana businesses by moving to a model that creates greater mobility in the field. Services will be delivered to those communities needing additional support. Now business consultants operating in the field will be in a position to broker services that cover the entire spectrum, from dislocations to incumbent worker training to assist in expanding and growing Indiana's existing businesses.

### **Strategies for Key Industries**

DWD's Labor Market Information (LMI) has been reorganized into the Research and Analysis department (R & A) to make the section more flexible and responsive to employers' needs. R & A is part of the newly created Strategic Research and Development division. Prior to this reorganization, the focus was primarily on generating the data needed to meet federal and state contractual requirements. The new department will have a focus on the agency goals of growing jobs and employment, growing personal income and delivering premier customer service. The reorganization will result in developing new and/or improved reports with more extensive analysis. The R & A section will focus on projected trends and emerging changes in Indiana economic conditions that are concrete and actionable.

R & A will incorporate new technologies to target high demand industries. New tools, such as the Local Employment Dynamics (LED) project and Geographic Information System (GIS) mapping software will be used to more accurately describe and identify areas of economic opportunities in Indiana. Several R & A staff are in the process of being trained in ArcGIS software. The Indiana Business Research Center (IBRC) will also offer assistance on this project allowing R & A to leverage their skills. Mapping by area and industry will be a tool to help analyze areas projected to grow by 2012.

GIS technologies will include research into Indiana's targeted industry clusters of Advanced Manufacturing, Life Sciences, High Tech Distribution and Information Technology. Other

analyses will include wage analysis based on factors such as age, education, labor and commuting sheds.

## **Strategies for Small Business**

Supporting small businesses in Indiana through workforce development will not only be a point of emphasis, but a top priority. Indiana's small businesses will receive special consideration for grant matching requirements and scoring criteria. These efforts will be carried out by the newly formed Marketing Development Department, which is comprised of two groups, Business Consulting and Market Support. These groups will actively pursue employers within each workforce service area.

Business Consulting will assign a qualified consultant to develop training, job profiling and assessment projects. This consultant will utilize over \$16 million annually toward incumbent worker job training. A portion of that sum will be dedicated to the small businesses of Indiana. For small business, Market Development hopes to group several employers into a batch or regional grant alliance. This will add volume and make the program cost effective.

One of the biggest obstacles to small employer development has been the cost to outcome ratio. Under this new approach, small employers, unable to support a tuition reimbursement program will be able to partner with DWD to assist in the production of transferable skills.

Upon approval of an application, Market Support will assign a regional specialist to assist the employer(s) through the contracting process and reporting requirements. This specialist will also produce return on investment studies to evaluate retention and increased earnings of the trainees. Employers will enter into a seamless system where they will be contacted by a consultant within a 7-day period after filling out a pre-application. This will allow the unit to process the request and review it for possible issues before the employer reaches the point of a formal application. Upon approval, the consultant will issue an electronic password that will allow the employer to access the application and submit it online. In cases where a small employer does not have web access, the consultant will assist the employer through a paper process. The online system will automatically issue electronic alerts when reports or invoices are due.

Market Support will partner with local entities to achieve set goals for the various programs. This includes notification to local economic development officers and local WorkOne offices, and joint meetings with the IEDC. Market Support will also assist the Regional Workforce Boards regarding training opportunities for their workforce and support for employer dislocation events. This will help devise strategies addressing the issue of workforce literacy in Indiana, along with leading the effort to provide ongoing strategic and team support to the Business Consultants.

Each small employer who is assisted will be able to fill out a pre-formatted, electronic quarterly report. The employer will also be able to file specific trainee data electronically. With this information, DWD will be able to track customers' training outcomes for retention and earned income. Additionally, the number of transferable credentials issued will be tracked. This data will be shared in the Indiana Department of Workforce Development's Annual Training Report to the Indiana General Assembly.

The timeline for accomplishing these goals will be relatively short, with the program beginning July 1, 2005, the beginning of Program Year 2005. New guidelines will be developed for the Incumbent Worker Training Fund, and goals will be established for each member of the Business Consulting and Market Support units. The new electronic application and monitoring system will be developed and launched by the fall of 2005. New goals and return on investment will be evaluated on a six-month basis at the conclusion of the calendar year and on an annual basis at the conclusion of each fiscal year thereafter.

## **Statewide Activities**

DWD is focused on achieving Governor Daniels' vision through dedicated efforts in Indiana's economic and workforce regions. To further promote regionalization, integration, alignment, and innovation, DWD's Customer Solutions division and its Partner Services unit have created a dedicated team focused on grants management. This team is charged with creating a formal grants process to award Workforce Investment Act discretionary funds to regions. DWD will establish guidelines for regions to request grants based on achieving Governor Daniels' three objectives. Proposals will be scored by a cross-functional team and weighted on implementation of Governor Daniels' strategy.

The grants management formal process will allow DWD to award innovative regions with the capital needed to implement Governor Daniels' vision. DWD anticipates that the competitive grant process will facilitate regions and partners integrating behind common objectives, thus making the system more cohesive.

The state's strategy to promote collaboration between groups for youth is addressed in the opening statement on the State's Vision for Youth. Also, the plans for youth are detailed in Section IX under "Youth."

## **Strategic Partnerships**

The strategies provided above in Section V will promote and develop on-going and sustained strategic partnerships.

## **Laws, Regulations, and Policies**

During the 2005 legislative session, DWD proposed legislation to remove barriers to achieving the department's goals. Indiana Senate Enrolled Act (SEA) 536 removes the Incumbent Worker Training Councils, mandated previously in Indiana code. The councils served as advisory committees to the regional Workforce Investment Boards. This mandate, while useful in some regions, was rendered ineffective in most. Regional Workforce Investment Boards may choose to continue to hold advisory committee meetings, but are no longer required to do so, therefore providing for greater regional flexibility.

Also, SEA 536, as signed into law May 2005, removes the Incumbent Worker Training Board (IWT), and places responsibilities in the hands of the Secretary of Commerce. The responsibilities of the board included reviewing incumbent worker grant applications and

providing recommendations for the allocation of the Skills 2016 Fund dollars. In addition, it removes the dedication of funds by percentages to specific industries. In this manner, greater flexibility will be given to the limited dollars available in the Skills 2016 Fund in order to provide the funding for the most effective training to the most needed employment sectors.

### **Waivers and Workflex**

Over the next two years Indiana's objectives are to grow jobs and employment, grow personal income, and deliver premier customer service. Indiana will look at waiver opportunities that strengthen Indiana's ability to meet these objectives. This state plan does include waiver requests, but Indiana also reserves the right to modify this with additional waiver requests to meet the stated objectives.

The waiver requests accompanying this state plan support one or more of the following criteria:

- The waiver will be in line with the federal administration's plans for modifying the Workforce Investment Act.
- The waiver will allow Indiana to strengthen the State Board, regional boards and the overall WIA structure and governance.
- The waiver will allow Indiana to make better use of administrative dollars and to increase the quantity and quality of services to customers.
- The waiver will put Indiana in a better position to move from a sophisticated co-location/referral model to a system that is highly integrated.

## **VI Major State Policies and Requirements**

DWD's Workforce Investment Act policies can be reviewed in Attachment H of this plan.

### **Structure and Governance for the Balance of State Workforce Investment Area**

Many of the new state policies and requirements deal with the structure and governance within the balance of state workforce service area. Describing these requirements lays a strong foundation for understanding the intent of this initiative and also demonstrates a strong commitment to the intent of the workforce investment legislation.

The balance of state workforce service area is divided into eleven regions based on data and analysis described in Section 1 of this plan. These eleven regions range in size from five to twelve counties. Each area is a unique labor market region.

A strong intent of the WIA legislation is to have local governance. As such Indiana has engaged the local elected officials in the 11 regions to establish local elected official agreements at multiple levels. Each county will have a local elected official agreement which addresses responsibilities and the process for appointing a business representative to the regional workforce board (RWB). Part of that agreement includes the selection of a county chief elected official (CEO) to represent the county at the regional level. The county CEOs also meet and form an oversight or executive council to the RWB. These county CEOs execute a regional agreement and select a regional CEO. The eleven regional CEOs select a balance of state CEO.

At the regional level the elected officials appoint board members. The local elected officials in each county select a business representative. The four largest cities in the region (8,000 or larger) select the representatives from labor, economic development, education or community-based/faith based organizations. The largest city selects first from the non-business sectors, the second largest the second selection, etc. In many cases the four mayors meet and develop an agreement on which sector representative each will appoint. Cities over 100,000 in population select an additional business representative. After these selections are made, the county CEOs may elect to fill any additional openings up to 16 with additional business representatives. To do so the intent and the process for doing so must be documented in their regional CEO agreement or in the regional CEO by-laws.

Once the RWB is formed it establishes by-laws and elects a chairperson. The chairperson must be a business representative. The RWB then competitively procures a regional operator. The regional operator will have two primary functions – staff to the RWB and one-stop operator for the WorkOne system in the region. Optionally the regional operator may also be a fiscal agent. The regional operator in conjunction with the RWB will then competitively procure service providers.

The balance of state WIB in conjunction with the State will select a fiscal agent for the eleven RWBs. Each RWB in conjunction with their Regional CEO will have the opportunity to select their own fiscal agent in lieu of the state fiscal agent.

All competitively procured parties including regional operators, fiscal agents and service providers will be limited to a two year contract with a one year option upon a showing of good performance. This time element on the contracts will insure that competitive procurement at all levels occurs at least every three years.

### **Memorandums of Understanding (MOUs) and Collaboration**

DWD will promote WorkOne partner sharing of administrative and site costs at WorkOne facilities. MOU agreements will be created with partners at the state agency level. If local WorkOne partners are not represented by Indiana state agencies, DWD will promote other forms of collaboration at the highest level possible. With these agreements in place, partner representatives in each WorkOne will be empowered to collaborate with each other.

Seamless regional service delivery will be accomplished in a collaborative atmosphere. Each customer will work with a case manager to remove any barriers that have kept the customer from being employed or meeting intended career goals. Also, these strategies will translate into better case management and service delivery for each customer using the best mix of partners' services. The customer will gain employment and the opportunity to increase personal income.

### **Universal Access**

Indiana's WorkOne system will provide universal access to all customers. Many of our services are available in multiple formats including web based applications for labor exchange, unemployment insurance and labor market information. These applications are available 24 hours a day, seven days a week. We are moving forward with the development of new systems which will enhance the automated access to our services. Projects to provide real-time interpreters for non-English speaking clients and those with hearing and speech disabilities are underway. All WorkOne centers were physically reviewed for accessibility since the last WIA plan was issued. Compliance issues were addressed immediately and a few remain in progress. Many of our WorkOne centers have "X-Stations" that provide a wide variety of tools and accommodations for those that have disabilities. In this area we are striving not only for compliance, but for conditions which are friendly.

### **Policy Development**

In the past, Indiana Department of Workforce Development has developed consistent, clearly written and fair policies to promote universal access and consistency of service statewide for all customers. Those policies are available on DWD's website at <http://www.in.gov/dwd/>. With the changes noted in this plan, new policies will be put in place, plus existing policies will be updated to explain and accomplish the Indiana Department of Workforce Development goals set out for the next two years.

## **VII Integration of WorkOne Service Delivery**

Indiana will be making extensive changes to its service delivery model in order to move from a system that is highly collocated with some integration to a system that stresses a high level of integration with excellent customer service.

### **Integrated Service Delivery - State Level**

The Deputy Commissioner of Customer Solutions will have responsibility for the WIA, Wagner Peyster, TAA, Veterans and IMPACT programs. The oversight and operation of these programs will be organized based on functions rather than programs. The areas under Customer Solutions include Career Services, Partner Services, IMPACT Integration, and HelpLine.

Career Services will consist of two functional areas. System experts from the various programs will be organized as a single unit, the Center of Excellence, and all members will be cross-trained to assure that they are knowledgeable in all programs. State policy will be developed based on integrated service delivery. Performance will be measured and rewarded based on system success, not individual program success. The Center of Excellence will be responsible for oversight of the statewide WorkOne system to insure that it is functioning at the highest level and in accordance with law, regulation, policy and waivers.

The second functional area will consist of regional coordinators (formerly Regional Program Directors) that support operations at the regional and local level. The regional coordinators will serve as consultants to the Regional Workforce Boards and Regional Operators. Their primary duties will be to:

- Insure full integration of service delivery in the Work-One system
- Assist in the development of strong regional boards and strong support staff
- Insure full compliance with laws, regulations, policies and waivers
- Provide on-site monitoring on a weekly basis
- Serve as a conduit between the WorkOne offices and the Center of Excellence
- Provide another avenue for initiating continuous improvement

Partner Services will be responsible for policy development, partner relations, grant application and research. Partner Services will work closely with the Center of Excellence. Early efforts will stress integrating program policy, developing state-level partnering, and increasing grant opportunities for the state and regional areas.

IMPACT integration will work to transition the IMPACT program from the Family and Social Service Agency (FSSA) to DWD. This is envisioned to be a 2-3 year transition. The objective is to transition the program with minimal adverse impact to the clients and to integrate it into the local service delivery model.

HelpLine is a 1-800-telephone service that supports the WorkOne system by providing answers to client questions and guidance on accessing services. An evaluation of the effectiveness of this system will be undertaken. Recommendation from that evaluation will determine what

improvements need to be taken with this system. Indiana believes that the HelpLine will remain an integral part of our service model.

### **Integrated Service Delivery - Regional Level**

The primary function of the Regional Operator will be to integrate service delivery for Customer Solutions programs and the other partner programs in the WorkOne system. The Regional Operator will also serve as support staff to the Regional Workforce Board. Services such as WIA will be regionally procured and managed by the Regional Operator. The Regional Operator will not be a service provider. The Regional Operator will not be a consortium of three or more partners. Technical assistance for the Regional Operator will be available through the regional coordinators.

Services through the WorkOne system will be delivered in a functional manner. The four basic components of the system will be eligibility, case management, career solutions and employer services. Following is an overview of each:

Eligibility – When a client enters the WorkOne, reception staff will quickly assess the needs and goals of the customer in a triage manner. The client will be informed of the services within the WorkOne and in the community for which they may be eligible. The client will be referred to services in the WorkOne and community at large. Eligibility may also provide overviews and/or tours of the facility.

Case Management - Eligibility will identify clients that qualify for specific programs such as WIA, Veterans Services, IMPACT or Vocational Rehabilitation. These customers will be referred to case management. The basic functions for the case manager include:

- Assessing the client to determine barriers and obstacles to full employment
- Developing a plan with the client to eliminate or minimize the barriers to employment
- Determining which mix of programs/services adequately meets the client's needs
- Facilitating enrollment in the appropriate programs/services.
- Referring the client to appropriate services within the WorkOne or in the community
- Monitoring progress against the plan and modifying the plan as needed
- Providing mentoring
- Facilitating supportive services
- Performing follow-up services

All case management service plans will have sustained employment as the primary objective.

Career Solutions – All clients will be eligible for services under Career Solutions, which includes a wide variety of services and products that will help the client market themselves to employers. The primary objectives for Career Solutions are increased job placements and increased wages for clients. This area includes the basic labor exchange services and the services and products in the Information Resource Area. Examples of services include:

- Labor Exchange including the state job-matching system and other systems including web-based applications
- Job readiness workshops – interview skills, resume writing, understanding labor marketing information, using the Internet to find a job, etc.
- Labor market and career information
- Resume writing
- Want ads
- Internet access
- Assessment tools

Employer Services – These services are directly associated with WorkOne services for employers. They will be the service set that creates a professional atmosphere for employers and will continue to grow as we move forward. These employer services includes:

- Accepting and working job orders
- Applicant screening
- Applicant testing
- WorkKeys Assessment
- Dislocation Support
- Assisting with the Strategic Skills Initiative
- Participating in economic development meetings
- Marketing services to the business community
- Job Development in conjunction with Career Solutions
- Incumbent Worker Training Grants

### **Technology Upgrades**

As the new service delivery system rolls out, automated service delivery systems will be evaluated. The objective is to upgrade those systems that are critical to integrated service delivery, increasing placements, increasing wages, and improving customer satisfaction. The key systems that will be evaluated include:

- Labor Exchange system - currently CS3
- Case Management system with built in management reporting - currently multiple systems in the state
- Labor Market Information system – currently Indiana’s New Economy Workforce Statistics (INEWS)
- Consumer Reporting system (eligible training providers) – currently Education and Training Choices
- Eligibility Assessment system – currently manual
- Unemployment Insurance Modernization (UIM)

## **State and Local Partnering**

Indiana will initiate partnering at the state level through formal MOUs with those areas of the state that fund local WorkOne partners. These MOUs will outline the basic agreement for cost sharing, integration of services, integration of staff and functional supervision. Partner Services will lead the initiative. Once MOUs are in place the primary barriers for many of the local partners will be removed. The subsequent effort will be directly with those partners where the funding does not run through a state partner. The approach with the stand-alone local partners will be to sell them on the benefits of collocation, integration and cost sharing. For those stand-alone local partners that receive funding from the Federal government, Indiana will solicit support from the U. S. Department of Labor.

## **WorkOne Certification**

To date, Indiana has established minimum requirements for the WorkOne offices. In addition, Indiana requires the Workforce Investment Boards to establish criteria at or above the state minimum level. The regional coordinators are required to assess their WorkOne offices against these criteria and certify only those WorkOne offices that meet or exceed the standards. Indiana has promoted continuous improvement in this area so that the WorkOne offices continue to improve over time.

As DWD moves forward, the minimum state requirements will be enhanced in three areas. First, WorkOne offices will be required to be user-friendly to people with disabilities. This higher standard will include additional assistive technology as recommended by partners such as Vocational Rehabilitation and/or Older Workers. Second, WorkOne offices will be required to provide a minimum level of materials in Spanish to accommodate the non-English speaking population. The Hispanic/Latino populations in Indiana are growing at an unprecedented rate. Indiana will continue efforts to address the communication barriers this population faces. Third, minimum state requirements for WorkOne offices have been limited to facilities, partners, equipment and materials. All of these are essential to an effective WorkOne, but one essential component has been left out. We will be expanding the minimum requirements to include minimum continuing education standards for service providers and will be looking into WorkOne credential certification for WorkOne staff. It is essential that we address the quality of the most important element in the offices, service delivery staff.

Indiana will use statewide reserve funds to assist in the establishment and operation of the WorkOne system. Such funds will be used as indicated in Section 134(a)(2) and may be used as indicated under Section 134(a)(3.) An example of an allowable use of funding is provided:

Indiana is focused on achieving Governor Daniels' vision through dedicated efforts in Indiana's economic and workforce regions. To further promote the regionalization, integration, alignment, and innovation strategy, DWD's Customer Solutions and Partner Services has created a dedicated team focused on grants management. This team is charged with creating a formal grants process to award reserved funds to regions. DWD will establish guidelines requesting grant proposals based on achievement of Governor Daniels' three objectives. Proposals will be scored by a cross functional team and

weighted on implementation of Governor Daniels' strategy. This objective and formal process will allow DWD to award innovative regions with the capital needed to implement Governor Daniels' vision. This competitive grant process will facilitate the integration of regions and partners behind a common objective, thus making the system more cohesive.

## **VIII Administration and Oversight of the Local Workforce Investment System**

During the two years covered by this plan, Indiana will be transitioning from a traditional multiple Workforce Service Area (WSA) structure with 15 WSAs (see the map in Attachment F – entitled Indiana Workforce Service Areas) to a two WSA structure (see the map in Attachment F – entitled Workforce Service Areas). Program year 2005 will serve as a transition year in which we will continue to support the traditional local WSA structure while we simultaneously lay the ground work and implement the two WSA structure with eleven regions. On or before July 1, 2006 Indiana will be fully operational as a two WSA State.

As with any transition, Indiana will not “flip a switch” and expect all changes to automatically occur. Much of the philosophical and state-level changes have already started. Because this conversion will not be an overnight occurrence, Indiana is requesting a waiver to be a two-WSA state immediately. Some facets of that waiver will not be implemented immediately, but we do need the waiver in place in order begin the restructuring processes.

### **Traditional WIA Operational Structure**

#### **Local Structure**

Effective July 1, 2005 Indiana has 15 WSAs. During the previous planning period Indiana had 16 WSAs. The change is the dissolution of the Madison-Grant WSA. Grant County is now part of Northeast Indiana and Madison County is now part of Circle Seven. The original 16 areas under Indiana’s initial six-year plan were JTPA areas that were grandfathered in as WSAs. In early 2004 the majority of the local elected officials in the Madison-Grant WSA elected to dissolve. During the first half of 2004, the local elected officials from the Northeast Indiana WSA and from Grant County petitioned the Governor to modify the Northeast Indiana WSA to include Grant County. The Governor accepted the petition and the change was effective July 1, 2004. During Program Year 2004, the local elected officials in Circle Seven WSA and in Madison County petitioned the Governor to include Madison County in the Circle Seven WSA. The Governor also accepted this petition effective July 1, 2005.

#### **Boards**

Each of the 15 WSAs must have a Workforce Investment Board and Youth Council that meet the criteria as set forth in federal law and state policy. The criteria for selecting local board and council members and for certifying local boards are documented in DWD Policy 2004-19 in Attachment H.

#### **Local Planning**

The local areas are required to develop local plans in compliance with WIA legislation. The guidance for these plans and the process for development, submission and approval are covered in DWD Policy 2004-12 and 2002-20 (see Attachment H). In addition, under the initial six-year plan Indiana’s State Board provided each of the WIBs with strategic planning grants to go

beyond the legal requirements for a WIA plan and involve their partners, business, and communities in developing strategic workforce plans.

## Allocations

The Adult and Youth funds will be distributed using a three-part formula. Each part of the formula will be equally weighted. The first two parts of the formula will be based on Local Area Unemployment Statistics (LAUS) data. The first part will be the most recent data on Areas of Substantial Unemployment (ASU). The second part will be the most recent data on Excess Unemployment or ASU whichever is higher. The third part of the formula will be based on economically disadvantaged adults or youth data. This data will come from census data.

The Dislocated Worker funds will be distributed based on a six-part formula. The following table shows the factors and their specific weighting.

<b><u>Allocation Factor</u></b>	<b><u>Data Source &amp; Time Period</u></b>	<b><u>Weight</u></b>
Insured Unemployment Data	Annual report of unemployment compensation claimants	30%
Unemployment Concentration Data	Labor force for counties report	30%
Plant Closing & Mass Layoff Data	Plant closure/mass layoff report	15%
Declining Industry Data	County employment pattern report	10%
Farmer/Rancher Economic Hardship Data	Census of Agriculture – county data	5%
Long-term Unemployment Data	Annual report on unemployment compensation claimants with 15 or more weeks claimed.	10%

***WIA Dislocated Worker Allocation Factors (Table 6)***

The adult and youth allocations will use the hold harmless provisions as outlined in Section 133(b)(2)(A)(ii) of the Workforce Investment Act. The dislocated worker allocations will not use the hold harmless provisions.

Indiana will formula-allocate at least 85% of the Adult and Youth funding and at least 60% of the Dislocated Worker funding to the workforce regions. No more than 15% of all funding will be held at the state level as the Governor's discretionary funds, and that funding will be used in compliance with the Workforce Investment Act and any waivers obtained. Up to 25% of the Dislocated Worker funding will be retained at the state level for rapid response activities, additional dislocated worker funding, and other activities allowed under the Act or specified in approved waivers.

The formulas and allocation processes outlined above are the same as for the previous six years. The State Board approved this process when Indiana first implemented WIA. See DWD Policy 2004-40, Program Year 2005 WIA Formula Allocations in Attachment H.

## **Service Providers and Partners**

Indiana is moving toward a policy that provides for increased competition in the selection of support staff and service providers. Current procurement procedures are contained in DWD Policy 2003-24 in Attachment H. This policy and others will be changed so that they drive increased competition and increased separation between boards and service providers.

Indiana is moving toward regionalization of the WIA, TAA, Veterans, Wagner-Peyser and IMPACT programs. This effort will integrate programs and make service delivery totally customer and regionally focused. For these programs, Memorandums of Understanding (MOUs) and full participation in the WorkOne system will be a certainty.

At the same time, DWD is working with the other WorkOne partners to increase the level of integration and to insure full participation in the WorkOne offices. Part of that effort is a stronger and more active role at the state level. For those partners where the funding runs through state agencies, Indiana is working toward statewide MOUs that set the tone for local negotiations. In the cases where funding is not processed through state agencies, Indiana will take a more active role in soliciting partnering and in removing barriers. Current guidance for MOUs is located in DWD Policy 2002-20 in Attachment H.

During the first six years of WIA, Indiana has not had a problem with partner participation in the WorkOne centers and WorkOne Express sites. The problem has been with cost sharing and integration of service delivery. These are high priority issues for Indiana. The objective is to increase integration, promote competition and broaden cost sharing for the system.

## **Training Providers**

Indiana has developed and is using an Internet-based system, Education and Training Choices (ETC), which allows local boards to approve and submit applications for training programs to the state for approval and posting on the eligible training program listing. The process is automated. It includes a public view that allows the general public to search the listing (database) by occupational and geographic categories and/or by provider and/or program name. The public view also has links to an Internet-based labor market information and career information systems. See DWD Policy 98-65, Identifying Eligible Training Providers under WIA, in Attachment H. The Education and Training Choices website can be accessed at [https://secure.in.gov/serv/dwd\\_etc](https://secure.in.gov/serv/dwd_etc).

Indiana will be using this same system to start the two-year period covered by this plan. During the life of the plan, Indiana will make changes to some aspects of the Individual Training Account (ITA) system and the training provider processes. Indiana will also evaluate restructuring of the automated ETC system. Areas that will be investigated and evaluated include:

- Identifying demand occupations
- Criteria for training programs
- Individual training accounts

- Effective use of on-the-job training and customized training
- Requiring educational/occupational credentials as part of approved training programs

Indiana is currently operating under a waiver related to the collection of training provider performance data, and we are requesting an extension of that waiver.

During the evaluation of the ITA/ETC processes, the state will also re-evaluate policies related to on-the-job training (OJT) and customized training. A special emphasis will be made to develop policies that will increase the use of these alternative training processes and to strengthen the performance related aspects so that clientele receive the best training possible whether they opt for the standard ITA process, OJT, or customized training. DWD policies concerning ITAs and OJTs and customized training are in Attachment H under DWD Policy 98-62, 98-65 and 99-10.

## **WorkOne Structure**

The WorkOne (One-Stop) structure in Indiana could be described as “highly collocated with some areas of integration.” DWD is restructuring both at the state and regional level to increase the level of integration with the objectives of reducing bureaucracy, reducing administrative costs, and improving services to customers. Most of this restructuring will start to occur during the first year of this plan and will continue into the second year.

At the state level restructuring will begin to align and integrate DWD services and programs. The local operations will be directed and monitored by the Center of Excellence team that includes program experts and regional coordinators. The program experts will provide specific program guidance, address integration issues, and facilitate partnering at the state and regional level. The regional coordinators, currently program directors, will provide regular on-site support for one to three (Indiana defined) regions. During the first phase, the regional coordinators will provide technical support to both the WorkOne centers and Workforce Boards related to service delivery and system integration.

At the regional level, DWD will be integrating all DWD services. The funding streams will be merged and organized around multi-functional teams. To the extent possible, funding sources will be accessed not through staffing structures, but through operational time charging. As possible, other partner programs will be merged into this model.

Regional services and other partner services will be under the direction of the WIB and the One-Stop Operator. The WIBs will function much like the WIBs operated during the six years of WIA, but with a stronger emphasis on integration, customer service and employer services.

Indiana is also moving the IMPACT program (the training function for Indiana’s TANF and Food Stamp programs) from Indiana’s Family and Social Services Agency (FSSA) to DWD. As this moves forward, IMPACT will move into the regional and state structure. The complete transition from FSSA to DWD will occur over the next 2-3 years.

The overall philosophy for the WorkOne system is to prepare job seekers for the workplace. We expect these job seekers to fully meet the current and future needs of our business community.

Which funding sources we use to meet these objectives will vary based on the client. The harder to serve customers with multiple barriers may need a more enriched mix of services that engage more partners, but the overall objective is still the same. Indiana's WorkOne system will prepare job seekers to meet the needs of the business community. In meeting this objective Indiana will engage all populations and will work with all necessary partners. This is vital to the success of the system and to the long-term welfare of the state.

### **Oversight/Monitoring Process**

The Oversight Division of the Department of Workforce Development will conduct the formal oversight of the workforce system in Indiana. This includes both fiscal and programmatic monitoring of each WIB (or Regional Workforce Board). Monitoring will be for the WIB and when appropriate will go down to the service provider level. DWD Policy 2002-40 for WIBs, Subrecipient Monitoring Policy is in Attachment H.

Each WIB will be monitored a minimum of one time per year. At the beginning of each program year the Oversight Division in conjunction with the program areas will develop a monitoring plan that sets a monitoring schedule for the year and also addresses areas of emphasis for that specific year.

In addition to the formal oversight of the system, the state will also strengthen daily oversight by creating field support staff positions that will be responsible for on-site technical assistance, system integration, cross-functional teams, board development, improvement plans and other on-site support functions. These field staff positions will be closely coordinated with programmatic experts in the state office, to insure compliance with laws, regulations and policies and to insure consistency across the state.

Finally, both the field support staff and programmatic expert staff will monitor other data that shows expenditure rates, enrollments, exits, performance, local planning, etc. Often this data identifies potential problem areas that would not be adequately identified during a once a year monitoring visit.

### **Grievance Process**

A copy of the WIA State Grievance Procedure Policy, DWD Policy 2004-01, is in Attachment H.

## **Two Workforce Service Area Operating Structure**

### **Local Structure**

By July 1, 2006, Indiana will operate with two federally defined workforce service areas – Marion County and balance of state. At that time, the Marion County WSA will function as they functioned under the traditional WIB structure (described above) overseeing WIA programs. For the Balance of State WSA the following narrative describes the strategy for operation. Where applicable, specific changes for Marion County will also be noted. The map of the two WSAs is included in Attachment F.

Indiana will be taking aggressive steps to revamp the Workforce Investment system in order to:

- Meet the full intent of the WIA legislation, injecting greater competition and accountability into the system
- Align the system with the current and future needs of employees and employers
- Prepare the system for WIA reauthorization
- Strengthen and offer greater flexibility in the state and regional board structures
- Make the best use of the funding available to the system by maximizing return on investment
- Integrate service delivery at both the state and local levels to provide better customer service
- Build regional capacity in which the workforce development system is closely aligned with industry, economic development and education providers

Under the two-WSA structure, Marion County will retain their WIB and the SHRIC will be the workforce investment board for the balance of state Workforce Service Area . In the balance of state, Indiana will form regional areas that mimic workforce service areas. This strategy allows Indiana to move rapidly and effectively in introducing change. The end result is a more vibrant and effective workforce system with strong regional leadership and innovative approaches to addressing workforce and economic development issues.

The two WSA structure will allow Indiana to mimic and improve the WSA structure by dividing the state into coherent regions

- Regional Workforce Boards will be established using the same basic concepts for boards that exist in WIA legislation. Indiana's requirements however will allow for smaller and more focused business led boards.
- The regions will be funded by the balance of state WIB using formulas similar to those used under the current structure. Not less than 100% of WIA Adult, Youth and Dislocated Worker formula funds allocated to the balance of State WIB will be distributed to the regions.
- The regions will organize services and partner relationships as required under a multi-WSA structure.
- Regional Workforce Boards will be required to develop strategic plans under similar guidance as required of Workforce Investment Boards (WIBs). The strategic plans must be outcome based, stress integration of service delivery, and have other requirements that are in-line with Indiana's strategic plan.
- The regional workforce boards will be responsible for meeting performance objectives.

In order to determine the new regions, the state engaged an independent entity, Indiana Business Research Center (IBRC), to identify regions through a methodology that was both quantitative and qualitative in nature. DWD wanted to identify a specific set of regions, throughout the state, that would provide the most efficient and effective structure for workforce development and economic development. IBRC used the following key quantitative indicators to identify the regions:

- Labor Markets -Commuting patterns (into/out of counties)

- Economic cluster location/coherence within specific regions (size and types of businesses within each region)
- Educational attainment data by region
- New job creation by region
- Net migration (2000-2040)
- Projected median age by county

Qualitative factors were then used to “layer” the analysis and add further refinement to the regions and the county makeup of those regions. The key qualitative factors used in this determination were:

- Proximity and location of vocational and educational institutions.
- Current infrastructure (i.e. access to major roadways & arteries).
- Proximity and location to existing WorkOne offices (full service and express).
- Indiana House and Senate legislative districts

As a result of the methodology and analysis, it was determined that a regional approach provided the best structure for the workforce and economic development regions. A map is included in Attachment F entitled Regional Areas that shows the new regional areas. There are also two other maps in Attachment F – one depicts the WSAs for July 1, 2005 and is entitled Indiana Workforce Service Areas. The third map depicts the WSAs under the two WSA structure and is entitled Workforce Service Areas.

## **Boards**

Each region within the balance of state WSA will have a Regional Workforce Board. The Regional Workforce Board will consist of at least 9, but no more than 16 members. The board will have one representative each from labor, education, economic development and community-based/faith-based organizations. The rest of the board members will represent business/commerce.

Together the local elected officials (county commissioner and mayors) located in each county will select one business representative to represent the county population. The mayor of the largest city in the region will select a representative from one of the non-business sectors. That process will continue through the next three largest cities over 8,000 in population until all four non-business sector members are selected. If there are not four cities in the area over 8,000, the selection process will start over with the largest city, until the four representatives are selected. Each city in the region with a population greater than 100,000 will select an additional business representative. Each city in the region with a population greater than 500,000 will select an additional business representative. If in using this process a region has less than 16 members, that region may select additional business representatives up to the 16 member limitation. Both enacting this option and the selection process for the additional members is a Local Elected Official decision that must be documented in their Local Elected Official agreement.

Each Regional Workforce Board will have a chairperson who will be elected by the Regional Workforce Board members. The Chairperson must represent the business sector and may not

serve as chairperson more than two consecutive years. The Regional Workforce Boards may have councils, such as WorkOne Partner, Youth, or Incumbent Worker. Such councils are not mandated. If a Regional Workforce Board elects to have such councils, the compositions will be dictated by state policy and in absence of such policy will be at the discretion of the Regional Workforce Board. Council members will not have voting rights on the Regional Workforce Board unless they are also board members.

The Regional Workforce Boards (RWB) will each competitively procure a Regional Operator for their region. The Regional Operator will provide at least two primary functions for the RWB. The Regional Operators will provide staff functions for the RWB and will also serve as the one-stop operator for the WorkOnes in that region. The procurement will be done in accordance with guidelines set forth by the State.

The State will procure a fiscal agent who will provide services for all of the RWBs. The Local Elected Officials may opt out of the State procured Fiscal Agent if they notify the state in writing prior to the issuance of the request for proposal and sign a contract indemnifying the State. The state procured Fiscal Agent will have regional representatives that will provide the fiscal services to the RWBs.

Regional Workforce Board members, Regional Operators and Fiscal Agents (or the organizations which these parties may be employed by) will not provide direct services to WIA clients. The specific duties of the Regional Workforce Boards, Regional Operators and Fiscal Agents will be described in state policy. The service providers will be subcontractors of the selected Regional Operators.

### **Allocations**

Under the two-WSA structure, local allocation of WIA funding will be allocated to the two WSAs as mandated under WIA legislation. Indiana will use a regional allocation process very similar to that used for WSAs for the regions. This will ensure that formula funding for regions within the balance of state WSA is fairly and equitably allocated.

The balance of state WIB will formula allocate their WIA funding to the regional workforce boards. The Adult and Youth funds will be distributed using a three-part formula. Each part of the formula will be equally weighted. The first two parts of the formula will be based on Local Area Unemployment Statistics (LAUS) data. The first part will be the most recent data on Areas of Substantial Unemployment (ASU). The second part will be the most recent data on Excess Unemployment or ASU whichever is higher. The third part of the formula will be based on economically disadvantaged adults or youth data. This data will come from census data.

The Dislocated Worker funds will be distributed based on a six-part formula. The following table shows the factors and their specific weighting.

<b>Allocation Factor</b>	<b>Data Source &amp; Time Period</b>	<b>Weight</b>
Insured Unemployment Data	Annual report of unemployment compensation claimants	30%
Unemployment Concentration Data	Labor force for counties report	30%
Plant Closing & Mass Layoff Data	Plant closure/mass layoff report	15%
Declining Industry Data	County employment pattern report	10%
Farmer/Rancher Economic Hardship Data	Census of Agriculture – county data	5%
Long-term Unemployment Data	Annual report on unemployment compensation claimants with 15 or more weeks claimed.	10%

***WIA Dislocated Worker Allocation Factors (Table 6)***

The adult and youth allocations will not use the hold harmless provisions as outlined in Section 133(b)(2)(A)(ii) of the Workforce Investment Act. The dislocated worker allocations will not use the hold harmless provisions. With the new regions hold harmless is not easily applied. We will reinstitute hold-harmless for regional allocation of adult and youth funding after two years of operation in the two WSA structure.

The balance of state WIB will formula-allocate 100% of the Adult, Youth and Dislocated Worker funding to the local regions.

### **Service Providers and Partners**

Indiana will be moving toward a policy that provides for increased competition in the selection of support staff and service providers. Under the two-WSA system, WIA service providers for the regions and for the Marion County WSA will be competitively procured. This includes:

- Adult and Dislocated Worker service providers
- Youth service providers
- Regional Operators (Balance of State regions only)
- One-Stop Operators (Marion County only)
- Fiscal Agents (for those not using the state-selected vendor)

Indiana will be moving toward regionalization of workforce programs. This effort will integrate programs and make service delivery more customer focused. Through this effort MOUs and full participation in the WorkOne system will be a certainty.

During the first six years of WIA, Indiana has not had a problem with partner participation in the One-Stops. The problem has been with cost sharing and integration of service delivery. These are high priority issues for Indiana. Our objective is to increase integration and broaden cost sharing for the system.

## **Training Providers**

Indiana has developed and is using an Internet-based system, Education and Training Choices (ETC), which allows local boards to approve and submit applications for training programs to the state for approval and posting on the eligible training program listing. The process is automated. It includes a public view that allows the general public to search the listing (database) by occupational and geographic categories and/or by provider and/or program name. The public view also has links to Internet-based labor market information and career information systems.

Indiana will be using this same system to start the two-year period covered by this plan. During the life of the plan, Indiana will make changes to some aspects of the Individual Training Account (ITA) system and the training provider processes and will also evaluate restructuring of the automated ETC system. Areas that will be investigated and evaluated include:

- Identifying demand occupations.
- Criteria for training programs.
- Individual training accounts.
- Effective use of on-the-job training and customized training.
- Requiring educational/occupational credentials as part of approved training programs.

Indiana is currently operating under a waiver related to the collection of training provider performance data and requests an extension of that waiver.

During the evaluation of the ITA/ETC processes, the state will also reevaluate policies related to on-the-job training (OJT) and customized training. A special emphasis will be made to develop policies that will increase the use of these alternative training processes and to strengthen the performance related aspects so that clientele receive the best training possible whether they opt for the standard ITA process, OJT, or customized training.

## **WorkOne Structure**

The WorkOne (One-Stop) structure in Indiana could be described as “highly collocated with some areas of integration.” We are restructuring both at the state and regional level to increase the level of integration with the objectives of reducing bureaucracy and improving services to customers.

At the regional level we will be integrating all WorkOne services. Through policy and coordination, services will be organized around multi-functional teams. To the extent possible, funding sources will be accessed not through staffing structures, but through operational time charging.

As stated under “Boards,” services that are provided through the WorkOne system will be under the direction of a regional operator. The regional operator in each workforce region will be a single entity that does not provide direct client services. As such, we envision the regional operator being able to more effectively drive system integration and improved customer services.

By merging the board staff functions with the one-stop operator functions into the regional operator, we also envision a stronger connection between the RWBs and the WorkOne system and reduced administrative costs.

At the state-level a similar restructuring will take place. The regional operations will be supported and monitored by a team that includes program experts (Center of Excellence) and field support staff (regional coordinators). The Center of Excellence will provide specific program guidance, address integration issues, and facilitate partnering at the state and regional level. The regional coordinators will provide regular on-site support for one to three regions. The regional coordinators will provide support to both the WorkOne centers and the Regional Workforce Boards.

Indiana is also moving the IMPACT program (the training function for Indiana's TANF and Food Stamp programs) from Indiana's Family and Social Services Agency (FSSA) to DWD. As this moves forward, IMPACT will move into the regional and state structure. The complete transition from FSSA to DWD will occur over the course of 2-3 years.

The overall philosophy for the WorkOne system is to prepare job seekers for the workplace. We expect these job seekers to fully meet the current and future needs of our business community. Which funding sources we use to meet these objectives will vary based on the client. The harder to serve customers with multiple barriers may need a more enriched mix of services that engage more partners, but the overall objective is still the same. Indiana's WorkOne system will prepare job seekers to meet the needs of the business community. In meeting this objective Indiana will engage all populations and will work with all necessary partners. This is vital to the success of the system and to the long-term economic growth of the state.

## **Oversight/Monitoring Process**

The Oversight Division of the Department of Workforce Development will conduct the formal oversight of the workforce system in Indiana. This includes both fiscal and programmatic monitoring of each balance of state region. Each RWB will be responsible for monitoring its own service providers, but the State always reserves the right to monitor down to the service provision level. The Oversight Division will also monitor the Marion County WIB. As currently happens, the Marion County WIB will be responsible for monitoring their service providers. The Oversight Division also reserves the right to monitor down to the services provider level for the Marion County WSA.

Each balance of state region and the Marion County WIB will be monitored a minimum of one time per year. At the beginning of each program year the Oversight Division in conjunction with the program areas will develop a monitoring plan that sets a monitoring schedule for the year and also addresses areas of emphasis for that specific year.

In addition to the formal oversight of the system, the state will also strengthen daily oversight with the creation of the regional coordinator positions that will be responsible for on-site technical assistance, system integration, cross-functional teams, board development, improvement plans and other on-site support functions. These regional coordinators will be

closely coordinated with the Center of Excellence in the state DWD office to insure compliance with laws, regulations and policies and to insure consistency across the state.

Finally, both the regional coordinators and the Center of Excellence will monitor other data that shows expenditure rates, enrollments, exits, performance, local planning, etc. Often this data identifies potential problem areas that would not be adequately identified during a once a year monitoring visit.

## **Grievance Process**

A copy of the WIA State Grievance Procedure Policy, DWD Policy 2004-01, is in Attachment H.

## **The Transition**

The two previous sections, Traditional WIA Operational Structure and Two Workforce Service Area Operating Structure, show the current and future vision for the WorkOne system in Indiana. The shift from the traditional to the new system will require us to start the transition while the old system continues to operate. By doing this the traditional system will insure that business goes forward in a normal manner until such time as the new system is in place and ready to take over. This allows the new regional areas to organize, train and staff appropriately prior to taking control.

This section lists some of the key steps necessary for Indiana's transition to the new structure.

- Establishment of the eleven regional workforce areas
- Creation or modification of Local Elected Official agreements for the new regional workforce areas.
- Selection of the Regional Workforce Boards by the Local Elected Officials
- Organization of the Regional Workforce Boards – including, but not limited to selection of officers, creation of by-laws, and development of local strategic plans
- Procurement of the Regional Operator by the Regional Workforce Boards
- Procurement of the Fiscal Agent by the State or Regional Workforce Boards
- Procurement of Service Providers by the Regional Operator
- Development of policy by the Regional Workforce Board
- Capacity building activities for the Local Elected Officials, Regional Workforce Boards, Regional Operator, service providers, etc.

## **IX Service Delivery**

### **WorkOne Service Delivery Strategies**

Indiana's WorkOne partners will collaborate to create a seamless system of service delivery that will enhance access to services and improve long-term employment outcomes for customers. In Indiana, these WorkOne system services will be available in WorkOne centers and WorkOne Express sites. Indiana Department of Workforce Development's system goals are:

- Growing Jobs and Employment
- Growing Personal Income
- Delivering Premier Customer Service

The theme for local service delivery will be "regionalized integration of services." As indicated in Section VIII, the level of integration will be increased to reduce unnecessary bureaucracy, reduce administrative costs, and improve services to customers. Services will be provided through WorkOne partner programs using an integrated team concept.

The Regional Operator will direct the flow of services in each WorkOne office. The Regional Operator will have functional supervisory authority over client services in the WorkOne center. No Regional Workforce Board member or Regional Operator staff will be a service provider. The Regional Operator will be selected through a competitive bid process.

Mandatory WorkOne partners are the entities that are responsible for administering the following programs and services in the area through the WorkOne delivery system:

- WIA Title I
  - Adults
  - Dislocated workers
  - Youth
  - Job Corps
  - Native Americans
  - Migrant and season farm workers
  - Veterans' workforce programs
- Wagner-Peyser Act (29 USC 49 *et seq.*)
- Adult education and literacy services authorized under WIA Title II (29 USC 720 *et seq.*)
- Services authorized under Title I, Parts A and B, of the Rehabilitation Act of 1973 (29 USC 720 *et seq.*)
- Senior Community Service employment activities authorized under Title V of the Older Americans Act of 1965 (42 USC 3056 *et seq.*)
- Post-secondary vocational and education activities under the Carl D. Perkins Vocational and Applied Technology Education Act (20 USC 2301 *et seq.*)
- Trade Adjustment Assistance and NAFTA Transitional Adjustment Assistance services authorized under Title II, Chapter 2, Trade Act of 1974 (19 USC 2271 *et seq.*)

- Local veterans' employment representatives and disabled veterans outreach programs – Title 38, Chapter 41, United States Code
- Section 403(a)(5) Social Security Act (42 USC 603(a)(5), as added by Section 5001 of the Balanced Budget Act of 1997)
- Employment and training activities – Community Services Block Grant Act (42 USC 9901 *et seq.*)
- Employment and training activities – Department of Housing and Urban Development
- State Unemployment Compensation laws (in accordance with applicable Federal law).

The Indiana Manpower Placement and Comprehensive Training (IMPACT) program, which provides services designed to help recipients of Food Stamps and Temporary Assistance for Needy Families (TANF) achieve economic self-sufficiency will integrate into the WorkOne offices over the next two- to three-year period. The IMPACT program will become a mandatory state WorkOne partner when IMPACT services are provided through the WorkOne offices. State staff has begun work on this integration.

WorkOne services will be provided based on the needs of the customer. The primary focus will be to both prepare and assist customers in finding sustained employment and to build skill sets for career advancement. Some customers may have needs outside of workforce development and will be directed to the appropriate community resource.

The flow of services will begin when staff first determines the customer's "job ready" status. "Job ready" will be those customers who are substantially ready for reemployment and only need assistance with job search, resume writing, interviewing skills, etc. An initial assessment providing information on the customer, such as but not limited to skill levels and barriers to employment, will assist staff in determining the customer's "job ready" status. During this initial assessment process, the intake/eligibility staff will determine eligibility for WorkOne and community services.

Customers who need further assistance with workforce development services will receive case management. Case management is the provision of a client-centered approach to the delivery of services. It is designed to prepare and coordinate comprehensive employment plans, such as service strategies for participants to ensure access to necessary workforce investment services and supportive services. Case management services provide the client with a jointly developed plan to move them toward full employment. The case manager will serve as coauthor of the client's plan, a consultant, a mentor, a referral agent and in many cases, the facilitator of basic supportive services necessary for success. These services are provided during the preparation and job search phases and also into the employment phase to insure retention and earnings growth. DWD Policy 1998-60, Change 1, Assessment and Case Management Process Policy, can be found in Attachment H.

Case management begins with a comprehensive and specialized assessment of the customer's skill levels and service needs. This objective assessment includes a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), supportive service needs, and development needs. The state requires the following, at a minimum, be assessed for each customer:

- Basic skills
- Customer interests, which will be used to help determine the customer's career path
- Barriers to employment

The next stage of services directed by the case manager will be the service strategy jointly developed between the customer and the case manager. The service strategy, as a "road map," guides the customer in achieving his/her employment goal. In developing the service strategy, the customer and case manager will focus on:

- Exploring careers related to interests
- Defining career objectives
- Removing barriers, i.e., transportation, childcare, etc.
- Establishing steps, milestones, and objectives
- Developing a financial plan

Then, the case manager will direct the execution of the service strategy. Such execution may be fulfilling the responsibilities listed in the service strategy by the customer or by referring the customer to providers for needed services.

At the point where customers are "job ready," they will be referred to Career Solutions where they will be assisted in developing job search skills, resumes, interviewing skills and other proficiencies related to obtaining, holding and advancing in the world of work.

## **Workforce Information**

Indiana will begin maximizing limited resources by partnering where appropriate. Partnerships are being formed with the Indiana Business Research Center (IBRC) and the Center for Urban Policy and Environment. These partnerships will be valuable in enabling the Research and Analysis section to better serve the public. IBRC already has data files in place that will conserve a significant amount of the resources needed by Research and Analysis. IBRC has also offered guidance and mentoring for the DWD GIS program and hands on training for DWD employees as they move into the initial phases of GIS analysis and reporting.

Input from groups such as Regional Workforce Boards and other private industry associations like the Indiana Manufacturers Association and the Indiana Health Industry Forum will also be solicited. Determining local needs will allow R & A to increase their expertise in the development of advanced Labor Market products.

The R & A unit will move to a more team-oriented approach across all five of the BLS programs, Quarterly Census of Employment and Wages (QCEW), Current Employment Statistics (CES), Local Area Unemployment Statistics (LAUS), Mass Layoff Statistics (MLS) and Occupational Employment Statistics (OES). This will foster a more efficient use of existing resources. Staff will be matched for ad hoc projects and technical consultation as the need arises.

R & A will also attend conferences and make presentations to local economic developers, Regional Workforce Boards and local Chambers of Commerce. These presentations will serve to both educate the public and partners on the information available and solicit input for advanced products as well. These presentations will also make employers and users aware of the importance of actively participating in data collection programs housed in DWD to support economic data and local analysis.

The state of Ohio sponsors an LMI Training Institute to discuss a variety of related subjects. Michigan conducted a series of Labor Market Information Conferences. Indiana will draw upon best practices from these and other states to develop presentations to familiarize the public with the products available from Strategic Research and Development division and its sub-sections. Also, these presentations would be part of conferences sponsored by industry groups like the Indiana Health Industry Forum.

Members of the staff will be trained to use other available sources of data, including the StatsIN website, CS3 data and the Local Employment Dynamics (LED) web page. Another new resource is the Skill Gap Analysis that will help identify the skills needed to match future job requirements based on areas of projected employment growth. The state will continue to populate the ALMIS database with current information. In addition, the implementation of an ongoing vacancy study will be critical for the future development of Indiana's workforce.

Team strategy within the Strategic Research and Development division will better serve the needs of employers with a new focus on customer service. Team building will be on many levels, internal and external. R & A working in concert with the Market Support group will identify specific company needs and help them grow jobs. This will evolve in many forms from using and analyzing data to giving presentations that will educate employers and employees.

R & A will assist the Market Support unit as well as the IEDC in assessing where training grant dollars should be targeted. Teaming up with these other entities will help to extend and maximize grant dollars. Programs involved in training, such as the Market Support group will be able to make decisions and allocate resources based on better information.

Customer satisfaction surveys will be used to help identify the needs of local users and employers and to provide other feedback on the quality of our products and services. Improved customer service will be a primary focus.

### **Services to Adults and Dislocated Workers**

Core, intensive, and training services for adults and dislocated workers will be provided following the concept described previously. Services to these populations will be provided in an integrated, seamless fashion, so that the customer does not know the funding source for services. The Governor's vision for the WorkOne structure is provided in Section VIII. Also, see DWD Policy 99-14, Change 2, Eligibility Policy for Adult, Dislocated Worker and Youth Workforce Development Activities in Attachment H.

Intake staff and case managers, under the direction of the Regional Operator, will provide a team approach for serving customers. Other WorkOne partners or contracted service providers may

also be part of the team. Relevant information on customers will be shared between the eligibility staff, case managers, and Career Solutions staff (and other WorkOne partners) during the time a customer is provided workforce development services leading to retention in unsubsidized employment.

## **Flow of Services**

All customers will have universal access to the core services listed in Workforce Investment Act Section 134(d)(2) at each WorkOne full service center and WorkOne Express site in Indiana. Intake staff and case managers, under the supervision of the Regional Operator, will provide core services directly through a contract with the Regional Workforce Board. Other WorkOne delivery system partners may provide core services through Memorandums of Understanding. The Regional Operator will not provide core, intensive or training services.

Intake/eligibility staff will compile initial information on the customer's needs and determine initial eligibility for Workforce Investment Act programs. Core information will be available in the Information Resource Area of each WorkOne or WorkOne Express office. Additionally, core information will be available electronically through the state's web page. Customers may enter the Information Resource Area for core services at any time. Intake/eligibility staff will direct customers to information available through the Information Resource Area, CS3, and through other facilitated self-help core services. For customers who have needs in addition to workforce development, intake/eligibility staff may refer the client to other mandatory WorkOne partners and community resources. Such customers may be provided Workforce Investment Act services at a later date. See Minimum Standards for WorkOne Center Information Resource Areas in DWD Policy 2003-18 in Attachment H.

## **Eligibility**

Adults and dislocated workers who receive WIA services, other than self-service or informational, must be registered and eligible for WIA services. To be eligible as an adult to receive adult and/or dislocated worker programs, the customer must be 18 years of age or older; if a male, show compliance with Selective Service legislation; and be eligible to work in the United States. To receive dislocated worker services, an eligible adult must meet the definition of "dislocated worker" at Section 101(9) of WIA. Eligibility for the WIA Adult and Dislocated Worker program is not affected by the veterans' priority. The Jobs for Veterans Act (PL 107-288) and the US Department of Labor's Training and Employment Guidance Letter (TEGL) No. 5-03 (issued September 16, 2003) provide priority service only to veterans who meet the program's eligibility requirements. The state's policy on eligibility can be found in DWD Policy 99-14, Change 2, in Attachment H.

## **Priority of Services**

Funds are not limited if there is another resource that is available and more appropriate and accessible for that individual. For example, if a TANF eligible individual is referred to TANF and enrolled and served by that resource, then funds were not limited for that individual.

WorkOne offices shall establish a feedback loop to determine effectiveness and outcome of the

referral. If there are more individuals needing core services than can be addressed by the WorkOne partners or other community resources, then Regional Workforce Boards must establish a priority ranking process in their local plan consistent with state guidelines. Also, each Regional Workforce Board must indicate the criteria used to determine when to implement the priority. It may utilize the state criteria or impose more stringent criteria.

The process shall incorporate priority for the following:

- Former or current TANF recipients who are working but who need GED or occupational skill training to increase their wages.
- Food stamp recipients who are working and who need GED or occupational skill training to increase their wages.
- Low income individuals not eligible for TANF or Food Stamps and who need GED or occupational skill training.
- The working poor who need GED or occupational skill training to increase their wages.

In Attachment H, see DWD Policy 2002-20 regarding DWD's policy on priority of services.

Priority for veterans as implemented through the Jobs for Veterans Act (PL 107-288) and explained in Training and Employment Guidance Letter No. 5-03 (issued September 16, 2003) will also be implemented. In regard to veterans, the priority of provision of services would be established as follows:

- Available funds would not change.
- Public assistance recipients and low-income individuals who are also veterans would be served first.
- Next, public assistance recipients and low-income non-veterans would then be served.
- Among participants who are not public assistance recipients or low-income individuals, veterans will receive priority over non-veterans.

The priority of service categories listed above will include veterans, displaced homemakers, minorities, migrant and seasonal farm workers, dislocated workers, women, ex-offenders, people interested in non-traditional careers, individuals with disabilities, and older individuals.

This prioritization will address Indiana's goals of growing jobs and employment, growing personal income, and delivering premier customer service, while simultaneously meeting legislative intent to assist disadvantaged individuals. The strategy also avoids duplication by ensuring that resources of the Family and Social Services Administration are prioritized for their intended purpose. At the same time, WIA funds are used for low-income individuals who either do not qualify or who have already been initially served and placed in work through TANF and food stamps. The low-income individuals may also be served through other programs, such as those of the Township Trustees, Community Action Agencies, HUD employment and training programs, and other funds that may be available in the region.

Each Regional Workforce Board will examine the totality of the resources available, some of which may be unique to its area. For example, some areas have empowerment zones, federal dollars awarded through national competitions, and other resources which are not accessible on a

statewide basis. Also, Regional Workforce Boards will act as the catalyst to bring local systems together, leverage additional funds, and secure community commitment to educational attainment, skill enhancement, and lifelong learning.

## **Core, Intensive and Training Services**

DWD's policy on moving through the tiers of service can be found in DWD Policy 1998-60, Change 1, Assessment and Case Management Process Policy, in Attachment H.

All customers must receive an initial assessment prior to receiving intensive services. The initial assessment provides preliminary information about the individual's skill levels, aptitudes, interests, and supportive services needs.

Case managers will be directing customers into Intensive Services as described in our waiver request. Intensive services are provided through contracts between the Regional Workforce Boards with service delivery entities. Other WorkOne system partner staff may provide intensive services as identified through the Memorandum of Understanding with the Regional Workforce Board.

Adults and dislocated workers who are unemployed or underemployed and have received an initial assessment may receive intensive services. Other core services may also be provided. The case manager must determine that the customer needs intensive services in order to obtain employment. Also, adults and dislocated workers who are employed and have received an initial assessment may receive intensive services. The Regional Operator must also determine that the customer needs intensive services to obtain or retain employment that leads to self-sufficiency.

The Marion County WIB and the Regional Workforce Boards will set the criteria within their area for determining whether employment leads to self-sufficiency. Their criteria will be within parameters set by the State and documented in state policy.

The assessment process and development of the service strategy are intensive services. Assessment is an ongoing activity that continues throughout a customer's relationship with the Case Manager (including other service providers and other WorkOne partner staff, as necessary). Assessments will be completely individualized for all adults and dislocated workers by tailoring it to the customer's individual skill level and expressed career interest, and will be in compliance with all applicable WIA legislation.

The Regional Workforce Boards may indicate a core set of assessments be administered and additional instruments and activities selected based on individual circumstances. The Regional Workforce Boards' assessment strategies should be comprehensive and linked to service delivery. The Regional Workforce Boards may select appropriate areas to be assessed in addition to the areas defined by the state and strategies to complete such assessments. The local policy may allow that specific areas are assessed and strategies to complete such assessments are developed that are based on the strengths and interests of individual adults and dislocated workers.

An assessment need not be completed if a non-WIA assessment has been completed within one year of application for WIA. State assessment requirements must also have been met to use a non-WIA assessment.

Employed or unemployed adults and dislocated workers may receive training-tier services if

- They have received an individual employment plan/service strategy and have been determined to be unable to obtain or retain employment through intensive and core services.
- After an interview, evaluation, or assessment, and case management, they have been determined by the Regional Operator to be in need of training services and to have the skills and qualifications to successfully complete the training program.
- They have selected a training program that is directly linked to employment opportunities in the local area or another area to which they may relocate.
- They are unable to obtain grant assistance from other sources, such as, but not limited to, Trade Adjustment Assistance, federal Pell Grant, and state-funded training funds.
- They are eligible through the priority ranking system if such system is in effect. The priority ranking system is discussed elsewhere in this section.

The customer's case file notes will contain the rationale for determining the need for training services, as identified in the comprehensive assessment, individual employment plan, or elsewhere in the case file.

An individual employment plan/service strategy must have been developed in order for a customer to receive training-tier services. The employment plan and case notes are components within the customer's case file. The individual employment plan is an ongoing strategy jointly developed (written) by the customer and case manager that identifies the customer's employment goals, the appropriate achievement objectives, and the appropriate combination of services for the customer to achieve the employment goals. Adults and dislocated workers who plan to select a training provider from the statewide eligible training provider list must first receive assessment, counseling, and have an individual employment plan/service strategy developed. The specific items to be included in the employment plan will be based on the circumstances, plans, and desired outcomes for adults and dislocated workers. The Regional Workforce Board should provide for the review and updating of employment plans for adults and dislocated workers.

Also, case managers will be directing customers to various other service providers for needed training-tier services. Case Managers will manage the customer's journey to self-sufficiency. Once the customer reaches "job ready" status, informational, staff-facilitated, and/or staff-assisted core services may be provided by Career Solutions staff (or other service providers or WorkOne partners, as necessary).

### **Individual Training Accounts**

DWD's policies on ITAs are in Attachment H. See Policies 1998-62 and 1998-65.

All training providers and courses funded through an Individual Training Account (ITA) will be listed on the state's eligible training system, "Education and Training Choices." The Governor's vision for the provision of training services is provided in Section VIII.

The Workforce Investment Act states that "Training services...shall be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such services." WIA uses three mechanisms to enable the customer to make a responsible and informed training choice:

- Individual Training Accounts
- The statewide list of Eligible Training Providers
- Consumer information regarding training providers.

Also, WIA requires most training services, with some exceptions, be provided through the use of ITAs.

ITAs are financed through WIA Title I adult and dislocated worker funding. ITAs finance training services for skills in demand occupations, as defined by the Regional Workforce Board from training providers and courses listed on the statewide eligible training provider list. Payments may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate methods. Payments may also be made incrementally, through payment of a portion of the costs at different points in the training course.

Regional Workforce Boards, with policy guidance from the state, will define how ITAs processes are implemented locally including, but not limited to:

- What the ITA covers in addition to tuition
- The duration of the ITA
- The dollar value of the ITA.

The exceptions to the use of ITAs are described in WIA legislation, regulations, and state policy.

Training services must be provided in a manner that maximizes informed consumer choice in selecting an eligible training provider in accordance with the goals and objective outlined in the client's individual employment plan. Regional Workforce Boards must make the statewide eligible training provider list available to customers through a WorkOne. The customer, determined eligible for training services, may select, in consultation with the case manager, a provider from the statewide eligible training provider list within constraints set forth in state and local policy.

## **Coordination**

DWD's policy on coordination between ITAs and Pell Grants can be found in DWD Policy 1998-62, Use of Individual Training Accounts for Workforce Investment Act Training Funds and Coordination of ITAs with Other Grant Assistance, in Attachment H.

WIA limits funding for training to individuals who are: a) unable to obtain grant assistance from other sources to pay the costs of their training, or b) require assistance beyond that available under grant assistance from other sources to pay the costs of such training. Training providers must consider the availability of Pell Grants and other sources of financial assistance to pay for training costs, so that WIA funds supplement other sources of training grants. The Regional Operator, case managers, and training providers must coordinate available funds to pay for training and duplication of payments.

The exact mix of funds should be determined based on the availability of funding for both training costs and supportive services. This includes the goals of ensuring that the costs of the training program selected by the customer are fully paid, and that necessary supportive services are available so that the training can be completed successfully. This determination should focus on the customer's needs. There are three caveats:

- WIA funds for training services are limited to instances when there is inadequate grant assistance from other sources.
- Duplicate payments of costs must be avoided when an individual is eligible for both WIA and other assistance, including Pell Grants.
- Participation in a training program funded under WIA may not be conditioned on applying for or using a loan to help finance training costs.

The state currently has innovative training strategies to fill skills gaps through the use of Certificates of Technical Achievement (CTAs), and the WorkKeys initiative. Filling skill gaps will be accomplished in conjunction with increasing training opportunities in high-growth, high-demand, and economically vital occupations. These training strategies are essential for meeting the state's goals of growing jobs and employment, growing personal income, and providing premier customer service.

### **Sectarian/Religious Activities**

The state permits the use of WIA financial assistance to employ or train participants in religious activities when the assistance is provided indirectly. The July 12, 2004 Regulations reflect a desire to:

- Provide the criteria by which sectarian/religious organizations may be eligible as service providers and/or training facilities.
- Prevent direct use of public money for sectarian/religious purposes.
- Protect faith-based and sectarian/religious organizations from discrimination.

The need to balance the above factors while also allowing for participant choice is met by the federally established distinction between "direct funding" and "indirect funding." In essence, this means that:

- Direct Department of Labor (DOL) support may not be used for inherently religious activities such as worship services or prayer meetings.

- Service providers receiving direct DOL support may offer inherently religious activities, such as worship services or prayer meetings only when they are separated in time or location from government funded activities.
- Participation of WIA enrollees in inherently religious activities must be entirely voluntary.
- These restrictions do not apply when DOL support is received indirectly, such as by means of an Individual Training Account (ITA.)

Please see DWD Policy 2004-16, Sectarian/Religious Activity Policy, in Attachment H.

### **On-the-Job Training Contracts/Customized Training**

Indiana's policy for On-the-Job Training (OJT) Contracts and Customized Training is located in DWD Communication 1999-10 in Attachment H.

### **Services to Specific Populations**

The full range of employment and training services delivered through Indiana's WorkOne delivery system is accessible to and meets the needs of specific populations. Such populations include dislocated workers, displaced homemakers, low-income individuals, migrant and seasonal farm workers, women, minorities, individuals training for non-traditional employment, veterans, public assistance recipients, and individuals with multiple barriers to employment including older individuals, people with limited English-speaking proficiency, and people with disabilities.

### **Reemployment Services/Worker Profiling Systems**

DWD Policy 2003-21, Operating Instructions for the Claimant Profiling and Reemployment Services Initiative, is listed in Attachment H.

Services provided to all selected profiled claimants include orientation, assessment, and service plan preparation. Based on the assessment results and employment needs identified during completion of the service plan, additional services may be available. This approach ensures that the services selected profiled claimants receive are tailored to meet their needs.

Selected claimants participate in a group orientation about reemployment services. The orientation consists of providing the participants with information about the assessment, service plan preparation process, their rights and responsibility to participate, and effect of non-participation on their eligibility to draw UI benefits.

An initial assessment will be completed for each selected profiled claimant to determine appropriate reemployment services or additional assessment. The assessment includes a determination of job interest, job seeking skills, awareness of labor market conditions, and job search progress to date. In addition, marketable skills, education, and other employment related factors will be evaluated.

A service plan is prepared for each selected profiled claimant and involves a discussion of the claimant's interest, needs, and assessment results. Additional reemployment services may be recommended and incorporated into the service plan based on this discussion. Additional services may include formal assessment, job search workshop, job search assistance, and employment counseling. Selected profiled claimants are required to participate in orientation, assessment, service plan preparation, and those additional reemployment services to which they agreed.

### **Unemployment Insurance Work Test**

DWD Policy 2003-21, Operating Instructions for the Claimant Profiling and Reemployment Services Initiative, is listed in Attachment H.

Indiana requires all claimants to engage in an active work search for each week of benefits claimed, unless specifically granted a work search waiver. Waivers are granted for claimants who demonstrate specific job attachment, hold active membership in a union hiring hall, or are enrolled in approved training. All other claimants are required to register for work within four weeks of initial claims filing. UI benefits may be put on hold when the claimant fails to register by the end of the four-week period. Claimants are notified of the potential hold that may be placed on their UI benefits and advised to register for work in a timely manner.

Using the Customer Self-Service System (CS3) in the WorkOne office or online ensures timely work registration for new claimants. CS3 electronically links work registrations with claims for unemployment benefits.

Reports are generated that notify WorkOne staff of all applicants failing to register for work within the established time period. In addition, generated reports notify staff daily of claimants who are placed in employment, fail to respond to call-ins, refuse referrals to suitable work, fail to report for scheduled interviews, and refuse offers of suitable work. WorkOne staff uses these reports to advise claimants of the need to register for work and of potential issues on their claims. Fact-finding is initiated based on the automated report to detect potential unemployment issues and barriers to work.

Claimants who use CS3 to refer themselves directly to available job openings will not be sanctioned unless they fail to contact the employers about available, suitable work. This information is available through a CS3-generated report.

### **Integrating Services to Dislocated Workers**

Services to dislocated workers will be provided through the strategy outlined previously in this plan. As such, all needed services provided through WIA Title I Adult or Youth, WIA Title I Dislocated Worker, and TAA will be provided in an integrated, seamless fashion.

## **Collaboration to Skill Achievement**

The state's workforce investment system continues to work collaboratively with business and industry and the education community to develop strategies to overcome barriers to skill achievement and employment experienced by special populations. The state ensures that special populations are being identified as a critical pipeline of workers.

Both Certificates of Technical Achievement (CTA) and Work Keys are skill assessment systems developed in conjunction with business and industry, the workforce development system, and education. The state is currently exploring other strategies to overcome barriers to skill achievement.

## **Services to Disabled Customers**

For DWD policies concerning services to disabled customers see in Attachment H: 2000-32, Assuring Access to Individuals with Disabilities in the One-Stop Environment; 2002-50, Equal Opportunity Monitoring; 2003-18, Minimum Standards for WorkOne Center Information Resource Areas; and, 2004-05, Nondiscrimination Requirements of the Workforce Investment Act .

Indiana's objective is to provide equitable services to persons with disabilities and ensure that all WorkOne Centers are compliant with the Americans with Disabilities Act (ADA). In each local office there is one staff person who has the responsibility of EO/ADA coordination, ensuring quality customer services for persons with disabilities and complying with applicable regulations.

Indiana will continue offering outreach efforts to persons with disabilities and providing information to employers on modifying workstations or making reasonable accommodations to allow persons with disabilities to secure and retain employment. Money through various programs such as the Job Accommodation Network (JAN) and Vocational Rehabilitation is available to employers to make modifications to work stations at minimal or no cost to the employer, which will allow a person with a disability to adapt easily and readily to the work environment.

WorkOne Centers have training videos and resource materials available to employers that promote the work contributions persons with disabilities can make to the ever-growing global economy. During employer seminars, employers are informed about the ever shrinking labor market, and about the qualified persons with disabilities who can perform jobs that are needed in our communities. At all WorkOne Centers, Zoom text software is loaded on PCs for the vision impaired, and TTY is available for the hearing impaired. Many WorkOne Centers have assistive technology work stations for clients with special needs. Indiana is committed to educating our citizens about the productivity of persons with disabilities, continuing to encourage hiring those interested in employment, and mentoring those still in school to join Indiana's labor force.

Coordination of services to persons with disabilities is enhanced in those locations where Vocational Rehabilitation is housed in the WorkOne, or in close proximity to the WorkOne.

Indiana has a statewide referral system between programs such as Vocational Rehabilitation, Association for Retarded Citizens, rehabilitation facilities, and educational institutions. These various organizations provide services to persons with disabilities, network with all community, regional, and national organizations to ensure that this diverse group of Hoosier citizens is considered for potential employment or training as may be appropriate.

WorkOne staff is trained to assist employers not only in recruiting potential employees but in examining their business on how special populations, like persons with disabilities, can fit into their recruitment and hiring practices. When performing job development activities for persons with disabilities, WorkOne staff will emphasize their abilities, not their limitations. WorkOne staff will work with partners and employers to ensure that persons with disabilities are recruited and referral to appropriate agencies for training or to Indiana employers for placement.

### **Local Veterans' Staff**

Local Veterans' Employment Representatives (LVER) and Disabled Veterans' Out-Placement (DVOP) services will be provided by integrated eligibility, career solution and case management staff. Services will be handled through the basic strategy for the WorkOne. LVER and DVOP staff will be used for the special needs of veterans.

### **Serving Individuals with Limited English Proficiency**

Indiana provides meaningful access to Limited English Proficient (LEP) persons. DWD complies with Department of Labor's Employment and Training Advisory System, Training and Employment Guidance Letter No. 26-02 for procedural guidance. In Attachment H, DWD policies on serving LEP individuals are: 2001-11, Policy Guidance for Ensuring Access to Services for Persons with Limited English Proficiency; 2002-50, Equal Opportunity Monitoring; and, 2003-02, Reed Act Grant for Program Year 2003.

#### **Assessment & Identification**

National statistics on the LEP population reveal that Spanish is the primary language for which assistance is needed. The state provides data to each workforce service area of the Latino/Hispanic population by county. Local determinations are made in each workforce service area of other prominent language groups within their area. Outreach to other groups may be accomplished by public service announcements, newspaper advertisement, and/or by distributing materials to organizations which service LEP persons. Outreach materials inform the public about the services available and the right to free language assistance services, in appropriate non-English languages.

#### **Translation of Materials**

A workforce service area with fewer than five percent or 1,000 persons (whichever is less) in a language groups need not translate written materials, but should provide written notice to the client of the services available and the right to free language assistance services. The 2000 Census indicated 3.5 percent of Indiana's population is comprised of Latino/Hispanics. However, in each WorkOne, documents, Equal Opportunity, and other posters and pamphlets are available in Spanish. A paper copy of the CS3 job-matching system is also available in Spanish.

Indiana is attempting to produce more products and services available in Spanish because of the influx of Spanish speaking residents.

#### Providing Interpretation

Each workforce service area has a plan for obtaining and providing trained and competent interpreters as requested, in a timely manner. WorkOnes use partner staff or agreements with community-based organizations to provide interpreter services. WorkOnes also post notices for bi-lingual WorkOne employees. Transition Resources Corporation, as the provider of services for migrant and seasonal farm workers across the state provides bi-lingual services. Also, the state is investigating a Federal Registry system from the Department of Labor. Through this system, the customer will have the ability to call for an appointment for interpreter services. An interpreter will be available within two hours of the call.

#### Training of Staff

Throughout the state, training has been and will continue to be provided on customer services, including serving individuals with Limited English Proficiency. Indiana's Lifelong Learning Institute has sponsored much of this training. This training not only addresses language, but also cultural differences.

#### Monitoring

Local procedures have been and will continue to be reviewed periodically for effectiveness. As new census data becomes available, state and local policies and procedures will be updated to comply. Both the state EEO Coordinator and Oversight staff provide onsite monitoring of the local service providers and WorkOne Centers to insure compliance. Current copies of all local policies and procedures related to limited-English speaking customers have been reviewed and maintained by the state EEO Coordinator.

### **MSFW Program – Monitor Advocate**

#### Services to Migrant and Seasonal Farm Workers and Agricultural Employers

##### Wagner-Peyser Act Services Provided to MSFWs through the One-Stop Delivery System

The State Monitor Advocate (SMA) will work with the Center of Excellence to provide technical assistance to staff of the WorkOne system, including training in referral of migrant and seasonal farm workers (MSFW) to agricultural and non-agricultural job orders and coordination of services with Consolidated Outreach Project (COP) and the National Farm Worker Jobs Program (NFJP) / 167 WIA Grantee to improve services to MSFW.

Indiana is not a significant MSFW state and has no designated MSFW-specific local offices. Nevertheless, labor exchange services will continue to be provided to MSFW in the same qualitative and quantitative proportion as that provided to other applicants.

DWD will provide MSFW with information about, and access to, applicant services available through our WorkOne Centers. To ensure MSFW have access to services at Indiana's WorkOne centers and WorkOne Express sites, the State Monitor Advocate will seek ways to increase the ability for all those involved in MSFW service delivery to be able to dialogue in order to

understand and improve on their particular roles and functions. The State Monitor Advocate will be meeting with service providers at the local level to identify priority issues and to develop a continuous consensus building process to determine the appropriate technical assistance necessary for improving service delivery for the MSFW customer.

The State Monitor Advocate will continue to carry out on-site MSFW compliance reviews of selected local WorkOne centers. Desk audits using the S1497 Report, Indicators of Compliance, will be the method by which the SMA will monitor statewide service to MSFW. DWD will continue to collect data on services provided to MSFW and will strive to meet and improve the required performance standards.

From an initial cooperative agreement, DWD and the National Farm Worker Jobs Program / 167 WIA Grantee have expanded their partnership to include out-stationing of NFJP staff at three (3) WorkOne centers in South Bend, Kokomo, and Vincennes. This agreement to share office space in our WorkOne centers with NFJP staff has improved access to employment and training services for farm workers and has provided the agency with staff who are bilingual and who have experience in working with farm workers. In addition, the staff from the National Farm Worker Jobs Program / 167 WIA Grantee has forged strong partnerships with the local WorkOne staff to ensure one-stop services are accessible to MSFW.

#### Migrant and Seasonal Farm Worker Outreach Activities

Although the Wagner-Peyser grant does not contain funds targeted for Migrant and Seasonal Farm Worker (MSFW) activities, Department of Labor Regulation 653.1 mandates that DWD accomplish outreach to this group. DWD will continue to meet its outreach responsibilities to MSFW with its financial support to the Consolidated Outreach Project (COP).

The Indiana Department of Family and Social Services Administration (FSSA) is the administrative agency for COP, which is a collaborative agreement among DWD, FSSA, Indiana Department of Education, and Indiana Health Centers, Inc. to share limited resources to maximize outreach efforts. The COP program allows for a more efficient use of MSFW resources by minimizing duplication of effort in outreach by state agencies. The COP staff provides participants with current information regarding the distribution of the MSFW population in Indiana and informs MSFW of the employment and training services DWD has to offer them.

COP staff consists of three (3) permanent, bilingual outreach workers and ten (10) part-time, seasonal outreach workers. Outreach staff are located in those areas of the state in which migrant workers are most heavily concentrated (Kokomo – West Central, Marion – East Central, and South Bend – North). Of the approximate 10,000 MSFW in the state last year, outreach workers were able to identify 4, 910 farm workers and their dependents. COP staff will continue to seek out and locate small pockets of workers in isolated areas of the state in order to increase the ability of MSFW to access core, intensive, and training services in WorkOne centers and WorkOne Express sites.

## Migrant and Seasonal Farm Worker Assessment of Need

There have been no recent increases in agricultural activity in Indiana. It is anticipated that approximately 10,000 migrant and seasonal farm workers will again be working in Indiana during the next agricultural season.

During the past season, major labor intensive crop activities involved tomatoes, cucumbers, and market vegetables in the northern part of the state and squash, pumpkins, tobacco, and fruits in the southern part of the state. The months of July, August, and September remain as the most labor-intensive time of the season. While corn detasselling is still a major activity in the state during the month of July, seed companies have been recruiting their own migrant workers.

The state does not project any major change in the level of agricultural activity during the next growing season. Crop activity should remain constant. However, there may be a shortage of labor during the season in some areas of the state.

## Wagner-Peyser Act Services Provided to Agricultural Employers through the One-Stop Delivery System

DWD will continue to provide agricultural employers assistance with their labor needs. The ever increasing number of undocumented workers in agriculture has raised concerns among growers that they will have difficulty in recruiting documented farm workers. State Monitor Advocates in Region V are aware of the grower concerns and have been working to find alternative ways to recruit workers.

DWD will continue to assist agricultural employers who have labor shortages. When local workers are not available, DWD will provide technical assistance to growers to aid them in accessing the interstate agricultural recruitment system. In this past season, there were five (5) applications for H-2A temporary foreign agricultural workers. There were no Interstate Agricultural Job Orders placed.

Our local office staff will continue to provide farm labor contractors assistance in preparing application for certification with the U.S. Department of Labor.

## **Rapid Response**

DWD's policy, 99-21, Rapid Response Resources for Serving Dislocated Workers under the Workforce Investment Act can be found in Attachment H.

The newly formed Business Consulting unit is responsible for providing Rapid Response services in Indiana. Within this unit, regionally-based Business Consultants are capable of providing employer services throughout the life cycle of a company within the region. Rapid Response activities will be carried out by this unit except for dislocations of less than 50 employees. In those cases, local service providers (funded by the Workforce Investment Act) will provide assistance.

The Business Consulting unit will receive notices of closures or major layoffs. The notices may be a tip from a local office, a news report, or a WARN notice. The notices will be provided to the local Business Consultants who make the first contact with the company. After gathering additional information, the regional Business Consultant will determine the level of service required. Notices that are provided to the state will be coordinated with the WorkOne and local service providers. Services that can be provided include on-site orientations for Unemployment Insurance and Employment Services, WorkKeys assessments, Labor Management Committees, and Job Search workshops. Labor market information and skills assessments will also be available to those seeking information on new careers, trends, and average wages.

The Strategic Research & Development division and Customer Solutions division are currently investigating possible solutions that will improve the mobility and responsiveness of those individuals handling dislocation events. All of these entities will be involved in a strategic planning meeting when dislocations occur. In addition, the Business Consultants will work with local economic development and Regional Workforce Boards to ensure that all stakeholders are involved in the process.

## Youth

In Attachment H, DWD's Policy 1998-60, Change 1, Assessment and Case Management Process Policy addresses assessment and Individual Service Strategic (ISS) for Youth. Training and Employment Guidance Letter 3-04, Department of Labor's New Strategic Vision for Youth, was also distributed. Youth eligibility is in DWD Policy 99-14, Change 2 in Attachment H.

Indiana's Workforce Investment Act Youth program provides comprehensive, integrated services to eligible youth. Included are those most in need: out-of-school and at-risk youth, youth in foster care, youth aging out of foster care, youth offenders, children of incarcerated parents, homeless youth, and migrant and seasonal farmworker youth. Comprehensive services include basic skills remediation, helping youth stay in or return to school, employment, internships, help with attaining a high school diploma or GED, post-secondary vocational training, apprenticeships and enrollment in community and four-year colleges.

Our vision for youth emphasizes:

- Services that result in academic and employment success for the youth.
- Providing comprehensive, integrated, and effective services, including a variety of options for improving educational and skill competencies.
- Providing effective connections to employers.
- Ensuring ongoing mentoring opportunities for eligible youth with adults committed to providing such opportunities.
- Providing training opportunities.
- Providing supportive services to eligible youth.
- Providing incentives based on recognition and achievement.
- Providing opportunities in activities related to leadership, development, decision making, citizenship, and community service.

The work of the State's Youth Team will enhance Indiana's vision for youth seeking workforce development services and assist Indiana in meeting the workforce development goals of growing jobs and employment, growing personal income, and delivering premier customer service.

Indiana plans to have members of the State Youth Team selected and meetings underway prior to the end of the two-year State Plan. The State Youth Team will set goals and design strategies and oversee implementation of the strategy for all of Indiana's youth, not just those participating in Workforce Investment Act services.

The composition and work of the State Team will mirror that of the Indiana Team sent to the Regional Youth Forum held in Chicago, Illinois in November 2004. Initial members of the State Team may include youth and WIA youth participants, parents, state and local representatives from DWD, Family and Social Services Administration, and Education plus entities representing juvenile justice and the Job Corps. Businesses may be represented, as well as faith-based and community-based organizations, and the disabled community. Other members may be added. A facilitator may be used. The State Team will conduct strategic planning to document its goal, conduct resource mapping, develop a plan of action, and implement the plan of action.

DWD's strategy for serving youth incorporates the strategy described in Section IX for adults and dislocated workers. However, rather than being "job ready" as the criteria for receiving case management services, the criteria for youth will be expanded to "youth ready." The criterion includes those youth ready for educational services and/or ready for employment services.

Once an eligibility determination is completed, and the youth is enrolled in WIA, the case manager begins an objective assessment. This is an assessment of the academic levels, skill levels, and service needs of the youth. The assessment includes: a review of basic skills and occupational skills, prior work experience, employability, interests, aptitudes (including interest and aptitudes for nontraditional jobs), supportive service needs, and developmental needs of the youth. A new assessment is not required if the Regional Operator determines an assessment conducted by another education or training program within the past year may be used.

An Individual Service Strategy (ISS) will be developed for the youth. The ISS is developed in a joint partnership between the youth and case manager. An employment goal (including, in appropriate circumstances, nontraditional employment) is identified and provided on the ISS, as well as appropriate achievement objectives, and appropriate services for the youth taking into account the objective assessment. A new ISS is not required if the Regional Operator determines a service strategy completed by another education or training program with the past year may be used. The case manager will ensure services provided:

- Prepare the youth for post-secondary educational opportunities, in appropriate cases.
- Create strong linkages between academic and occupational learning.
- Prepare the youth for employment opportunities, in appropriate cases.
- Create effective connections to intermediaries with strong links to the job market and local employers.

Services provided will consist of the following ten elements. All ten elements will be made available in each local area; however, the mix of services provided will be based on the needs of the youth. The ten elements are:

- Tutoring, study skills training, and instruction, leading to completion of secondary school, including dropout prevention strategies;
- Alternative secondary school services;
- Summer employment opportunities that are directly linked to academic and occupational learning;
- Paid and unpaid work experiences, including internships and job shadowing, as appropriate;
- Occupational skill training;
- Leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social behaviors during non-school hours;
- Supportive services;
- Adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months;
- Follow up services for not less than 12 months after the completion of participation; and
- Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral.

The state requires the Regional Workforce Board through the Regional Operator, to provide each eligible youth information on the full array of applicable or appropriate services that are available through eligible providers or WorkOne partners. Such information will be provided verbally, through informational brochures or pamphlets, and/or through electronic means.

Eligible providers of youth services will ensure each youth not eligible for WIA services will be referred for further assessment, as necessary, with appropriate programs to meet the basic skills and training needs of the youth.

The design and implementation of youth programs at the state-level will be done through the State Youth Team. The Regional Workforce Board may include parents, participants, and other members of the community with experience relating to programs for youth in the design and implementation of youth programs. Also, local youth councils may provide input for the design and implementation of youth programs.

Programs will be designed to meet the individual needs of each youth. Additionally, each program element will be funded using the most appropriate funding source and delivered in such a fashion so that the funding streams are transparent to the youth.

The special needs or barriers to employment of youth, including pregnant or parenting youth and disabled youth, will be identified during the objective assessment and service strategy design processes. These youth may be eligible for services under WIA Title I either as an adult or youth. Case management services will be directed through the case manager and services provided through contracted service providers, WorkOne partner staff or community-based/faith-based organizations. Communication and collaboration between the various funding sources

identified in the service strategy to serve such youth are critical for successful outcomes. The Regional Workforce Board and youth council will be the agents facilitating change in the delivery of youth services in the local region. The local Youth Council, or another entity with expertise in workforce development services for youth will:

- Provide expertise in youth policy and assist the Regional Workforce Board in developing and recommending local youth employment and training policy practices;
- Broaden the youth employment and training focus in the community to incorporate a youth development perspective;
- Establish linkages with other organizations serving youth in the local area; and
- Consider a range of issues that can have an impact on the success of youth in the labor market.

Coordination will occur between WIA youth programs, Job Corps programs operating in the state, and other youth program grantees. Such coordination may include

- Joint marketing to youth for all programs;
- Recruitment of youth for all programs;
- Building upon the assessment results of one program rather than doing a new assessment;
- Enrolling the youth in all programs which will assist the youth;
- Referring the youth to entities which may assist the youth with support services;
- Joint placement credit toward performance measures, and;
- Follow-up conducted to ensure the youth stays employed or enrolled.

## **Business Services**

The Strategic Research and Development division will be responsible for gathering labor market information and providing training grants and other assistance to employers. This unification will better integrate the data on the current and emerging labor market with the strategies used by the field representatives who interface with businesses and economic developers.

A Web-Tech Lead has been designated within Research and Analysis. The Web-Tech Lead will integrate a solid background in LMI with technical skills in desktop publishing and information technology in order to focus on publishing labor market information. This will ensure data is presented in a format design easily accessible via the web. Employers will be able to use the web information to make informed decisions on training, expansion, and/or relocation decisions within a particular region, industry, or organization.

In addition to labor market data, the state continues to provide employers the opportunity to incorporate WorkKeys profiling and assessment into hiring practices. WorkKeys provides businesses with skill sets needed for specific jobs, with assessment tools to assess applicants to determine fit, and to enable employers to reduce turnover and improve productivity.

Through the WorkKeys system, employers are also able to better identify training needs. By assessing incumbent workers against profiles, employers are able to identify skill gaps and tailor

training plans to address those gaps. This enables more efficient utilization of state training funds by spending them on training that has been identified through quantitative data.

Historically, DWD has analyzed and addressed businesses' needs through traditional face-to-face meetings with employers regarding required hiring and training. DWD will improve on this method by further integrating resources with those of the IEDC. At the local level, representatives from both agencies will incorporate better communication and increased partnering into their regular practices when visiting and offering resources to businesses.

The Incumbent Worker Training fund is a grant program administered by DWD. The funds currently target four high-growth and high-demand industry sectors that are critical to the Indiana economy. These industries are Information Technology, Advanced Logistics, Life Sciences and Advanced Manufacturing. The funds currently pay for training that results in portable credentials recognized either industry-wide or nationally. Improvements are being made in these programs which will reduce the amount of funds spent on administration and "other" expenses. This will eliminate unnecessary overhead costs and preserve more resources for addressing the training needs of the Indiana workforce.

DWD is also improving the current system by implementing more effective and consistent return on investment measures and easier reporting for businesses. This will be accomplished through a web-based system that formalizes and regulates data collection for each project. It will also enable more accountability on behalf of both the company and the state.

DWD will also continue to integrate business services within the WorkOne system by having the assessments portion of WorkKeys administered at each WorkOne office. When employers use the job referral services of a local WorkOne, initial eligibility of each applicant will be verified and the applicant will receive a WorkKeys assessment regarding a possible position. Once they pass the assessment and have met all prerequisites, WorkOne staff will be able to refer the applicant to the hiring business. Through this screening process, businesses will receive better referrals because they will now be based upon quantitative data that is EEOC compliant rather than based on general assumptions of an individual's skills or ability reported on the customer's initial application.

DWD will also continue to streamline administration of federal tax credit programs within the WorkOne system to maximize employer participation. DWD continues to actively participate in the Work Opportunities Tax Credit (WOTC) program, which provides an incentive for employers to hire jobseekers who are traditionally difficult to place or have trouble gaining experience in the job market.

In addition, the Indiana General Assembly passed a measure that will allow the state to sponsor up to \$500,000 annually in Lifelong Learning tax credits for employers.

## **Innovative Service Delivery Strategies**

In addition to the innovative approaches that Indiana is taking to strengthen regional areas and to increase service integration, Indiana is also interested in pilot projects related to the Personal

Reemployment Accounts, Innovative Training Accounts, and other projects that promise premier customer service and system growth.

Indiana will be submitting requests to operate pilot programs in selected regions of the State for both Personal Reemployment Accounts and Innovative Training Accounts. We see these projects as opportunities to try new strategies that offer the opportunity for improved services. We look forward to working with the United States Department of Labor on these initiatives.

### **Faith-Based and Community-Based Organizations**

Indiana has been a leading state with faith-based initiatives. Indiana was one of the first states to receive a federal faith-based grant (FaithWorks Indiana) and have aggressively pursued the involvement of faith-based organizations in the delivery of workforce services. Indiana will continue to build on these successes by working with the newly formed Office of Faith-Based and Community Service. Policies will be developed to insure the inclusion of both faith-based and community organizations in the competitive bid process for WorkOne services and products.

## **X State Administration**

### **Technology Infrastructure and/or Management Information Systems**

Indiana has been methodical in creation of new technology infrastructure and management information systems. While these systems have served Indiana well, there are enhancements that must be made to meet the needs of our customers and partners. Indiana is investigating creation or enhancement of systems for job matching, case management, and performance management.

#### **Job Matching**

The Customer Self Service System (CS3) is Indiana's job matching system, established in 1998, and may be accessed online or at a terminal in a local WorkOne office. The web based system is utilized by both employers and job seekers. Employers may post job openings from the comfort of their offices without the need for assistance from WorkOne staff. However, WorkOne staff is able to post employer job orders as a courtesy.

From the job seeker perspective, CS3 is a multi-functional tool. The client establishes a personal account on the first visit to CS3. Personal information and history is then stored and available for later use. CS3 is the portal for the client to make an Unemployment Insurance claim, document work history, record credentials and education, as well as search for work.

Indiana is currently investigating enhancements to CS3 that would enable the system to be more fluid and flexible. Enhancements being sought will, at a minimum, allow CS3 to serve as a common intake system for many partner programs in the WorkOne center; enable resume building; and capture the most current labor force and job market data for Indiana and neighboring states.

#### **Case Management and Performance Management**

Currently, Indiana maintains a decentralized system for case management and performance management/reporting systems. Local workforce investment boards are responsible for selecting, operating, and maintaining case management and data systems for WIA that are capable of accurately reporting required data to the State. The decentralized approach was selected to enable local areas to use the local system deemed most appropriate to meet the needs of programs and customers.

While decentralization provides for local control, it also results in an inconsistent approach for reporting and case management. Customers receive the same services (i.e., case management) across the State, but it is completed differently from local area to local area. Paper is used as well as electronic entry. Reporting systems differ as well as case management systems. In addition, no single system does case management which results in participant reporting. Indiana believes the lack of standardization results in confusion for our customers, an increased workload for staff, and inconsistent information – in general, processes which do not assist Indiana in meeting its goals.

Indiana is seeking a statewide Case Management system that is able to collect and report Performance Management data as a by-product of normal case management transactions. We

believe a robust and standard system will ease the workload of partners and service providers while creating accurate and reliable information.

### **Use of Statewide Funding**

Indiana will use funds reserved for required statewide activities under WIA as indicated in Section 134(a) (2) and may use the funds as indicated under Section 134(a) (3). An example of an allowable use of funding is provided:

Indiana is focused on achieving Governor Daniels' vision through dedicated efforts in Indiana's economic and workforce regions. To further promote the regionalization, integration, alignment, and innovation strategy, DWD's Customer Solutions division and Partner Services unit has created a dedicated team focused on grants management. This team is charged with creating a formal grants process to award reserved funds to regions. DWD will establish guidelines requesting grant proposals based on achievement of Governor Daniels' three objectives. Proposals will be scored by a cross functional team and weighted on implementation of Governor Daniels' strategy.

This objective and formal process will allow DWD to award innovative regions with the capital needed to implement Governor Daniels' vision. It is our anticipation that the competitive grant process will facilitate the integration of regions and partners behind a common objective thus making the system more cohesive.

### **Waiver Requests**

Please refer to the explanation of "Waivers and Workflex" found in Section V, Overarching State Strategies, of this plan.

### **Performance Management**

Indiana has policies and procedures in place for performance management and accountability. Continuous improvement is of core importance to Indiana's Workforce Development System. Indiana annually reviews and updates performance measure policy. Policies are maintained online at [www.in.gov/dwd](http://www.in.gov/dwd).

Currently, Indiana rewards system partners based on action taken two program years previously. Not only is the award late but improvement needs are not known in a timely manner. In order to best serve Hoosier customers, the system must provide real-time data. This is not only true for the WIA measures, but all programs provided by DWD and WorkOne partners. Real-time measures will indicate the need for action and provide for real-time rewards. Indiana will begin investigating "real-time measures" as a means of continuous improvement.

Through the use of the standard case/performance management system and real-time measures, Indiana will track key data that is common to all partners; utilize incentives to improve performance; monitor progress; provide customized training for deficiencies; and conduct financial and program enrollment reviews.

DWD monitors performance on a continual basis first using a proactive approach with sanctioning as a last resort. DWD offers incentive grants to local entities that demonstrate

cooperation, coordination and exemplary performance under WIA. Governor's Discretionary funding is used for technical assistance and training for the workforce development system. System needs are identified through on-site monitoring and in-put from state and local administrators, staff and partners. These needs are addressed through technical assistance and training conducted by professional trainers from across the nation. At the State level, monthly and quarterly updates on local performance are provided to management staff to evaluate performance. Also, on a regular basis, Customer Solutions, Evaluation, Fiscal, Grants' Processing, and Oversight staff meets to review expenditure and participant levels and recommend action to ensure operational success. Trends are analyzed and anomalies identified. Local administrators are contacted to discuss and resolve the anomaly. Sanctions are invoked as a last resort. As part of the sanction process, corrective action plans are first requested. If such corrective action does not remedy the situation, sanctions are invoked.

Indiana is diligently preparing for the implementation of new common measures. The DWD team has read TEGL 15-03, requested clarification on guidelines and definitions, conducted an initial analysis of the current system to determine changes that will be required, and drafted an implementation timeline.

Performance measures for Program Years 2005 and 2006 are in Attachment C.

Indiana uses a comprehensive approach to service delivery under the one-stop philosophy. Rather than restricting WIA service providers to outcome measurements which are tied to specific funding sources, DWD employs a broad-based strategy which reflects its overarching goals to grow jobs and employment, to grow personal income, and to deliver premier customer service.

System and local goals for PY'05 are in the process of being finalized. As part of a continuous improvement philosophy, DWD has continued to raise goals.

- 1) In PY'99, DWD's employment goal was 30,000 individuals assisted by DWD will get new jobs. In PY'04, DWD's employment goal was 75,000 individuals will get new jobs. This goal was met.
- 2) In PY'99, DWD's personal income goal was at least 140,000 citizens who are assisted will experience earnings gains. In PY'04, DWD's personal income goal was at least 154,000 citizens will experience earnings gains. This goal was met.
- 3) In PY'99, DWD also targeted increasing the labor market's overall skill level by setting a target of at least 2,000 citizens who DWD assists will acquire increased skills. In PY'04 that target for increased skills was at least 7,000 citizens. This goal was met.
- 4) In PY'99, DWD's goal for measuring premier customer service was over half of the citizens and half of the employers who utilize DWD services will rate their satisfaction with WorkOne offices as above average or excellent. DWD has continued to use and meet this goal every year

The PY'05 policy for setting local goals will employ the same methodology used for the past few years. Following the suggestion of local WIA directors, DWD developed an adjustment method for WIA performance measures that takes into account a continuous improvement strategy. For

all measures (except customer satisfaction), the following strategy will be used to establish levels:

1. The state's negotiated level for each measure is used as the departure point.
2. Each WSA's performance for PY'02 and PY'03 will be compared to the departure point.
3. If both levels are below the departure point, the higher of the two levels will be selected and the performance level will be set at the average of this level and the departure point.
4. If both levels are above the departure point, the lower of the two levels will be selected and the performance level will be set at the average of this level and the departure point.
5. If one level is above the departure point, and one level is below the departure point, the departure point will be selected as the performance level.

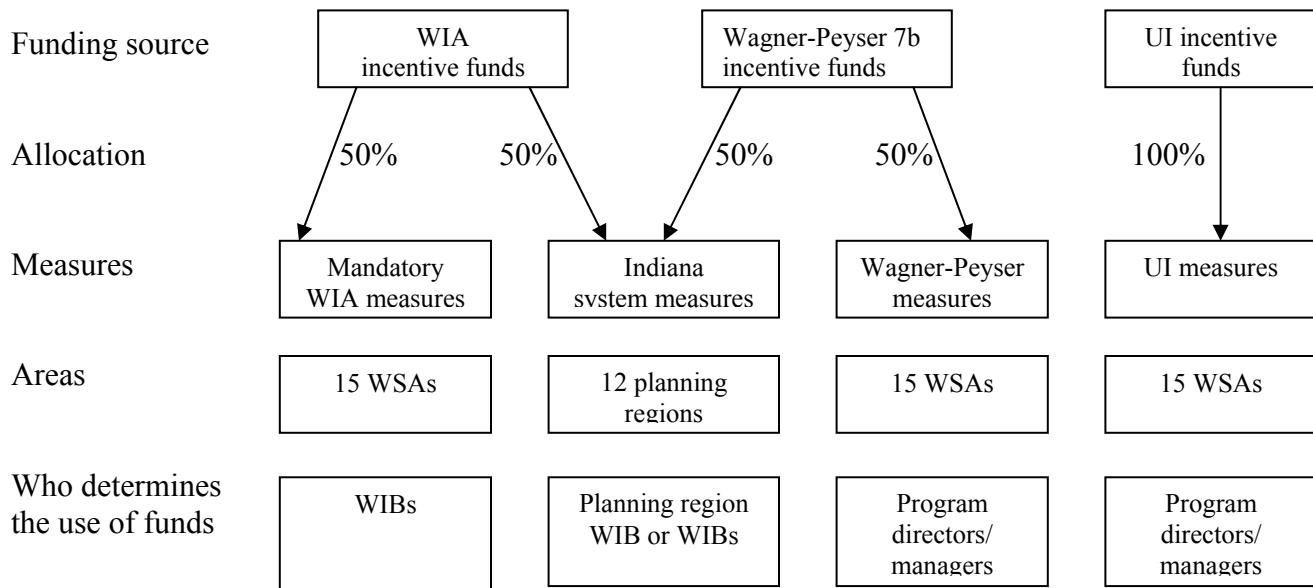
As an alternative to this adjustment strategy, the chief elected official and the local board can choose to negotiate levels based on specific economic, demographic, and other characteristics of the populations to be served in the local area (WIA Sec. 136(c)(2)).

Performance is tracked locally on most measures. On wage-based and customer satisfaction measures, the state supplies quarterly updates to the WIBs. To shorten the gap between program outcome and outcome measurement, Indiana intends to develop new measurement systems to provide feedback on real-time measures. This endeavor will be completed this program year (PY'05), and it will give WIBs better management tools to ensure program success.

Indiana's incentive awards program incorporates both the state's system goals as well as DOL's mandatory measures. Half of the WIA awards are based upon the state's system goals and performance in the local planning regions. This award is supplemented using Wagner-Peyser 7b funds.

One half of the Wagner-Peyser 7b funds earmarked for incentive awards is added to the half of the WIA awards being used to reward regional cooperation. The remaining half of the Wagner-Peyser 7b funds earmarked for incentive awards is used to reward state merit staff in WSAs that meet their customer satisfaction goals and four of five published Wagner-Peyser and Unemployment Insurance performance goals.

The other half of the WIA awards is based upon DOL's mandatory adult, youth and dislocated worker measures and performance in the WSAs. This emphasizes exemplary performance on the local WIA performance measures. The graphic below summarizes Indiana's incentive award strategy.



To receive an award for meeting the state's system goals, the local planning region must meet all three system goals for that region (customer satisfaction, wage gains and skill gains). Since WIA awards must be distributed to local Workforce Investment Boards (WIBs), in those instances where more than one WSA shares a local planning region the awards for meeting the system goals will be distributed proportionately to the WIBs. This is based upon their individual contribution to the region's success (as measured by the number of wage gainer and skill increasers residing in each county).

The award for meeting the system goals must be used for enhancing WorkOne centers and WorkOne Express sites. The actual initiative(s) will be determined by the WIB or WIBs in that planning region.

To be considered for an award for meeting the DOL mandatory measures, the WIB in each WSA must first meet all four WIA credential and diploma attainment rates (Adult Employment and Credential Rate, Dislocated Worker Employment and Credential Rate, Older Youth Credential Rate and Younger Youth Diploma Attainment Rate). This policy emphasizes Indiana's commitment to documented skill gains.

In addition, the WIB must also meet at least 14 of the 17 WIA measures. Awards will be distributed to successful WIBs based upon their relative share of the state's WIA allocation formula.

As in previous program years, DWD staff will continue to conduct data validation visits to local WIBs. Data that is deemed invalid may require progressive steps toward corrective action. These steps may include technical assistance and required corrective action plans. Any incentive award that is based on data that is deemed to be invalid will result in the loss of that award. This practice reinforces the state's commitment to accurate, valid data.

## **Administrative Provisions**

### **Indiana Appeals Process**

Step A: The unit of general local government or grant recipient has thirty (30) days from the mailing of a notice of denial of automatic designation under WIA Section 116(a) (2) or of temporary and subsequent designation under Section 116(a) (3) to appeal the decision and request a hearing.

Step B: The appeal must be in writing and state the reasons the entity should receive the designation denied by the State Workforce Investment Board.

Step C: The appeal must be sent by certified mail, return receipt requested.

Step D: Failure to submit the appeal within thirty (30) days from the mailing of the notice of denial shall result in termination of the entity's right to appeal the State Board's determination.

### **Procedural Rules for Hearings**

#### **Step A: Hearing Office**

Hearings will be conducted by either a DWD staff attorney serving as an Administrative Law Judge (ALJ) or by another attorney licensed in the State of Indiana who has been contracted by DWD to conduct such hearings.

#### **Step B: Scheduling:**

Within ten (10) days of receipt of the appeal, the Legal Department of DWD shall contact the appellant (appealing party) to set a hearing date which is acceptable to both parties. Once the hearing date is set, it will not be rescheduled without a showing of good cause.

#### **Step C: Discovery**

The parties shall engage in informal rehearing discovery for the purpose of exchanging relevant information, and avoiding unnecessary delays in the proceedings. The ALJ shall have the discretion to resolve any rehearing discovery disputes.

#### **Step D: Exchange of Witness and Exhibit Lists:**

The parties shall exchange witness and exhibit lists at least twenty (20) days before the scheduled hearing.

#### **Step E: Voluntary Withdrawal of Appeal:**

The appellant may voluntarily withdraw the appeal upon written notice to the ALJ.

#### **Step F: Involuntary Withdrawal of Appeal:**

Upon notice to the appellant, the State Board may submit a motion for involuntary withdrawal of appeal upon the appellant's failure to timely pursue its appeal. The ALJ shall rule upon such a motion upon twenty (20) days of receipt.

**Step G: Representation:**

Appellant may be represented, at its own expense and without the use of federal or State funds, by counsel or, unless prohibited by law, by another representative.

**Step H: Witnesses and Evidence:**

Both parties will have the opportunity to present evidence and witnesses and to cross-examine witnesses at the hearing. Evidence and witnesses will be limited to only those issues specified in appellant's request for hearing.

**Step I: General Procedures**

Area designation hearings shall be conducted informally. Formal rules of evidence shall not apply. The ALJ has the discretion to exclude evidence that he/she determines is immaterial or redundant.

**Step J: Conduct of Hearing**

The parties may make opening statements to advise the ALJ concerning the issues and to summarize the evidence to be presented. The parties are responsible for furnishing all information relevant and available to resolve the issues during the presentation of the case. The ALJ may elicit any testimony and information that may be necessary to discover the truth and to arrive at a fair decision. In examination of the witnesses, the party calling the witness is entitled to conduct initial questioning. Witnesses are subject to cross-examination by other party and by the ALJ.

**Step K: Transcript:**

The proceedings shall be memorialized by a court reporter, the expense for which shall be borne by the appellant without the use of state or federal funds.

**Step L: Close of Record**

All evidence must be submitted and argued, and the record must be closed, no later than fourteen (14) days following the first day of the hearing.

**Step M: Final Decision**

The ALJ shall submit to the parties a written decision not later than thirty (30) days from the close of record date. This time frame may be extended for good cause, only with consent of both parties. The decision shall be comprised of findings of fact and conclusions of law that are based upon the application of relevant law to the facts. The ALJ's written decision shall constitute final state action.

**Appeal of ALJ Decision**

Step A: In accordance with Section 116(a) (5) and 20 CFR Part 667.640, a unit or combination of units of general local government, whose appeal has not resulted in designation as a local workforce service area may appeal the denial to the United States Secretary of Labor.

Step B: Such appeals must be filed not later than thirty (30) days after receipt of written notification of the denial from the State Board, and must be submitted by certified mail, return

receipt requested, to the Secretary, U. S. Department of Labor, Washington DC 20210, and Attention: ASET. A copy of the appeal must be simultaneously provided to the State Board.

Step C: The appellant must establish that it was not accorded procedural rights under the appeal process set forth in the state plan, or establish that it meets the requirements for designation in WIA Section 116(a)(2) or (a)(3). The Secretary may consider any comments submitted in response by the State Board.

Step D: If the Secretary determines that the appellant has met its burden of establishing that it was not accorded procedural rights under the appeal process set forth above, or that it meets the requirements for designation in WIA Section 116(a) (2) or (a) (3), the Secretary may require that the area be designated as a local workforce service area.

Step E: The Secretary must issue a written decision to the Governor and the appellant.

**Compliance with the Nondiscrimination Requirements of WIA**

Compliance with the nondiscrimination provision in Section 188 of WIA will be obtained through the following requirements which must be incorporated into the systems and practices of all recipients. Any program or activity that receives federal financial assistance with WIA Title I is a recipient and therefore subject to these requirements:

**Designation of Equal Opportunity Officer**

Every recipient must designate an Equal Opportunity (EO) Officer except small recipients and service providers.

**Notice and Communication Requirements**

All prescribed notices will be provided to registrants, applicants, and eligible applicants/registrants, participants, applicants for employment and employees, unions or professional organizations that hold collective bargaining or professional agreements with the recipient, subrecipients that receive WIA Title I funds; and members of the public, including those with impaired vision or hearing.

**Assurance Statement, Job Training Plans, Contracts, Policies**

Each application for financial assistance under WIA Title I will include the appropriate assurance language. Each grant application also assures that it will comply with 20 CFR Part 37 and all other appropriate regulations.

**Universal Access**

Recipients must take appropriate steps to ensure that they are providing universal access to the WIA Title I-financially assisted programs and activities.

**Compliance with Section 504 of the Rehabilitation Act of 1973**

In providing any aid, benefits, services or training under WIA Title I-funded program or activity, a recipient must not, directly or through contractual licensing, or other arrangements, deny a qualified individual with a disability the opportunity to participate in or benefit from the aid, benefits, services, or training on the basis of a disability.

Data and Information Collection and Maintenance

Each recipient must collect and maintain records to determine whether the recipient has complied or is complying with the nondiscrimination and equal opportunity provisions of WIA.

Monitoring Recipients for Compliance

DWD will establish and publish procedures for the periodic monitoring of programs and activities operated under WIA Title I for compliance with the nondiscrimination requirements.

Compliant Processing Procedures

DWD will develop and publish procedures for processing complaints of discrimination.

Corrective Actions/Sanctions

Where violations of the WIA Section 188 are found and voluntary compliance has not been achieved, DWD may implement sanction procedures.

## **XI Assurances**

1. The State assures that it will establish, in accordance with section 184 of the Workforce Investment Act, fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through the allotments made under sections 127 and 132. (§ 112(b)(11).)
2. The State assures that it will comply with section 184(a)(6), which requires the Governor to, every two years, certify to the Secretary, that—
  - a. The State has implemented the uniform administrative requirements referred to in section 184(a)(3);
  - b. The State has annually monitored local areas to ensure compliance with the uniform administrative requirements as required under section 184(a)(4); and
  - c. The State has taken appropriate action to secure compliance with section 184 (a)(3) pursuant to section 184(a)(5). (§ 184(a)(6).)
3. The State assures that the adult and youth funds received under the Workforce Investment Act will be distributed equitably throughout the State, and that no local areas will suffer significant shifts in funding from year to year during the period covered by this Plan. (§ 112(b)(12)(B).)
4. The State assures that veterans will be afforded employment and training activities authorized in section 134 of the Workforce Investment Act, and the activities authorized in chapters 41 and 42 of title 38 U.S. code. The State assures that it will comply with the veterans priority established in the Jobs for Veterans Act. (38 U.S.C. 4215).)
5. The State assures that the Governor shall, once every two years, certify one local board for each local area in the State. (§ 117I(2).)
6. The State assures that it will comply with the confidentiality requirements of section 136(f)(3).
7. The State assures that no funds received under the Workforce Investment Act will be used to assist, promote, or deter union organizing. (§ 181(b)(7).)
8. The State assures that it will comply with the nondiscrimination provisions of section 188, including an assurance that a Methods of Administration has been developed and implemented (§ 188.)
9. The State assures that it will collect and maintain data necessary to show compliance with the nondiscrimination provisions of section 188. (§ 185.).
10. The State assures that it will comply with the grant procedures prescribed by the Secretary (pursuant to the authority at section 189I of the Act) which are necessary to enter into grant agreements for the allocation and payment of funds under the Act. The procedures and

agreements will be provided to the State by the ETA Office of Grants and Contract Management and will specify the required terms and conditions and assurances and certifications, including, but not limited to, the following:

- General Administrative Requirements:
  - 29 CFR part 97—Uniform Administrative Requirements for State and Local Governments (as amended by the Act).
  - 29 CFR part 96 (as amended by OMB Circular A-133)—Single Audit Act.
  - OMB Circular A-87—Cost Principles (as amended by the Act).
- Assurances and Certifications: AE SF 424 B—Assurances for Non-construction Programs.
  - 29 CFR part 37—Nondiscrimination and Equal Opportunity Assurance (and regulation) 29 CFR 37.20.
  - CFR part 93—Certification Regarding Lobbying (and regulation).
  - 29 CFR part 98—Drug Free Workplace and Debarment and Suspension Certifications (and regulation).
- Special Clauses/Provisions:

Other special assurances or provisions as may be required under Federal law or policy, including specific appropriations legislation, the Workforce Investment Act, or subsequent Executive or Congressional mandates.

11. The State certifies that the Wagner-Peyser Act Plan, which is part of this document, has been certified by the State Employment Security Administrator.

12. The State certifies that veterans' services provided with Wagner-Peyser Act funds will be in compliance with 38 U.S.C. chapter 41 and 20 CFR part 1001.

13. The State certifies that Wagner-Peyser Act-funded labor exchange activities will be provided by merit-based public employees in accordance with DOL regulations.

14. The State assures that it will comply with the MSFW significant office requirements in accordance with 20 CFR part 653.

15. The State certifies it has developed this Plan in consultation with local elected officials, local workforce boards, the business community, labor organizations and other partners.

16. As a condition to the award of financial assistance from the Department of Labor under title I of WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

—Section 188 of the Workforce Investment Act of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA title I—financially assisted program or activity;

- Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin;
- Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
- The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and
- Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

The grant applicant also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA title I—financially assisted program or activity, and to all agreements the grant applicant makes to carry out the WIA title I—financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

17. The State assures that funds will be spent in accordance with the Workforce Investment Act and the Wagner-Peyser Act and their regulations, written Department of Labor Guidance implementing these laws, and all other applicable Federal and State laws and regulations.

***Attachment A – ETA Regional Administrator: January 2005***

*Region 5—Chicago/Kansas City*

Byron Zuidema, Regional  
Administrator, U.S. Department of  
Labor/ETA, 230 S. Dearborn Street,  
Rm. 628, Chicago, Illinois 60604,  
(312) 596–5400, Fax: (312) 596–5401,  
[Zuidema.byron@dol.gov](mailto:Zuidema.byron@dol.gov).

*Attachment B – Program Administration Designees and Plan Signatures*

**Name of WIA Title I Grant Recipient:** **Ronald L. Stiver, Commissioner**

Agency: **Indiana Department of Workforce Development**

Address: **10 North Senate Avenue  
Indianapolis, IN 26204**

Telephone Number: **317.232-7676**

Facsimile Number: **317.233-1670**

E-mail Address: **[STATEPLAN@dwd.IN.gov](mailto:STATEPLAN@dwd.IN.gov)**

**Name of State WIA Title I Administrative Agency (if different from the Grant Recipient):**

**Note: It is the same grant recipient and agency as listed above.**

Name of WIA Title I Signatory Official:

Address:

Telephone Number:

Facsimile Number:

E-mail Address:

**Name of WIA Title I Liaison:** **Brooke Huntington**

**Deputy Commissioner, Customer Solutions  
Indiana Department of Workforce Development**

Address: **10 North Senate, Indianapolis, IN 46204**

Telephone Number: **317.232-0203**

Facsimile Number: **317.233-1670**

E-mail Address: **[STATEPLAN@dwd.IN.gov](mailto:STATEPLAN@dwd.IN.gov)**

**Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:**

**Ronald L. Stiver, Commissioner, Indiana Department of Workforce Development**

Address: **10 North Senate Avenue, Indianapolis, Indiana 46204**

Telephone Number: **317.232-7676**

Facsimile Number: **317.233-1670**

E-mail Address: **[STATEPLAN@dwd.IN.gov](mailto:STATEPLAN@dwd.IN.gov)**

**Name and title of State Employment Security Administrator (Signatory Official):**

**Brooke Huntington  
Deputy Commissioner, Customer Solutions  
Indiana Department of Workforce Development**

Address: **10 North Senate Avenue, Indianapolis, Indiana 46204**

Telephone Number: **317.232-0203**

Facsimile Number: **317.233-1670**

E-mail Address: **[STATEPLAN@dwd.IN.gov](mailto:STATEPLAN@dwd.IN.gov)**

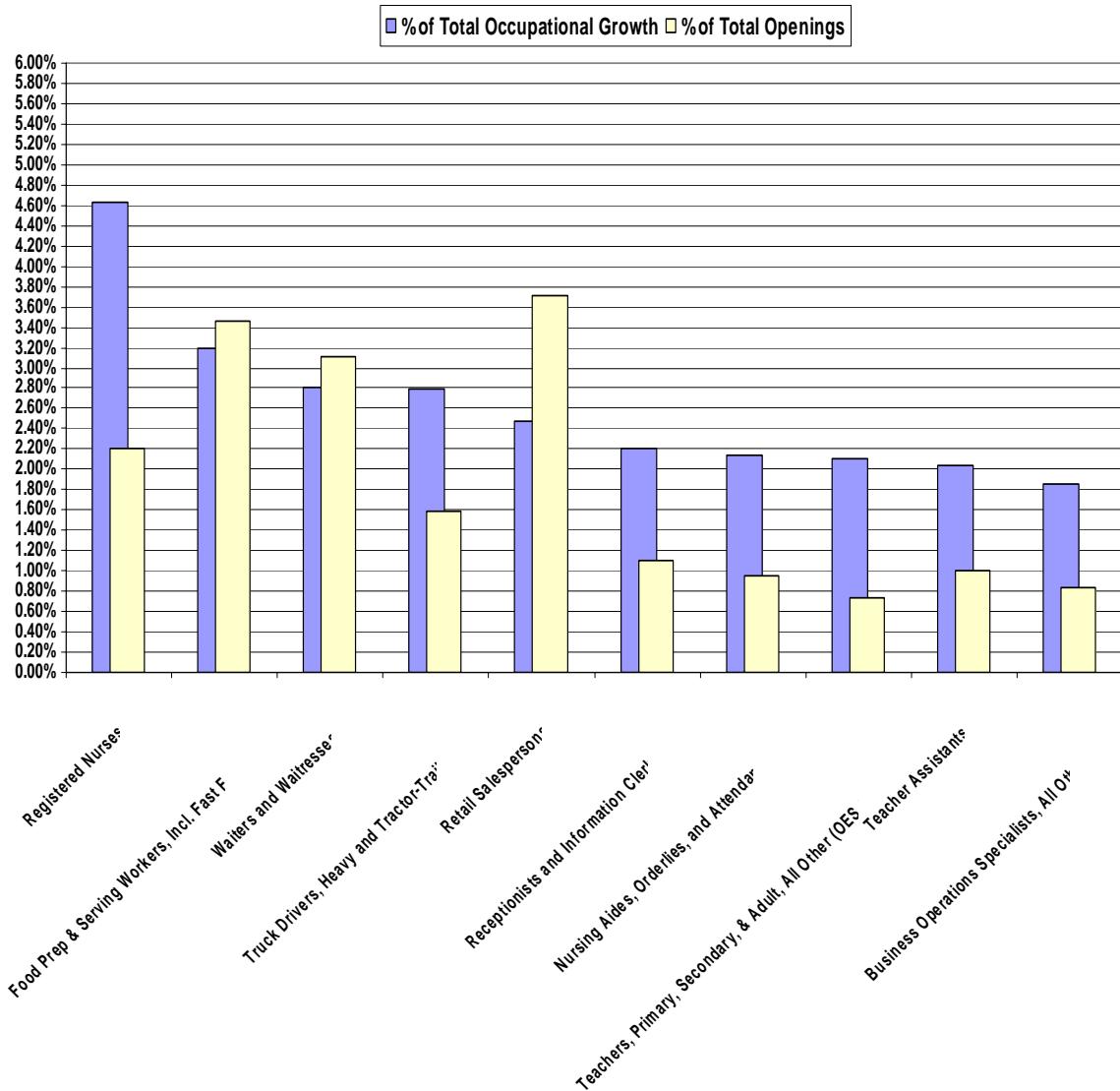
**Please see letter from Governor Daniels' regarding the certifying of this Strategic Two Year Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, May 2005 for Indiana Workforce Development. The letter is located at the beginning of this document.**

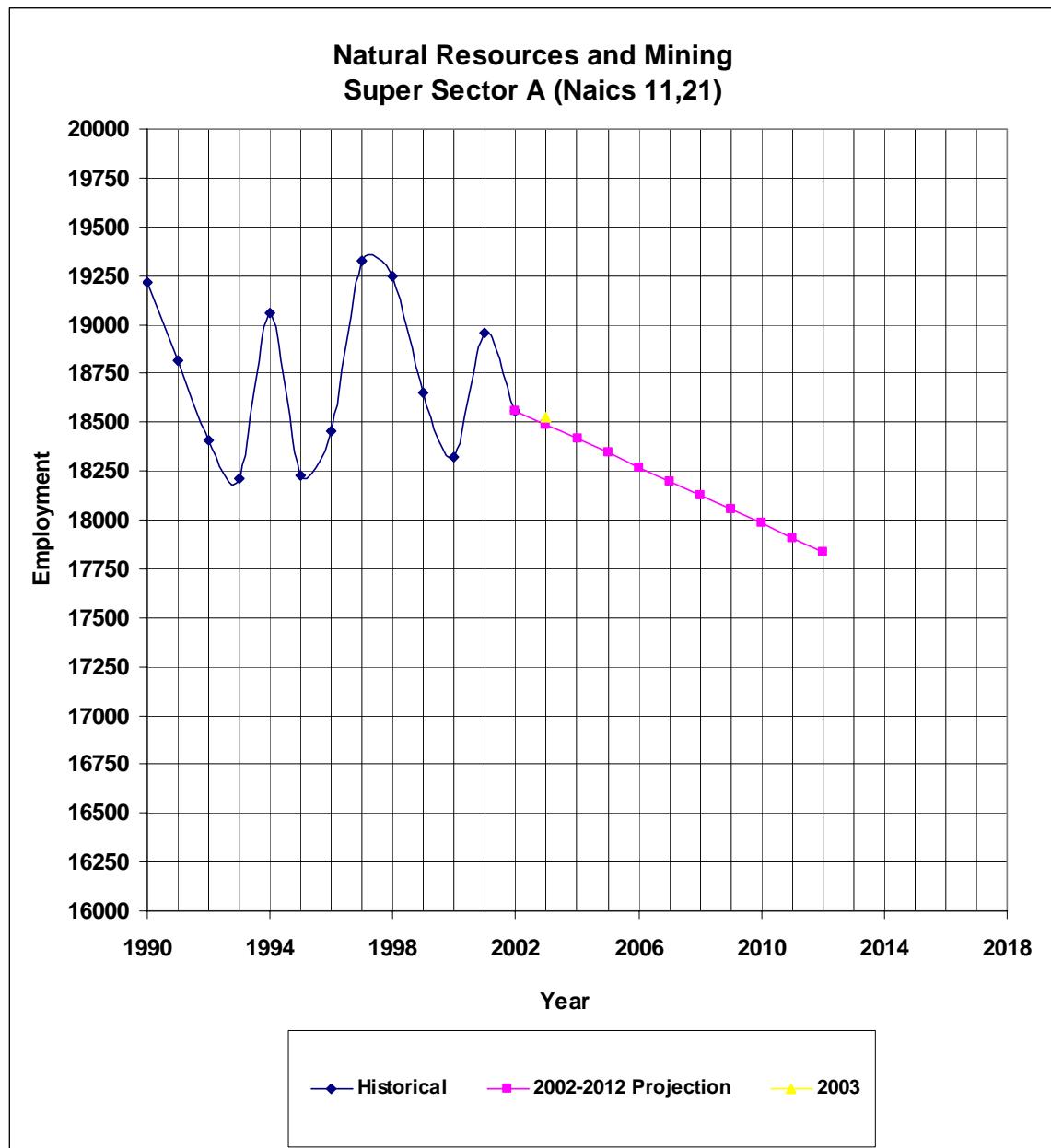
**Attachment C – Optional Table for State Performance Indicators and Goals**

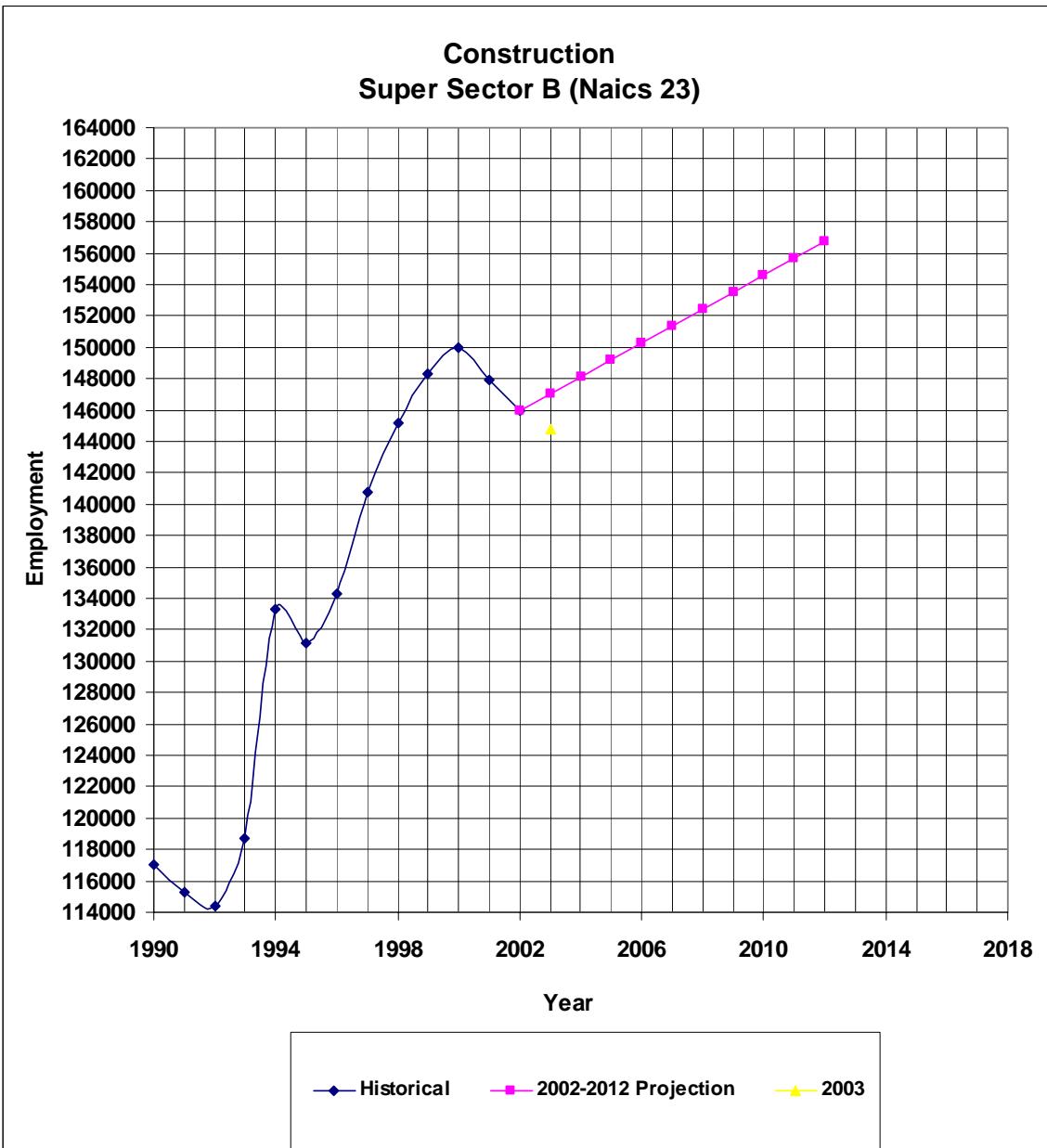
**State WIA Measures Worksheet**

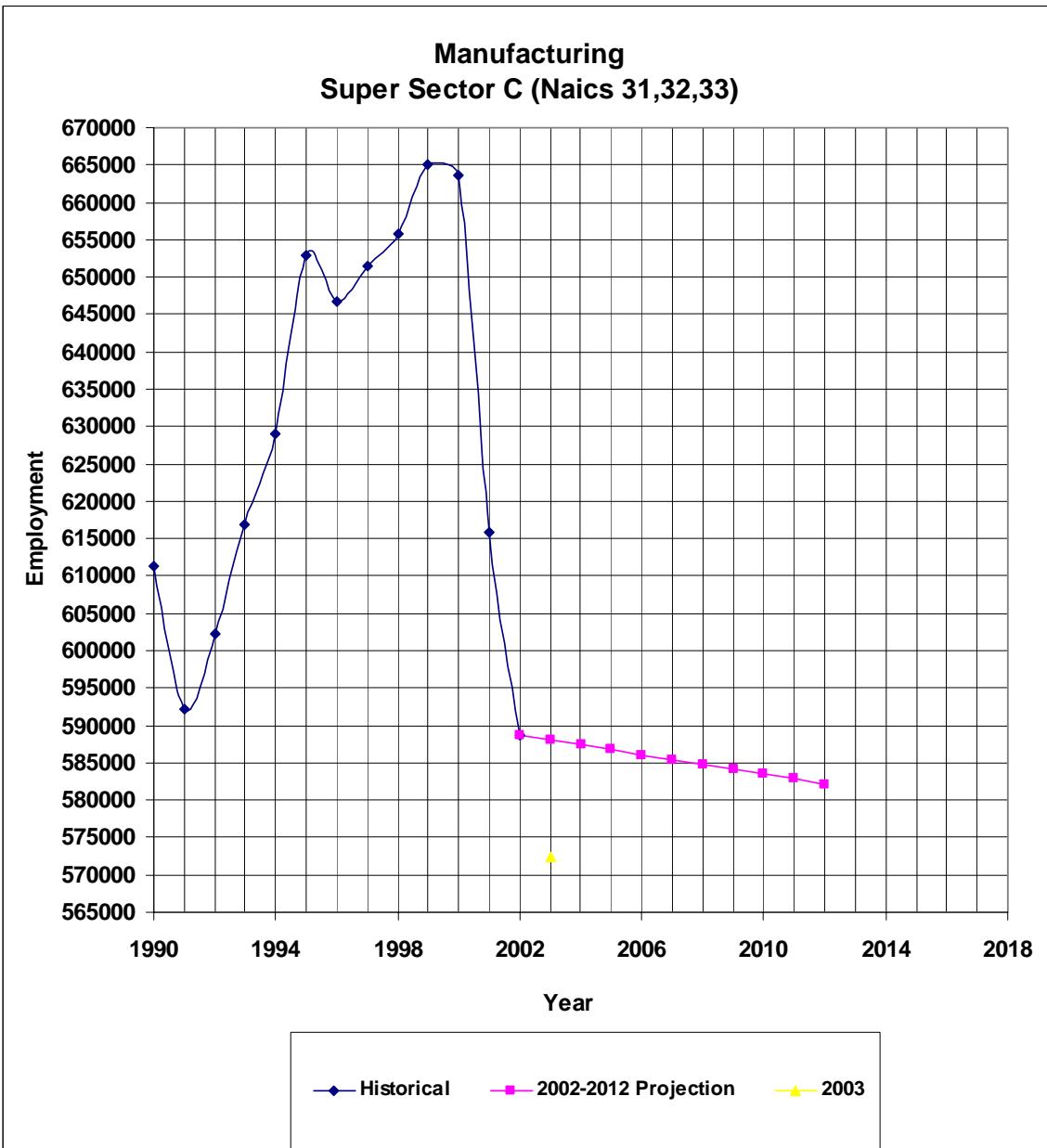
Indiana	State Proposal PY 2005	Final Negotiated PY 2005	State Proposal PY 2006	Final Negotiated PY 2006
<b>ADULTS</b>				
Entered Employment Rate	77%	81%	78%	82%
Employment Retention Rate 1	82%	82%	83%	84%
Earnings Change	\$2,750	\$3,360	\$2,800	\$3,400
Employment & Credential Rate	59%	64%	60%	64%
<b>DISLOCATED WORKERS</b>				
Entered Employment Rate	82%	86%	82%	87%
Employment Retention Rate 1	89%	90%	89%	91%
Earnings Change 1	-\$2,300	-\$1,700	-\$2,250	-\$1,500
Employment & Credential Rate	56%	61%	57%	62%
<b>OLDER YOUTH</b>				
Entered Employment Rate	66%	72%	67%	73%
Employment Retention Rate	78%	82%	78%	84%
Earnings Change	\$2,600	\$3,000	\$2,650	\$3,200
Credential Rate	45%	46%	45%	48%
<b>YOUNGER YOUTH</b>				
Skill Attainment Rate	79%	86%	81%	87%
Diploma Attainment Rate	55%	60%	55%	60%
Retention Rate	55%	61%	55%	62%
<b>CUSTOMER SATISFACTION</b>				
Participant	73%	73%	74%	74%
Employer	70%	70%	71%	71%

## **Attachment D – Tables and Charts**

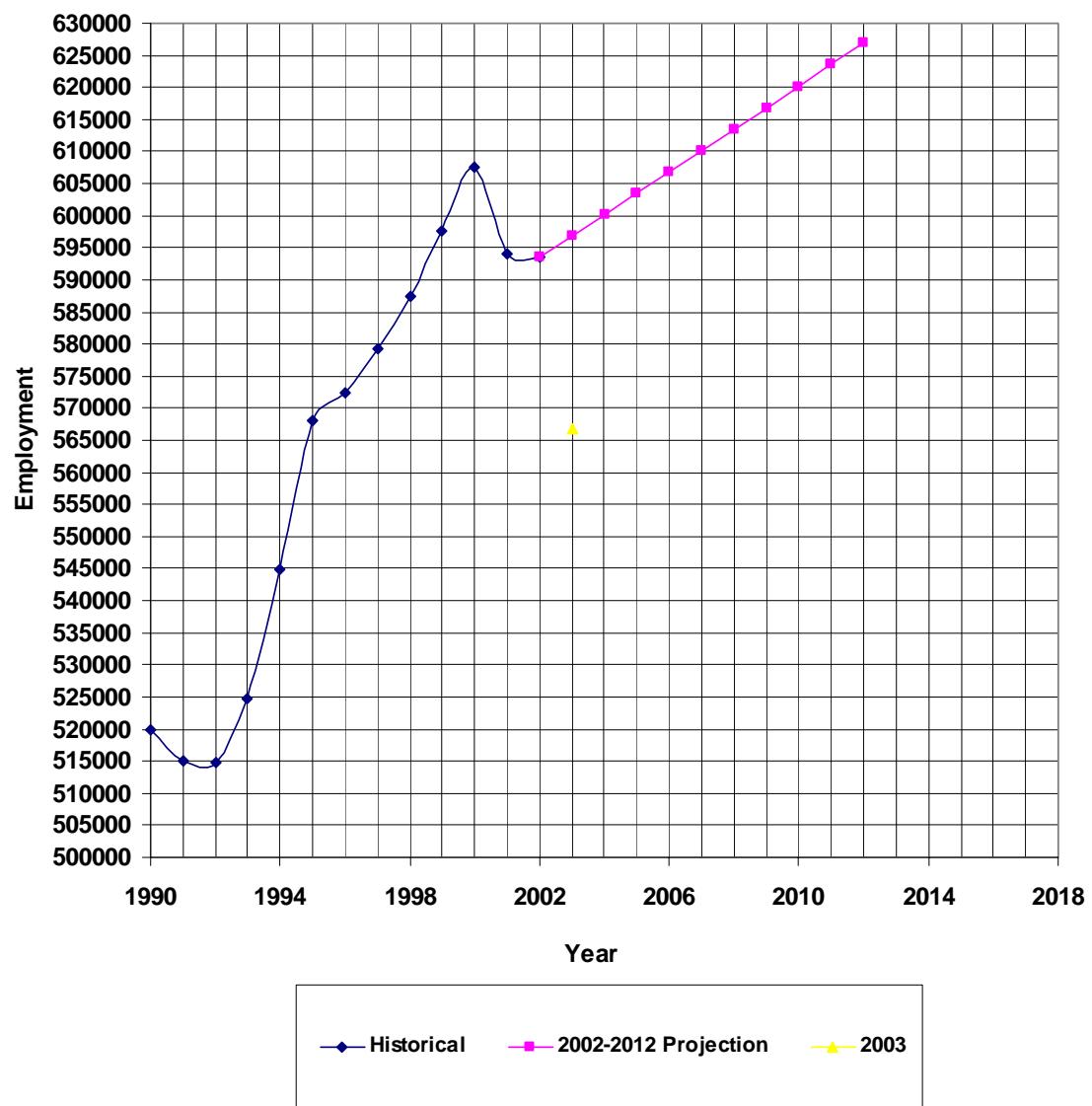




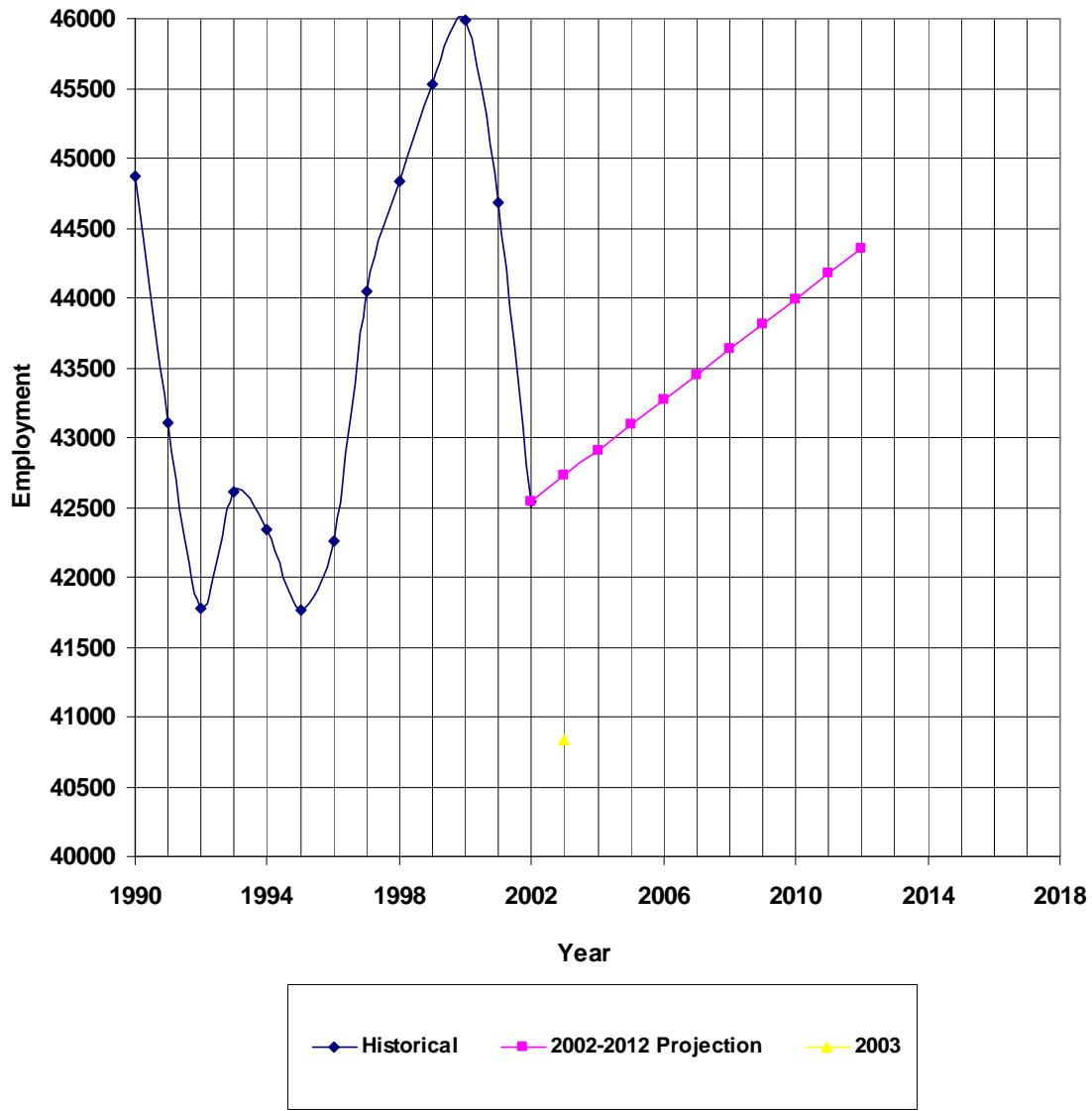




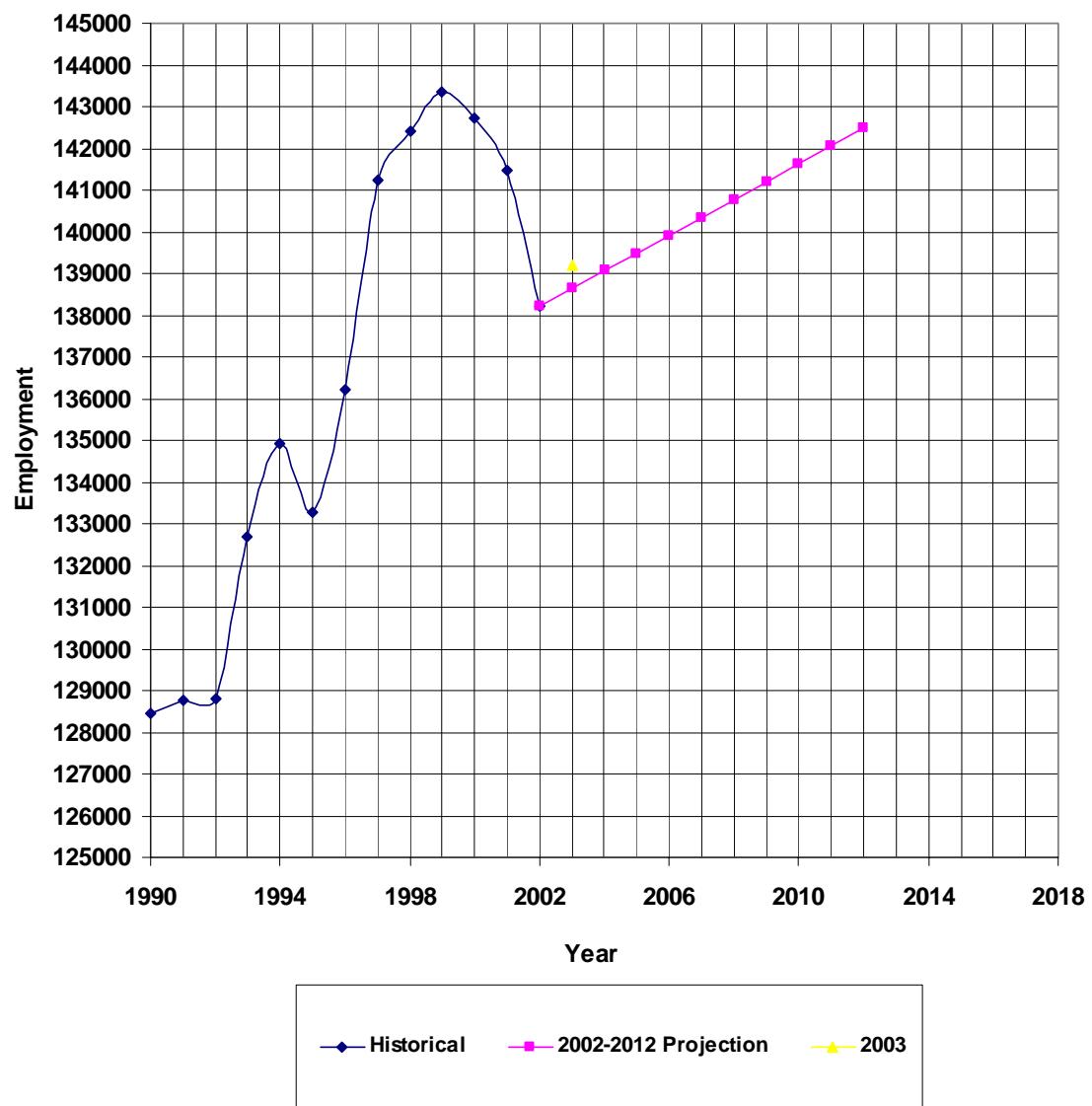
**Trade, Transportation, and Utilities  
Super Sector D (Naics 22,42,44,45,48,49)**



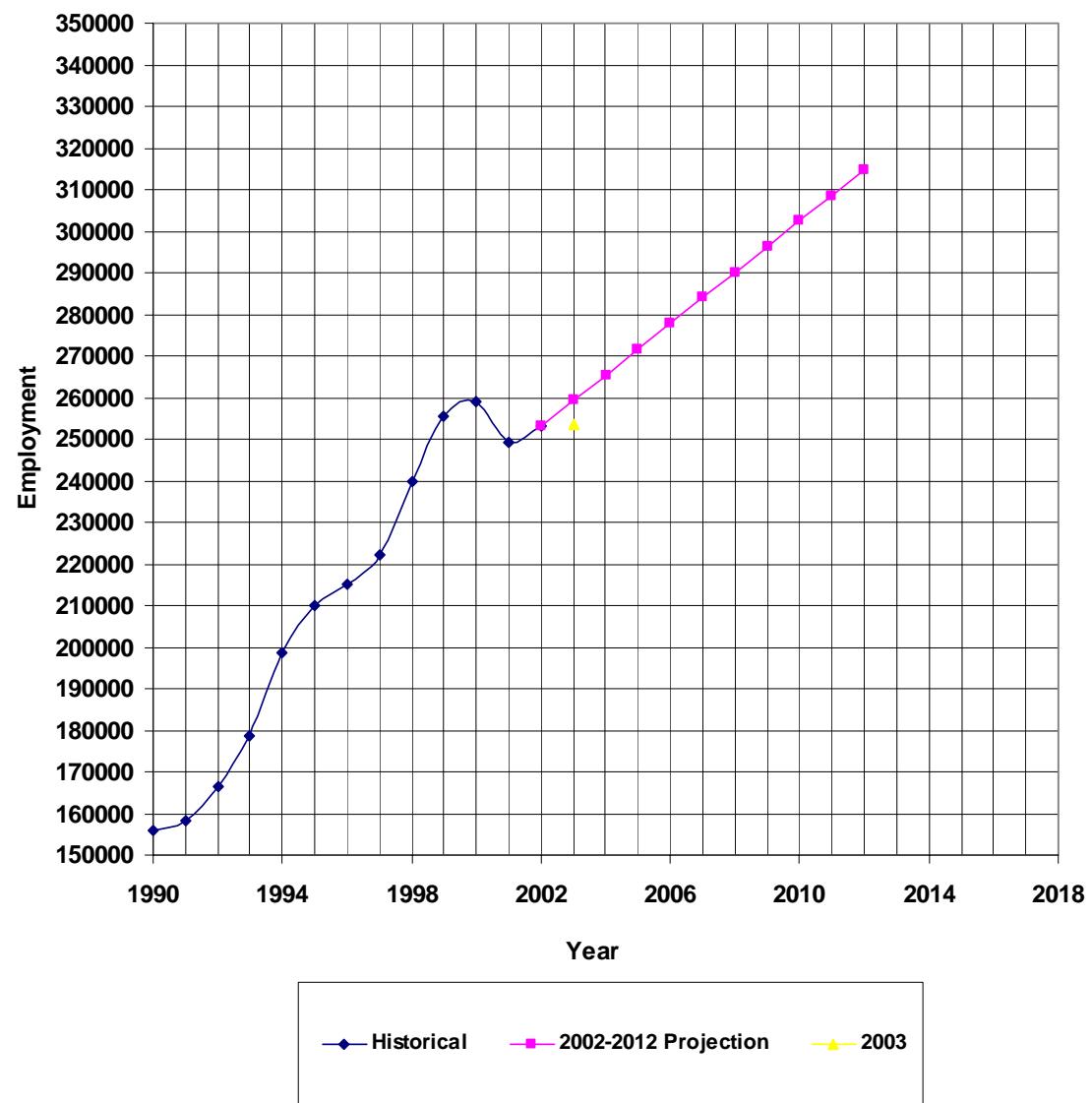
**Information  
Super Sector E (Naics 51)**



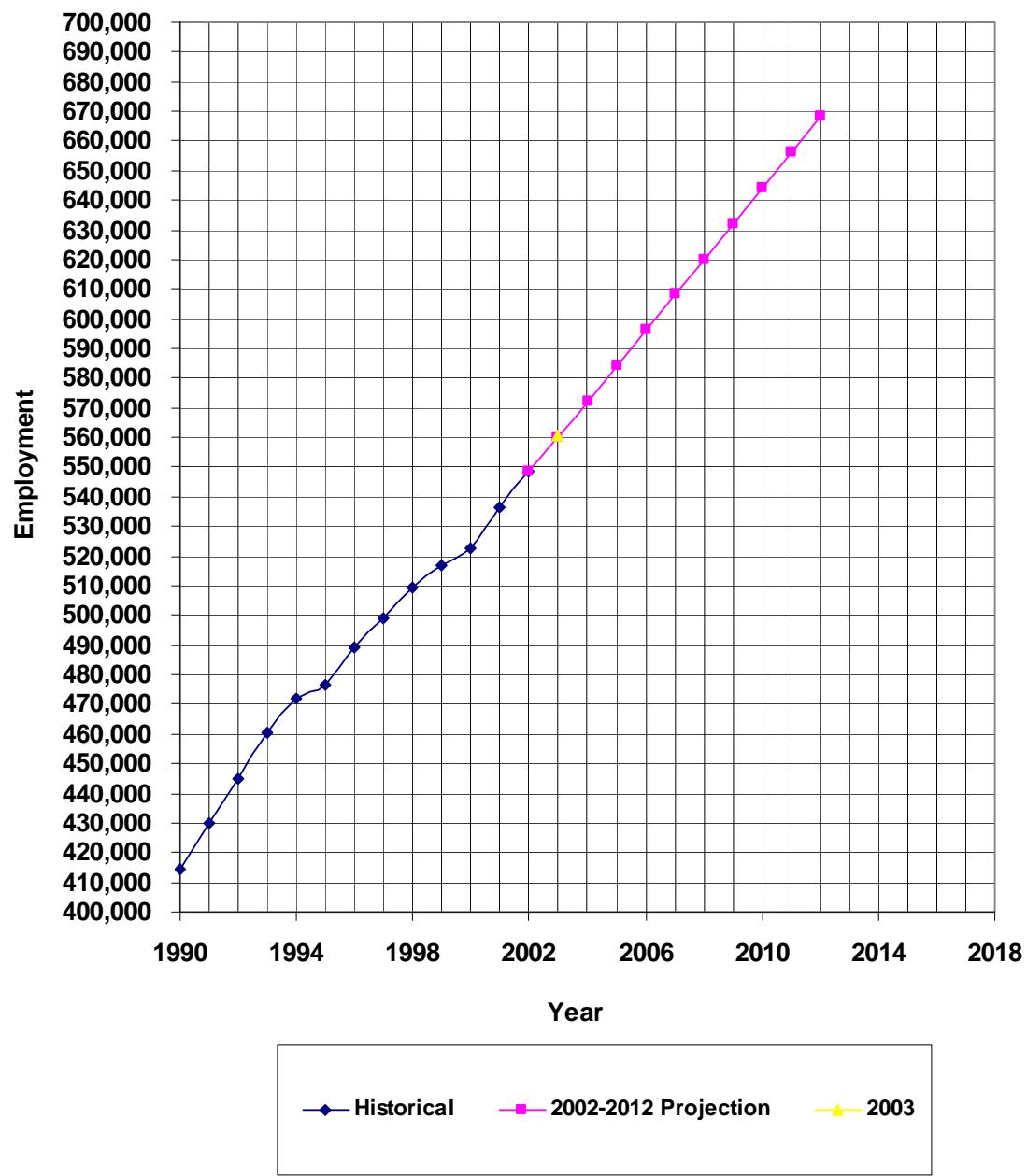
**Financial Activities  
Super Sector F (Naics 52,53)**



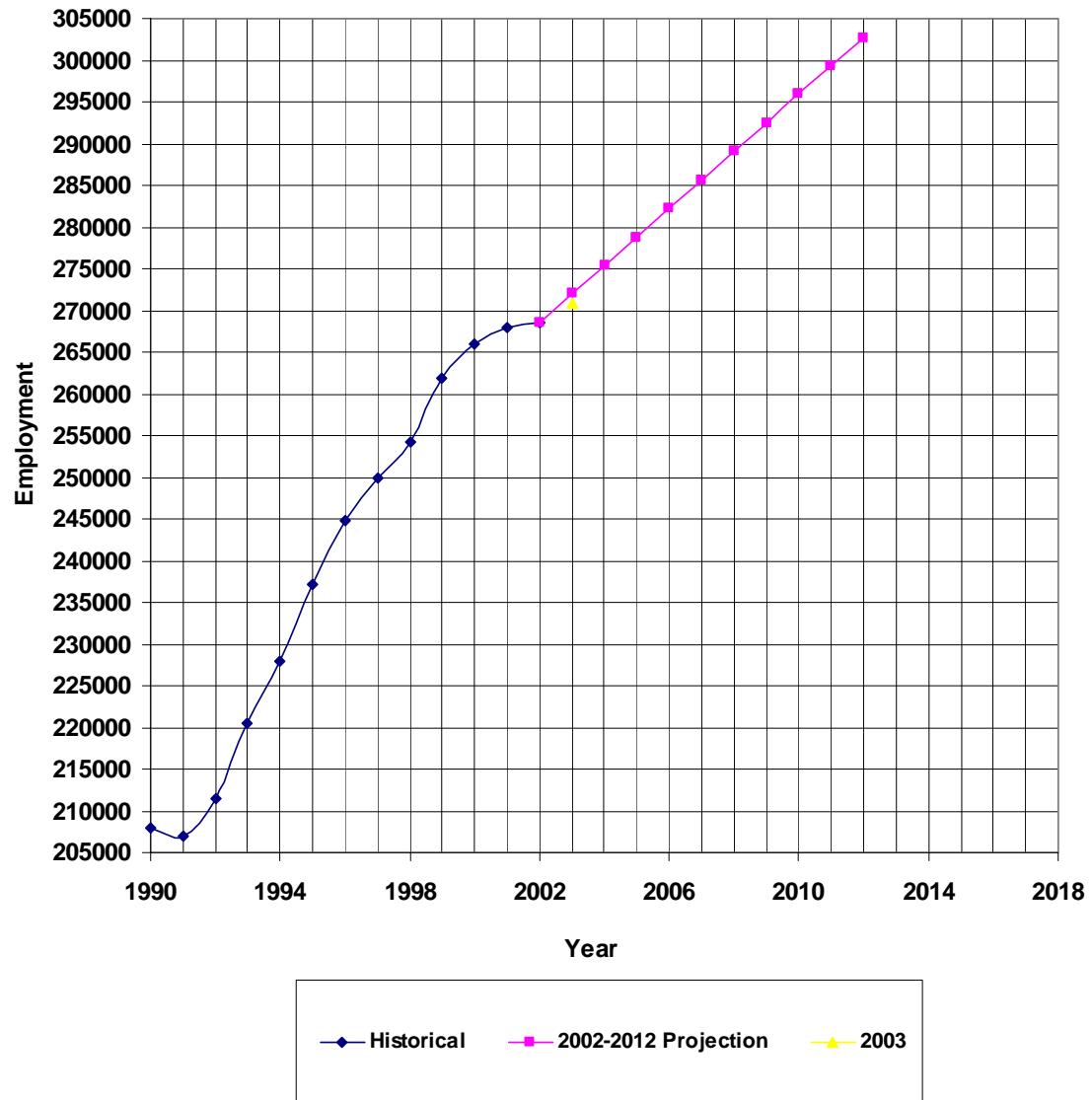
**Professional and Business Services  
Super Sector G (Naics 54,55,56)**



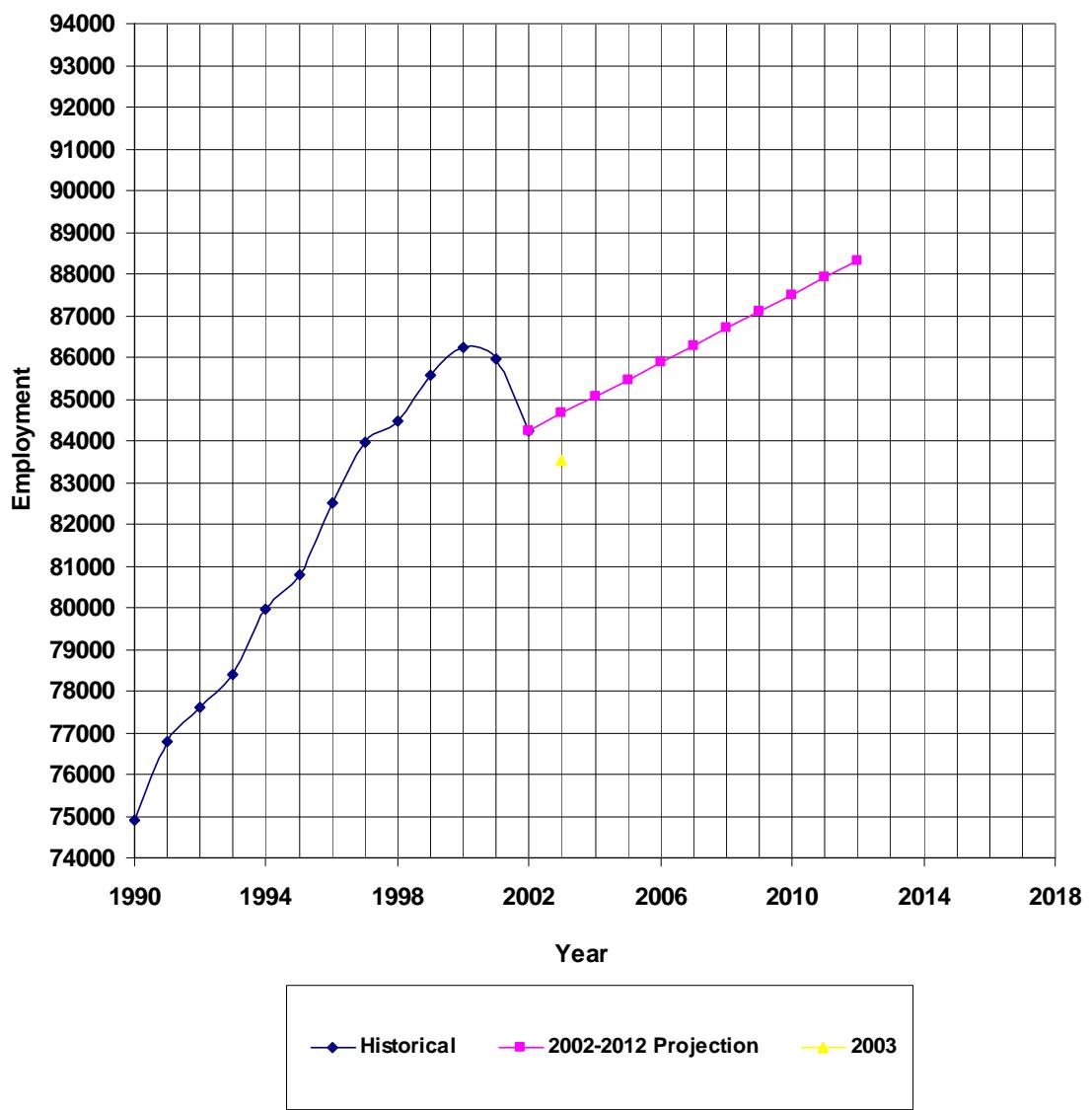
### Educational and Health Services Super Sector H (Naics 61,62)



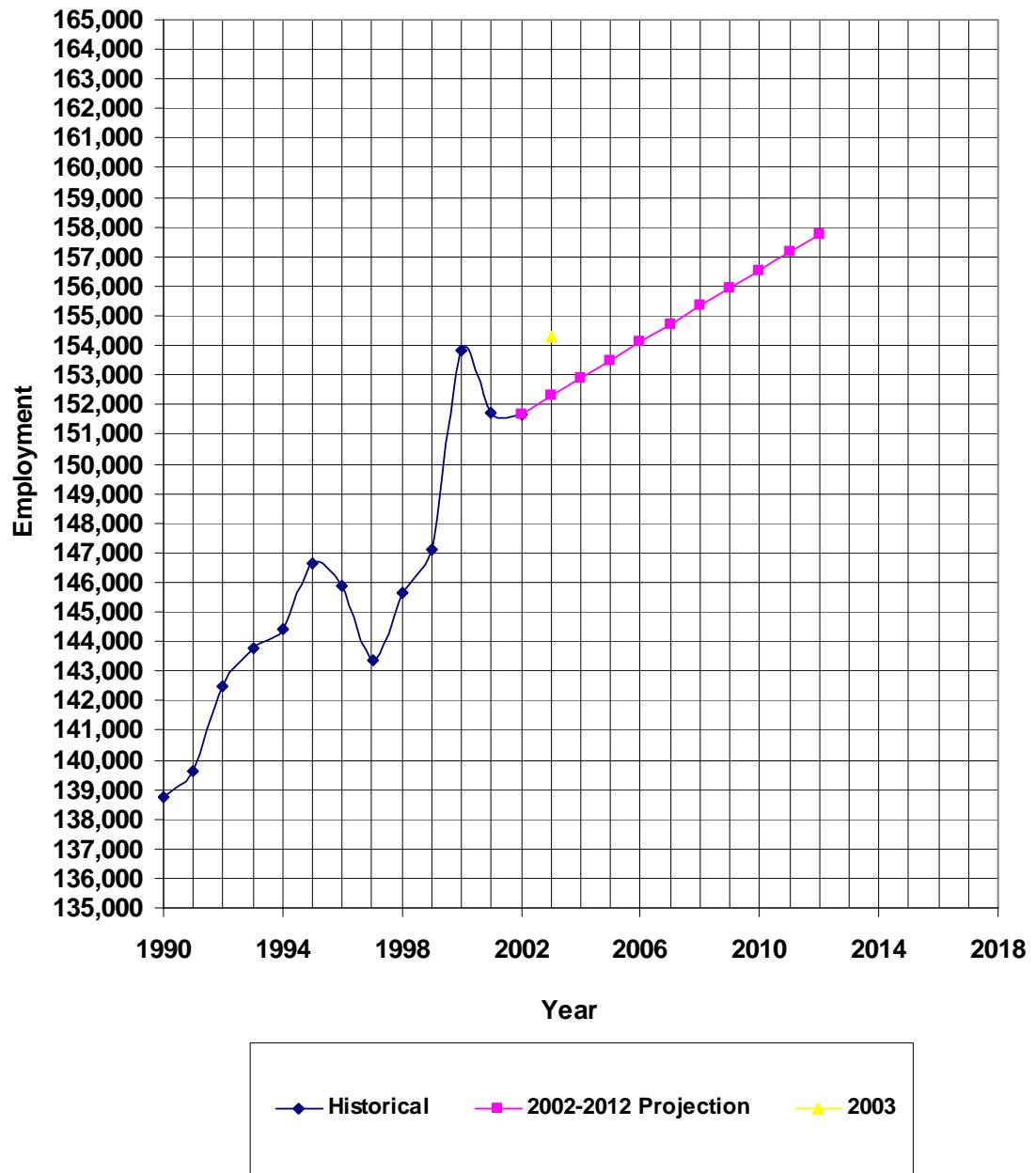
**Leisure and Hospitality  
Super Sector I (Naics 71,72)**



**Other Services  
Super Sector J (Naics 81)**



### Government(Own 3,2,&1)



<b>Occupational Code</b>	<b>Occupational Title</b>	<b>2002</b>	<b>2012</b>	<b>Total Growth</b>	<b>Growth Rate</b>	<b>Total Openings</b>	<b>Average Annual Wage</b>
00-0000	Total, All Occupations	3,015,262	3,268,507	253,245	8.4%	985,827	\$33,025
29-1067	Surgeons	2,357	2,959	602	25.5%	917	\$186,604
29-1062	Family and General Practitioners	3,591	4,361	770	21.4%	1,250	\$150,048
11-1011	Chief Executives	8,332	8,866	534	6.4%	2,106	\$135,884
11-2022	Sales Managers General and Operations Managers	5,154	6,158	1,004	19.5%	1,955	\$84,331
11-1021		35,286	39,065	3,779	10.7%	10,434	\$81,468
23-1011	Lawyers	6,946	8,177	1,231	17.7%	2,124	\$81,128
29-1051	Pharmacists	5,518	6,711	1,193	21.6%	2,263	\$78,859
11-3031	Financial Managers	7,408	8,069	661	8.9%	1,723	\$78,432
25-1071	Health Specialties Teachers, Postsecondary	1,649	2,283	634	38.4%	1,006	\$76,387
11-3021	Computer and Information Systems Managers Education Administrators, Elementary and Secondary School	4,555	5,732	1,177	25.8%	2,004	\$76,057
11-9032		3,746	4,524	778	20.8%	1,708	\$73,205
13-1111	Management Analysts Postsecondary Teachers, All Other	8,336	9,570	1,234	14.8%	2,374	\$68,462
25-1199		4,245	5,812	1,567	36.9%	2,526	\$68,024
15-1031	Computer Software Engineers, Applications	4,078	5,153	1,075	26.4%	1,478	\$67,696
15-1099	Computer Specialists, All Other	2,680	3,371	691	25.8%	994	\$62,726
15-1032	Computer Software Engineers, Systems Software Medical and Health Services Managers	3,041	4,028	987	32.5%	1,288	\$62,380
11-9111		5,806	7,438	1,632	28.1%	2,764	\$62,244
41-4011	Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products Business Teachers, Postsecondary	8,752	9,652	900	10.3%	3,198	\$62,194
25-1011		1,654	2,326	672	40.6%	1,045	\$61,703
17-2112	Industrial Engineers	5,864	6,581	717	12.2%	2,136	\$60,910
29-1123	Physical Therapists	2,860	3,528	668	23.4%	950	\$60,326
15-1051	Computer Systems Analysts	8,195	10,376	2,181	26.6%	3,108	\$59,296
15-1081	Network Systems and Data Communications Analysts	1,938	2,687	749	38.6%	977	\$54,357
13-2011	Accountants and Auditors	18,641	20,770	2,129	11.4%	5,648	\$53,416
29-2021	Dental Hygienists	3,491	5,055	1,564	44.8%	1,862	\$52,410
29-1122	Occupational Therapists	1,896	2,417	521	27.5%	777	\$52,255
15-1071	Network and Computer Systems Administrators	3,955	4,909	954	24.1%	1,393	\$50,989

	First-Line Supervisors/Managers of Construction Trades and Extraction Workers	15,670	17,086	1,416	9.0%	4,081	\$49,801
47-1011	Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	29,374	32,502	3,128	10.6%	10,841	\$49,131
13-2072	Loan Officers	4,518	5,283	765	16.9%	1,491	\$48,925

	First-Line Supervisors/Managers of Mechanics, Installers, and Repairers	13,167	14,362	1,195	9.1%	4,494	\$48,625
25-1121	Art, Drama, and Music Teachers, Postsecondary	1,195	1,695	500	41.8%	770	\$48,618
47-2152	Plumbers, Pipefitters, and Steamfitters	12,906	13,627	721	5.6%	3,689	\$48,528
13-1199	Business Operations Specialists, All Other	20,477	25,170	4,693	22.9%	8,179	\$48,292
13-1071	Employment, Recruitment, and Placement Specialists	3,408	4,122	714	21.0%	1,236	\$48,217
47-2111	Electricians	17,493	19,324	1,831	10.5%	5,290	\$47,775
25-1081	Education Teachers, Postsecondary	1,355	1,900	545	40.2%	851	\$47,034
51-1011	First-Line Supervisors/Managers of Production and Operating Workers	26,480	28,618	2,138	8.1%	7,690	\$46,741
29-1111	Registered Nurses	47,593	59,335	11,742	24.7%	21,700	\$46,242
25-2043	Special Education Teachers, Secondary School	1,734	2,251	517	29.8%	930	\$44,216
25-2031	Secondary School Teachers, Except Special and Vocational Education	17,327	20,609	3,282	18.9%	8,158	\$43,667
25-2022	Middle School Teachers, Except Special and Vocational Education	10,544	11,590	1,046	9.9%	3,373	\$43,546
49-9041	Industrial Machinery Mechanics	6,784	7,400	616	9.1%	1,983	\$43,211
25-2021	Elementary School Teachers, Except Special Education	26,415	30,541	4,126	15.6%	9,956	\$43,140
21-1012	Educational, Vocational, and School Counselors	3,613	4,162	549	15.2%	1,374	\$42,845
41-9099	Sales and Related Workers, All Other	7,460	8,535	1,075	14.4%	2,495	\$42,640
47-2073	Operating Engineers and Other Construction Equipment Operators	8,526	9,108	582	6.8%	2,774	\$42,423
29-2011	Medical and Clinical Laboratory Technologists	3,350	4,065	715	21.3%	1,618	\$42,233
25-2041	Special Education Teachers, Preschool, Kindergarten, and Elementary School	3,080	4,009	929	30.2%	1,663	\$41,794
13-1073	Training and Development Specialists	3,732	4,453	721	19.3%	1,293	\$41,758
25-2012	Kindergarten Teachers, Except Special Education	2,731	3,430	699	25.6%	1,024	\$41,177
29-1126	Respiratory Therapists	2,949	3,860	911	30.9%	1,880	\$40,699
25-1194	Vocational Education Teachers, Postsecondary	1,453	2,007	554	38.1%	882	\$40,348

11-9151	Social and Community Service Managers	2,259	2,789	530	23.5%	963	\$40,127
29-2034	Radiologic Technologists and Technicians	4,021	4,885	864	21.5%	1,615	\$39,747
43-5061	Production, Planning, and Expediting Clerks	8,547	9,054	507	5.9%	2,576	\$38,585
27-3031	Public Relations Specialists	3,233	3,967	734	22.7%	1,198	\$37,964

49-9021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers	6,199	7,246	1,047	16.9%	1,870	\$37,699
33-3051	Police and Sheriff's Patrol Officers	10,345	12,356	2,011	19.4%	4,688	\$37,690
47-2031	Carpenters	26,928	28,159	1,231	4.6%	5,614	\$36,927
15-1041	Computer Support Specialists	7,510	8,871	1,361	18.1%	2,285	\$36,676
49-3031	Bus and Truck Mechanics and Diesel Engine Specialists	7,826	8,513	687	8.8%	2,700	\$36,386
23-2011	Paralegals and Legal Assistants	2,656	3,436	780	29.4%	993	\$36,050

53-3032	Truck Drivers, Heavy and Tractor-Trailer	52,292	59,376	7,084	13.5%	15,624	\$35,382
41-1011	First-Line Supervisors/Managers of Retail Sales Workers	37,110	37,855	745	2.0%	7,412	\$35,342
33-2011	Fire Fighters	4,847	5,624	777	16.0%	2,183	\$34,693
51-9199	Production Workers, All Other	12,528	13,423	895	7.1%	3,884	\$34,577
29-2055	Surgical Technologists	2,149	2,853	704	32.8%	984	\$34,546
19-4099	Life, Physical, and Social Science Technicians, All Other	2,877	3,632	755	26.2%	1,432	\$34,248
47-2051	Cement Masons and Concrete Finishers	4,611	5,474	863	18.7%	1,791	\$34,086
29-2061	Licensed Practical and Licensed Vocational Nurses	18,393	20,791	2,398	13.0%	6,408	\$33,294

## High Wage Occupations Growing Slower Than Nation

Occupational Code	Occupational Title	2002	2012	Total Growth	Growth Rate	Total Openings	Average Annual Wage
15-1031	Computer Software Engineers, Applications	4,078	5,153	1,075	26.4%	1,480	\$67,696
15-1032	Computer Software Engineers, Systems Software	3,041	4,028	987	32.5%	1,290	\$62,380
15-1051	Computer Systems Analysts	8,195	10,376	2,181	26.6%	3,110	\$59,296
15-1061	Database Administrators	1,686	2,155	469	27.8%	640	\$50,023
15-1071	Network and Computer Systems Administrators	3,955	4,909	954	24.1%	1,390	\$50,989

	Network Systems and Data Communications Analysts	1,938	2,687	749	38.6%	980	\$54,357
15-1081	Computer Specialists, All Other	2,680	3,371	691	25.8%	990	\$62,726
15-1099	Environmental Engineers	1,116	1,448	332	29.7%	520	\$55,277
17-2081	Environmental Science and Protection Technicians, Including Health	710	954	244	34.4%	410	\$34,481
19-4091	Physician Assistants	696	1,022	326	46.8%	430	\$61,380
29-1071	Occupational Therapist Assistants	456	570	114	25.0%	170	\$35,519
31-2011	Physical Therapist Assistants	1,379	1,826	447	32.4%	680	\$38,536
31-2021							

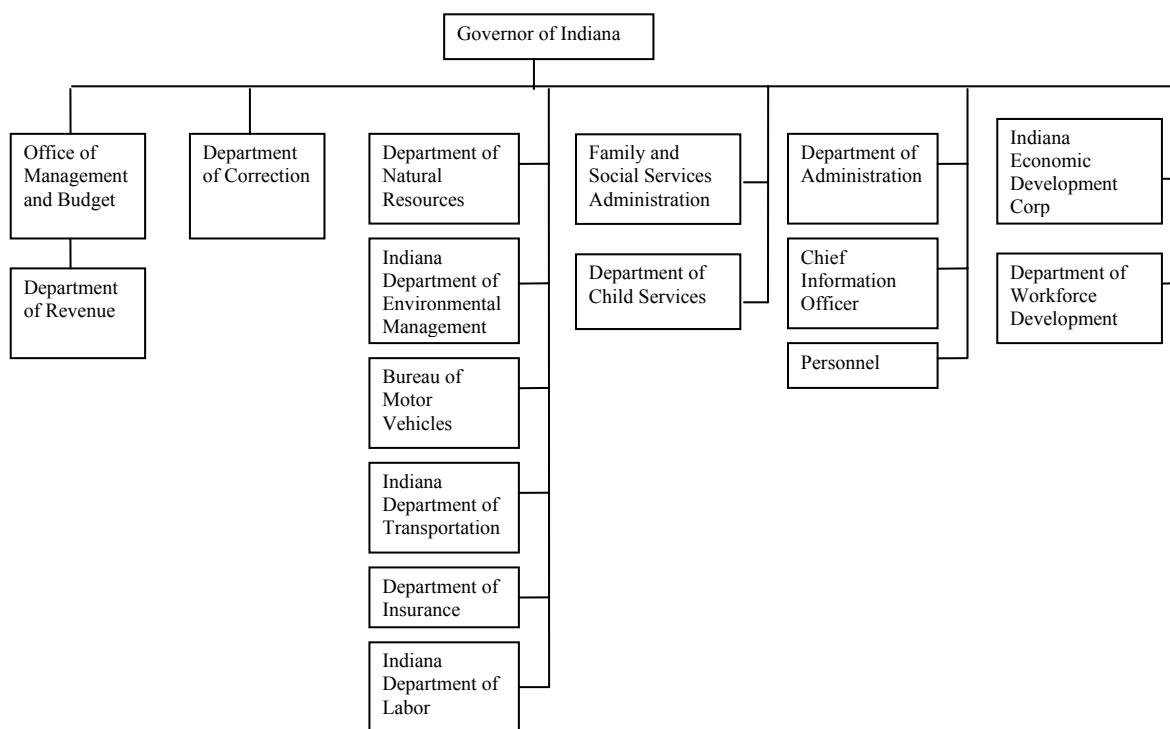
## High Wage Occupations Growing Faster Than Nation

<b>Occupational Code</b>	<b>Occupational Title</b>	<b>2002</b>	<b>2012</b>	<b>Total Growth</b>	<b>Growth Rate</b>	<b>Total Openings</b>	<b>Average Annual Wage</b>
11-9032	Education Administrators, Elementary and Secondary School	3,746	4,524	778	20.8%	1,710	\$73,205
17-2112	Industrial Engineers	5,864	6,581	717	12.2%	2,140	\$60,910
21-1012	Educational, Vocational, and School Counselors	3,613	4,162	549	15.2%	1,370	\$42,845
23-1011	Lawyers	6,946	8,177	1,231	17.7%	2,120	\$81,128
23-2011	Paralegals and Legal Assistants	2,656	3,436	780	29.4%	990	\$36,050
25-2021	Elementary School Teachers, Except Special Education	26,415	30,541	4,126	15.6%	9,960	\$43,140
25-2022	Middle School Teachers, Except Special and Vocational Education	10,544	11,590	1,046	9.9%	3,370	\$43,546
25-2031	Secondary School Teachers, Except Special and Vocational Education	17,327	20,609	3,282	18.9%	8,160	\$43,667
29-2011	Medical and Clinical Laboratory Technologists	3,350	4,065	715	21.3%	1,620	\$42,233
29-2021	Dental Hygienists	3,491	5,055	1,564	44.8%	1,860	\$52,410
29-2055	Surgical Technologists	2,149	2,853	704	32.8%	980	\$34,546
49-9041	Industrial Machinery Mechanics	6,784	7,400	616	9.1%	1,980	\$43,211

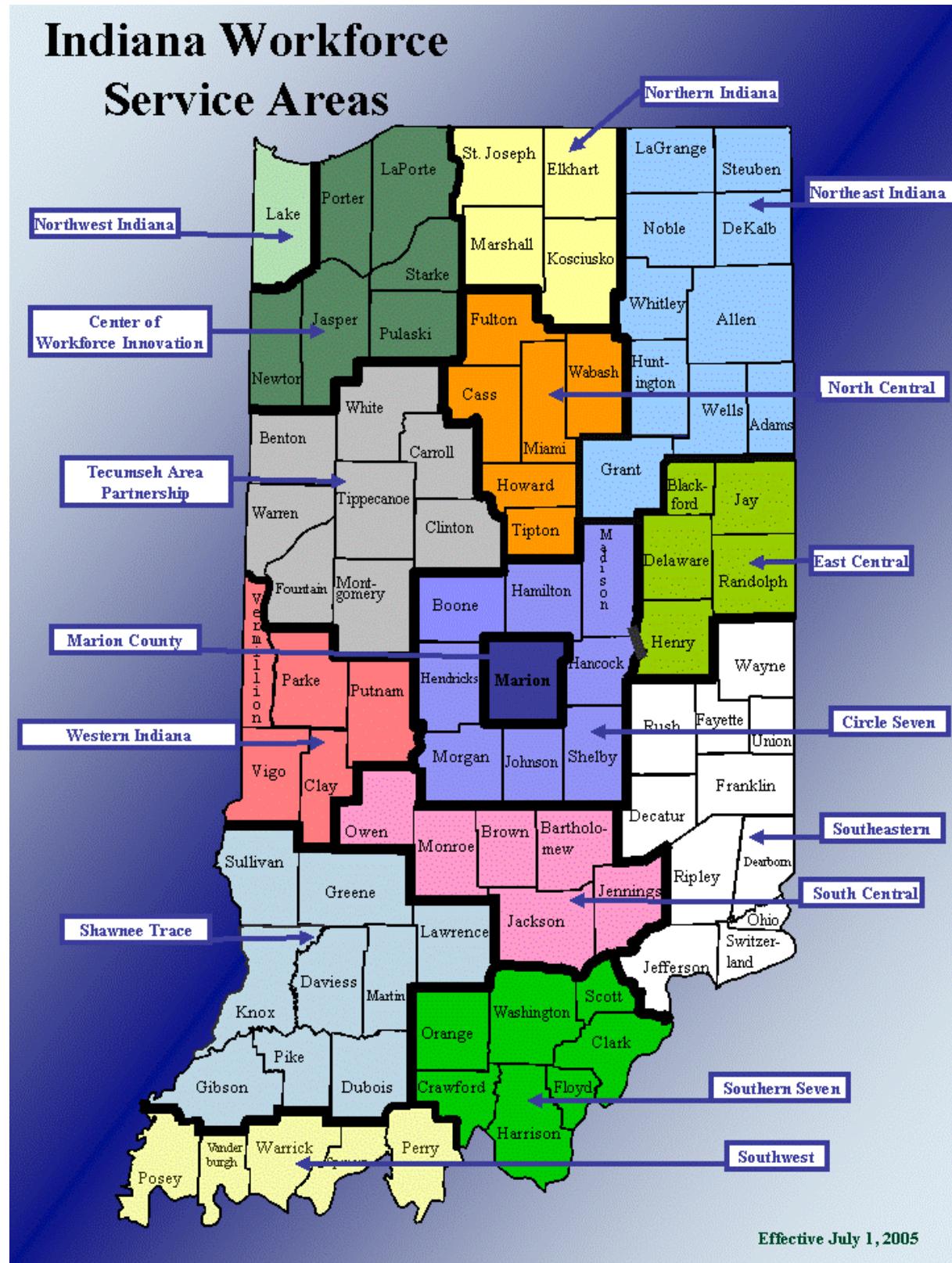
## Declining Occupations With Higher Wages Than State Average

<b>Occupational Code</b>	<b>Occupational Title</b>	<b>2002</b>	<b>2012</b>	<b>Total Growth</b>	<b>Average Annual Wage</b>
41-9022	Real Estate Sales Agents Door-To-Door Sales Workers, News and Street Vendors, and Related Workers	8,430	8,067	-363	\$33,976
41-9091	Postal Service Mail Sorters, Processors, and Processing Machine Operators	2,464	2,003	-461	\$37,046
43-5053	Telecommunications Equipment Installers and Repairers, Except Line Installers	3,901	3,459	-442	\$37,425
49-2022	Engine and Other Machine Assemblers	3,866	3,541	-325	\$44,494
51-2031	Rolling Machine Setters, Operators, and Tenders, Metal and Plastic Lathe and Turning Machine Tool Setters, Operators, and Tenders, Metal and Plastic	2,849	2,598	-251	\$41,180
51-4023	Machinists	2,988	2,640	-348	\$34,529
51-4034	Metal-Refining Furnace Operators and Tenders	4,977	4,681	-296	\$34,779
51-4041	Pourers and Casters, Metal	13,602	13,401	-201	\$34,942
51-4051	Foundry Mold and Coremakers	1,821	1,560	-261	\$38,055
51-4052	Tool and Die Makers	1,466	1,231	-235	\$35,470
51-4071	Tool Grinders, Filers, and Sharpeners	2,202	1,927	-275	\$35,447
51-4111	Tool Grinders, Filers, and Sharpeners	7,185	6,480	-705	\$45,656
51-4194		1,371	1,132	-239	\$35,592

***Attachment E – Indiana State Agencies in Relation to the Governor***



*Attachment F – Indiana Regional Maps*



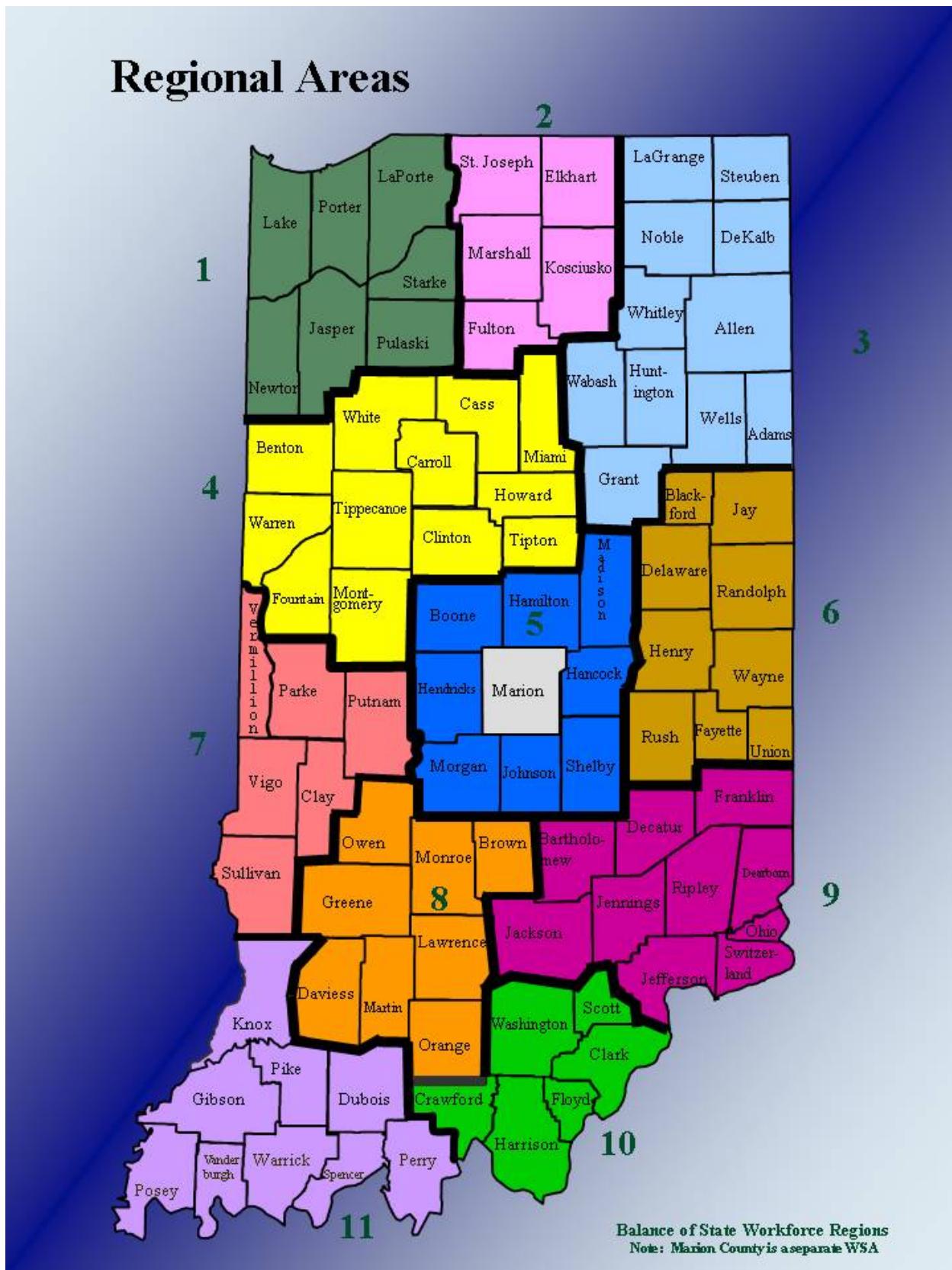
# Workforce Service Areas

- WSA - Balance of State
- WSA - Marion County
- Regions Outlined in Bold Grey Lines.



Two Workforce Service Area

# Regional Areas



**Attachment G - Waivers**

**APPROVED By U. S. Dept. of Labor on November 28, 2005**  
**Waiver Request 1(b) – Two-WSA Designation**  
**State of Indiana**  
**Program Year 2005**

**Identify the statutory or regulatory requirements that are requested to be waived and the goals that the state intends to achieve as a result of the waiver.**

As described in Indiana's state plan modification, we intend to be a two-workforce service area State under Title I of WIA beginning July 1, 2006. As such, Indiana requests a waiver to 20 CFR Part 661.300(f) of the Regulations. This provision allows states that operate as a single local workforce investment area to use the state workforce investment board to carry out the requirements of the local workforce investment board. While Indiana is not a single workforce service area, the balance of state workforce service area is comprised of 91 of the 92 counties in Indiana, the vast majority of Indiana's population, and represents the entire state's employment and demographics. The two workforce service areas will be defined as (1) Marion County and (2) the balance of state. Within the balance of state area, regions will maintain regional control and authority under the direction of the Indiana Workforce Investment Board.

In support of its request, the state indicates that a waiver will enable the state to implement a governance structure that is responsive to the unique characteristics of Indiana's labor market. The state further indicates that a waiver will enable it to accomplish its goal of streamlining administration of services, eliminating duplication, and increasing efficiency in its workforce investment system, leading to improved services to Hoosiers, personal income growth, and job and employment growth.

For the purpose of explanation, the board for the balance of state will be referred to as the Indiana Workforce Investment Board (IWIB). The board for the entire state will be referred to as the State Human Resource Investment Council (SHRIC). It should be noted these are the same entity for the purpose of implementation.

For the purposes of administration of WIA programs, the balance of state local area is similar to a single statewide local area for the following reasons:

- The balance of state area contains 87% of the state's population.
- The balance of state area is comprised of 91 of the 92 counties within Indiana. Thus the boundaries of the balance of state area is almost the same as the area for the entire state.

The balance of state area represents many of the characteristics of Indiana:

- Small, medium and large-sized cities and towns under the population of 250,000;
- The majority of Indiana's industries, which is comprised of small and medium sized firms;

- A large portion of the land mass used for agriculture; and
- Most of the state's secondary and post-secondary institutions.
- The SHRIC meets all federal and state composition requirements. As of July 1, 2006 the composition will include local workforce investment board requirements as well. Thus allowing it to function as both the state board and the local workforce investment board for the balance of state.
  - There will be bylaws and conflict of interest policies for both the SHRIC and the IWIB.
  - State board business meetings will include both SHRIC and IWIB agenda items.
  - IWIB will have a youth council that meets the requirements set forth in the Workforce Investment Act.

**Describe the actions that the State has undertaken to remove State statutory or regulatory barriers.**

No state statutory or regulatory barriers exist at this time.

**Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.**

Indiana's workforce development system goals are:

- Increasing jobs and employment
- Growing personal income
- Delivering premier customer service

Indiana is setting into place an aggressive agenda to improve upon the current workforce development system. The corner stone of the agenda is for Indiana to become a two-workforce service area state. Granting this waiver will permit Indiana to more rapidly and effectively introduce change in a controlled environment. Indiana is taking aggressive steps to revamp the workforce development system in order to:

- Align the system with the current and future needs of employees and employers.
- Prepare the system for the Workforce Investment Act reauthorization.
- Build more prestigious, accountable, flexible, and regionally driven workforce boards.
- Maximize return on investment by aligning funds with regional economic and workforce development needs.
- Integrate service delivery at both the state and regional levels to provide better customer service.
- Build regional capacity in which the workforce development system is closely aligned with industry, economic development and education.
- Instill demand-side strategies for the delivery of workforce services.

**Describe the individuals impacted by the waiver.**

All individuals connected to Indiana's workforce development system will be positively impacted by the waiver. It is our intent to provide the most efficient and effective structure for workforce and economic development. Service provision will be more closely coordinated to the extent clients will not be aware of funding sources. In this way services can be provided in innovative yet functional manners to better meet the needs of clients. More funding will be available for direct client services as the regional areas will be expanded into more efficiently run workforce areas.

This waiver allows Indiana to establish smaller and more efficient business led boards under the leadership of the IWIB. These smaller boards will provide a structure in which business more actively leads workforce development changes. This will result in improved service and engagement of the economic development and education communities.

**Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.**

The State will be closely monitoring all aspects of Indiana's transition to a more vibrant and innovative workforce development system. Specifically, we will be monitoring to ensure strong leadership is provided and regional areas are operating effectively. We will ensure compliance with all appropriate laws and regulations. We will track progress in the quality and quantity of our services especially those related to federal performance.

Indiana will introduce and implement concepts that allow for smaller yet stronger regional leadership, increased competitive opportunities for service provision, decreased opportunities for actual or potential conflicts of interest, increased accountability to our customers, and much more.

All individuals in the State, including chief elected officials, business, labor, citizens, and regional boards have been afforded the opportunity to comment on Indiana's new direction. The waiver request, as part of the State Plan, will be forwarded for public review and comment. Additionally, the Commissioner continues to speak with elected officials, local boards, and interested parties concerning Indiana's new direction.

**NOT APPROVED By U. S. Dept. of Labor on July 7, 2005**  
**Waiver Request 2 - Mandatory Youth Councils**  
**State of Indiana**  
**Effective Program Year 2006**

**Identify the statutory or regulatory requirements that are requested to be waived and the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver.**

Indiana is requesting a waiver for Section 117(h) of the Workforce Investment Act and 20 CFR 661.335 and 661.340 – the Youth Council, and its membership composition, responsibilities and relationship with the local board.

Currently, the Youth Council is a required sub-committee of the Workforce Investment Board. WIA also requires specific types of members to be on the Youth Council, its relationship to the local board, and the responsibilities of the Youth Council. Approval of the waiver will assist Indiana achieve its workforce development goals: increasing employment, increasing personal income, and providing great customer satisfaction. This would be accomplished by having each local area determine if a Youth Council is needed. Additionally, if a local area determines a Youth Council is needed, the composition and responsibilities of the Youth Council would be determined at the regional level. DWD assures that the needs of youth would be met.

In requesting this waiver, Indiana is by no means deemphasizing the importance of youth services and the necessity of youth advocates in local areas. Rather, through this waiver, we are increasing local authority and decreasing bureaucracy by permitting local areas to determine how best to meet the needs of youth. Local authority would be increased and bureaucracy decreased with the membership and responsibilities of a Youth Council determined locally.

**Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.**

The requirement for a local youth council is contained in state law. Indiana will be taking steps to remove this requirement prior to program year 2006.

**Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.**

- To increase the quality of youth services provided by focusing more on services and less on processes.
- To encourage innovative and replicable youth service design and implementation.
- To promote a greater variety of entities serving as youth advocates and youth program providers.

## **Program Outcomes**

Through this waiver, the State is increasing its emphasis to provide high quality youth services and help implement Department of Labor's new strategic vision on youth services to out-of-school and the neediest youth. The local level will have greater flexibility in determining how information on the needs of youth is provided and how services to youth are designed and provided.

### **Describe the individuals impacted by the waiver.**

- Out-of-school and the neediest youth will be provided higher quality services.
- The local boards will have a stronger role in determining how information on youth will be provided to them.
- A greater variety of youth advocates, entities, and service providers will become involved in the workforce development system.

### **Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.**

The State will be closely monitoring all aspects of Indiana's transition to a more vibrant and innovative workforce development system. Specifically, we will be monitoring ourselves to ensure strong leadership is provided and local areas are operating in accordance with that leadership. We plan to introduce and implement concepts that allow for smaller yet stronger local leadership, increase competitive opportunities for service provision, decrease opportunities for actual or potential conflicts of interest, increase accountability to our customers, and much more.

All individuals in the State, including chief elected officials, business, labor, citizens, and local boards will be afforded the opportunity to comment upon Indiana's new direction. The State Plan, including waiver requests, will be forwarded for public review and comment.

Additionally, the Commissioner will be speaking with chief elected officials and local boards concerning Indiana's new direction prior to the release of the State Plan.

**APPROVED By U. S. Department of Labor on July 7, 2005**  
**Waiver Request 3 - Allow Youth to Use Individual Training Accounts**  
**State of Indiana**  
**Effective Program Year 2005**

**Identify the statutory or regulatory requirements that are requested to be waived and the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver.**

Indiana is requesting a waiver for Section 123 of the Workforce Investment Act (WIA) and 20 CFR 664.510 – the competitive selection of youth providers and to allow Individual Training Accounts (ITA) for older and out-of-school youth. This would allow the selection of training providers for youth from the eligible training provider (ETP) list.

We were granted this waiver in May 2000 and are requesting an extension. This waiver allows, but does not mandate, youth the flexibility of utilizing ITAs.

The Department of Labor (DOL) has issued a new strategic vision on the delivery of youth services under WIA. DOL emphasizes that youth services be demand-driven, and that WIA services prepare youth most at-risk and the neediest youth for real job opportunities. Approval of this waiver will assist Indiana achieve our goals and assist us in implementing DOL's new strategic vision for youth. It also allows us to reduce much of the administrative costs of procuring training providers for youth.

This waiver would allow older (aged 19-21) and out-of-school youth to select training institutions and courses through the statewide eligible training system called "Education and Training Choices." Indiana believes that older youth and out-of-school youth would benefit from the services provided by these certified training providers. Allowing youth to use ITAs streamlines services, increases customer choice, and increases local flexibility.

Indiana is committed to ensuring that the appropriate youth services are provided in the ten required program elements. To this end, local areas are monitored by the State to ensure all ten program elements have been made available. Monitoring includes compliance with federal and state policy and guidance, and local policy.

Once approval of this waiver is granted, the Department of Workforce Development will revise its current policy on ITAs to include older and out-of-school youth. The policy currently addresses the use of ITAs for WIA training funds. The policy indicates mandatory items to be included in local policy, including what the ITA covers in addition to tuition, duration, and disbursement of funds; limited exceptions to the use of ITAs; consumer choice; and coordination with other funding sources, including Pell Grants.

**Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.**

There are no State or local statutory or regulatory barriers.

**Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.**

- To improve youth services through increased customer choice in accessing training opportunities in demand occupations.
- To increase the number of training providers for older and out-of-school youth.
- To provide local boards more flexibility in securing training service providers.
- To promote better utilization of training service providers in rural areas.
- To eliminate duplicate processes for securing training service providers.

**Programmatic Outcomes**

The numbers of training providers in local areas will increase. Training services for youth will be available in a faster and more efficient manner. Many local areas find it difficult to secure training providers willing to competitively bid to provide training to older and out-of-school youth. When local areas are required to competitively procure training services, the time period for matching training providers to youth who are in need is lengthened considerably. By allowing local boards to purchase training services to older and out-of-school youth from the Eligible Training Provider system, youth will be able to access training services more quickly. Additionally, youth will be able to choose the training provider they prefer.

**Describe the individuals impacted by the waiver.**

- Older and out-of-school youth will benefit because they will be able to select from a list of certified training providers and will receive services more quickly.
- Local areas will benefit because they will not have to direct their resources to costly and time consuming competitive procurements.
- Training providers will benefit because they will not have to follow two separate procedures to provide training for adults and dislocated workers, which require certification, and for older and out-of-school youth, which required competitive bidding.

**Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.**

Once approval of this waiver is granted, the Department of Workforce Development will revise its current policy on ITAs to include older and out-of-school youth. The policy currently addresses the use of ITAs for WIA training funds. The policy indicates mandatory items to be included in local policy, including what the ITA covers in addition to tuition, duration, and disbursement of funds; limited exceptions to the use of ITAs; consumer choice; and coordination with other funding sources, including Pell Grants. Local boards will issue policy on the use of ITAs. DWD will monitor the local boards on the use of ITAs based on federal legislation and regulation, and state and local policy. Progress on the implementation of this waiver will be monitored through reports issued by DWD's monitoring unit, fiscal and programmatic reports, and dialogues with local administrators.

Local boards will be afforded an opportunity to commit on the State Plan and waivers through the public review and comment period.

**NOT APPROVED By U. S. Dept. of Labor on November 28, 2005**  
**Revised Waiver Request 4 - Allow Youth Receiving Free/Reduced School Lunch To Be Low Income**  
**State of Indiana**  
**Effective Program Year 2005**

**Identify the statutory or regulatory requirements that are requested to be waived and the goals that the state intends to achieve as a result of the waiver.**

The State of Indiana is requesting a waiver for Section 101(25) of the Workforce Investment Act and 20 CFR 664.250 – to include youth receiving free/reduced lunches under the National School Lunch Program to be “low income.” We are requesting approval of this waiver to be retroactive to July 1, 2005.

Currently, local programs can not include recipients of free/reduced to be included as “low income” for WIA Title I unless independent verification of low lunch income is verified. It is our contention that students who qualify for free/reduced lunches meet the low income standard and that redocumenting that student is wasteful and delays or prevents eligible youth from participating in WIA. Approving this waiver would lessen documentation requirements and allow more youth to be enrolled into Title I WIA.

Approving this waiver request will not lessen Indiana’s commitment to serving out-of-school and the neediest youth. These youth are targeted under the Department of Labor’s new strategic vision for serving youth. Rather, we are requesting the waiver to increase enrollments and lessen documentation requirements for those youth who are at-risk of dropping out of school but still in-school. If the waiver request is approved, guidance issued by the State will emphasize serving out-of-school youth and youth most in-need, indicating receipt for the free/reduced lunch program would be a category of “low income.”

**Describe the actions that the State has undertaken to remove State statutory or regulatory barriers.**

No state statutory or regulatory barriers exist at this time.

**Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.**

- Documentation requirements would be lessened.
- Youth receiving free/reduced lunches under the National School Lunch Program would automatically be considered as “low income” for Title I WIA, thus increasing youth enrollments.
- Local recruitment efforts would be increased by including youth enrolled in the free/reduced school lunch program.

The State anticipates an increased number of youth would be eligible for Title I Youth services should this waiver request be approved. The segment of youth most likely to increase will be those youth who are most at-risk of dropping out but are currently still in-school. These would

include youth enrolled in alternative education institutions, youth in foster care, youth in the criminal justice system, children of incarcerated parents, and migrant youth. We anticipate increased enrollments since outreach and recruitment efforts would broaden to include these individuals. Also, documentation requirements would be lessened for these same individuals.

**Describe the individuals impacted by the waiver.**

- Youth who are most at-risk of dropping out but are currently still in-school will be positively impacted.
- Businesses will be positively impacted as youth will obtain the skills needed to succeed in the 21<sup>st</sup> century economy.
- Local WIA administrations will be positively impacted. Performance should improve through the positive outcomes earned by the youth participants.

**Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.**

The State will be closely monitoring all aspects of Indiana's transition to a more vibrant and innovative workforce development system. Specifically, we will be monitoring ourselves to ensure strong leadership is provided and local areas are operating in accordance with that leadership. We plan to introduce and implement concepts that allow for smaller yet stronger local leadership, increase competitive opportunities for service provision, decrease opportunities for actual or potential conflicts of interest, increase accountability to our customers, and much more.

All individuals in the State, including chief elected officials, business, labor, citizens, and local boards will be afforded the opportunity to comment upon Indiana's new direction. The State Plan, including waiver requests, will be forwarded for public review and comment. Additionally, the Commissioner will continue speaking with current chief elected officials and local board administrators concerning Indiana's new direction prior to the release of the State Plan.

**APPROVED By U. S. Department of Labor on July 7, 2005**  
**Waiver Request 5 - Time Limit for Initial Eligibility for Eligible Training Provider List**  
**State of Indiana**  
**Effective Program Year 2005**

**Identify the statutory or regulatory requirements that are requested to be waived and the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver.**

Indiana is requesting a waiver for Workforce Investment Act (WIA) Section 122(c)(5) and Regulations 663.530, dealing with the time limit for initial eligibility for the statewide eligible training provider list.

The Indiana Department of Workforce Development (DWD), the state administrative entity for the Workforce Investment Act (WIA), is requesting a waiver to postpone the “Subsequent Eligibility of Training Providers” until July 1, 2007. The reasons for this request are to improve the WIA performance information and the accountability of the training providers for the determination of subsequent eligibility. This postponement will also allow Indiana to enhance and strengthen the overall individual training account and the eligible training provider processes.

Currently, Indiana has approximately 450 different training providers with over 4,000 programs listed on the State eligible training provider list. The list (called “Education & Training Choices” in Indiana) includes the state’s community college system, the state’s university system, private for profit and nonprofit schools and training agencies. The complete list is located at:

<http://www.in.gov/serv/dwd/etc>

Indiana’s experience throughout WIA has been the training providers’ reluctance to collect the necessary data for the eligible training provider list because of the low number of WIA clients enrolled with that provider. These circumstances are especially true with the state university system. Even with the State’s assistance in securing subsequent employment and wage rates for graduates, the cost for collecting and submitting other performance data still outweighs the benefits to be listed on the eligible training provider list.

With a lower number of training providers listed on the eligible training provider list, customer choice will be reduced. This adversely impacts one of the basic principals of WIA – customer choice.

Currently, most of the university system in Indiana is not listed on the eligible training provider list because the cost for collecting and submitting data outweighs the benefits of being included on the eligible training provider list. By not being granted this waiver request, Indiana is certain that many long-standing providers with solid credentials will drop out. Examples of such providers include universities, the state community college system, and other technical schools.

The waiver is written in the format identified in WIA section 189(i)(4)(B) and WIA Regulation 661.420(c).

**Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.**

Indiana has no State or local statutory or regulatory barriers.

**Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.**

- To improve the data collection from potential training providers, thus increasing the customer choice available to trainees.
- To increase the amount of Workforce Investment Act (WIA) performance information from potential training providers, thus increasing the customer choice available to trainees.
- To allow more time to analyze data to set reasonable criteria for “subsequent eligibility”.
- To allow local areas to increase their familiarity with the Individual Training Accounts and Eligible Training Provider systems.

**Programmatic Outcomes**

Indiana’s workforce development system will gain time –

- Time to educate the training provider community in the state on the advantages on becoming part of the statewide eligible training provider list.
- Time for the state to develop reasonable and meaningful criteria for the subsequent eligibility process.
- Time for consumers to better understand the importance of the data provided by training entities.

**Describe the individuals impacted by the waiver.**

The waiver will positively affect all customers (training providers, local WIBs, DWD, and ITA users).

- Training providers initially eligible and on the State List of Eligible Training Providers will have an additional opportunity to establish a WIA performance base before subsequent year determination has to be made.
- Local WIBs will have WIA performance information before having to make subsequent year determinations.
- DWD will have more performance information to determine statewide minimum performance levels for WIA measures.
- ITA users will have a wider selection of training providers for a longer period of time until subsequent eligibility is determined.

**Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.**

The State will be closely monitoring all aspects of Indiana's transition to a more vibrant and innovative workforce development system. Specifically, we will be monitoring ourselves to ensure strong leadership is provided and local areas are operating in accordance with that leadership. We plan to introduce and implement concepts that allow for smaller yet stronger local leadership, increase competitive opportunities for service provision, decrease opportunities for actual or potential conflicts of interest, increase accountability to our customers, and much more.

All individuals in the State, including chief elected officials, business, labor, citizens, and local boards will be afforded the opportunity to comment upon Indiana's new direction. The State Plan, including waiver requests, will be forwarded for public review and comment.

Additionally, the Commissioner will be speaking with current chief elected officials and local board administrators concerning Indiana's new direction prior to the release of the State Plan.

**APPROVED By U. S. Department of Labor on July 7, 2005**  
**Waiver Request 6 - Transfer between Adult and Dislocated Worker Programs**  
**State of Indiana**  
**Effective Program Year 2005**

**Identify the statutory or regulatory requirements that are requested to be waived and the goals that the state intends to achieve as a result of the waiver.**

The State of Indiana is requesting a waiver to Section 133(b)(4) and 20 CFR 661.420(c) – the authority to transfer up to 30 percent of the allocation between the adult and dislocated worker program. We are requesting a waiver to eliminate the 30 percent limitation on transferring funds between adult and dislocated worker programs at WIA Section 133(b)(4).

**Describe the actions that the State has undertaken to remove State statutory or regulatory barriers.**

No state statutory or regulatory barriers exist at this time.

**Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.**

- To improve the ability of local boards to respond to changes within their local areas.
- To increase local control for service delivery.
- To emphasize effective local program management.
- To increase accountability at the state and local area levels.
- To provide greater flexibility to local boards in designing and implementing WIA programs.

**Programmatic Outcomes**

Indiana believes the increased flexibility and control would allow the local boards to better respond to changes within their areas, thus allowing the local boards the ability to most effectively use limited funds. Local boards would be better suited to more quickly respond to changes in the local region, including the needs of business.

**Describe the individuals impacted by the waiver.**

The waiver will benefit local boards, employers, customers, and service providers. As local boards have more flexibility to design programs based on local needs and priorities, program customers will benefit.

**Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.**

The State will be closely monitoring all aspects of Indiana's transition to a more vibrant and innovative workforce development system. Specifically, we will be monitoring ourselves to ensure strong leadership is provided and local areas are operating in accordance with that leadership. We plan to introduce and implement concepts that allow for smaller yet stronger

local leadership, increase competitive opportunities for service provision, decrease opportunities for actual or potential conflicts of interest, increase accountability to our customers, and much more.

All individuals in the State, including chief elected officials, business, labor, citizens, and local boards will be afforded the opportunity to comment upon Indiana's new direction. The State Plan, including waiver requests, will be forwarded for public review and comment.

Additionally, the Commissioner will be speaking with current chief elected officials and local board administrators concerning Indiana's new direction prior to the release of the State Plan.

***Attachment H – DWD Policies***

**These policies can be found on DWD's website at <http://www.in.gov/dwd/>**

1998-60: Change 1: Assessment and Case Management Process  
Dated: February 7, 2000

1998-62: Use and Coordination of Individual Training Accounts (ITAs)  
Dated: May 17, 1999

1998-65: Identifying Eligible Training Providers under WIA  
Dated: May 21, 1999

1999-10: Contracted Training under the WIA  
Dated: September 20, 1999

1999-14: Change 2: Eligibility Policy for Adult, Dislocated Worker and Youth Workforce  
Dated: November 27, 2000

1999-21: Rapid Response Resources for Serving Dislocated Workers under WIA  
Dated: November 5, 1999

2000-32: Assuring Access to Individuals with Disabilities  
Dated: May 1, 2001

2001-11: Guidance for Ensuring Access to Services for Persons with Limited English  
Dated: October 4, 2001

2002-20: Local & Regional Workforce Development Plan Instructions  
Dated: March 28, 2003

2002-34: Sanctions Policy  
Dated: April 11, 2003

2002-40: Subrecipient Monitoring Policy  
Dated April 21, 2003

2002-50: Equal Opportunity Monitoring  
Dated: April 30, 2003

2003-02: Reed Act Grant for Program Year 2003  
Dated: August 8, 2003

2003-18: Minimum Standards for WorkOne Center Information Resource Areas  
Dated: October 15, 2003

- 2003-21: Operating Instructions for Claimant Profiling and Reemployment Services  
Dated: January 6, 2004
- 2003-24: Procurement and Prior Approval Policy for Grantees  
Dated: February 2, 2004
- 2003-37: Separation Policy for Workforce Investment Boards  
Dated: May 21, 2004
- 2004-01 Workforce Investment Act (WIA) Grievance Procedure Policy  
Dated: June 30, 2004
- 2004-05: Nondiscrimination Requirements of WIA  
Dated: June 14, 2004
- 2004-12: Criteria for Local Plan Approval and Plan Modification  
Dated: October 22, 2004
- 2004-16: Sectarian/Religious Activity Policy  
Dated: December 1, 2004
- 2004-19: Establishment of Local Workforce Investment Boards  
Dated March 9, 2005
- 2004-40: PY 2005 WIA Formula Allocations  
Dated: May 13, 2005