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

July 1, 2005 through June 30, 2012

MODIFICATION 6
April 2011

INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

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State Plan Development Process

In accordance with the directives contained in the Department of Labor's Training and Employment Guidance Letters No. 7-08 and 14-08, the Indiana Department of Workforce Development (DWD) has prepared a Modification to Strategic Workforce Investment Plan for the Title I Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act (WP). This Modification covers year five of the Strategic Five-Year State Planning cycle.

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 original plan and the current modifications represent the result of on-going planning efforts that incorporate the Governor's vision for economic and workforce development 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 original Strategic Workforce Investment plan. The plan also incorporated 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 was gained through on-going communication with these entities and through direct input to the planning process.

In August of 2006, the Governor's Strategic Economic Development Plan, entitled, "Accelerating Growth", was published. This comprehensive Economic Development Plan was the result of an extensive planning process that engaged more than 600 individuals from around the State, representing a wide range of stakeholders in the State's economic future. "Accelerating Growth" contains several key "Pro-Talent" initiatives, which focus on the existing, emerging and engaged workforce. DWD incorporated these "Pro-Talent" initiatives in this plan, and implemented several projects that support the Governor's initiatives.

Since the implementation of the original Plan, Indiana has made significant gains in establishing a streamlined and effective statewide governance structure. Indiana's State Workforce Investment Board, formerly called the State Human Resource Investment Council, was constituted under the previous administration and had been dysfunctional for several years prior to Governor Daniels taking office. Governor Daniels 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.

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009 into law, which intended to preserve and create jobs, and promote the nation's economic recovery through spending and tax relief. The Recovery Act provided an additional amount of funds to Indiana's Workforce Investment system, which will be used to support the Governor's directive of using Recovery Act funds both rapidly and carefully to put as many Hoosiers to work, while creating lasting value for the State of Indiana.

On February 19, 2010, Governor Mitch Daniels received letter from Assistant Secretary of Labor, Jane Oates, which contained notification that USDOL-ETA did not intend to renew its waiver request, which since 2006, had allowed the State Workforce Innovation Council, to serve as both Indiana's State Workforce Investment Board and as the local workforce investment board for the balance of state workforce service area. This notification required the State to review its workforce investment governance structure and to modify its State Plan to reflect that the SWIC no longer will serve in both capacities beyond June 30, 2010.

On May 13, 2010, the State Workforce Innovation Council met, reviewed the proposed modification, and unanimously voted to approve its submission to the USDOL-ETA, following a public review and comment period. The proposed modification was published for public review and comment on DWD's website from May 14, 2019 to June 1, 2009. In addition, DWD issued an advisory to the media requesting public review and comment on the modification of the strategic plan. This advisory, which included a link to the text of the plan, was sent to DWD's statewide media distribution list of more than 500 members of the media representing all media markets in the state.

On June 30, 2010, Governor Mitch Daniels received a letter from Assistant Secretary of Labor Jane Oates that requested additional information and clarification to its State Plan modification request. On July 30, 2010, the State submitted an addendum request to the State Plan modification that contained the additional information and clarification requested by Assistant Secretary Oates, and posted the addendum to its website for a public comment period through August 20, 2010. DWD sent an email to chief elected officials, workforce board chairs, and workforce investment partners, including business and labor representatives, requesting that they review the plan and provide comments.

The State received a total of nineteen comments from individuals, including a number chief elected officials, regional workforce board chairpersons, and businesspersons. All of the comments received originated from areas the comprise Regions 1, 2, 3, 4, and 6 within Indiana's balance of state workforce service area. All comments received requested that the current regions be provided with the option to transition from Regional Workforce Boards to Workforce Investment Boards.

On August 17, 2010 and August 20, 2010, the State received email requests from US Department of Labor – Employment and Training Administration staff, requesting additional information and clarification to the addendum that the State provided on July 30, 2010. The emails from the US Department of Labor – Employment and Training Administration directed the State to provide the additional clarification and information by August 25, 2010. The State provided additional clarification to US Department of Labor – Employment and Training Administration on August 25, 2010.

On August 27, 2010, Assistant Secretary Oates sent a letter to Governor Daniels, which requested an additional round of clarifications and information. The clarifications and information requested were approved by the State Workforce Innovation Council at its September 16, 2010 meeting, and were submitted to DOL-ETA on September 27, 2010.

On October 29, 2010, Assistant Secretary Oates sent a letter to Governor Daniels, which approved the modification submitted on September 27, 2010, and requested that Indiana submit an additional modification request to DOL-ETA by December 31, 2010, providing information on the establishment of local workforce areas within the State. Following a review of Indiana's workforce investment governance structure with input from local elected officials throughout the State, at its December 9, 2010 meeting, the State Workforce Innovation Council approved the initial establishment of seven new local areas the State (pending affirmation of the chief elected official for one of the areas), and a reconstitution of the balance-of-state area, now containing four contiguous economic growth regions. At its December 9, 2010, meeting, the SWIC also approved modifications to the State Plan to include information about forming local workforce investment boards and developing local plans. The SWIC directed the Department of Workforce Development to submit the modification request to DOL-ETA following a public review and comment period.

The Department of Workforce Development respectfully submits this modification request to its existing plan for Program Year 2010, and also submits its request for approval of all proposed modifications contained herein.

I State Vision

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

As stated in the previous Strategic Plan, the Governor's economic development goals are encompassed by the following two areas of focus:

- Jobs and Employment Growth
- Personal Income Growth

In the years since the Plan was submitted, the economic downturn occurred, and Indiana, along with other states, experienced a large number job losses affecting nearly all sectors, but primarily based in the manufacturing sector. While efforts to attract new industry and investment, even throughout the economic downturn, have resulted in notable successes, Indiana will continue to aggressively focus intra- and interagency efforts and objectives on these two overarching goals, and must continually strive to leverage all available assets, including those from both public and private sectors, to bolster infrastructure, investment, and talent development.

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 level of 19.8%. Looking into the future, this decline is expected to continue to a level of 16.9% in 2014.

From a growth perspective, the Education and Health Services sector expects to be one of the stronger super-sectors, as its 1990-2014 share growth will have exploded from 17.0% to 20.5%. 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 continue to focus on eight key clusters over the coming years: Advanced Manufacturing; Information Technology; Insurance and Financial Services; Life Sciences; Transportation, Distribution, and Logistics; Motor Sports; Film and Value-added Agriculture. Specific strategies have been and continue to be 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 continue to be investigated and allocated where appropriate and compliant, in order to increase the attractiveness of Indiana as a place to do business. The Indiana General Assembly enacted legislation that began a phased in elimination of the Indiana business inventory tax. By eliminating the business inventory tax, Indiana became very competitive in the logistics marketplace thus enabling companies to invest in Indiana with huge new logistics warehouses while taking advantage of Indiana's natural economic edge: a massive interstate infrastructure to transport goods efficiently. The passage of the Major Moves legislation in 2006 further funded new roads and rehab existing ones.

When breaking down the State's goals to an additional level of detail, the State's strategy views economic development efforts through two lenses: demand-side and supply-side. With the passing of legislation, the former Department of Commerce was 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 ("IEDC") is charged with attracting and retaining the "demand-side" to Indiana's job and personal income equation. In conjunction with the IEDC's efforts, the Indiana Department of Workforce Development continues to bolster the attractiveness of the "supply-side" by instituting a number of new workforce initiatives and strategies. The IEDC works 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.

Over the first four years of this plan, DWD has implemented 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. Through the strategies and reforms, the State's workforce investment system has been able to move nimbly to meet the increased needs of workers affected by the economic downturn. Efforts continue to be aimed at identifying current and future skill gaps within high-wage and high-demand industries. In the forthcoming year, the State will continue to address the needs of those workers most impacted by the economic downturn 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 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.

The infusion of funds made available by the American Recovery and Reinvestment Act will allow the State to bolster these primary, overarching goals. The Governor's direction regarding the use of ARRA funds has been straight-forward: jobs, speed, prudence, and long-term value. The State will use ARRA funds to put Hoosiers to work quickly, using the funds carefully to create assets of lasting value to the State of Indiana.

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 21st century employment.

In order to better leverage resources, save taxpayer dollars, and increase efficiency, the State restructured operations under the Family and Social Services Agency (FSSA). 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.

Finally, to oversee the coordination of ARRA-funded initiatives, the Governor has convened a committee to ensure that all Recovery Act funds spent in Indiana are used effectively. Preference is given to opportunities that create jobs now and leave permanent assets. This group is chaired by Lieutenant Governor Becky Skillman and includes representation from the Governor's Office, the Office of Management and Budget, and the Indiana Economic Development Corporation. DWD works closely with this committee to ensure that workforce investment initiatives are leveraged with other ARRA-funds to ensure the greatest benefit to Hoosier workers impacted by the economic downturn. In addition, the Governor has established a website, www.Invest.IN.gov, to help Hoosiers know how stimulus funds will be distributed in Indiana and what kinds of projects and programs are eligible for the funds.

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, the Indiana Department of Workforce Development, and Indiana General Assembly have directed or introduced several reforms, including:

- The establishment of Skills Enhancement Fund (SEF) and the Technology Enhancement Certification for Hoosiers (TECH) Fund, administered by the IEDC. SEF provides financial assistance to businesses committed to training their workforce. TECH is a reimbursement grant program designed to help companies meet the demands of the new IT economy by increasing the number of certified information technology workers in Indiana.
- 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 expanded 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 21st 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 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 nationally used and renowned program and curriculum that, in partnership with Purdue University, provides rigorous and problem based projects which help to develop engineering students in high school. Another example is the FIRST Robotics competition which provides high school students a venue to use their math and science abilities and to develop their teamwork, creativity, and problem-solving skills while constructing a competitive robot in partnership with industry mentors.
- The Indiana Strategic Skills Initiative discussed below in this plan.
- The General Assembly approved $2 million per year through 2012 to fund "Major Opportunities," a 16-week pre-apprenticeship program which is marketed toward minorities and women and provides job and skill training in the construction industry. Participants will receive classroom instruction and will be matched for on-the-job training. Graduates will receive job placement assistance in construction apprenticeships.
- Expansion of the Jobs for American Graduates (JAG) program discussed below in this plan.
- Continuation of the State-designed Career Advancement Account pilot to support learning and skills attainment for adult low to mid-income incumbent, emerging and dislocated workers. The State will focus these flexible, self-administered training accounts on in-demand, high wage, high skill industries. The CAA pilot includes three flexible components: the first is regionally-driven and administered, the second is tied with the Strategic Skills initiative and supports training in advanced manufacturing, and the third component is a flexible pool of funds for mass layoffs in cases where TAA and WIA funding are not available to workers.
- Continuation of the Workforce Literacy Initiative. DWD has worked with the Indiana Department of Education to leverage Indiana's federal incentive grant to implement a Workforce Literacy Initiative which better prepares dislocated and incumbent workers for successful employment in the 21st century. To date, the Workforce Literacy Initiative has three models underway encompassing ten pilot sites and serving over 2,000 participants. Successful pilots are expected to submit a second round of applications for more funds. Current funding will support these initiatives into 2009.

In addition, the infusion of Recovery Act funds will allow the State to enhance its WorkOne system through strategic partnerships and initiatives designed to provide greater access to education and training services to those individuals most affected by the economic downturn. Some examples of these initiatives include:

- Implementation of robust WIA Summer Youth Employment programs. The State will offer youth employment programs that are designed to provide meaningful work experiences to those Youth most in-need. Youth participants will be provided with work experiences that increase their work readiness skills, and help prepare them for long-term careers in emerging or demand occupations. The State expects that nearly 2,000 Hoosier youth will be employed in these programs during the summers of 2009 and 2010.
- Development of a strategic partnership between the WorkOne system and the State Student Assistance Commission of Indiana. This partnership resulted in the creation of the Workforce Acceleration Grant program, which utilized ARRA adult and dislocated worker funds to provide training to eligible participants that were pursuing accredited associate degrees and pre-baccalaureate certificates in high wage/high demand career fields. This program has already resulted in an additional 5,000 participants becoming enrolled in ARRA-funded training.

- Partnering with employers in high demand or emerging industries, community-based organizations, and training providers to design and implement bridge programs that will provide participants the resources to increase skills and job readiness through training and on-the-job work experiences.

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 recession, 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 continue to be a primary focus of the workforce development efforts for the administration. DWD has taken several steps to drive regional workforce development and to bring the key players together. For example, through the Strategic Skills Initiative, DWD has funded a demand-driven approach to devising and implementing regional solutions. This effort encourages 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.

Indiana's two WIRED initiatives are prime examples of how DWD is bringing together all of the key regional stakeholders to leverage all available assets, and create and implement strategies that focus on workforce, economic development, investment, and infrastructure.

> North Central Indiana (NCI) WIRED Network: Two traditional labor markets, located in North Central Indiana, joined forces to focus on creating a competitive advantage for a larger region facing interrelated challenges and opportunities. Strategies carried out by the NCI Networks were organized around three major regional change efforts: the NCI Entrepreneurial Collaborative, the NCI "Next Practice" Cluster Initiative, and the Maturity Matters Older Worker Initiative.
>
> Goals for the Entrepreneurial Collaborative were to: 1) Make entrepreneurship a vibrant, mainstream part of the region's economic and educational culture; 2) Further develop regional cooperation across multiple jurisdictions in North Central Indiana; 3) Nurture early-state ventures from start-up through survival and success; and 4) Establish networks for peer support and learning for entrepreneurs and for community leaders and policy makers who support them.
>
> Goals of the NCI "Next Practice" Cluster Initiative included: 1) Increased innovation, sales and job growth among NCI firms in the Advanced Manufacturing, Advanced Materials and Agri-business /Food Processing/Technology clusters; and 2) Aligned regional workforce, economic development and education system to support growth in these clusters.
>
> The Maturity Matters Older Worker Initiative focused on: 1) Increasing postsecondary education attainment rates among the region's mature residents, especially low-skilled, mature incumbent workers in declining industries that must keep working during their retirement years; and 2) Preparing businesses in the region for the demographic reality of the aging population and the mature workforce.

The ETA also selected Indiana's Southwest Region as a recipient of a second generation WIRED grant. As a 2nd Generation WIRED region, Southwest Indiana is helping to revitalize the region's economy and empower workers to compete for jobs in today's economy. As part of their project, Southwest Indiana established five major objectives: 1) Collaboration and new governance; 2) Networking; 3) Connectivity; 4) Restructured incentives; and 5) Better information.

DWD strategies that drive regionalization and bring workforce development, economic development and education and training entities to the table include the Indiana Career Advancement Account pilot (discussed above) and the evolution of the Strategic Skills Initiative. Through all of these initiatives, regions have been required to address employment and training needs in those occupations that have been identified as in-demand, high-wage, and high-skill, and are required to partner with education/training and employer stakeholders.

While the State has implemented these and other initiatives to encourage a regionally-driven system, these are largely programmatic and rely upon metrics tied to specific grants and funding streams. DWD intends to bolster these strategies by also incorporating specific performance metrics into the WIB and Regional Workforce Board grants. For example, WIBs and RWBs will be required to include the key workforce, training and economic development entities in their strategic planning, and will also be required to dedicate a higher percentage of their dollars to training resources to meet clearly defined regional goals.

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 farm worker youth, and other youth at risk. This will be accomplished by implementing the Department of Labor's (DOL) strategic vision for the delivery of youth services under the Workforce Investment Act and the American Recovery and Reinvestment Act.

The State's vision for youth emphasizes:

- Providing 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 meaningful work experiences and work 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, postsecondary vocational training, apprenticeships, and enrollment in community and four-year colleges.

Coordination with other state and community resources is critical. An increased emphasis on successful coordination will take place through the work of Indiana's Youth Team. The State Youth Team will assist in setting goals, designing strategies, and overseeing implementation of the strategies for all of Indiana's youth.

In addition to State Youth Team activities, DWD has taken several concrete measures to ensure that the State Workforce Board (SWIC) understands the critical needs of this population and is prepared to support the DOL directive to States regarding the types of services Indiana is expected to provide to Youth.

Jobs for America's Graduates ("JAG"): In 2006, the Governor's office, Indiana Department of Education, and DWD partnered together to launch the JAG program as a pilot in four regional areas with twelve school districts. Local and regional boards across the State sponsor the program by initiating relationships with area schools and fund the program through the WIA Youth allocation. This nationally-recognized program consists of a comprehensive set of services designed to keep young people in school, and include basic skills and job readiness training, counseling, and placement in internships. Since its inception, JAG-Indiana has been a

success, and has now expanded to include thirty two participating schools. The further expansion of the JAG program will continue to be a priority for the State, as it provides at-risk Hoosier youth the opportunity to develop and achieve career goals through a meaningful educational structure.

Following DOL's vision for the implementation of Recovery Act and the Governor's directive that ARRA funds be used as quickly as possible to put as many Hoosiers to work as possible, the State is utilizing its ARRA WIA Youth funds to provide meaningful summer employment opportunities to youth most affected by the economic downturn. The State expects to provide between 2,000 and 2,500 summer employment opportunities through the use of these funds. These work experiences will provide opportunities for young Hoosiers to gain and further develop skills which will help prepare them for long-term, self-sufficient employment.

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 21st 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. DWD recognized that creating a workforce for Indiana's 21st 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 undertook 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 has been delivered. Regional consortia will ultimately determine the true success of this effort.

The Strategic Skills Initiative aimed 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.

The key to the initiative has been 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. The most important outcome of this initiative has been the creation of institutionalized knowledge of the process, findings, and solutions for each Economic Growth Region ("EGR") In this way, SSI did not serve as a one-time effort but rather served as a sustained approach to workforce development in Indiana.

Strategic Skills Initiative – Key Components

The Strategic Skills Initiative (SSI) was 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 was structured around the creation of eleven (11) *Economic Growth Regions* in the State as illustrated to the right. Designated by both the SSI and State Plan teams, these geographic regions were created through quantitative analysis and qualitative evaluation. The teams identified 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 the 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.

In June 2005, the Governor and DWD announced the strategic skills initiative. The initiative was designed to accomplish three primary objectives: identify skill and occupational shortages in high-wage industries, determine the root causes of shortages, and design and implement solutions to address shortages. The initiative was conducted in two phases:

1) Research & Identification (ID) Phase (planning)
2) Solutions Implementation Phase (training)

Each region assembled an SSI planning consortium comprised of RWBs, economic development officials, regional employers, business and industry associations, educational institutions, Chamber members, organized labor, and others deemed appropriate.

Each EGR's consortium was led by a Core Agent, selected by Indiana Workforce Development based on specific criteria. These individuals were 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 worked directly with the fiscal agent for the SSI, Crowe Chizek and Company, LLC.

Regions were provided with extensive data and professional development that included a SSI Data Packet, an SSI How-to-Handbook, and SSI workshops to assist them in the SSI process. Prior to initiating the Research & ID phase, each consortium submitted a completed SSI Application along with the consortium's Research & ID Phase Grant Application.

Upon approval by the SSI team, DWD distributed funds according to the complexity and need for each region during their Research & ID Phase. These monies were provided to subsidize the cost of hiring staff to 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 have provided the consortium with additional insight into their shortages, root causes, and possible solutions.

The consortia submitted three reports during the ID phase:

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

At the conclusion of the Research & ID phase, consortia began implementing their solutions through a combination of local and 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 funded 100% of approved solutions, on a regional basis, for the Solutions & Implementation phase. It is important to note that, during the implementation phase, consortia were 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 were required in order for the consortia to maintain their eligibility to receive continued funding from DWD.

The majority of the solutions focused on the advance manufacturing and healthcare industries. Several regional solutions are cited below:

- The creation of a Biomanufacturing and Training Institute in Region 8 supported the growth of biotech and biomanufacturing jobs in the region.
- A new Orthopedic Skills Center helped build capacity of skilled workers to sustain growth in the substantial life sciences industry in Region 2.
- The agri-venture initiative in Region 6 assisted in new venture creation within the agriscience and agribusiness industries.
- The Center for Excellence in Region 3 helped grow skills for high-demand jobs in the medical device industry and other advanced material industries and within emerging occupations.
- Regions 1, 2, 3, 8, 9, 10 and 11 all undertook various nursing solutions focused on increasing capacity in nursing schools, producing more registered nurses, maximizing clinical efficiency, and utilizing state-of-the-art training equipment.

Not only was the SSI process utilized to address regional challenges, it was also viewed as a great opportunity to identify "global" statewide policy issues. Two State Action Teams were created as a direct result of this initiative - healthcare and manufacturing. Objectives of the teams include: debating and discussing key root causes for the shortages, creating statewide solutions to address the shortages over the long-run, and evaluating existing solutions to determine best practices that can be replicated throughout the state.

The healthcare state action team is comprised of representatives from healthcare associations and academia and has actively addressed issues around the global registered nursing shortage through the State of Indiana through the development of solutions addressing root causes. The team's proposed solutions were designed to address the faculty shortage and therefore increase the capacity of Indiana's nursing program by encouraging current nurses to return to school, earn graduate degrees, and teach the next generation of nurses. Proposed solutions included a nurse educator loan forgiveness program, graduate nurse educator scholarship program, differential tuition and allocations, and a healthcare information clearing house.

The manufacturing state action team is comprised of individuals from industry, higher education and manufacturing associations. After reviewing the root causes the team decided to focus on image and awareness through development of a grant for "Tomorrow's Manufacturing Workforce" - Advanced Manufacturing Skill Training Image & Awareness Campaign. It was designed to address the workforce needs of the 21st century advanced manufacturing industry. Under this model, DWD funds regional projects that focus on the emerging and incumbent workforce, and promote awareness of the advanced manufacturing industry. The State selected the "Dream It. Do It." program, created by the National Association of Manufacturers, as the umbrella promotional campaign. There were three components that were part of the education and training strategy: fill the current manufacturing education system, improve the quality of the current manufacturing education system, and expand the system to include underemployed transitional workers. The initiative also included in its strategy the use of Career Advancement Accounts.

An independent assessment of the SSI process by Workforce Development Associates reported that the SSI process continued to provide a viable framework for regional collaboration. Regional workforce boards continued to be involved in setting policy and many of the solutions involve the direct participation of representatives from the public and private sector. The SSI process has served as a catalyst for leveraging substantial resources to address occupational and skills shortages solutions well beyond the allocation provided by DWD

II State Workforce Investment Priorities

Governor Daniels has made growing Hoosier jobs and personal income the organizing principles of his administration. 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** – The economic downturn has greatly affected Indiana. In April of 2009, the seasonally adjusted unemployment in the State was 9.9 percent, and increase of 4.1 percent from the April of 2008 of 5.4 percent. The increased number of unemployed individuals throughout the State highlights the prescience of the Governor's agenda to grow Hoosier jobs and employment. Clearly, the increase in the number of individuals that need workforce investment services because of the economic downturn calls for both rapid and bold measures in our workforce development system.

2. **Grow Hoosier Personal Income –** As of 2007, the average Hoosier worker earned just 84 percent in wages compared to the average US worker. Further, Indiana lags all other neighboring States in average wages with the sole exception of Kentucky. The onset of the economic downturn has only heightened the Governor's agenda to help grow Hoosier personal income. This also 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. In the wake of the economic downturn, even more Hoosiers are accessing needed services through Indiana's workforce system. 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 have been and will continue to further implement numerous reforms to improve our customer service, from integrating resources (previously delivered through silos) around the customer, to offering alternative operational hours, and a consistent employee professional dress code. Further, State measures will go beyond those requested from the U. S. Department of Labor in order to gain more immediate and insightful feedback.

To achieve success on these priorities, the State Workforce Innovation Council and the Indiana Department of Workforce Development have established four strategic goals for workforce investment programs.

1. **Ensure Hoosiers understand and achieve occupational goals that advance Indiana's economy.**
   Provide relevant, reliable and visible career development for Indiana adults and at-risk youth that includes career development, adult remedial education, occupational training, workplace-skill development, and (re)employment assistance, with a focus on high-wage or high-demand jobs.

2. **Identify, align and connect Indiana employers with qualified workers.**
   Ensure collaborative and integrated partnerships between the workforce investment system and the employment community, focusing on high-wage or high-demand sectors, that provide reliable and visible support to employers seeking qualified workers. Reciprocally, ensure partnerships that provide input to the educational and supportive programs and services provided to youth and adult learners and workers.

3. **Achieve a cohesive workforce investment system.**
   Provide a workforce investment system whose education and support programs articulate with the state's public, private, nonprofit and community-based institutions to insure the delivery of highest-quality opportunities for career-development and re(employment).

4. **Deliver optimal high quality and efficiency statewide.**
   Ensure a workforce investment system delivered by professional staff who possess the knowledge and skills to support youth and adult learners in their career development and (re)employment.

As noted previously in this plan, the infusion of funds made available by the American Recovery and Reinvestment Act has allowed the State to enhance these overall priorities. The Governor's direction regarding the use of ARRA funds has been succinct: jobs, speed, prudence, and long-term value. Every ARRA-funded initiative that DWD oversees was to be implemented rapidly, with the goal of implementing all ARRA-funded initiatives no later than the first quarter of PY2009. All ARRA-funded initiatives have the goal of expanding Hoosier employment, whether through the creation of a robust WIA summer youth employment program, the expansion of on-the-job training programs, or the provision of training to increase the skill levels of Hoosiers most affected by the economy to increase their likelihood of getting a new job. All ARRA-funded initiatives were to be implemented and overseen prudently, guaranteeing the most effective and efficient use of public resources through enhanced monitoring, oversight, and accountability measures. Finally, all ARRA-funded initiatives DWD oversees have long-term value for the State of Indiana, such as increasing the skill and education levels and earning power of those Hoosiers most affected by the economic downturn.

In support of these strategies, the DWD Commissioner has set forth the following Vision and Mission for the Agency, and has set aggressive talent development goals for 2011:

Vision and Mission: Indiana will be a global leader in the development and growth of a highly skilled workforce. IDWD will provide all Hoosiers with multiple opportunities and support to perpetually raise educational and skill attainment levels ("Raising Everyone Up One Level").

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 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 Alternative Trade Adjustment Assistance
- Unemployment Insurance
- Carl D. Perkins
  (DWD staffs the Indiana Commission on Vocational and Technical Education)
- Indiana Job Training Program
  - Career Advancement Accounts
  - Major Opportunities
  - Jobs for America's Graduates
- 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.

The guiding principles of the Workforce Investment Act have always served and will continue to serve in Program Year 2010 as the foundation for Indiana's workforce development system. These principles include but are not limited to universal access, customer choice and integrated service delivery. Customers may access our services through the 26 WorkOne Centers located throughout 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 regionally-determined content.

Over the course of the first four years of this plan, DWD implemented the following:

- TrackOne: Development of common data collection and reporting mechanisms for WIA and TAA to the extent supported by changes in federal agency level coordination and policy requirements.

- Regional Workforce Boards: Development of strong independently staffed Regional Workforce Boards with broad oversight authority.

- Economic Development Integration: A stronger demand-side system, strengthening our ties with economic development.

- Regional Strategic Planning: Development of regional plans that are based around labor markets, not administrative delivery areas, and that plan beyond the scope of federal categorical programs.

- Uplink: The implementation of Uplink modernized the UI system, maximizing services to DWD customers and streamlining internal processes. Through the use of state-of-the-art technologies, DWD customers now have extended means for self-service and DWD personnel will have the tools necessary to provide world-class customer service.

- Indiana Career Connect: The official labor exchange service for the State of Indiana, Indiana Career Connect boosted the level of labor exchange services available to both employers and job seekers. Employers and job seekers are able to access Indiana Career Connect at any times, on their own, or can work with WorkOne staff for a staff-assisted approach. Indiana Career Connect has the largest number of job listings in Indiana, and it currently lists over ten times the jobs that Indiana's previous labor exchange system listed.

- Regional Integration: Boosting the level of integration especially between WIA, TAA, Wagner-Peyser and the LVER/DVOP programs. Increased integration will improve multi-functioning staff members and will reduce duplicity in job duties.

Over the course of the next year this plan modification, we anticipate to continue:

- Engaging the local elected officials, board members, and regional operators more fully in the system. This ensures a highly focused regional system. This will be accomplished through quarterly meetings, web postings, newsletters, conferences and other such activities.
- Enhancing current reemployment services strategies to bolster services available to unemployment claimants.
- Establishing comprehensive performance standards that improve system outputs and foster the team approach amongst all regional partners.
- Increasing the percent of funding that goes towards training and more specifically, training for high demand, high wage jobs or for occupations in the career path for high demand, high wage jobs.
- Refining eligible training provider lists to ensure consistency, quality, and most effective use of public funds.

- Initiating training programs that explore innovative and effective options for service delivery to adult learners.

State Workforce Investment Board

The Indiana State Workforce Innovation Council (SWIC) serves as the State Workforce Investment Board. The SWIC 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 SWIC 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 requires that SWIC membership include those individuals required by WIA, including reauthorizations of the Act, and must represent diverse regions of Indiana. Additionally, the state superintendent of public instruction (or his or her designee) must serve as a member of the SWIC.

The SWIC 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 Regional Workforce Boards in Indiana (recommendations received informally from business contacts throughout Indiana);
- Representatives of labor, special populations, and community-based organizations;
- Representatives of education and local government; and
- The directors of various State agencies

The office of the Governor has the responsibility for the identification and selection of appointed SWIC members. Guided by the requirements of the statute establishing the SWIC, the Governor's office carefully evaluates potential members on the basis of geographic diversity, policy-making authority, expertise and interest.

DWD is the staff to the SWIC. The SWIC is charged with developing opportunities for Hoosiers to gain employment and earn competitive wages. The SWIC develops and implements workforce solutions based on the input of representatives and regional workforce boards around the State. Serving as the Governor's advisor, SWIC works to address Indiana's workforce needs through efficient workforce training and development programs. Creating jobs in the Hoosier State and increasing personal income for Indiana's workers is a top priority. SWIC's comprehensive approach will enhance the skills of Indiana's workforce, place more Hoosiers in high skill jobs and attract more business and industry to the State. The SWIC is required to comply with the State's Public Meeting and Open Records Statutes. The SWIC also complies with 20 CFR Part 661.207 regarding conducting business in an open manner under the "sunshine provision" of WIA Section 111 (g). For individuals with disabilities, all meetings associated with the SWIC are held in buildings in compliance with the Americans with Disabilities Act (ADA).

In October of 2005 the Governor officially reconstituted the SWIC appointing representatives in compliance with both Federal and State law. SWIC membership represents all workforce service areas, all regional workforce areas, and the leading business and industry clusters. The SWIC has an executive committee which is comprised of the SWIC Chair, Vice Chair, and the chairs for each subcommittee. The subcommittees include: Educational Review Committee, Grants Committee, Oversight and Performance Committee, Outreach Committee, and Youth Council. The duties of each committee are defined in the SWIC Bylaws, which are available at http://www.in.gov/dwd/files/SWIC_Bylaws-9-16-10.pdf.

The SWIC holds meetings quarterly. DWD's Senior Deputy Commissioner for Policy and Performance serves as the main staff member to the SWIC.

Structure/Process for Collaboration between State Agencies

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

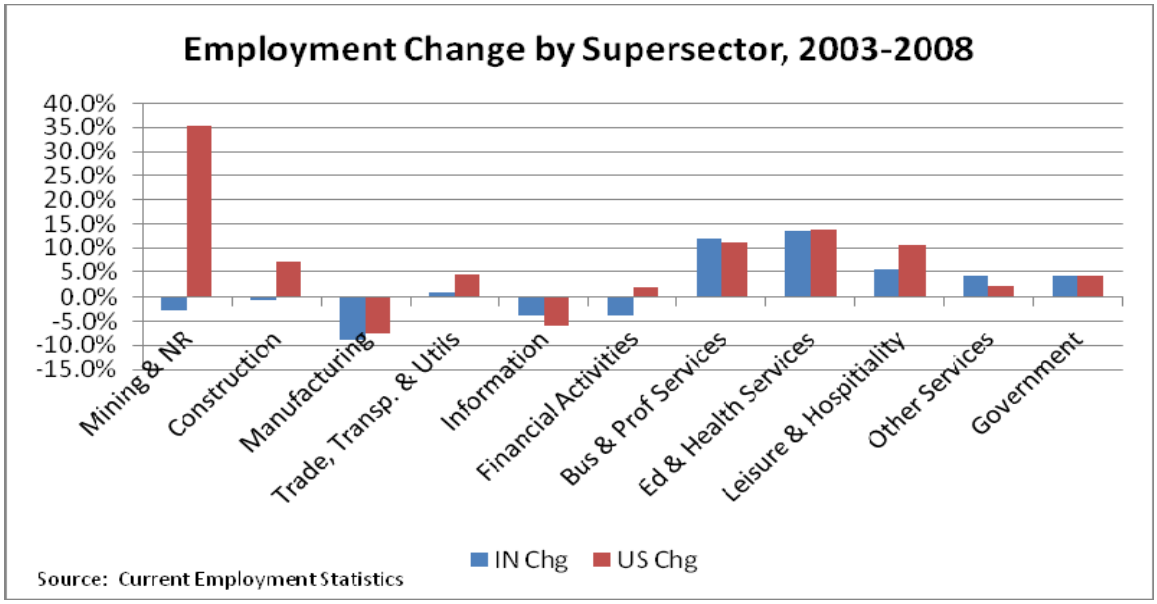
The Governor has designated Lt. Governor Becky Skillman to chair a task force to coordinate all state agencies' use of federal stimulus dollars from the American Recovery and Reinvestment Act of 2009. The task force will make sure those plans meet federal guidelines and underscore the Governor's priority to move fast, create jobs, and leave a lasting investment that will benefit Hoosiers for years to come. This task force will ensure cross-agency collaborations to ensure that workforce investments are tied to other programs funded by ARRA funds outside of workforce development.

IV Economic and Labor Market Analysis

Current Industry Makeup and Impact of the Economic Downturn

The 21st century has been a period of rapid change and no small tumult for Indiana's economy. Employment declines in Indiana began in June of 2000 ahead of the national recession which began in 2001. Indiana's recovery from that trough lagged the national job growth, and state employment had not attained its pre-recession level before the effects of the current recession began to manifest themselves. The majority (76%) of Indiana jobs in 2008 were within 5 different Industries: 1) Trade, Transportation & Utilities 20%, 2) Manufacturing 18%, 3) Government 15%, 4) Education & Health Services 14% and 5) Leisure & Hospitality 10%. Total Non-Farm employment grew by 2.2% over the 5-year period from 2003-2008 – compared to national growth of 5.4% -- with Education and Health Services showing the strongest increase at 13.4%. But employment change over this 5-year span was very uneven, with five supersectors (led by Manufacturing) showing employment losses over the period and six (including Education & Health Services) showing gains.

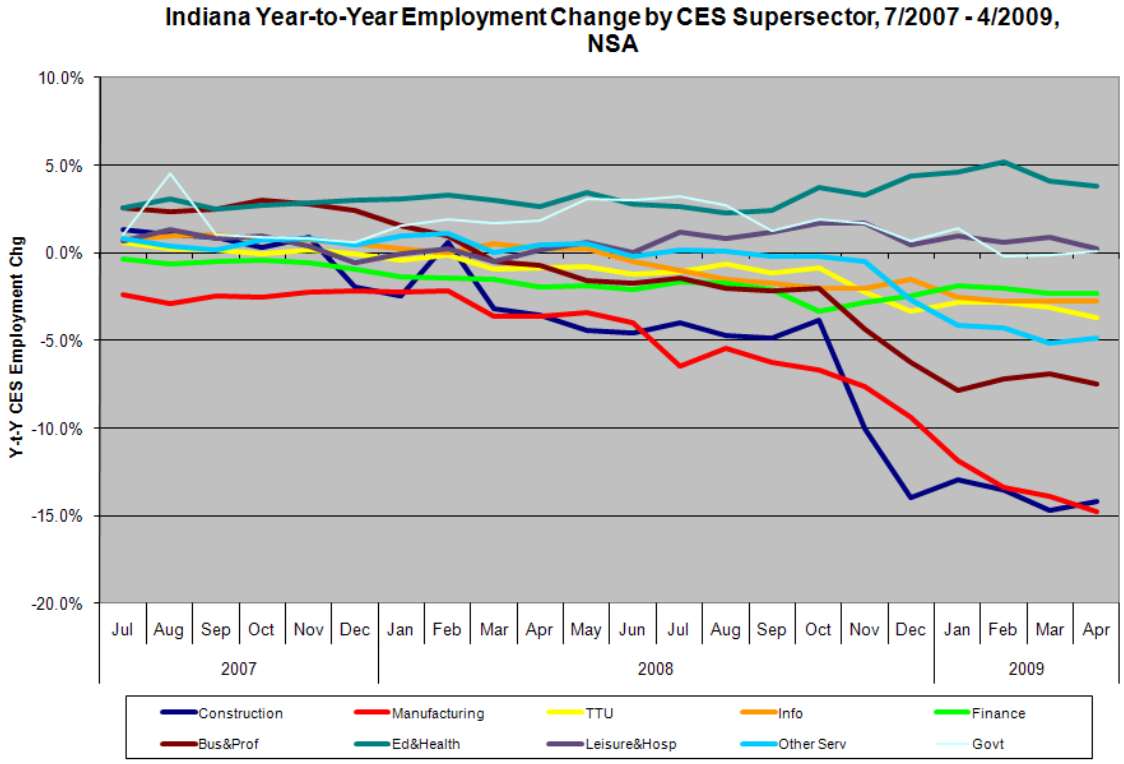
The following chart compares employment change by supersector for the period 2003 to 2008 for Indiana and the United States (all comparisons based on Current Employment Statistics non-seasonally adjusted annual averages).



With the exception of Mining and Natural Resources, where Oil and Natural Gas production created sharp increases over the period nationally, the patterns are not too dissimilar. However, Indiana experienced steeper losses in Manufacturing and weaker performance in Construction, Trade, Transportation & Utilities, Financial Activities and Leisure & Hospitality over the period, contributing to weaker overall growth.

Indiana's employment losses (expressed as year-to-year Current Employment Statistics employment change in the graph below) began to accelerate in both Manufacturing and

Construction early in 2008, and increased dramatically in the final quarter of 2008 before slowing in the first quarter of 2009. Business and Professional Services employment was also heavily impacted due to high use of labor leasing/employment services (included in that supersector) by Manufacturing firms in Indiana. Education and Health Services continues to show year-to-year growth and Government & Leisure and Hospitality are essentially flat, but most other supersectors are being pulled into decline by the losses in Manufacturing and Construction.



Manufacturing losses in Indiana have been exacerbated by the state's high concentration of Motor Vehicle related firms, and in particular by Northern Indiana's specialization in Recreational Vehicle (RV) manufacture. Motor Vehicle (MV) Body & Trailer Manufacturing (including the manufacturing of Motor Homes and Travel Trailers and Campers) employment had been running about three times the level of MV Assembly employment (36,500 compared to 13,600 in December 2007), despite the presence of one domestic and three foreign automakers in that employment subsector. By December of 2008, employment for MV Body & Trailer firms had dropped to less than twice the level of MV Assembly plants (23,300 compared to 13,700) as a convergence of unfavorable factors including a 2-month strike that affected the industry, $4 per gallon gasoline prices last summer and tightening credit combined to send the RV sector into a tailspin. The MV Parts & Accessories Manufacturing sub-sector has been battered by RV and other MV manufacturing losses, as well as by foreign competition, shedding 11,300 (of 64,700) jobs between December 2007 and December 2008. Losses in the Transportation Equipment Manufacturing sector overall totaled 26,400 for that one-year period. Construction and Transportation Equipment Manufacturing contractions have also rippled through the Plastics Products (-2,900), Primary Metals (-1,600) and Fabricated Metals (-6,500) industries' employment over the year (December 2007 – December 2008). The current bankruptcy proceedings for Daimler-Chrysler and uncertainty about the shape of General Motor's operations going forward continue to cast a shadow on Indiana's prospects for economic recovery in the near-term, despite some recent, early indications of possible stabilization.

Statewide Average Wages

The chart below depicts statewide average hourly wages by 2-digit industry sector for both 2005 and 2007 (last complete year available). While most sectors exhibited modest wage growth over the two year period, wages for the highest-paying industry, Management of Companies & Enterprises, was virtually flat. (Note that wages have not been adjusted for inflation.) With a more detailed industry breakout, we see that several industry sectors surpass Manufacturing's average wage and several sectors saw gains of 9% or more over the two-year period. Only Accommodation & Food Services wages were below $7.00/hour in 2007, and increases to Indiana's minimum wage law that took effect in July 2008 should result in somewhat higher wages going forward.

2005-2007 Statewide Average Wage by 2-Digit Industry

Industry Sector	2005 Hourly Wage	2007 Hourly Wage	2005-07 Change	2005-07 Change %
Management of Companies & Enterprises	$34.71	$34.94	$0.24	0.7%
Utilities	$30.53	$32.31	$1.78	5.8%
Mining	$26.29	$27.92	$1.63	6.2%
Finance & Insurance	$23.84	$25.43	$1.59	6.7%
Wholesale Trade	$22.74	$24.80	$2.06	9.1%
Manufacturing	$23.33	$24.77	$1.44	6.2%
Professional, Scientific &Technical Services	$22.42	$24.43	$2.01	9.0%
Construction	$19.58	$21.48	$1.90	9.7%
Information	$18.79	$19.98	$1.19	6.3%
Transportation & Warehousing	$18.25	$19.33	$1.08	5.9%
Health Care & Social Services	$17.27	$18.28	$1.01	5.8%
Educational Services	$15.98	$16.61	$0.63	3.9%
Real Estate & Rental & Leasing	$14.45	$15.89	$1.44	10.0%
Arts, Entertainment & Recreation	$12.76	$14.02	$1.26	9.9%
Agriculture, Forestry, Fishing & Hunting	$12.50	$13.43	$0.93	7.4%
Admin. & Support & Waste Mgt. & Rem. Services	$11.32	$12.16	$0.84	7.4%
Other Services(Except Public Administration)	$11.16	$11.97	$0.81	7.3%
Retail Trade	$10.79	$11.22	$0.43	4.0%
Accommodation and Food Services	$5.76	$6.12	$0.36	6.3%

Demographics of the Indiana Workforce

Employment Status: 2008				
Subject	**Total**	**In Labor Force**	**Employed/ Population**	**Unemployment Rate**
Population 16 years and over	4,887,000	67%	62.5%	6.0%
White	4,442,000	67%	63.4%	5.2%
Black or African American	380,000	64%	54.3%	15.1%
Hispanic or Latino origin (of any race)	214,000	75%	67.8%	9.1%
Population 20 to 64 years	3,732,000	80%	75.5%	5.6%
Male	1,850,000	86%	80.9%	6.3%
Female	1,884,000	74%	70.2%	4.8%

Unemployment is slightly higher for men than for women in 2008, and significantly higher for Blacks/African Americans than for the White or Hispanic population. Unemployment for

teenagers (16-19 years) was estimated at 17.1% for the year, reflecting higher competition for even part-time jobs during the economic downturn.

Indiana Educational Attainment, Population 25 Years and Older

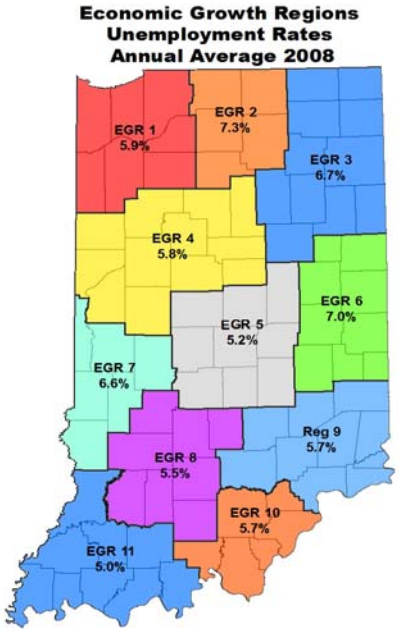
25 years and older:	4,107,829	
Less than high school graduate	607,356	14.8%
High school graduate (includes equivalency)	1,523,495	37.1%
Some college or associate's degree	1,088,406	26.5%
Bachelor's degree or higher	888,572	21.6%

Source: American Community Survey, 2005-07 Estimates

Indiana's population has lagged the national rate of college graduates, but the state has been making incremental progress, especially in the "some college or associate's degree" category. A gain of 1% since the 2000 census in this category reflects an additional 94,000 students, and anecdotal reports suggest that the current economic downturn is encouraging many students to remain in school or return to classrooms across the state in order to enhance their marketability in the workplace.

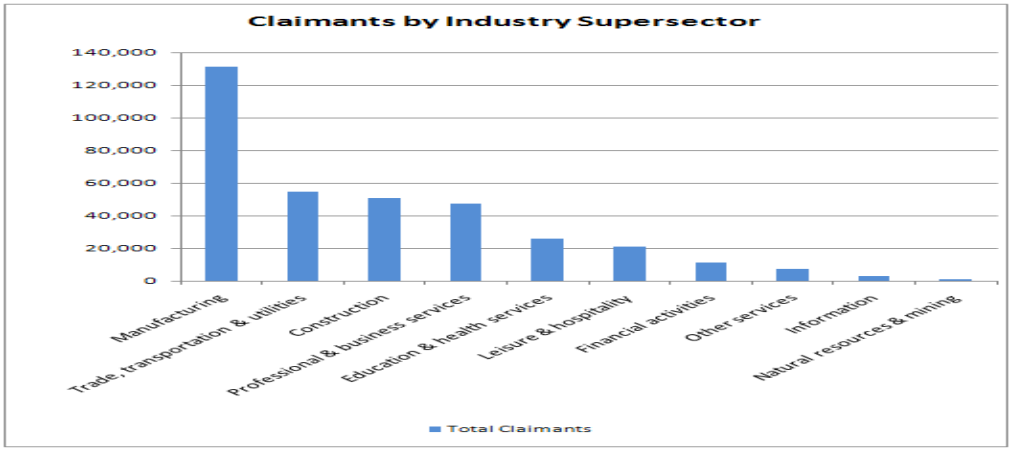
Unemployment by Economic Growth Region

The map of Indiana's annual average unemployment rate by region paints a fairly mild picture of the state's experience with employment disruptions; but the effects of the last half of the year were muted by the relatively stable and comparatively low employment enjoyed in the first half of 2008. The benchmarked/revised statewide rate (without seasonal adjustment) had risen to 8.1% by December 2008, with 15 counties experiencing unemployment rates of 10% or higher and Elkhart County (epicenter of the RV industry meltdown) already at 16.0% in December.

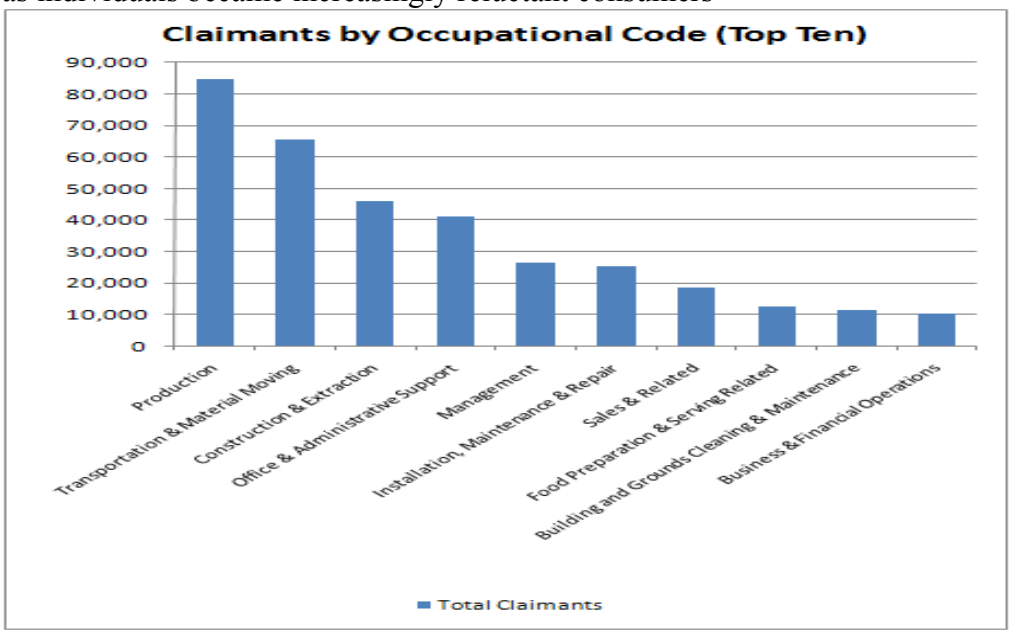


Demographics of the Unemployed

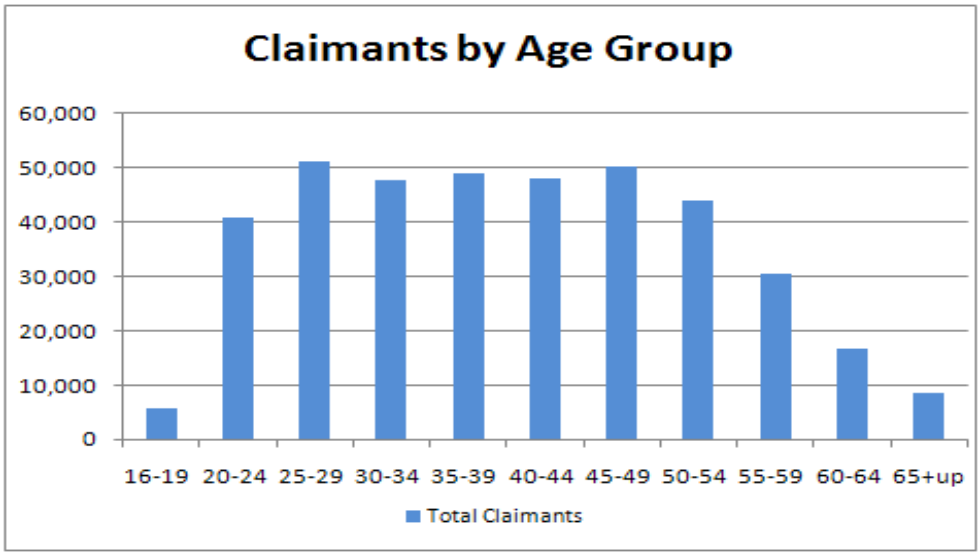
The following charts profile Indiana's 2008 unemployment claimant population, with both the claimants by industry breakout and the breakout by 2-digit occupational code (SOC code) illustrating the disproportionate number of workers separated from the Manufacturing sector. Trade, Transportation & Utilities, Construction and Professional & Business Services (including employment services & labor leasing) employers also saw significant claimant activity during 2008.



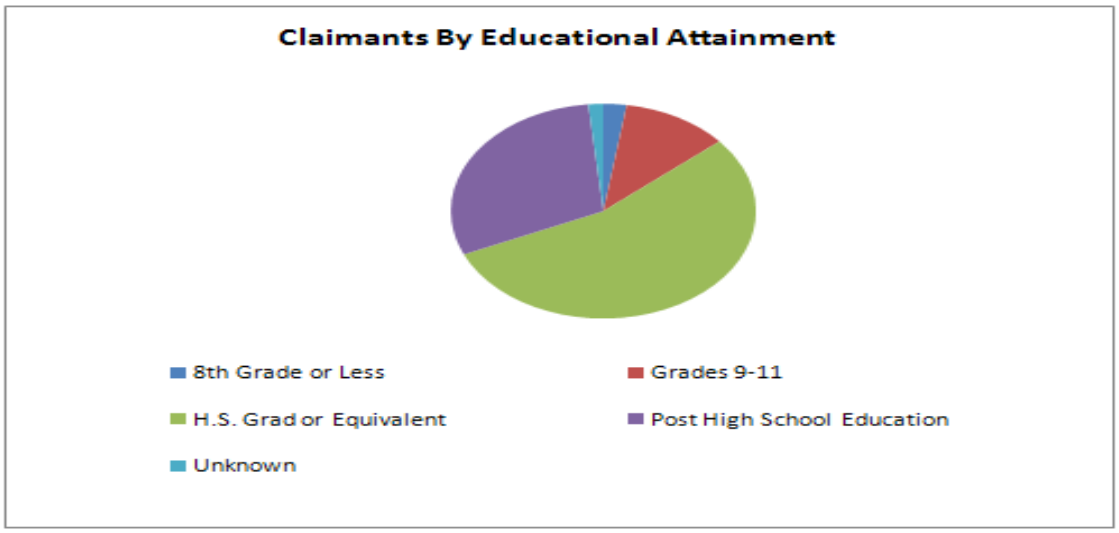
Transportation & Material Moving occupations are being affected both by the general manufacturing slowdown and by the sharp downtown in Retail Trade in the last quarter of 2008 as individuals became increasingly reluctant consumers



Claimants in 2008 were fairly evenly distributed among the working-age population ranges, in keeping with their presence in the general population; however, as has been the case nationally, males are significantly more likely to be affected than females by virtue of the industries and occupations bearing the brunt of the downturn.



Over half (54.8%) of Indiana's 2008 claimants had a self-reported educational attainment of a high school diploma or equivalent; 11.3% had completed only grades 9-11, with 2.4% only going through the 8th grade or less. Only 30% reported some additional education past high school. Many Indiana families had experienced an employment environment that permitted workers to obtain acceptable wages within the manufacturing sector without the need for post high school training. Increasing evidence suggests that that employment structure has disappeared, replaced by employers who require higher levels of basic skills and often advanced training to accommodate technological changes.



Industry and Occupational Employment Estimates and the Hoosier Hot 50

Future employment growth appears most likely to continue in the Health Care & Social Services sector, with almost 75,000 new jobs projected between 2006 and 2016. The table below lists the 5 major industries in Indiana that are projected to have the highest employment growth over the decade. Two industries, Utilities and Manufacturing, have negative projected growth (3.6 and 7.7%, respectively); however, Manufacturing firms do have substantial replacement needs for their workers who retire or move to other jobs.

Indiana industries projected to have the most growth (2016)

LONG-TERM INDIANA OCCUPATIONAL PROJECTIONS	2006	2016	Total	Percent
Industry Title	Employment	Projection	Growth	Change
Health Care and Social Assistance	348,522	423,339	74,817	21.47%
Administrative & Support & Waste Management & Remediation Services	159,683	199,931	40,248	25.20%
Educational Services	241,079	269,136	28,057	11.64%
Accommodation and Food Services	237,728	264,018	26,290	11.06%
Professional, Scientific, and Technical Services	93,587	117,144	23,557	25.17%

From an occupational perspective, the occupational groups expected to show the strongest growth (in terms of new job counts) over the decade make intuitive sense considering the industries above. They are led by Healthcare Practitioners and Technical Occupations, encompassing occupations such as nurses, doctors and radiologists. Healthcare Support Occupations, including nursing aides, home health aides, dental assistants, pharmacy aides, etc. will likely experience significant growth. Education, Training and Library Occupations are expected to show strong growth as well, and may experience an added impetus as a result of the recession (these estimates were completed during the spring of 2008).

	2006	2016	Total	Percent
Occupational Title	Employment	Projection	Growth	Change
Total, All Occupations	3,087,744	3,326,264	238,520	7.7%
Healthcare Practitioners and Technical Occupations	159,119	191,798	32,679	20.5%
Food Preparation and Serving Related Occupations	256,241	285,864	29,623	11.6%
Education, Training, and Library Occupations	156,863	178,635	21,772	13.9%
Office and Administrative Support Occupations	462,868	484,478	21,610	4.7%
Sales and Related Occupations	324,933	343,384	18,451	5.7%
Healthcare Support Occupations	72,751	90,285	17,534	24.1%
Building and Grounds Cleaning and Maintenance Occupations	100,113	116,164	16,051	16.0%

Bridging the Gap (Assisting Workers in Transition)

The Research & Analysis team within the Department of Workforce Development has been actively working with Rapid Response teams to provide assistance to workers in transition based on an examination of the overlap between their existing skill sets (based on knowledge, skills and abilities associated with each major occupation as included in the O*Net database and utilizing TORQ (Transferrable Occupation Relationship Quotient) software to facilitate that analysis. We are developing a set of job analyses that compare common occupations in the Transportation Equipment Manufacturing sector to other occupations with similar wages based on two scenarios, one of which assumes no additional training or experience and another which does examine occupations available with additional training. The materials are still in development, but have been well received in various iterations by both employers and affected workers.

Indiana's Skills Gap

To address Indiana's potential skills gaps in a period of recovery, the Economic and Market Analysis (EMA) section of DWD's Research & Analysis division assessed which industry sectors have been hardest hit by the recession and which sectors are most likely to first provide new jobs during the recovery – at comparable wages to the hard-hit sectors.

Based on job losses from March 2008 to March 2009, EMA determined that the two hardest hit sectors during the recession were the Construction and Manufacturing industries. The sectors most likely to grow in the near future and to pay wages comparable to Construction and Manufacturing were Wholesale Trade, Transportation & Warehousing, Professional/Scientific/Technical Services, and Health & Social Services – based on relative job-retention strength during the recession, EMA's Long-Term projections (to the year 2016) for those industries and in DWD's occupational wage surveys.

An assessment of staffing patterns from the 2 declining industries and the 4 growth industries was performed using the O*NET version 13.0 database – the nation's premier occupational skills data source. Staffing patterns from DWD's Occupational Employment Statistics surveys were applied to the known job losses in the Construction & Manufacturing sectors. O*NET's knowledge and skill levels for those staffing patterns were applied to those industries. The same applications were performed for the anticipated industry/occupational growth in the 4 above-mentioned growth sectors.
Each O*NET Knowledge and Skill was divided into 3 proficiency levels – low, medium and high. "Low" proficiency generally requires High School education or less - or very little vocational training. "Medium" proficiency generally requires some Postsecondary education but less than a 4 year degree - or specific vocational training. "High" proficiency requires a 4 year degree or greater - or highly advanced specific vocational training.

The following table indicates the key knowledge and skill areas where shortages may exist for workers displaced from the Construction and Manufacturing sectors.

Top Shortages - Knowledge/Skills

Knowledge Areas	Proficiency Medium	Proficiency High	Combined Shortage
Customer and Personal Service		1,090	1,090
Biology	149	270	419
Psychology		4,224	4,224
Sociology and Anthropology	81	179	260
Medicine and Dentistry	3,538	894	4,432
Therapy and Counseling	272	942	1,214
English Language		306	306

Skills Areas	Proficiency Medium	Proficiency High	Combined Shortage
Social Perceptiveness		1,705	1,705
Persuasion		341	341
Negotiation		82	82
Service Orientation		978	978

Very large surpluses exist at the lowest proficiency levels for almost all knowledge and skills areas, indicating that many of the displaced workforce in Construction and Manufacturing have been working in occupations that required lower levels of knowledge/skills proficiencies than the new jobs in growth industries will require.

Assessing skills gaps, shortages and surpluses will be an ongoing focus for the EMA team in the coming year, as this research and analysis is completed.

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 year, as it responds to the downturn in the economy and the implementation of ARRA-funded initiatives. A number of agency-wide strategic initiatives were implemented prior to the allocation of ARRA funds, several ARRA-funded initiatives are currently underway, and several more are planned. Indiana Department of Workforce Development continues to move to ensure positive returns on investment, whether granting monies for training or when responding to worker dislocations. The objective will continue to 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), including ARRA funds, DWD will continue to create a seamless and comprehensive system which includes employment services, education, and training for unemployed workers. Following the Governor's directive, all ARRA funds will be used as quickly as possible to put as many Hoosiers to work as possible, while creating a lasting asset to the State. In response to the economic downturn and other hardships plaguing Indiana, informal and formal partnerships have been created to educate the community about resources for finding jobs that are in demand throughout the State. Specific statewide focus has been placed upon ensuring that all Hoosiers have access to workforce investment services, including education and training that will increase the employment opportunities of unemployed workers.

Prior to the passage of ARRA, the State had already identified the need to provide services to an increased number of workers in need. In PY2008, the State implemented its Regional Integration Policy, which required that all customers visiting its WorkOne offices be provided with the opportunity to receive services from all workforce investment programs for which they are eligible. Through the leveraging of existing funds, and the removal of duplication of services, the State positioned itself to provide services to an increased number of participants. . The State will continue to utilize its WIA formula allotments to support integrated services to customers, where all customers are provided access to all programs for which they are eligible. ARRA funds will be utilized for statewide initiatives which focus on raising individuals up one level through training or work experience, and to increase the access to and availability of workforce investment services.

Strategic reorganization has begun at DWD to ensure greater responsiveness to workers that have been dislocated. The objective is to return those workers to Indiana businesses by moving to a model that creates greater mobility in the field. Each Region in Indiana has designated staff to coordinate rapid response activities. Additionally, the State Dislocated Worker team has created a model for coordinating large scale dislocation events, where 200 or more employees have been dislocated. This model has been piloted successfully, and is currently being implemented statewide.

Strategies for Key Industries

In 2005, DWD's Labor Market Information (LMI) was 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 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 concentrates on the agency goals of growing jobs and employment, growing personal income and delivering premier customer service. The reorganization resulted in the development of new and/or improved reports with more extensive analysis.

Beginning in 2007, the Strategic Research and Development division joined the Information Technology division to move DWD to the next level in policy and programmatic development. Technology will continue to play a significant role in moving DWD, and these divisions, far ahead of competitor states over the years to come. R & A will continue to incorporate new technologies to target high demand industries, and to provide useful labor market information to both employers and job seekers. Since 2007, new tools, such as the Local Employment Dynamics (LED) project and Geographic Information System (GIS) mapping software have been used to more accurately describe and identify areas of economic opportunities in Indiana.

Enhanced 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

The Indiana Department of Workforce Development (DWD) will continue to support small businesses with 100 or fewer employees through training and workforce development.

The Market Development Unit (MDU) will work closely with regional business consultants to concentrate on the needs of small businesses. One initiative will be to dedicate one month out of each quarter to small businesses. Small business forums, seminars, business expos, and cold-calling blitzes are a few of the activities that will continue to take place.

The DWD has established the following training policies that are favorable to small businesses:

- Financial match requirements have been reduced
- Special consideration during the approval process

The MDU will continue to partner with the Indiana Economic Development Corporation, Ivy Tech Community College of Indiana, the Regional Operators and the Small Business Development Center to ensure small businesses are supported throughout the State.

Statewide Activities

DWD is focused on achieving Governor Daniels' vision through dedicated efforts in Indiana's economic and workforce regions. Through its State Workforce Innovation Council (SWIC), which includes members of the community colleges, business and labor organizations, civic groups, and other community organizations, the State will enhance its partnerships to develop and provide cross-cutting strategies that leverage resources, and ensure the most effective and efficient use of available funds. The SWIC will ensure that workforce development strategies are provided with commonality and consistency at all WorkOne offices.

In addition, the State intends to utilize a large portion of its ARRA WIA Adult and Dislocated Worker funds to support training in career pathways that lead to occupations in demand and/or high growth industries. The State has used its ARRA adult and dislocated worker funds to create a program entitled Workforce Acceleration Grants. This program provides eligible adults or dislocated workers with up to $3,000 in training funds which are issued as ITAs and enable the participants to earn an accredited associate degree or pre-baccalaureate certificate. Also, DWD is developing a number of programs where it will partner with employers in high demand industries, community-based organizations, and training providers to implement bridge programs that will provide participants the resources to increase skills through training and on-the-job work experiences.

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.

Waivers and Workflex

Over the next year Indiana's objectives will continue to be growing jobs and employment, growing personal income, and delivering premier customer service, while utilizing ARRA funds as quickly as possible to put as many Hoosiers to work as possible, while creating a lasting asset to the State. Indiana will look at waiver opportunities that strengthen Indiana's ability to meet these objectives. This state plan includes waiver requests that support these goals, and Indiana reserves the right to modify this plan 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 allow Indiana to strengthen the State Board and the overall WIA structure and governance.
- The waiver will allow Indiana to promote commonality and consistency of services at all WorkOne offices throughout the State
- 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 allow Indiana to continue its move from a sophisticated co-location/referral model to a system that is highly integrated.

Specifically, Indiana respectfully requests the following waivers to be extended through June 30, 2012:

- Allow Youth to Use Individual Training Accounts
  This waiver was originally approved by the U.S. Department of Labor in July of 2005, and was subsequently extended in September of 2007. It is currently utilized, and allows older and out-of-school youth to utilize individual training accounts, and receive training from eligible training providers. Following the guidelines established in TEGL 14-08, 21-09, and 17-10 Indiana requests an extension of this waiver through June 30, 2012.
- Time Limit for Initial Eligibility for Eligible Training Provider List
  This waiver was originally approved by the U.S. Department of Labor in July of 2005, and was subsequently extended in September of 2007. This waiver is currently utilized, and permits training institutions to stay on the State eligible training provider list without submitting additional documentation. Following the guidelines established in TEGL 14-08, 21-09, and 17-10, Indiana requests an extension of this waiver through June 30, 2012.
- Transfer between Adult and Dislocated Worker Programs
  This waiver was originally approved by the U.S. Department of Labor in July of 2005, and was subsequently extended in September of 2007, and approved in February of 2009. This waiver provides the State with transfer authority of up to 50% between WIA Adult and Dislocated Workers funds. Following the guidelines established in TEGL 14-08, 21-09, and 17-10, Indiana requests an extension of this waiver through June 30, 2012. A full waiver plan can be found in Attachment G to this State Plan.
- State Set-Aside Rapid Response Redistribution
  This waiver was originally approved by the U.S. Department of Labor in April of 2007, and partially approved in February of 2009. This waiver allows the State to use up to 20 percent of the funds set-aside for statewide rapid response incumbent worker training that is part of a layoff aversion strategy. Following the guidelines established in TEGL 14-08, 21-09, and 17-10, Indiana requests an extension of this waiver through June 30, 2012. A full waiver plan can be found in Attachment G to this State Plan.
- Waiver to Fully Implement Common Measures
  This waiver was originally approved by the U.S. Department of Labor in April of 2008. This waiver is currently utilized, and allows the State to use Common Measures (as defined in TEGL 17-05) for WIA program performance reporting in place of the WIA performance indicators identified in Section 136 of WIA. Following the guidelines established in TEGL 14-08, 21-09, and 17-10, Indiana requests an extension of this waiver through June 30, 2012.

Dream It. Do It. - A campaign for career awareness in Indiana Manufacturing

During 2006, Honda, Cummins, Jeffboat and other manufacturers announced multiple hiring opportunities in the southern Indiana. As a way to address the manufacturing skill shortages addressed in the Strategic Skills Initiative and meet the hiring needs of employers in southern Indiana, DWD funded a *Dream It. Do It.* pilot program in Indiana Economic Growth Region 9. *Dream It. Do It.* is a multi-media and multi-activity based approach to broaden awareness about careers in manufacturing, a campaign designed to redefine the image of manufacturing, and a way to showcase the industry's wide range of opportunities.

The goal of the pilot program was to build awareness of advanced manufacturing as a high-growth, high-wage occupation. Under the *Dream It. Do It.* campaign, the region mounted an aggressive awareness campaign aimed at attracting young adults into manufacturing careers. The *Dream It. Do It.* program was created by the National Association of Manufacturers and programs piloted by them and The Manufacturing Institute across the nation had positive results. For Indiana's pilot, Ivy Tech committed $200,000 and DWD $50,000.

In January 2007, DWD released an RFP entitled, "Tomorrow's Manufacturing Workforce" that mirrored the *Dream It. Do It.* marketing principals. DWD requested proposals that implemented solutions aimed directly at root causes, image & awareness and education & training concerning skill shortages in the manufacturing industry. The RFP was a competitive grant with all economic growth regions in the State eligible to apply. Furthermore, the solutions proposed were to be regionally customized and operated while also being guided by outcome measures set by the State. For a region to receive an award from this RFP, it had to present solutions that included a strategy which met a dual purpose – a promotional component and an education/training component.

In February 2007, DWD awarded a $1.5 million "Jump Start" grant to the Region 9 Workforce Board. The regional board partnered with Ivy Tech Community College campuses throughout the ten county region to offer more training opportunities for 500 people in advanced manufacturing. The number of classes for training in computer controlled machine operators, production workers, industrial maintenance, welders, and mechanics was to increase. The training grant also built upon the region's *Dream It. Do It.* campaign started in 2006.

In August 2007, DWD awarded Region 9 Workforce Board an additional $657,500 grant. The grant was used primarily to boost the training capacity in the region for manufacturing jobs by about twenty-five percent. Additionally, funds were used to launch a career advancement account program for 100 dislocated workers, who were able to receive $1,500 for educational and training expenses.

In March 2009, Region 9 Workforce Board's *Dream It. Do It* campaign was selected as a winner of the fifth annual Progressive Manufacturing (PM) 100 Awards, selected by Managing publication, a division of Automation Media, a Thomas Publishing Company, LLC.

Also in 2008, DWD awarded additional grants to Region 11 and another to Conexus Indiana to cover Regions 5, including Marion County. Conexus Indiana is an initiative designed to capitalize on and promote emerging opportunities in advanced manufacturing and logistics. Conexus Indiana partners with the State and regions in managing the *Dream It. Do It.* campaign to leverage resources and achieve economies of scale in marketing and awareness efforts.

VI Major State Policies and Requirements

Structure and Governance for the Balance of State Workforce Investment Area

Until June 30, 2010, the State of Indiana had a waiver from the USDOL which allowed the State Workforce Innovation Council (SWIC) to serve as both Indiana's State Workforce Investment Board and as the local Workforce Investment Board for the balance of state workforce service area. The State was notified by USDOL in February 2010 that this waiver would not be renewed beyond June 30, 2010. Because of this notification and of the subsequent need for Indiana to modify its workforce investment governance structure, many of Indiana's State policies and requirements deal with the structure and governance within the balance of state workforce service area and the roles of the SWIC, the Balance of State Workforce Investment Board (BOS WIB), and Regional Workforce Boards (RWBs).

Program Year 2010 will serve as a year of transition for Indiana's workforce investment governance structure. Between September and December of 2010, the SWIC and the Indiana Department of Workforce Development undertook a comprehensive review of Indiana's local workforce service areas. As part of the review, the SWIC and DWD requested that the chief elected officials of each Economic Growth Region within the balance-of-state area submit a letter to the SWIC signifying its regional preference and intent in seeking designation as a workforce service area. Letters of intent were submitted to the chair of the SWIC by November 30, 2010. During its December meeting, the Council reviewed the letters of intent and approved the initial establishment of seven new workforce service areas and the reconstitution of the balance-of-state area to include four economic growth regions. The newly established local areas are expected to take all of the steps necessary to establish fully compliant local workforce areas, including establishing local boards and developing local plans, by July 1, 2011. A more detailed description of transition of Indiana's governance structure can be found in Section VIII of this Plan, entitled "Administration and Oversight of the Local Workforce Investment System."

Memorandums of Understanding (MOUs) and Collaboration

DWD will continue to promote WorkOne partner sharing of administrative and site costs at WorkOne facilities. MOU agreements will be created with partners at the State and Local levels. 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.

Drug Screening for WIA Training Participants
Beginning in Program Year 2011, the State will require that all WIA participants who will receive Individual Training Accounts (ITA) or On-the-Job Training (OJT) through the usage of WIA Title I Adult, Dislocated Worker, or Youth Funds successfully pass a mandatory drug screen. Those participants that do not successfully complete a drug screen will be referred to drug treatment counseling programs, and will be sanctioned from receiving WIA ITAs or OJTs for three months following the first positive drug screen, and three months following the second positive drug screen. The participant will be provided with the ability to appeal any positive drug screens and will continue to be provided access to WIA Core and Intensive services throughout his/her sanction period. Also, any participant that successfully completes a drug aversion program prior to the conclusion of the sanction period will be allowed to reenter WIA training-level services.

DWD will work closely with local WorkOne partners throughout the first half of 2011 to implement this policy, and provides assurances that results of all drug screens will be kept confidential as required by any associated privacy laws or statute. Furthermore, the State's WIA drug screening policy will cohere with the permissions and requirements found in Section 181(f) of WIA.

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 after the 1999 WIA plan was issued. Compliance issues were addressed immediately and a few remain in progress.

Many 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.

The infusion of Wagner-Peyser Recovery Act funds provides the State with an opportunity to bolster its capacity to deliver services and provide universal access to an increased number of customers. In addition to implementing its Regional Integration policy, which increased the capacity to serve an increased number of customers through the elimination of duplication and programmatic silos, the State has already undertaken many additional initiatives, such as extending the business hours at WorkOne offices and offering weekend hours where needed. The State has already increased its staffing levels at many WorkOnes to support these initiatives, through the use of intermittent hourly positions, and will continue to do so as additional needs are identified during the economic downturn.

Policy Development

In the past, the 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 polices are available on DWD's website at http://www.in.gov/dwd/2330.htm. 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 sixth year of this plan.

Policy development will focus on the goals of expanding access to customers of the system, and creating commonality and consistency throughout the system. Historically, the Indiana Department of Workforce Development has maintained program specific policies. In line with our efforts toward a fully integrated system, policy development will focus on the creation of a single policy that encompasses all programs.

VII Integration of WorkOne Service Delivery

Indiana has made 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 particular emphasis on excellent customer service.

Integrated Service Delivery - State Level

The Senior Deputy Commissioner of Policy and Performance and the Deputy Commissioner of Field Operations collaborate to oversee the strategic development and operations of the WIA, Wagner- Peyser, Trade Adjustment Assistance, and Veterans programs. The oversight and operation of these programs will be organized based on functions rather than programs. The areas under Policy and Performance and Field Operations include Policy Development, Field Operations, Field Systems, and Strategic Initiatives.

Policy consists of system experts from the various programs. They are organized into a single unit. All members are cross-trained to assure that they are knowledgeable in all programs. They develop policy that is based on integrated service delivery with a strong focus on customer service. They also monitor performance based on federal common measures and other State metrics that are also common for the WorkOne system.

Field Operations is 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. Field Operations also consists of all DWD staff that provides services in our WorkOne offices. The field is supported by regional coordinators who support operations at the regional and local level. The regional coordinators serve as consultants to Indiana's local workforce investment act partners. Their primary duties are to:

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

Field Systems is responsible for the implementation of the electronic systems necessary to support Field Operations. These systems are critical to program integration, data collection and performance monitoring. Field Systems ensures that the State's electronic systems are state-of-the-art, efficient and designed to support the programs and the State's integration efforts. Examples include the State's electronic case management system, TrackOne, and Indiana Career Connect, the State's new labor exchange system.

Strategic Initiatives is responsible for identifying and implementing new field initiatives. Examples include the demonstration pilot for Career Advancement Accounts, expansion of the JAG program, and increasing grant opportunities for the state and regional areas. Strategic Initiatives works closely with the other areas of Policy and Performance and Field Operations to design high quality programs in-line with the Governor's objectives of increasing employment opportunities and personal income for Hoosiers.

Integrated Service Delivery - Local Level

Indiana envisions a truly integrated workforce development system. The State vision describes an environment where clients are served in an efficient and effective manner with a minimization of duplication.

In Indiana, each local area has at least one chartered WorkOne Center and several chartered WorkOne Express sites. They are designed to meet the needs of customers through employment services (Wagner-Peyser), unemployment insurance, WIA services, and other partner programs.

During Program Year 2007, efforts focused on developing and implementing an integrated service delivery model designed to ensure that customers received uniform, efficient, and high-quality service regardless of funding stream at all WorkOne office locations.

As a result of these planning and system analysis efforts, Indiana launched an aggressive program integration strategy, which resulted in the creation of a shared customer pool and substantial co-enrollment requirements for all customers of its one-stop system.

The foundation of the state's integration efforts was the establishment of the Customer's Bill of Rights. Indiana recognizes that all customers have:

- The right to know their skills
- The right to improve their skills
- The right to find the best job that matches their skills.

Though each regional/local workforce board is responsible for its own service delivery, the state establishes minimum standards for a demand-driven, skills-based, integrated service delivery model to establish consistency among regions. At its December 9, 2010 meeting, the State Workforce Innovation Council passed a measure approving the new customer flow model and its requirements. Each regional/local workforce board must come into compliance with the new model and accompanying policy by July 1, 2011.

The Policy specifies integration requirements in the following areas:

Co-Enrollment

Indiana's integrated service delivery system is based upon the following co-enrollment requirements:

1. All customers shall be enrolled in Wagner-Peyser.
2. All customers eligible for WIA Adult shall be co-enrolled in the WIA Adult and Wagner-Peyser programs.
3. Customers who have met the criteria for the WIA Dislocated Worker program shall be co-enrolled in the Wagner-Peyser, WIA Adult and WIA Dislocated Worker programs.
4. Customers who are eligible for the Trade Adjustment Assistance (TAA) program shall be co-enrolled in the Trade Adjustment Assistance, Wagner-Peyser, WIA Adult and WIA Dislocated Worker programs.
5. Youth over the age of 18 shall be co-enrolled in the Wagner-Peyser and WIA Adult programs. Youth shall also be co-enrolled in the WIA Dislocated Worker, Trade Adjustment Assistance, and Veterans' programs as appropriate to the individual's circumstances.
5. Customers who are eligible for the Veterans' program shall be co-enrolled in the Veterans', Wagner-Peyser, WIA Adult programs. If the Veterans' customer is eligible for the Trade Adjustment Assistance program, s/he shall be co-enrolled in the Veterans', Wagner-Peyser, WIA Adult, WIA Dislocated Worker and Trade Adjustment Assistance programs.

An emphasis is placed upon customer skill development to ensure that all WorkOne staff, regardless of program, work together as a team to establish and meet WorkOne performance measures, and to share customers, activities and resources. WorkOne employees "cross function" in their capacities so clients learn about all WorkOne services from each employee, rather than an employee who only represents a single program. Under this model, all WorkOne offices are integrated into functional units and not separated by program or funding stream. DWD's goal is to provide true, one-stop service delivery for all Hoosiers independent of funding streams and artificial service delivery barriers.

Integrated WorkOne services are provided based on the needs of the customer. The primary focus is to prepare and assist customers in finding sustained employment and to build skill sets for career advancement. Clients who indicate that they have a high school degree, GED, or less, who are TAA certified, or who otherwise indicate that additional, individualized services would be beneficial should be given the opportunity to speak to the first available case manager to determine if additional services might be beneficial. Some customers may have needs that cannot be provided through workforce development and should be directed to the appropriate community resource.

Leadership & Management

DWD Policy 2007-20 required the establishment of a multi-disciplinary leadership team with a clear understanding of the objectives of integration and each of the funding sources utilized to provide services through the WorkOne system. These teams were charged with the development of a functional and formal supervision/reporting structure for all employees at a WorkOne office. This reporting structure is independent of funding source and is based upon the needs of the local or regional area and each specific office. A designated functional supervisor was named, authorized to organize staff by function, designate functional unit supervisors and establish the purpose of and manage each functional unit in conjunction with the regional operator.

Functional Units
Functional staff units were established for each WorkOne consisting of a welcome function, skills/employment function and an employer services function.

The staff in the welcome function strive to meet all new customers and assist them in an initial skills assessment in the welcoming process. Based upon the outcome of the assessment, customers are channeled to the skills/employment function. In skills/employment, each customer is offered remediation in any basic skills deficiencies identified in their initial skills assessment. The focus to the extent possible is on GED attainment, workforce certifications, two-year and four-year degree attainments and demand-driven, skill enhancement and development. Skills/Employment also assists WorkOne customers in finding employment through quality job referral, staff-assisted job search and skills certification.

With the employer services function, each staff person builds relationships with employers, identifies opportunities to address human resource challenges of employers and markets a robust product line designed to assist them in meeting their human resource needs.

This triage style establishes a seamless service delivery model that our customers immediately noticed and appreciated. The integration process has resulted in more efficient customer service to Hoosier customers.

VETS Integration into WorkOne
Veteran programs are integrated at Indiana's One Stop Centers, the WorkOne offices, and are based upon the Secretary's Agreement Governing Services to Veterans.
LVER and DVOP staff work with WIA Service Provider Staff, Wagner-Peyser Staff, and Chapter 31 VR&E staff in enrollment into programs, planning and conducting job fair activities, intensive services, and other veteran and employer-related events. DVOPs work with local office management to develop a planned approach to outreach efforts to promote services available to veterans within the one-stop center or at expresss offices. All current outreach sites are evaluated to determine productivity. Management and DVOP staff make changes to current sites based upon their evaluations. Specific job duties of LVERs and DVOP within Indiana's integrated OneStop system follows.

LVER Job Duties
The LVER works with local office management to devise a planned approach to working with employers and the community to develop jobs for veterans. Additional focus is on providing local office staff and management with technical assistance and support related to veteran employment and training issues. In addition, the LVER conducts regular outreach activities with employers to market veterans who are 'job ready'. LVER's are required to post these business service contacts in the State's service delivery system, Indiana Career Connect (ICC), ensuring that veterans have the first opportunity to apply to those jobs advertised. LVERs are also recommending to business contacts that they register and post available job openings on the ICC website.

DVOP Job Duties
The DVOP focuses on veterans that are in need of intensive services. To accomplish this, DVOPs case manage all individuals eligible for the Chapter 31 program and are registered for employment services as well as all other veterans needing intensive services.

The DVOP also conducts outreach at locations as specified in VPL 07-05. Some organizations approved for outreach are Homeless Veterans Reintegration Programs, VA Medical Centers, Veteran Centers, Homeless Shelters, Civice and Service organizations, Community Stand Downs, and Military Installations, and other veteran-related institutions as required.

Technology Upgrades

Indiana has made and continues to make significant investment in its automated systems. 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 – On July 1, 2008, the State launched Indiana Career Connect, the official labor exchange service for the State of Indiana. Indiana Career Connect (www.indianacareerconnect.com) boosted the level of labor exchange services available to both employers and job seekers. Employers and job seekers are able to access Indiana Career Connect at any times, on their own, or can work with WorkOne staff for a staff-assisted approach. Indiana Career Connect has the largest number of job listings in Indiana, and it currently lists over ten times the jobs that Indiana's previous labor exchange system listed.
- Case Management system with built in management reporting. During PY2006, Indiana successfully implemented a new electronic case management system, TrackOne, designed to integrate the service delivery, eligibility determination and case management functions of the WIA, TAA, VETS and Wagner-Peyser programs. This system provides an integrated eligibility determination process, supports an integrated case management environment and provides the performance tracking necessary for the evaluation of all four programs and Common Measures.
- Uplink: The implementation of Uplink modernized the UI system, maximizing services to DWD customers and streamlining internal processes. Through the use of state-of-the-art technologies, DWD customers now have extended means for self-service and DWD personnel will have the tools necessary to provide world-class customer service.
- Labor Market Information system can be found at Indiana's premier new website *Hoosiers by the Numbers* (http://www.hoosierdata.in.gov). The new site presents current data in a user friendly format that allows for customized reports, new expanded topics, extensive links to other data resources, and e-notifications of new releases and publications.
- Consumer Reporting system (eligible training providers) – currently Education and Training Choices. This system will be evaluated for improvements.

State and Local Partnering

Indiana initiates partnering at the state level through formal MOUs with those areas of the State that fund local WorkOne partners. These MOUs outline the basic agreement for cost sharing, integration of services, integration of staff and functional supervision. The establishment of MOUs eliminates the primary barriers for many of the local programs.

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 and Regional Workforce Boards to establish criteria at or above the state minimum level. The boards 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 and formal credentialing for case managers. It is essential that we address the quality of the most important element in the offices, service delivery staff.

VIII Administration and Oversight of the Local Workforce Investment System

Since July 1, 2006, Indiana's workforce investment system has been organized into two workforce service areas – Marion County and the Balance of State (See the map in Attachment F, entitled "Workforce Service Areas"). The operation of this structure has largely been successful, and it has allowed the State to ensure that workforce investment services are provided with commonality and consistency throughout the Indiana, while providing regional inflection though shared governance with Regional Workforce Boards, established by Indiana Code. Following direction from the US Department of Labor, in the latter part of 2010, the State undertook a comprehensive evaluation of its workforce investment governance structure. The comprehensive review commenced on September 16, 2010, with discussion of a proposal proffered by the Department of Workforce Development in conjunction with the office of the governor. That proposal called for maintaining the current geographic boundaries of the Economic Growth Regions (EGR) established in the 2005-2010 State Plan. The plan also called for the declaration by the chief elected officials of each EGR of the regional preference and intent in seeking designation as a workforce service area and establish a workforce investment board.

The chief elected official within each of EGRs submitted the letters of intent to the chairperson of the State Workforce Innovation Council by November 30, 2010, and at its December 9, 2010 meeting, the SWIC recommended the recognition of seven new workforce service areas, and a reconstitution of balance of state workforce service area which is to be comprised of four contiguous economic growth regions. The following chart indicates the chief elected officials for each economic growth region within the state and identifies the preference that each letter contained regarding remaining an RWB or transitioning into a workforce investment board. The letters of intent are available upon request.

	WSA or Region	**Letter Submitted by:**
Region 1	WSA	Russell Collins, Jr, Newton County Commissioner
Region 2	WSA	Steven Luecke, Mayor, City of South Bend
Region 3	WSA	Douglas Bauman, Adams County Commissioner
Region 4	WSA	Tony Roswarski, Mayor, City of Lafayette
Region 5	Region	John Richwine, Madison County Commissioner
Region 6	WSA	Milo Miller, Jr, Jay County Commissioner
Region 7	WSA	Paul Mason, Vigo County Commissioner
Region 8	Region	Shawna Girgis, Mayor, City of Bedford
Region 9	Region	Craig Luedeman, Mayor, City of Seymour
Region 10	WSA	James Goldman, Harrison County Commissioner
Region 11	Region	Jonathan Weinzapfel, Mayor, City of Evansville

The following section details Indiana's workforce service area operating structure, and the roles of the State Board, Local Boards, and Regional Boards.

Designation of Local Areas

At its December 9, 2010 meeting, the State Workforce Innovation Council, acting upon letters of intent submitted by the chief elected officials of the economic growth regions, approved the initial designation of the following workforce service areas:

- **Region 1**, consisting of Lake, LaPorte, Jasper, Newton, Porter, Pulaski, and Starke counties;
- **Region 2**, consisting of Elkhart, Fulton, Kosciusko, Marshall, and St. Joseph counties;

- **Region 3**, consisting of Adams, Allen, DeKalb, Grant, Huntington, LaGrange, Noble, Steuben, Wabash, Wells, and Whitley counties;
- **Region 4**, consisting of Benton, Carroll, Cass, Clinton, Fountain, Howard, Miami, Montgomery, Tippecanoe, Tipton, Warren, and White counties;
- **Region 6**, consisting of Blackford, Delaware, Fayette, Henry, Jay, Randolph, Rush, Union, and Wayne counties;
- **Region 7**, consisting of Clay, Parke, Putnam, Sullivan, Vermillion, and Vigo counties;
- **Region 10**, consisting of Clark, Crawford, Floyd, Harrison, Scott, and Washington counties; and
- **Balance of State Workforce Service Area ,** which is comprised of:
    - Region 5 (Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Morgan, and Shelby counties)
    - Region 8 (Brown, Daviess, Greene, Lawrence, Martin, Monroe, Orange, and Owen counties)
    - Region 9 (Bartholomew, Dearborn, Decatur, Franklin, Jackson, Jefferson, Jennings, Ohio, Ripley, and Switzerland counties)
    - Region 11 (Dubois, Gibson, Knox, Perry, Pike, Posey, Spencer, Vanderburgh, and Warrick counties)

Because the newly constituted balance-of-state area consists of nearly all regions in southern Indiana, and because of the economic similarities between Region 10 and its contiguous regions within the balance-of-state area, the SWIC also requested that the chief elected official reaffirm Region 10's desire to transition into a workforce service area. If the elected officials of Region 10 determine that they would like to remain a region within the balance-of-state area, the State will modify this plan to show this addition.

Following the recognition and establishment of these workforce service areas, Indiana will be comprised of nine total workforce service areas: Region 1, Region 2, Region 3, Region 4, Marion County, Region 6, Region 7, Region 10, and the Balance of State.

Each of these workforce service areas will have workforce investment boards, which conform to the membership requirements found in WIA Section 117(b)(2), and will perform the required functions found in WIA Section 117(d).

The populations of each of the workforce service areas can be found on the chart below.

Region 1	852,568
Region 2	611,782
Region 3	748,573
Region 4	491,206
Marion County	890,879
Region 6	338,751
Region 7	223,558
Region 10	282,515
Balance of State	2,265,796
Statewide	**6,705,628**

Each of these newly recognized local workforce service areas cohere to the requirements pertaining to the designation of local workforce investment areas found in Section 116 of the Workforce Investment Act, and the areas have been established following consultation with the State Workforce Innovation Council and local elected officials throughout the State.

Based upon the requests from four chief elected officials to remain regions, governed by a Regional Workforce Boards, serving under a Balance-of-State Workforce Investment Board, Indiana's workforce investment system will continue to be unique.

The following section details Indiana's workforce service area operating structure, and the roles of the State Boards, Local Boards, and Regional Boards.

Workforce Service Area Operating Structure

Local Structure

Between July 1, 2006 and June 30, 2010, Indiana was granted a waiver from the USDOL which allowed the State Workforce Innovation Council, Indiana's state workforce investment board, to also serve in the role of local workforce investment board for the balance of state workforce service area. As a result of the comprehensive review that the State conducted of its workforce investment governance structure, beginning in July 2011, the State will contain nine local workforce service areas, each governed by a local workforce investment board. With the exception of the four economic growth regions that indicated their intent to remain partnered as part of the balance of state workforce service area and Marion County, all designated workforce service areas will transition from being governed by a regional workforce board to a workforce investment board between January and June 2011.

Because of the uniqueness of Indiana maintaining a balance-of-state workforce service area, the following narrative describes the strategy for operation of the BOS WSA.

The balance of state workforce service area will consist of four contiguous regional areas that mimic workforce service areas. This strategy allows these regions to collaborate closely and to move rapidly and effectively in introducing change. The following are some features of the regional system that comprises the BOS workforce service area:

- Regional Workforce Boards (RWB) have been established using the same basic concepts for boards that exist in WIA legislation. Indiana's RWB requirements however allow for smaller and more focused business-led boards.
- The regions are funded by the Balance of State WIB using formulas similar to those used under the current structure.
- Regional Workforce Boards are required to develop strategic plans under similar guidance as required of Workforce Investment Boards (WIBs), which are ultimately combined to form the BOS WIBs local workforce investment plan. The strategic plans are outcome-based, stress integration of service delivery, and have other requirements that are in-line with Indiana's strategic plan.
- The regional workforce boards are responsible for meeting performance objectives established by the State of Indiana and the Balance of State Workforce Investment Board.

Boards

As stated previously, the State of Indiana will undergo a transition in the coming months from two workforce service areas, with local workforce investment boards to nine workforce service areas with local workforce investment boards. These workforce investment boards will maintain membership as required by WIA Section 117(b)(2) and complete the functions of local workforce investment boards as defined in WIA Section 117(d). Region 1, Region 2, Region 3, Region 4, Marion County, Region 6, Region 7, and Region 10 will employ a "traditional" WIB as defined in WIA; however the BOS WIB, which includes Region 5, Region 8, Region 9, and Region 11, employs the assistance of Regional Workforce Boards in a shared governance structure, defined in Indiana Code, throughout the BOS workforce service area.

Each region within BOS workforce service area has a Regional Workforce Board. The Regional Workforce Board consists of at least 9, but no more than 16 members. The board has one representative each from labor, education, economic development and community-based/faith-based organizations. The rest of the board members represent business/commerce.

Together the local elected officials (county commissioner and mayors) located in each county selects one business representative to represent the county population. The mayor of the largest city in the region selects a representative from one of the non-business sectors. That process continues 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 starts over with the largest city, until the four representatives are selected. Each city in the region with a population greater than 100,000 selects an additional business representative. Each city in the region with a population greater than 500,000 selects an additional business representative. If in using this process a region has less than 16 members, that region may elect 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 has 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) each competitively procures a Regional Operator for their region, under the guidance of the BOS WIB, utilizing a standard Request for Proposal document, which RWBs can modify regional inflection. RWBs review and score the proposals and submit their recommendations to the BOS WIB, who vote whether or not to procure the Regional Operator. If approved by the BOS WIB, a three-party contract, between the BOS WIB, the RWB, and the Regional Operator is issued. The Regional Operator provides at least two primary functions for the RWB. The Regional Operators provides staff functions for the RWB and will also serve as the one-stop operator for the WorkOnes in that region. The procurement is done in accordance with guidelines set forth by the State and under the supervision of the BOS WIB.

Regional Workforce Board members and Regional Operators do not provide direct services to WIA clients. The specific duties of the Regional Workforce Boards and Regional Operators are defined in Indiana Code and further described in State Policy. The service providers are subcontractors of the selected Regional Operators and/or Regional Workforce Boards, and are competitively procured under the guidance of the BOS WIB, utilizing the same methodology described above for selecting Regional Operators.

Identification of Chief Elected Officials for Workforce Service Areas

Indiana's workforce service areas are overseen by chief elected officials, who assume the duties as set forth in the Workforce Investment Act. In Marion County, the Honorable Mayor Gregory Ballard serves as the Chief Elected Official, as he is the chief elected executive officer of Marion County/The City of Indianapolis. For the balance of state workforce service area, Governor Mitch Daniels has been appointed as Chief Elected Official by agreement of the regional chief elected officials in the Balance of State workforce service area.

For the remaining workforce service areas, local elected officials, defined in state policy, as "the chief elected executive officer of all counties and incorporated cities and towns with a population exceeding 5,000 within the local workforce service area" will establish agreements designating who will serve as the chief elected official within the local workforce service area and how financial liability will be shared among them.

As Indiana reviewed its workforce investment governance structure, it requested those regional chief elected officials that desired to remain a part of the balance of state workforce service to reaffirm their intent to have Governor Mitch Daniels serve as the chief elected official for the balance of state workforce service area. The state received letters from the following individuals, designating the Governor as the CEO for the balance of state area:

- Region 5 – Madison County Commissioner John Richwine
- Region 8 – Mayor Shawna Girgis, Bedford, Indiana
- Region 9 – Mayor Craig Luedeman, Seymour, Indiana
- Region 11 – Mayor Jonathan Weinzapfel, Evansville, Indiana

Local Workforce Investment Board Membership and Appointment Criteria

A primary duty of the Chief Elected Officials of Indiana's workforce service areas is appointing members of the workforce investment boards. Indiana is strongly committed to following the criteria set forth in Section 117 of the Workforce Investment Act for appointment of members to local workforce investment boards. As such, the State of Indiana has established policy that Chief Elected Officials follow when appointing members of local workforce investment boards. All workforce investment boards within the State are required to follow the requirements established in Section 117 of WIA and those additional criteria established in State Policy.

Indiana's policy provides the following overarching membership requirements of local boards:

- WIB members must be individuals with optimum policymaking authority within the organization, agency, or entity they represent;
- A majority of members of the workforce investment board must be representatives of business;
- The WIB must select a chairperson from among the business representatives on the board;
- The WIB may not have more than one member from the same business, organization, or entity;
- WIB members may represent more than one interest group and/or WIA partners; and
- The size of each WIB should not exceed forty seven members without substantial justification.

The policy requires the following types of entities to be represented on each WIB:

- Business Representatives – must comprise a majority of the WIB membership.
    - Members must be appointed from nominations solicited from business organizations and business trade organizations in the workforce service area;
    - Members should be representatives of business in the local workforce service area who:
        - Are owners of business, chief executives, operating officers of businesses, or other executives with optimum policymaking or hiring authority; and
        - Represent businesses with employment opportunities that reflect employment opportunities in the local workforce service area.
            - All business representatives must come from businesses that employ at least five full-time employees; and
            - At least fifty percent of each WIB's business representatives must come from businesses that employ at least fifty employees.
- Labor Representatives – must have at least two labor representatives on WIB.
    - Must be appointed from nominations solicited from local labor federations (called Central Labor Councils in Indiana) that have jurisdiction in the local workforce service area.
- Education Representatives – must have at least two educational representatives on WIB.
    - Must be appointed from nominations received from regional or local educational agencies, institutions, or organizations representing local educational entities;
    - Adult education and literacy and post-secondary WorkOne (One Stop) partners may satisfy the educational requirement if they meet requirements under Section 117(b)(2)(A)(ii) of WIA.
- Community-Based Organization Representatives – must have at least two representatives of community-based or faith-based organizations on WIB.
    - Must be appointed from nominations received from community-based or faith-based organizations that deal with workforce development or human services, particularly those that represent organizations that represent individuals with disabilities and veterans;
- Economic Development Representatives – must have at least two representatives of economic development.
    - Must be appointed from nominations solicited from public and private local economic development entities.

- Mandatory WorkOne (One Stop) Partners – must have at least one representative from each of the mandatory partners identified in Section 117(b)(2)(A)(vi) of the Workforce Investment Act that are located in the workforce service area. The following partners shall be identified and appointed:
    - WIA Title I – Adult, Youth, and Dislocated Worker;
    - Job Corps;
    - Indian and Native American Programs;
    - Migrant and Seasonal Farmworker Programs;
    - Wagner-Peyser Program;
    - Adult Education and Literacy Programs authorized under WIA Title II;
    - Rehabilitation Act Title I programs;
    - Senior Community Service Employment Program;
    - Postsecondary Vocational Education programs under Carl Perkins Act;
    - Community Services Block Grant Employment and Training Programs; and
    - U.S. Department of Housing and Urban Development Programs.
- Youth Service Organization Representative – must have at least one representative from a community-based or faith-based organization that provides services to underprivileged youth or youth with employment barriers.
- Other Board Members deemed appropriate by the Chief Elected Official.

Roles of Balance of State Workforce Investment Board and Regional Workforce Boards

Because of the uniqueness of Indiana's workforce investment governance structure, in that one of its workforce service areas (the balance-of-state area) is comprised a number of economic growth regions, with State-defined regional workforce boards (RWB), and the governance of the balance-of-state area is shared between the BOS WIB and the RWBs, it is important to describe the roles of the BOS WIB and the RWBs.

The Balance of State Workforce Board (BOS WIB) performs all of the functions described in Section 116(d) of the Workforce Investment Act for the Balance of State workforce service area. In performing its functions, the BOS WIB works closely with Regional Workforce Boards (RWB), which were established by Indiana Code 22-4.5-7-1 to oversee regional workforce areas. The following chart depicts the responsibilities of each entity, and further discussion follows.

Responsibility	**BOS WIB**	**RWB**
Develop Local Plan	X	X
Selection of OneStop Operators	X	X
Selection of Youth Providers	X	X
Identification of Eligible Training Providers	X	
Identification of Eligible Providers of Intensive Services	X	X
Develop Budget	X	X
Administration (Liability)	X	
Program Oversight	X	X
Negotiation of Local Performance Measures	X	
Employment Statistics System	X	
Employer Linkages	X	X
Connecting, Brokering, and Coaching	X	X

Developing Local Plans

The BOS WIB is ultimately responsible for developing and submitting the local plan for the balance of state workforce service area. It does so with the assistance of the Regional Workforce Boards, who are required by Indiana Code 22-4.5-7-4 to "develop an outcome based regional plan that encourages the integration of service delivery." The BOS WIB approves the regional plans and utilizes the information, to develop its local plan. The primary differences between the two plans are that the BOS WIB local plan must conform to the all of the requirements of WIA Section 118, whereas the regional plans do not, and that regional plans take only the regional outlook into consideration, whereas the BOS WIB local plan considers the entirety of the balance of state workforce service area.

Selection of One Stop Operators

In the balance of state workforce service area, One Stop Operators are called Regional Operators. Indiana Code 22-4.5-7-4 requires that Regional Workforce Boards "Select and enter into an agreement with a regional operator on behalf of its workforce investment board at least every three (3) years using a competitive procurement process." The BOS WIB is ultimately responsible for selecting the One Stop Operators throughout the workforce service area, and has established a protocol that ensures that it maintains the appropriate controls in regards to the selection of One Stop Operators. The protocol consists of the following:

- RWBs utilize a standard RFP and scoring criteria developed under the guidance of the BOS WIB;
- The Indiana Department of Workforce Development (DWD), as staff to the BOS WIB, issues the RFP on behalf of the BOS WIB with all proposals returned to DWD;
- DWD transmits all proposals to RWBs for review and assists them with the vetting process;
- RWBs complete the vetting process and submit a letter of recommendation to the BOS WIB;
- The BOS WIB reviews the recommendations of the RWB, and vote on approval;
- If approved, a three-party (BOS WIB, RWB, and selected Regional Operator) contract will be issued for signature.

Selection of Youth Providers

Very similar to the selection of One Stop Operators, the selection of Youth Providers is a duty shared by Regional Workforce Boards and the Balance of State WIB. The BOS WIB is ultimately responsible for the selection of Youth Service Providers, and has developed a similar protocol for coordinating the selection with RWBs. The protocol consists of the following:

- RWBs utilize a standard RFP and scoring criteria developed under the guidance of the BOS WIB and its Youth Council;
- The Indiana Department of Workforce Development (DWD), as staff to the BOS WIB, issues the RFP on behalf of the BOS WIB with all proposals returned to DWD;
- DWD transmits all proposals to RWBs, with copies to the BOS WIB Youth Council, for review, and assists them with the vetting process;
- RWBs complete the vetting process and submit a letter of recommendation to the BOS WIB Youth Council;
- The BOS WIB reviews the recommendations of the RWB, and if it concurs, will forward the recommendation to the full BOS WIB for a vote;
- If approved by the BOS WIB, a three-party (BOS WIB, RWB, and selected Youth Provider) contract will be issued for signature.

Identification of Eligible Training Providers
The Balance of State Workforce Board is solely responsible for this activity. The responsibility of workforce investment boards with respect to the identification of eligible training providers is described in detail in DWD Policy 2009-13, available at http://www.in.gov/dwd/files/DWD_Policy_2009-13.pdf.

Identification of Eligible Providers of Intensive Services
Like the selection of One Stop Operators and Youth Providers described above, the BOS WIB is ultimately responsible for identifying eligible providers of intensive services throughout the balance of state workforce service area. Much like the protocols defined previously, the BOS WIB oversees the identification of eligible providers in close consultation with the RWBs that comprise the balance of state service area.

Develop Budget
The BOS WIB allocates its WIA Title I Adult, Dislocated Worker, and Youth annual funds to the Regions that comprise the balance of state workforce service area. When allocations are provided to the Regional Workforce Boards, the BOS WIB indicates the percentage of funds that must be utilized for program activities and the percentage that can be used for administrative activities. The RWB is then charged with developing a detailed budget, with the assistance of DWD, in its role as staff to the BOS WIB.

Administration (Liability)
The Governor of Indiana, in his role as the duly appointed CEO for the balance of state workforce service area assumes all liability for disallowed costs based upon compliance findings.

Program Oversight
Both the BOS WIB and Regional Workforce Boards have responsibilities that relate to program oversight. On an annual basis, DWD, as staff to the BOS WIB, conducts monitoring of WIA programs in the balance of state workforce service area. DWD reviews the activities of the Regional Workforce Boards, the Regional Operators (One Stop Operators), and WIA service providers. Monitoring reports prepared by DWD staff are regularly shared with the BOS WIB. Regional Workforce Boards are charged with oversight of the WIA activities conducted by the Regional Operator and WIA service providers within their specific region. DWD assists the Regional Workforce Boards with respect to compliance findings and resolutions when needed.

Negotiation of Local Performance Measures
The BOS WIB is responsible for negotiating performance measures for the balance of state workforce service area. The BOS WIB does so in consultation with RWBs; however, the BOS WIB is ultimately responsible for negotiating those measures and providing them to all regions which comprise the BOS workforce service area.

Employment Statistics System
The BOS WIB works with the State to maintain an employment statistics system, which is made available to Regional Workforce Boards, and the public-at-large.

Employer Linkages
Both the BOS WIB and Regional Workforce Boards have strong employer linkages. The BOS WIB primarily facilitates the linkages through partnerships with the Indiana Economic Development Corporation and the Indiana Chamber of Commerce. Additionally, the BOS WIB has among its standing committees, the Employer Development and Marketing Committee. This committee is charged with developing programs, services, and instruments to improve the reliability and visibility of the workforce development system within the employer community. The programs, services, and instruments that the committee develops are instituted throughout the BOS service area. Regional Workforce Boards are also expected to facilitate employer linkages throughout their region. They do so in a variety of manners, most often through partnerships with local chambers of commerce and economic development entities.

Connecting, Brokering, and Coaching
As with employer linkages, the BOS WIB and Regional Workforce Boards both undertake these responsibilities. They do so in the same manner as described previously under employer linkages and program oversight.

Independence of Balance of State Workforce Investment Board and State Workforce Innovation Council
The first half of 2011 will be a time of transition for the Balance of State Workforce Investment Board (BOS WIB). As has been explained previously, at its December 2010 meeting, the State Workforce Innovation Council (SWIC) provided initial approval for the establishment of seven new workforce service areas, which previously were regions within the balance of state workforce service area. As a result, the constitution of the balance of state workforce service area has significantly changed, and the BOS WIB will be reconstituted to reflect the geographic area it now serves.

One anticipated result of the reconstitution of the BOS WIB is that the membership and operations of the BOS WIB will be completely independent of the SWIC. The boards will continue to have separate meetings and conduct business separately. Each board will continue to have individual by-laws and unique membership requirements. Additionally, the SWIC will continue to be responsible for monitoring and certifying the BOS WIB on an annual basis.

In order to ensure independence, the monitoring of the BOS WIB will be conducted by an independent entity procured by DWD on behalf of the SWIC. The independent monitoring organization will report the results of the monitoring to the SWIC. Additionally, it is anticipated that the newly constituted BOS WIB will be staffed by different individuals than those that staff the SWIC. Although it is too early to identify the staff members that will staff the BOS WIB, those individuals, if employed by the State of Indiana, will be independent, and appropriate "firewalls" will be established to maintain the independence of the BOS WIB and the SWIC.

The process of reconstituting the BOS WIB will take place between January and June 2010, and will result in minimal overlap of SWIC and BOS WIB membership. Current membership rosters of the SWIC and BOS WIB may be found at:
http://www.in.gov/dwd/2473.htm

Local Plans

With the upcoming changes to Indiana's workforce investment system, and with economic recovery on the horizon, Indiana is mandating the development of all new local workforce investment plans by workforce investment boards and regional workforce boards. At its December 9, 2010 meeting, the State Workforce Innovation Council approved the local plan instructions, and directed DWD to issue the instructions to the workforce investment system.

All WIBs and RWBs will develop new local plans between January and April 2011, using the following timeline:

December 22, 2010	Local/Regional Plan Guidance issued
April 29, 2011	Local WIBs/RWBs submit plans to DWD Local/Regional public comment period begins
June 2, 2011	Summary of public comments received due Revision of local/regional plans due
June 30, 2011	Local/Regional plans approved
July 1, 2011	WIA Program Year 2011 begins

All local plans will consist of seven sections:

1) Executive Summary
2) Labor Market Analysis
3) Operational Plans
4) Partnerships
5) Budget
6) Governance and Structure
7) Program Contact Persons and Signature Page

Each plan will address the entire area that comprises the workforce service area or regional area, strongly cohering to the State's strategic workforce investment goals, and closely supportive the most relevant labor market data and analysis. The specific questions and items required for the local plans may be found at: http://www.in.gov/dwd/files/Local_Plan_Guidance-Final.pdf

Submission and Approval Process

WIB/RWBs will be required to submit electronic copies of the plans to the Indiana Department of Workforce Development (DWD). DWD and the State Workforce Innovation Council's Executive Committee will initially review the plans in May of 2011, requesting clarifications or revisions, and the SWIC will vote to approve or deny the plans at its June 2011 meeting.

Modifications to Local Plans

Once the local plans are approved, WIBs will have the ability to modify their plans when significant changes to the economy, allocations, or service delivery occur. The State will issue formal guidance to the workforce investment system regarding how local plan modifications may be requested.

Indiana's Workforce Investment System Governance Structure – PY 2010 Transition

As has been indicated previously, this State Plan modification request is the result of a comprehensive review that the State conducted of its workforce investment system. The following timeline reflects the steps and the anticipated completion dates that the State intends to adhere to throughout the review. The timeline has been updated in this modification request to indicate the steps that have been completed. The State remains on course, and is fully committed to achieving the transition in the timeline established.

Program Year 2010 Timeline for Restructuring Indiana's Workforce Investment System

September 16, 2010 - COMPLETED

- State Workforce Innovation Council approves proposal for optional change from economic growth regions with regional workforce boards to designation as workforce service area with workforce investment board
- Indiana Department of Workforce Development announces optional change to elected officials, and Indiana's Workforce Investment System Partners
- **DWD provided letters and information regarding optional change to regional chief elected officials**

November 30, 2010 - COMPLETED

- Chief Elected Officials provide letter of intent to State Workforce Innovation Council, identifying preference to become recognized workforce investment service area, or to remain part of a larger workforce investment service area as a region.
- **All Chief Elected Officials provided letters of intent to SWIC by November 30, 2010.**
- **Seven Regions indicated the intent to transition to workforce service areas**
- **Four Regions indicated the intent to remain a part of the balance-of-state workforce service area**

December 9, 2010 - COMPLETED

- State Workforce Innovation Council adopts guidance and instructions for Local Plans and approves State Plan modification identifying workforce investment service areas
- **SWIC approved the initial establishment of seven new workforce service areas and the reconstitution of the balance-of-state workforce service area**
- **SWIC adopted guidance and instructions for local workforce investment plans**
- **SWIC approved modification of State Plan**

December 31, 2010

- DWD submits State Plan modification to United States Department of Labor-Employment and Training Administration

December – April, 2011

- New Local Elected Official/Chief Elected Official agreements signed and executed
- Chief Elected Officials appoint workforce investment board members
- Workforce Investment Boards meet, elect officers, establish initial bylaws, hire staff
- Workforce Investment Boards develop local plans

By April 29, 2011

- Workforce Investment Boards submit Local Plans to DWD
- Workforce Investment Boards post Local Plans for public comment

May 19, 2011

- State Workforce Innovation Council Executive Committee reviews Local Plans and directs changes as appropriate

June 16, 2011

- Workforce Investment Boards present Local Plans to State Workforce Innovation Council for consideration
- Governor sends letters to CEOs indicating plan approval

July 1, 2011

- WIA Annual funds allocated to Workforce Investment Boards

By September 1, 2011

- On behalf of the governor, DWD certifies the membership and functioning of the local boards

Allocations

WIA funding is allocated to the WSAs as mandated under WIA legislation. Adult and Youth funds are distributed using a three-part formula. Each part of the formula is equally weighted. The first two parts of the formula are based on Local Area Unemployment Statistics (LAUS) data. The first part is the most recent data on Areas of Substantial Unemployment (ASU). The second part is the most recent data on Excess Unemployment or ASU, whichever was higher. The third part of the formula is based on economically disadvantaged adults or youth data. This data comes from census data.

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

Allocation Factor	Data Source & Time Period	Weight
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%

The adult and youth allocations use the hold harmless provision as outlined in WIA Section 133(b)(2)(A)(ii). The dislocated worker allocations do not use the hold harmless provision.

Indiana formula-allocates at least 85% of the Adult and Youth funding and at least 60% of the Dislocated Worker funding to the workforce service areas. No more than 15% of all funding is held at the state level as the Governor's discretionary funds, and that funding is used in compliance with the Workforce Investment Act and any waivers granted to the State. Up to 25% of the Dislocated Worker funding is 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 BOS WIB uses a regional allocation process very similar for annual WIA allocations to its regions. This ensures that funding for regions within the balance of state WSA is fairly and equitably allocated. The annual Adult and Youth funds are distributed using a three-part formula. Each part of the formula is equally weighted. The first two parts of the formula are based on Local Area Unemployment Statistics (LAUS) data. The first part is the most recent data on Areas of Substantial Unemployment (ASU). The second part is the most recent data on Excess Unemployment or ASU, whichever is higher. The third part of the formula is based on economically disadvantaged adults or youth data. This data comes from census data.

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

Allocation Factor	Data Source & Time Period	Weight
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%

With the infusion of ARRA funding in 2009, the BOS WIB opted to utilize the funding provided under ARRA to provide large scale initiatives to Youth, Adult, and Dislocated Workers that complement programs funded by its regular annual allocations throughout the balance of state workforce service area. ARRA funds were allocated to regions based upon the specific parameters of each ARRA-funded initiative, but will not be allocated through the use of the formulas described above. Using this allocation method, the BOS WIB was able to ensure ARRA funds are targeted towards expanding access to and availability of workforce development services in a common fashion throughout the balance of state workforce service area.

Service Providers and Partners

Indiana encourages a policy that provides for increased competition in the selection of support staff and service providers. Policy has been issued providing guidance on competitive procurements.

All service providers, including youth, shall be assessed by at least the following criteria:

- Satisfactory record of past performance in providing similar services
- Satisfactory record of organizational integrity and fiscal accountability
- Necessary organizational experience and operational controls
- Adequate management and participant data systems to generate timely and accurate reports
- Ability to meet the desired goals at a reasonable cost

Indiana is continuing its move towards enhanced regionalization of workforce programs. This effort integrates programs and makes service delivery more customer-focused. Through this effort and MOUs, full participation in the WorkOne system is a certainty.

Since the implementation 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. The State's continued objective is to increase integration and broaden cost sharing for the system.

Training Providers

Indiana developed and is currently 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.

At the direction of the State Workforce Innovation Council, DWD is currently redesigning the Education and Training Choices website in order to make it more user-friendly for both training providers seeking to be added to the State's list and to customers who are seeking training through WIA in the State of Indiana.

The State is also in the process of redefining the requirements for inclusion on the State's list of eligible WIA training providers. The following criteria, developed and approved by the State Workforce Innovation Council, will be utilized in determining the type of training providers that will be included on the State's eligible WIA training provider list:

- Post-secondary educational institutions that are (a) eligible to receive funds under Title IV of the Higher Education Act of 1965 and (b) provide a program that leads to an associate degree, baccalaureate degree, or certificate;
- Entities that carry out programs under the National Apprenticeship Act of 1937. These include universities, colleges, some community colleges, some vocational-technical colleges, some proprietary schools, and apprenticeship programs registered with the Office of Apprenticeship (formerly called Bureau of Apprenticeship Training), USDOL;
- Post-secondary educational institutions seeking training funds for a program(s) that does not lead to an associate or baccalaureate degree, certification, or is not funded under Title IV of the Higher Education Act of 1965;
- Public and private providers of a program of training services, which includes entities such as some vocational-technical schools, community-based organizations (CBOs), private training companies, labor organizations, employer organizations.

The WIBs will be charged with initially determining whether or not a training provider meets the initial eligibility requirements for inclusion on the List, and the SWIC, through its Educational Review Committee, will ultimately determine whether the training provider meets the specifications established by State Policy.

Additionally, even though Indiana currently operating under a waiver relating to the collection of training provider performance data, the SWIC has directed DWD to require training providers to supply performance metrics for each training program on the State's list. Following are examples of the types of data that may be collected in the coming years. At a minimum, DWD will collect data for the following calculations: completion rate, employment rate, and average earnings.

- Student enrollment for each program for which the training provider is seeking approval.
- Total number of completers for each program for which the training provider is seeking approval.
- Average time to complete for all individuals completing the applicable program. Training providers may supply the rate.
- Rate of all individuals completing the applicable program who obtain employment.
- Rate of individuals completing the applicable program who obtain employment in an occupation related to the program.
- The average hourly wage rate (without benefits) for all participants who completed the program (from the most recent 12-month period). Benefits should not be factored into the rate.
- Rate of individuals completing the applicable program and qualifying for objective assessment (e.g. licensure or certification examination).
- Rate of individuals completing the applicable program and passing an objective assessment (e.g. licensure or certification examination).

WorkOne Structure

At the local level, Indiana has integrated all WorkOne services. Through policy and coordination, services are organized around multi-functional teams. To the extent possible, funding sources are accessed not through staffing structures, but through operational time charging.

The overall philosophy for the WorkOne system is to prepare job seekers for the workplace. The State expects these job seekers to fully meet the current and future needs of our business community. Which funding sources are used to meet these objectives varies based on the individual needs of 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 prepares job seekers to meet the needs of the business community. In meeting this objective, Indiana engages all populations and works 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 conducts the formal oversight of the workforce system in Indiana. This includes both fiscal and programmatic monitoring of WIBs and each balance of state region. In the BOS region, each RWB is responsible for monitoring its own service providers, but the State always reserves the right to monitor down to the service provider level. In the workforce service areas, WIBs are responsible for monitoring their service providers; however, the Oversight Division also reserves the right to monitor each WIB's competitively procured service providers.

Each balance of state region and all WIBs are monitored a minimum of one time per year. At the beginning of each program year, the Oversight Division, in conjunction with the program area, develops 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 also strengthened daily oversight with the creation of the regional coordinator positions that are responsible for on-site technical assistance, system integration, cross-functional teams, improvement plans and other on-site support functions. These regional coordinators closely coordinate with the program experts in the administrative DWD office to insure compliance with laws, regulations and policies and to insure consistency across the State.

Finally, both the regional coordinators and the program experts also monitor other data such as expenditure rates, enrollments, exit figures, performance metrics and local planning. Often this data identifies potential problem areas that would not be adequately identified during a once a year monitoring visit.

Grievance Process

DWD has developed and implemented a single policy that integrates all grievance processes for the customers of WorkOne programs funded through DWD. DWD Policy 2007-10 was issued in August of 2007, and provides the grievance and complaint procedures under Title I of the Workforce Investment Act as outlined in Section 181(c), the procedures for handling complaints of discrimination in accordance with Section 188(a)(2)of the Workforce Investment Act and as outlined in 29 CFR 37.70-37.115, and information on how to access grievance processes under the Wagner-Peyser Act, Trade Adjustment Assistance, and Unemployment Insurance programs.

State Strategic Initiatives

Years 1 and 2 (Program Years 2005 and 2006) – The Transition

During the first two years of this State Plan, the State transitioned from a workforce structure which had fifteen workforce service areas to its existing two workforce service area structure. The shift in structures required the State to start the transition while the old system continued to operate. By doing this, the traditional system insured that business went forward in a normal manner until such time as the new system was in place and ready to take over. This allowed the new regional areas to organize, train and staff appropriately prior to taking control.

This section lists some of the key steps Indiana accomplished during Years 1 and 2 of this Plan:

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

Years 3 and 4 (Program Years 2007 and 2008) – Post Transition

This section highlights areas for emphasis and growth for Administration and Oversight that Indiana undertook during the 3rd and 4th year of this plan.

- Engaging the local elected officials, board members and regional operators fully in the system. This ensures a highly focused regional system. This will be accomplished through quarterly meetings, web postings, newsletters, conferences and other such activities.
- Promoting an atmosphere and a structure that compels competition.
- Increasing the level of integration between WIA, TAA, Wagner-Peyser and the LVER/DVOP programs. Increase the percent of funding that goes towards training.
- Initiating pilot programs that explore innovative and effective options for service delivery such as Career Advancement Accounts.
- Utilizing the dual roles of the State Workforce Innovation Council, as both State Board and Balance of State Board, to commonality and consistency throughout Indiana's Workforce System
- Developing system-wide policy and goals that drive efficiency and integrated service delivery.

Year Five (Program Year 2009) – Implementation of ARRA Funded Programs

During the fifth year of this plan, Indiana continued much of the work that was undertaken during the first four. In many ways, much of the work that was accomplished during the first four years of this plan prepared Indiana's workforce investment system for the impact of the economic downturn. The influx of ARRA funds into Indiana's workforce system allowed the State to bolster its efforts to create commonality and consistency of workforce investment services and increase its capacity to serve an increased number of customers.

As described in Section VI, Indiana aggressively implemented regional integration plans during the years covered by this Plan. Indiana's integration strategy was designed to maximize resources, and provide every customer the opportunity to access all services for which he or she is eligible. During this process, each Region in the State and the Marion County Service Area updated its operational plan. Indiana extended the life of these plans during Program Year 2009, while providing each local area the flexibility to modify its plan based upon changes to regional economies. Each quarter throughout PY2009, the State hosted a roundtable discussion with its workforce board chairpersons, its regional workforce board chairpersons, its regional operators, and other operational personnel. These meetings were, and will continue to be, utilized to share important information about maximizing resources, implementing initiatives, strategies for increasing service capacity, and best practices in capacity building through the local planning process.

With the influx of ARRA WIA Youth funds, the State took advantage of the opportunity to provide a robust summer employment program for eligible youth participants. The State expects to utilize 100% of its ARRA WIA Youth funds for the operation of summer youth employment programs in its two workforce service areas. In order to quickly implement these programs, the State requested and received a waiver of the regulatory requirements found in Section 123 and 20 CFR Part 664.405(a)(4) that indicate eligible providers of youth activities shall be awarded on a competitive basis by the local board based on the recommendation of the youth council. The waiver allows the State and its workforce investment boards to:

- Expand existing competitively procured contracts by no more than 100%; and
- Conduct an expedited, limited competition to select service providers.

Through the use of this waiver, the Balance of State Workforce Investment Board and IPIC were able to expand its existing contracts with WIA Youth Service providers to provide summer youth employment programs funded by ARRA, and to provide a limited competition among service providers with a track record of success. In PY 2009, over 2,000 eligible youth participants were able to gain meaningful summer work experiences with the use of ARRA funds.

Additionally, the State utilized its ARRA Adult and Dislocated Worker funds to implement a training grant program, entitled, Workforce Acceleration Grants. This program, which utilizes the same framework as Individual Training Accounts, provided eligible participants with training accounts up to a maximum of $3,000 per year to be used for pursuing accredited associate degree or pre-baccalaureate certificate programs at eligible training institutions. The BOS WIB allocated all of its ARRA Adult and Dislocated Workers to regions to implement and support this program throughout the balance of state workforce service area, and IPIC utilized a large portion of its ARRA Adult and Dislocated Worker allocation to implement and operate the program in Marion County. To date, an additional 5,000 WIA participants have been enrolled into occupational skills training through the use of ARRA Adult and Dislocated Worker funds for the Workforce Acceleration Grants program.

A provision of ARRA also encourages local workforce investment boards to award contracts to institutions of higher education or other training providers to facilitate the training of multiple individuals in high-demand occupations, as long as the contract does not limit customer choice. The State currently, and will continue, to allow local workforce boards the opportunity to contract directly with training providers to provide direct services to customers.

As described previously, regional operations throughout the State are supported and monitored by program experts and field support staff (regional coordinators). Program experts provide specific program guidance, address integration issues, and facilitate partnering at the state and regional level. The regional coordinators provide support to WorkOne centers, Workforce Investment Boards, and the Regional Workforce Boards. With the infusion of additional programs funded by ARRA, the State was able enhance its strategies for providing technical assistance and training to local and regional areas. As the State implemented new programs funded by ARRA, program experts from the Policy and Performance Unit and the Field Operations unit regularly conducted scheduled conference calls, roundtable discussions, and training opportunities for local and regional operations teams. Throughout PY 2009, the State continued to develop and distribute policy to local and regional areas, announcing new policies through a conference call to operational teams, conducting training through regularly-scheduled conference calls, providing weekly visits to local and regional areas to ensure successful implementation, and participating in quarterly operational roundtable discussions to ensure cohesion among all partners. Program specialists, working alongside regional coordinators identified specific areas that need additional assistance, and the State will conduct more detailed technical assistance and training where needed.

In response to the addition of new and expanded programs utilizing ARRA funds, the Department of Workforce Development's Grant Oversight Division monitored each region in the balance of state workforce service area, the BOS WIB, and IPIC, utilizing monitoring instruments previously reviewed by Region 5 ETA staff. In order to fulfill the additional

responsibilities of the ARRA funds, the Oversight Division is evaluating the options of adding additional staff and/or lengthening the time scheduled for the annual onsite reviews. Oversight staff assisted in the development of a summer youth monitoring tool for use in ARRA-funded summer employment programs, and the Division will closely monitored programs provided with additional funds provided by ARRA.

Year Six (Program Year 2010) – Continuation of ARRA-funded Programs and Reorganization of Governance Structure

Throughout Program Year 2010, the State intends to continue much of the work it began in the preceding years, with special attention given to meaningful and effective usage of ARRA funds. Additionally, as necessitated through the dissolution of the waiver which allowed the State Workforce Innovation Council to function as both Indiana's state workforce investment board and the local workforce investment board for the balance of state workforce service area, the State will work assiduously throughout PY 2010 to restructure its workforce investment governance structure, as previously described in this Plan.

The State also intends to continue forward with large-scale programs that will be offered in common and consistent ways throughout the State and provide maximum outcomes. Following is a brief snapshot of some of the programs the State intends to implement during PY 2010:

- An innovative program which expands the capacity of adult basic education (ABE) providers, and provides meaningful bridges between ABE and occupational skills training;
- An ambitious on-the-job training program, designed to reimburse employers for providing job opportunities and training to eligible dislocated workers;
- A redesign of the State's rapid response process, which will focus on early intervention and meaningful engagement of workers;

Additionally, as described previously, the State intends to implement an updated, more user-friendly version of its Education and Training Choices website, which will benefit both potential WIA training providers and training seekers, and the State also intends to procure and implement a new electronic case management system, which will replace the existing TrackOne system.

IX Service Delivery

WorkOne Service Delivery Strategies

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

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

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

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).

Though each regional/local workforce board is responsible for its own service delivery, the state establishes minimum standards for a demand-driven, skills-based, integrated service delivery model to establish consistency among regions. At its December 9, 2010 meeting, the State Workforce Innovation Council passed a measure approving the new customer flow model and its requirements. Each regional/local workforce board must come into compliance with the new model and accompanying policy by July 1, 2011. Any regional/local workforce board that comes into compliance prior to this date has been asked to notify the state.

Each WorkOne Center and WorkOne Express site utilizes a single customer flow model based on customer need. The customer flow helps to ensure that all customers can receive valuable services that will enable them to secure meaningful employment sooner, while focusing resources on customers who require the most services. Each WorkOne Center and WorkOne Express site customer flow design incorporates a methodology to identify customer needs immediately upon entry and encourage immediate engagement and connectivity to services during the customer's first visit.

Indiana's customer flow model requires that WorkOne customers are offered at a minimum Core services and Staff-assisted core services. Intensive services and Occupational Skills Training (OST) are available and provided to those customers determined in need and eligible for such services and training.

WorkOne services are provided based on the needs of the customer. The primary focus is to prepare and assist customers in finding sustained employment and to build skill sets for career advancement. Clients who indicate that they have a high school degree, GED, or less, who are TAA certified, or who otherwise indicate that additional, individualized services would be beneficial should be given the opportunity to speak to the first available case manager to determine if additional services might be beneficial. Some customers may have needs that cannot be provided through workforce development and should be directed to the appropriate community resource.

Core Service

Many customers should receive sufficient core services that they are able to attain meaningful employment. Every new customer should be offered a minimum of an informational packet describing the WorkOne workshops and services available to them as well as the opportunity to attend an orientation workshop.

Core Workshops
All full-service WorkOnes will be required to offer Core workshops on a minimum of the following topics:

- discovering career interests
- digital literacy
- financial literacy
- interviewing
- job search
- resume writing
- unemployment insurance

The information provided in these workshops should be general in nature and readily available to customers but repackaged in a workshop format for ease of understanding and access. The State will provide basic learning outcomes for each of the workshop topics. In addition, the use of WorkOne computers, resource rooms and other resources are considered core services.

Intensive Services

Case Management
Customers who need further assistance with workforce development services should be given the opportunity to meet with a case manager to determine eligibility and benefit of receiving additional services. The case manager should conduct an informational interview during which both eligibility for further services as well as the customers' needs, goals and barriers are assessed and determined. Additionally the case manager, together with the customer, should start developing the Academic and Career Plan (ACP), which details the steps the customer should take to gain meaningful employment. The case manager serves 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. As much as possible, customers should have the same case manager until they exit the system so that they can build a working relationship. Case managers should check-in with each of their clients a *minimum* of 60 days after the last service the customer receives. A "check-in" is defined as a reciprocal communication between the case manager and customer that identifies how a customer is progressing and offers or recommends additional services as necessary. Case managers should check-in on customers in Adult Education or occupational skills training a minimum of every 45 days.

Academic and Career Plans (ACP)
Each customer in intensive services should have an ACP, which should be jointly developed with the case manager as well as the Academic and Career Counselor (ACC), if appropriate. The ACP should provide clear action steps that the customer can take to achieve his/her employment goal. It should be a "living document" that can be adjusted as the customer and case manager deem necessary. In developing the ACP, the customer and case manager could focus on:

- Assessing educational attainment level or work readiness skills
- Defining career objectives
- Developing a financial plan
- Establishing steps, milestones, and objectives
- Exploring career interests and aptitudes
- Identifying workshops or job clubs to attend
- Identifying and removing barriers, i.e., transportation, childcare, etc.
- Referral to Adult Education for remediation and/or achieving a GED

Assessments
The State has procured three reliable and valid assessments that all WorkOnes are required to use for the purposes of measuring educational attainment, career interests and aptitude, and work readiness skills. The State has procured Tests of Adult Basic Education (TABE), Indiana Career Explorer powered by Kuder, and WorkKeys®, respectively, for these purposes. The regional/local workforce boards can submit requests to the State to use additional assessments for purposes other than those outlined.

Any customer who wants to enter Adult Education or Occupational Training must take TABE as the ability to benefit test. Customers who do not score high enough to enter occupational skills training should be referred to Adult Education. Indiana Career Explorer and WorkKeys should only be given when the case manager or Academic Career Counselor identifies that they would be beneficial.

All customers who take an assessment should have the opportunity to have it interpreted and explained by a case manager or ACC.

Adult Education
Customers who have less than a high school diploma or GED or who need remedial education before entering Occupational Skills Training should be referred to Adult Education. These customers should receive case management, other intensive services as appropriate, and check-ins regularly as indicated in their ACP.

Other Intensive Services
All WorkOnes should offer intensive level services including formal assessments, intensive workshops, job clubs, adult education, and case management. Customers must have an ACP in order to receive intensive services.

Academic and Career Counselors (ACC)
Any customer who wishes to enter occupational skills training must first speak to an ACC. The ACC should work with both the customer and the case manager to ensure that the customer is making an appropriate and informed choice for both the type of occupational training and training provider. The ACC may recommend that the customer take additional assessments or attend workshops or make a referral to Adult Education for remediation as appropriate.

Follow-Up
All customers who receive intensive services and/or occupational skills training must receive follow-ups during the first and second quarters after exiting. Follow-ups are defined as reciprocal communication between the WorkOne staff member and customer that identifies how a customer is progressing and collects relevant information. The follow-up should be conducted by the customer's case manager whenever possible and additional WorkOne services should be offered when appropriate. However, the follow-up should not be counted as a service in and of itself.

Workforce Information

Indiana maximizes limited resources by partnering where appropriate. Partnerships have been formed with the Indiana Business Research Center (IBRC) and the Center for Urban Policy and Environment. These partnerships are valuable in enabling the Research and Analysis section to better serve the public. IBRC already has data files in place that help to conserve a significant amount of the resources needed by Research and Analysis (R & A.) IBRC will continue to offer 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.

In 2005, Indiana initiated research into the development and implementation of a wage records application such as the one currently in use by North Carolina. This application integrated data sources such as employer, wage, claim, and new hire records. With the collaboration of IBRC and their programming and technical expertise, R & A will develop and implement Indiana's Workforce Intelligence System (IWIS). This state-of-the-art tool will integrate existing state administrative employment and wage data as exemplified in North Carolina; with the additional use of educational and training data sources in order to provide relevant labor supply reports for advanced economic analysis. Input from groups such as Regional Workforce Boards and other private industry associations like the Indiana Manufacturers Association and the Indiana Health

Industry Forum was also solicited. Determining local needs allowed R & A to increase their expertise in the development of advanced Labor Market products.

The R & A unit has moved 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 fosters a more efficient use of existing resources. Staff continues to be matched for ad hoc projects, collaboration, and technical consultation as the need arises.

Indiana continues to work for increased efficiency and comprehensive data collection through further structural integration as the Information Technology division merges with the Strategic Research and Development division. As exemplified with the IWIS data sharing project, technology will continue to play a significant role in moving workforce information and data collection to the next level assisting policy and programmatic development.

R & A attends conferences and make presentations to local economic developers, Regional Workforce Boards and local Chambers of Commerce. These presentations serve to both educate the public and partners on the information available and solicit input for advanced products as well. These presentations 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. Indiana draws upon best practices from other states to develop presentations to familiarize the public with the products available from Strategic Research and Development division and its sub-sections.

Members of WorkOne staff are trained to use *Hoosiers by the Numbers* (www.hoosierdata.in.gov), Indiana's labor market information website, the Hoosier Hot 50 Jobs publication, data from Indiana Career Connect, and the Local Employment Dynamics (LED) web page. Additional training on IMPLAN economic impact modeling software has been provided to allow use of this tool in predicting local/regional impact of business acquisitions and layoffs/closings, both for consideration in conjunction with projections and as an aide to economic development efforts. Another resource is the Skill Gap Analysis that helps identify the skills needed to match future job requirements based on areas of projected employment growth. The State continues to populate the ALMIS database with current information. In addition, the implementation of an ongoing vacancy study is critical for the future development of Indiana's workforce.

R & A's data collection and analysis continues to produce and disseminate Industry and Occupational Employment Projections, in addition to new occupational and career information products for public use. R & A also provides support to Workforce Investment Boards (WIBs) and Regional Workforce Boards (RWBs) by providing workforce information and support. Aligning with the statewide push for increased regional involvement, R & A expanded the involvement of Regional Market analysts in review of occupational projection estimates, and career information. The expanded role of Regional Analysts also includes site selection/employer attraction efforts in conjunction with state economic development efforts.

Team strategy within the Strategic Research and Development division better serves the needs of employers with a focus on customer service. Team building is on many levels, internal and external. R & A is working in concert with the Market Support group to 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 assists the Market Support unit as well as the IEDC in assessing where training grant dollars should be targeted. Teaming up with these other entities helps to extend and maximize grant dollars. Programs involved in training, such as the Market Support group are able to make decisions and allocate resources based on better information.

Customer satisfaction surveys are 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 is a primary focus.

Services to Adults and Dislocated Workers

Core, intensive, training, and follow-up services for adults and dislocated workers is provided following the concept described previously. Indiana's integrated service delivery system is based upon the following co-enrollment requirements:

1. All customers shall be enrolled in Wagner-Peyser.
2. All customers eligible for WIA Adult shall be co-enrolled in the WIA Adult and Wagner-Peyser programs.
3. Customers who have met the criteria for the WIA Dislocated Worker program shall be co-enrolled in the Wagner-Peyser, WIA Adult and WIA Dislocated Worker programs.
5. Customers who are eligible for the Trade Adjustment Assistance (TAA) program shall be co-enrolled in the Trade Adjustment Assistance, Wagner-Peyser, WIA Adult and WIA Dislocated Worker programs.
5. Youth over the age of 18 shall be co-enrolled in the Wagner-Peyser and WIA Adult programs. Youth shall also be co-enrolled in the WIA Dislocated Worker, Trade Adjustment Assistance, and Veterans' programs as appropriate to the individual's circumstances.
5. Customers who are eligible for the Veterans' program shall be co-enrolled in the Veterans', Wagner-Peyser, WIA Adult programs. If the Veterans' customer is eligible for the Trade Adjustment Assistance program, s/he shall be co-enrolled in the Veterans', Wagner-Peyser, WIA Adult, WIA Dislocated Worker and Trade Adjustment Assistance programs.

The Governor's vision for the WorkOne structure is provided in Section VIII.

As stated earlier in this plan, the State is committed to increasing training access and support services to individuals most impacted by the economic downturn. The State is currently developing programs which partner the Department of Workforce Development and its WorkOne partners with the State Student Assistance Commission to ensure training funds are available to support Hoosiers accessing training which will lead to new skills. Also, the State is developing a number of programs where it will partner with employers in high demand industries, community-based organizations, and training providers to implement bridge programs that will provide participants the resources to increase skills through training and on-the-job work experiences.

As another strategy for increasing access to training for individuals in need, the State currently, and will continue to, allow local workforce boards to have the opportunity to contract directly with training providers to provide direct services to customers, so long as these contracts do not limit customer choice. This is an effective way to maximize resources and increase the capacity to provide meaningful services to displaced workers. Over the fifth year of this plan, the State will explore additional opportunities to contract directly with eligible training providers, including community colleges and community-based organizations, to provide training that combines basic skills, work readiness, work experience, and occupational skills training into a comprehensive program that provides pathways to in-demand occupations.

Flow of Services

All customers 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. All functional teams (Welcome, Skills/Employment, and Employer Services) provide core services directly to customers. Other WorkOne delivery system partners may provide core services through Memorandums of Understanding.

Core information is available in the Information Resource Area of each WorkOne or WorkOne Express office. Additionally, core information is available electronically through a variety of sources, including the State website, the local or regional area's WorkOne web page, Indiana Career Connect, and *Hoosiers by the Numbers*. In order to ensure that jobs made available through the Recovery Act are accessible to all customers, the State has modified the job order component of Indiana Career Connect, its official labor exchange system, to indicate whether a newly added job is a "green" job or if the job is subsidized by ARRA.

Customers may enter the Information Resource Area for core services at any time. Welcome Team staff direct customers to information available through the Information Resource Area at each WorkOne, and through other facilitated self-help core services. For customers who have needs in addition to workforce development, all WorkOne staff are trained to refer the client to other mandatory WorkOne partners and available community resources.

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, Public Law 107-288 (November 7, 2002), the U. S. Department of Labor's Training and Employment Guidance Letter (TEGL) No. 05-03 (September 16, 2003), and the Department of Labor Veterans' Employment and Training Service, 20 CFR Part 1010, Priority of Service for Covered Persons; Final Rule (for veterans and eligible spouses) published in the 78132 Federal Register, Vol. 73, on December 19, 2008, effective January 19, 2009, provide guidance on the priority of service to veterans who meet the program's eligibility requirements.

Priority of Services

In the event that funds allocated for Significant Staff Involved services to adults and dislocated workers are limited, priority shall be given to recipients of public assistance and other low-income individuals. This does not necessarily mean that only the recipients of public assistance and other low income individuals may receive Workforce Investment Act services. The criteria by which areas determine the availability of funds and the process by which any priority will be applied is determined by local workforce investment boards.

WIA Adult and Dislocated Worker funds allocated to Indiana by the Recovery Act will be utilized primarily for the provision of training and supportive services to individuals determined most in need, including low-income individuals and those recipients of public assistance. The State intends to continue utilizing its regular formula allocations to provide integrated services to all individuals in need, and funds provided by ARRA will be utilized to supplement regular allocations. For programs funded by ARRA, the State plans to utilize the eligibility determination process to ensure that funds are utilized appropriately to support individuals with a demonstrated need. Along with continuously observing Veteran's preference, priority for training services provided by ARRA will be given to unemployed individuals receiving unemployment compensations, low-income individuals, and individuals with barriers to re-employment. The State will make every effort to leverage regularly allocated WIA funds with ARRA funds to ensure that all customers have the opportunity to receive the support needed to enter, persist in, and complete workforce development programs that lead to occupations in growth industries.

The Indiana Department of Workforce Development issued DWD Policy 2008-15 on December 30, 2008 on the "Required Roles and Responsibilities of Disabled Veterans Outreach Program (DVOP) Specialists and Local Veterans' Employment Representatives (LVER) in Indiana Department of Workforce Development's Integrated WorkOne Offices." This policy reiterated the importance of veterans' staff being used to support veterans and eligible spouses in WorkOne offices. Priority of Service was explained in this policy. Since this policy's issuance, the State Veterans' Coordinator has completed (in April and May 2009) Priority of Service training with Regional Operators and Indianapolis Private Industry Council management staff and their WorkOne DVOPs and LVERs staff throughout the state. Also, the State will be publishing guidance requiring IPIC and all RWBS to develop and include policies in their operational plans on how they implement priority of service for their WorkOne offices and for service delivery.

In regard to veterans, the priority of provision of services is established as follows:

- Available funds would not change.
- Public assistance recipients and low-income individuals who are also veterans and eligible spouses 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 and eligible spouses will receive priority over non-veterans.

To identify veterans and eligible spouses upon entry into Indiana's WorkOne offices, all WorkOne offices display a large framed poster in public view alerting veterans and eligible spouse customers that they may be eligible for Priority of Service in each WorkOne. The poster advises customers to inform WorkOne staff upon their arrival so that they will be assisted right away. Customers with visual impairments will be asked by WorkOne staff if they are a veteran or eligible spouse. Priority of Service training is also planned for all WorkOne Welcome units whose composition and functions are explained in the integrated service delivery model (DWD Policy 2007-20, issued November 15, 2007).

The priority of service categories listed above includes veterans and eligible spouses, 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.

Core, Significant Staff Involved Core, Intensive, Training Services, and Follow-up Services

Indiana's customer flow model requires that WorkOne customers are offered at a minimum Core services and Staff-assisted core services. Intensive services and Occupational Skills Training (OST) are available and provided to those customers determined in need and eligible for such services and training.

WorkOne services are provided based on the needs of the customer. The primary focus is to prepare and assist customers in finding sustained employment and to build skill sets for career advancement. Clients who indicate that they have a high school degree, GED, or less, who are TAA certified, or who otherwise indicate that additional, individualized services would be beneficial should be given the opportunity to speak to the first available case manager to determine if additional services might be beneficial. Some customers may have needs that cannot be provided through workforce development and should be directed to the appropriate community resource.

Core Service

Many customers should receive sufficient core services that they are able to attain meaningful employment. Every new customer should be offered a minimum of an informational packet describing the WorkOne workshops and services available to them as well as the opportunity to attend an orientation workshop.

Core Workshops
All full-service WorkOnes will be required to offer Core workshops on a minimum of the following topics:

- discovering career interests
- digital literacy
- financial literacy
- interviewing
- job search
- resume writing
- unemployment insurance

The information provided in these workshops should be general in nature and readily available to customers but repackaged in a workshop format for ease of understanding and access. The State will provide basic learning outcomes for each of the workshop topics. In addition, the use of WorkOne computers, resource rooms and other resources are considered core services.

Intensive Services

Case Management
Customers who need further assistance with workforce development services should be given the opportunity to meet with a case manager to determine eligibility and benefit of receiving additional services. The case manager should conduct an informational interview during which both eligibility for further services as well as the customers' needs, goals and barriers are assessed and determined. Additionally the case manager, together with the customer, should start developing the Academic and Career Plan (ACP), which details the steps the customer should take to gain meaningful employment. The case manager serves 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. As much as possible, customers should have the same case manager until they exit the system so that they can build a working relationship. Case managers should check-in with each of their clients a *minimum* of 60 days after the last service the customer receives. A "check-in" is defined as a reciprocal communication between the case manager and customer that identifies how a customer is progressing and offers or recommends additional services as necessary. Case managers should check-in on customers in Adult Education or occupational skills training a minimum of every 45 days.

Academic and Career Plans (ACP)
Each customer in intensive services should have an ACP, which should be jointly developed with the case manager as well as the Academic and Career Counselor (ACC), if appropriate. The ACP should provide clear action steps that the customer can take to achieve his/her employment goal. It should be a "living document" that can be adjusted as the customer and case manager deem necessary. In developing the ACP, the customer and case manager could focus on:

- Assessing educational attainment level or work readiness skills
- Defining career objectives
- Developing a financial plan
- Establishing steps, milestones, and objectives
- Exploring career interests and aptitudes
- Identifying workshops or job clubs to attend
- Identifying and removing barriers, i.e., transportation, childcare, etc.
- Referral to Adult Education for remediation and/or achieving a GED

Assessments
The State has procured three reliable and valid assessments that all WorkOnes are required to use for the purposes of measuring educational attainment, career interests and aptitude, and work readiness skills. The State has procured Tests of Adult Basic Education (TABE), Indiana Career Explorer powered by Kuder, and WorkKeys®, respectively, for these purposes. The regional/local workforce boards can submit requests to the State to use additional assessments for purposes other than those outlined.

Any customer who wants to enter Adult Education or Occupational Training must take TABE as the ability to benefit test. Customers who do not score high enough to enter occupational skills training should be referred to Adult Education. Indiana Career Explorer and WorkKeys should only be given when the case manager or Academic Career Counselor identifies that they would be beneficial.

All customers who take an assessment should have the opportunity to have it interpreted and explained by a case manager or ACC.

Adult Education
Customers who have less than a high school diploma or GED or who need remedial education before entering Occupational Skills Training should be referred to Adult Education. These customers should receive case management, other intensive services as appropriate, and check-ins regularly as indicated in their ACP.

Other Intensive Services
All WorkOnes should offer intensive level services including formal assessments, intensive workshops, job clubs, adult education, and case management. Customers must have an ACP in order to receive intensive services.

Academic and Career Counselors (ACC)
Any customer who wishes to enter occupational skills training must first speak to an ACC. The ACC should work with both the customer and the case manager to ensure that the customer is making an appropriate and informed choice for both the type of occupational training and training provider. The ACC may recommend that the customer take additional assessments or attend workshops or make a referral to Adult Education for remediation as appropriate.

Follow-Up
All customers who receive intensive services and/or occupational skills training must receive follow-ups during the first and second quarters after exiting. Follow-ups are defined as reciprocal communication between the WorkOne staff member and customer that identifies how a customer is progressing and collects relevant information. The follow-up should be conducted by the customer's case manager whenever possible and additional WorkOne services should be offered when appropriate. However, the follow-up should not be counted as a service in and of itself.

Employed or unemployed adults and dislocated workers may receive Training services if:

- They have received an individual employment plan/service strategy and have been determined to be unable to obtain or retain employment through Significant Staff Involved Intensive and Core services.
- After an interview, evaluation, or assessment, and case management, they have been determined 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 their 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. This requirement excludes veterans whose funds may be protected by federal statute or regulation.
- They are eligible through the priority ranking system when such system is in effect.

The customer's electronic case file notes contain the rationale for determining the need for Significant Staff Involved Training services, as identified in the comprehensive assessment, individual employment plan, or elsewhere in the case file.

An electronic individual employment plan/service strategy must have been developed in TrackOne in order for a customer to receive training 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 staff person 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 are always based on the circumstances, plans, and desired outcomes for adults and dislocated workers.

Training services are provided in a manner that maximizes informed consumer choice in selecting an eligible training provider in accordance with the goals and objectives outlined in the client's individual employment plan. To this end, WorkOne staff ensures the statewide eligible training provider list available to customer. The customer, determined eligible for Training services, selects, in consultation with WorkOne staff, a provider from the statewide eligible training provider list within constraints set forth in state and local policy. Training must occur in occupations in demand for the local area.

Individual Training Accounts

All training providers and courses funded through an Individual Training Account (ITA) are 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.

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 Workforce Investment Boards, with input from Regional Workforce Boards, 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.

Currently, Workforce Investment Boards, with policy guidance from the State, 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.

As part of the administration's competitiveness agenda, DWD received a demonstration grant to pilot Career Advancement Accounts (CAA). CAAs are self-managed personal accounts designed to enable incumbent workers to access and fund a variety of job training and career advancement programs in high-growth, high-demand occupations as identified in the state's Strategic Skills Initiative report.

CAA accounts are targeted to three distinct projects. Those are:
1) State administered CAAs for incumbent workers laid off from non-Trade Adjustment Assistance certified employers;
2) CAAs offered in conjunction with the Advanced Manufacturing Awareness and Image campaign; and
3) Regionally-based CAA demonstration projects.

Coordination

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 is 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 focuses 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.

Throughout the first four years of this plan, Indiana has implemented a number of innovative training strategies to fill skills gaps, including the WorkKeys initiative, the Strategic Skills Initiative (SSI), Project Jumpstart, and the 21st Century Workplace Skills Initiative. All of these programs have focused on filling skill gaps in conjunction with increased training opportunities in high-growth, high-demand, and economically vital occupations.

In addition, as previously explained, the State is utilizing additional funds provided by the Recovery Act to support training in career pathways that lead to occupations in demand and/or high growth industries. The State is currently developing programs which partner the Department of Workforce Development and its WorkOne partners with the State Student Assistance Commission to ensure training funds are available to support Hoosiers accessing training which will lead to new skills. Also, DWD is developing a number of programs where it will partner with employers in high demand industries, community-based organizations, and training providers to implement bridge programs that will provide participants the resources to increase skills through classroom training and on-the-job work experiences.

These new programs will launch no later than the first quarter of PY2009, and have been designed to help support an increased number of WorkOne customers develop the skills that are needed to transition into high demand and emerging occupations. The programs will also ensure that participants are provided the services needed, including supportive services and basic skills remediation, to persist in and complete their training and locate suitable career opportunities.

Integration of workforce development programs has already occurred in Indiana. As described in Section VII, Indiana's integrated service delivery system is based upon the following co-enrollment requirements:

- All customers are enrolled in Wagner-Peyser.
- All customers eligible for WIA Adult are co-enrolled in the WIA Adult and Wagner-Peyser programs.
- Customers who have met the criteria for the WIA Dislocated Worker program are co-enrolled in the Wagner-Peyser, WIA Adult and WIA Dislocated Worker programs.
- Customers who are eligible for the Trade Adjustment Assistance (TAA) program are co-enrolled in the Trade Adjustment Assistance, Wagner-Peyser, WIA Adult and WIA Dislocated Worker programs.
- Youth over the age of 18 are co-enrolled in the Wagner-Peyser and WIA Adult programs. Youth are co-enrolled in the WIA Dislocated Worker, Trade Adjustment Assistance, and Veterans' programs as appropriate to the individual's circumstances.
- Customers who are eligible for the Veterans' program are co-enrolled in the Veterans', Wagner-Peyser, WIA Adult programs. If the Veterans' customer is eligible for the Trade Adjustment Assistance program, s/he is co-enrolled in the Veterans', Wagner-Peyser, WIA Adult, WIA Dislocated Worker and Trade Adjustment Assistance programs.

Through its innovative integration strategy, Indiana has expanded its capacity to serve an increased number of workers, and increased the number of services that are available to workers in need.

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.)

On-the-Job Training Contracts

Indiana places a great value on On-the-Job Training (OJT) as a tool which can ease the financial burden of employers as they hire new workers and provide training to upgrade the skills of these workers. In 2009, the State issued a new policy (DWD Policy 2009-07), which contains guidelines established by the State Workforce Innovation Council, for the use of OJT contracts within Indiana's workforce investment structure. This policy also encouraged workforce investment boards and regional workforce boards to utilize local and regional WIA allocations for OJT activities. Additionally, the State intends to utilize a portion of its State Rapid Response funds to provide funding for OJT opportunities that employers offer to eligible dislocated workers throughout the State.

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.

As described previously in this section, for programs funded by ARRA, the State plans to utilize the eligibility determination process to ensure that funds are utilized appropriately to support individuals with a demonstrated need. Along with continuously observing Veteran's preference, priority for training services provided by ARRA will be given to unemployed individuals receiving unemployment compensation, low-income individuals, and individuals with barriers to re-employment. The State will make every effort to leverage regularly allocated WIA funds with ARRA funds to ensure that all customers have the opportunity to receive the support needed to enter, persist in, and complete workforce development programs that lead to occupations in growth industries.

Reemployment Services/Worker Profiling Systems

The infusion of Recovery Act funds will allow the State to enhance its Reemployment Services to individuals determined most likely to exhaust their UI benefits. It is the State's vision that Reemployment Services should provide an in-depth analysis of each profiled claimant's specific barriers to employment and the needs the individual has to transition into sustainable employment in demand or emerging industries.

Services that are currently provided to all selected profiled claimants include orientation, assessment, and service plan preparation. This approach ensures that the services selected profiled claimants receive are tailored to meet their needs.

Selected claimants participate in a specialized 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 is 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 are evaluated.

A service plan is prepared for each selected profiled claimant and involves a discussion of the claimant's interest, needs, and assessment results. Based on the assessment results and employment needs identified during completion of the service plan, additional services are made available through the use of co-enrollment strategies defined in the State's Regional Integration Policy. All individuals that are provided Reemployment Services are co-enrolled with all WIA programs for which they are eligible, and have access to the full range of WIA services, including access to supportive services, basic skills development, and occupational skills training. Additional services available to participants include 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.

The State is currently participating in a reemployment service research program where clients are being tracked to determine if the level of services affects reemployment. The three groups of clients include: clients receiving only self-help services, clients receiving traditional reemployment services, and clients receiving more intensive reemployment services. Initial feedback data indicates five percent more clients who receive more intensive reemployment services are reemployed.

<u>Usage of ARRA Reemployment Services Funding</u>
During Program Year 2010, Indiana intends to use the funds provided for reemployment services (RES) under the ARRA for the following:

- Procurement and Usage of TABE Testing for eligible individuals
- Procurement and Usage of CAPS/COPS/COPES Assessment Tool
- Procurement and Usage of WorkKeys Job Profiling and Assessment tools
- Professional Development Training for RES Staff

TABE
Test for Adult Basic Education is a diagnostic test used to determine a person's skill levels and aptitudes. Many companies use in hiring, promotions, or for selecting employees for training programs for skilled positions. The TABE test is also used by public service agencies who are guiding people into adult education programs, such as getting a GED, or going to trade school, etc.

CAPS/COPS/COPES
This combination of assessment tools assist individuals with career choices based on their abilities, interests and values.

- CAPS - The Career Ability Placement Survey (CAPS) is a comprehensive, multi-dimensional battery designed to measure vocationally relevant abilities. Each of the eight ability dimensions is keyed to entry requirements for the majority of occupations in each of the 14 COPSystem Career Clusters. CAPS scores are interpreted in terms of examinees' abilities relative to others at the same educational level. Scores are also interpreted in terms of each of the 14 COPSystem Career Clusters. Examinees learn which occupational areas are most suited to their present abilities and which areas might require a bit more training if examinees are interested in pursuing related occupations.
- COPS – The Career Occupational Preference System interest inventory consists of 168 items, providing job activity interest scores related to the 14 COPSystem Career Clusters. Each Cluster is keyed to high school and college curriculum, as well as current sources of occupational information. The COPS interpretive material emphasizes a "hands-on" approach to career exploration, featuring career and educational planning worksheets, along with a listing of suggested activities to gain experience.
- COPES - The Career Orientation Placement and Evaluation Survey (COPES) provides a measure of values to supplement programs in educational and industrial career counseling. COPES scores are keyed to the 14 COPSystem Career Clusters and examinees will discover which occupational areas match their personal values.

WorkKeys Job Profiling and Employee Assessments
Indiana has historically utilized the WorkKeys assessment tools to profile various occupations for multiple employers as well as for assessing the skills of job seeking clients as they pertain to those occupations. The WorkKeys program includes the following assessments:

- WorkKeys Foundational and Personal Skills assessments provide reliable, relevant information about workplace skill levels.
- WorkKeys Foundational Skills assessments measure cognitive abilities such as applied mathematics, reading for information, and locating information.
- WorkKeys Personal Skills assessments are designed to predict job behavior and measure the full potential of individuals.

Professional Development Training
The State intends to utilize a portion of its ARRA RES funds to procure professional development training to be provided to RES Staff throughout the State. This training will provide meaningful opportunity for RES Staff to enhance skills and job requirements such as case management, conducting and interpreting assessments, and conducting workshops. The State intends for this training to begin no later than the second quarter of Program Year 2010.

Unemployment Insurance Work Test

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 Indiana Career Connect in the WorkOne office or online ensures timely work registration for new claimants. Indiana Career Connect electronically links work registrations with claims for unemployment benefits.

Reports are generated that notify DWD 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. DWD 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.

Throughout the duration of this five year plan, Indiana's Unemployment Insurance system has undergone modernization, resulting in Uplink. Through Uplink, employers and claimants can file unemployment insurance data electronically. The implementation of Uplink has created greater linkages between the State's online job matching system, case management system, and unemployment insurance.

Integrating Services to Dislocated Workers

Services to dislocated workers are 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 are provided in an integrated, seamless fashion.

As stated above, Indiana is actively engaged in integrating its workforce development programs. To the extent possible, Trade Adjustment Assistance Act clients are co-enrolled into the Workforce Investment Act prior to the completion of the training. In this way, the Workforce Investment Act can be leveraged to assist Trade Adjustment Assistance Act clients with job seeking and placement activities. Trade Adjustment Assistance Act clients receive training in an occupation in demand for the local area.

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.

An example of Indiana's collaboration to skill achievement is wide usage of the WorkKeys program. WorkKeys is a skill assessment system developed in conjunction with business and industry, the workforce development system, and education. The State is currently exploring additional statewide strategies to overcome barriers to skill achievement.

Services to Customers with Disabilities

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 continues 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 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.

The Indiana Department of Workforce Development currently oversees the Disability Program Navigator Initiative, funded jointly by DOL and the SSA. Disability Program Navigators in each Region throughout the State help ensure that WorkOne offices have the capacity to proactively serve individuals with disabilities. The State intends to continue this program during the fifth year of this plan, and is exploring the use of Wagner-Peyser funds to enhance its use and effectiveness.

Local Veterans' Staff

Workforce investment services are provided to veterans through the functional units at each WorkOne. As stated earlier, each WorkOne observes veteran's preference for all programs. Local Veterans' Employment Representatives (LVER) and Disabled Veterans' Out-Placement (DVOP) staff provide specialized services based upon the special needs of veterans.

During Program Year 2005, a Memorandum of Understanding was signed between the Camp Atterbury Joint Maneuver Training Center, the U. S. Department of Labor's Veterans' Employment and Training Service, and the Indiana Department of Workforce Development. The purpose of the MOU is to define what services are provided by the respective agencies during demobilization activities. The MOU is designed to ensure employment, unemployment, reemployment, and training information is provided to all returning soldiers. The Indiana Department of Workforce Development has hired a Disabled Veterans' Outreach Program Specialist (DVOP) for Camp Atterbury for as long as demobilization services are needed.

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.

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 group 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.

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.

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. 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 Division provide onsite monitoring of the 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) works with Career Services 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 continue to be provided to MSFW in the same qualitative and quantitative proportion as that provided to other applicants.

DWD provides 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 seeks 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 meets 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 continues to carry out on-site MSFW compliance reviews of selected local WorkOne centers. Desk audits using the S1497 Report, Indicators of Compliance, are the method by which the SMA monitors statewide service to MSFW. DWD continues to collect data on services provided to MSFW and strives 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 continues 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). COP staff continues 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.

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

DWD continues to provide agricultural employers assistance with their labor needs. When local workers are not available, DWD provides technical assistance to growers to aid them in accessing the interstate agricultural recruitment system. Our local office staff continues to provide farm labor contractors assistance in preparing application for certification with the U.S. Department of Labor.

Rapid Response

The Indiana Department of Workforce Development (DWD) is responsible for overseeing Rapid Response services in Indiana. The State has been especially hard hit by layoffs in the manufacturing and auto-related industries and investigates all avenues to assist these workers in locating new employment more quickly. Aggressively aligning dislocated workers with new company startups and with companies that intend to hire are only two of the possible solutions under discussion. In addition, the Agency works closely with local economic development officials, local Workforce Investment Boards, Regional Workforce Boards, and Indiana Economic Development Corporation to ensure that all stakeholders are strategically involved in the process and that the training needs and skills required by employers are known.

Currently, notices of layoffs and impending closures are submitted to the DWD. These notices may be a tip from a local office, a news report, or a WARN notice. Rapid Response activities are activated once a layoff is confirmed. Services that can be provided include on-site orientations for unemployment insurance and employment services, assessments, labor management committees, and job search workshops. Labor market information and skills assessments are also available to those seeking information on new careers, trends, and average wages for the area. On the Job Training opportunities are also strongly encouraged to return the dislocated workers to meaningful employment.

Rapid Response activities are coordinated through state staff, WIA partner staff and local elected officials. Indiana has recently approved the addition of six new Regional Coordinators that will be the point people for initial RR activity. The Regional Coordinators will each have responsibility for two regions within the state. They will work with local employers, labor representatives, elected officials, business consultants and our designated partner staff in each region to provide the best possible RR services. Additionally, the State Dislocated Worker team has created and implemented a model for coordinating large scale dislocation events, where 200 or more employees have been dislocated.

Youth

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.

The State'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.
- 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 enhances Indiana's vision for youth seeking workforce development services and assists Indiana in meeting the workforce development goals of growing jobs and employment, growing personal income, and delivering premier customer service. The State Youth Team assists in setting goals, designing strategies and overseeing implementation of the strategy for <u>all</u> of Indiana's youth, not just those participating in Workforce Investment Act services.

The State's strategy for serving youth incorporates the integration strategy described in Section IX for adults and dislocated workers. Each eligible youth is provided youth is 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) is 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 ensures services provided to:

- 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.

The definition regarding the "requires additional assistance to complete an education program, or to secure and hold employment" criterion found at 20 CFR Part 664.200(c)(6) has been delegated to workforce investment boards and the regional workforce boards, under the guidance of the BOS WIB, as appropriate.

Services provided consist of the following ten elements. All ten elements are made available in each local and regional area; however, the mix of services provided is 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 is provided verbally, through informational brochures or pamphlets, and/or through electronic means.

Eligible providers of youth services ensure each youth not eligible for WIA services is 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 balance of state level is done through the BOS WIB and its Youth Council. 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, Regional Workforce Boards may provide input for the design and implementation of youth programs.

Programs are designed to meet the individual needs of each youth. Additionally, each program element is 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, are 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 are 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 the BOS WIB Youth Council are the agents facilitating change in the delivery of youth services in the local region. The local Youth Council and Regional Workforce Boards are charged with:

- Providing expertise in youth policy and assist the Regional Workforce Board in developing and recommending local youth employment and training policy practices;
- Broadening the youth employment and training focus in the community to incorporate a youth development perspective;
- Establishing linkages with other organizations serving youth in the local area; and
- Considering 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 including apprenticeship programs. 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.

During Program Year 2006, the State of Indiana implemented the Jobs for America's Graduates (JAG) program as a pilot program. JAG-Indiana has implemented a multi-year program targeting at-risk high school juniors and seniors. Thirty-five to forty-five students are selected per site by an advisory group consisting of a JAG Program Specialist, high school counselors and administrators, and workforce program managers. The program's goals are as follows:

1. The number one goal of the JAG program is for participants to complete their diploma or GED. Students receive basic skill assessment and remediation where needed.

2. The second goal is the attainment of employability skills. Students are taught 37 core competencies with the possibility of 81 total competencies to assure a strong attachment to the labor market. The primary problem for at-risk students is that they do not possess the skills they need for employment and they lack opportunities for gaining those skills. JAG teaches these skills and provides opportunities for students to practice the skills needed to enter the job market.

3. The third goal for JAG graduates is to remain employed full-time after graduation. Students receive 12 months of follow-up services.

With the JAG model, tutoring is provided to assure academic completion. Also, students receive adult mentoring. The JAG specialists provide individual attention and identify specific barriers to success. The barriers may include academic problems, life skills, personal skills, and social or economic barriers. Students receive one full year of follow-up service after graduation.

The JAG specialists and the regional program managers work to provide job placement services. The specialist must nurture employer contacts and special services contacts. This involves employer marketing and job development to identify placement opportunities for students. Also, the specialists assist students in postsecondary educational opportunities and help them navigate the financial aid process.

Students also develop leadership skills through a student-led Career Association. Students practice speaking skills, leadership and teaming skills, and volunteerism and community action. They may compete at regional, state and national conferences.

The addition of ARRA funds has enabled the State to offer robust WIA Summer Youth Employment programs in its Balance of State and Marion County workforce service areas. The State intends to utilize 100% of its ARRA Youth funds to fund summer youth employment programs during the summers of 2009 and 2010, with at least 75% of its funds being utilized during the first summer. The State anticipates that between 2,000 and 2,500 summer employment opportunities will be created with Recovery Act funds.

The State will deliver its summer youth employment opportunities through collaborations with its WIBs, Regional Workforce Boards, Regional Operators, and Service Providers. The State allocated its ARRA Youth Funds to its two WIBs following the formula established by WIA. In order to quickly implement the summer youth employment program for the summer of 2009, the State requested and received a waiver of the regulatory requirements found in Section 123 and 20 CFR Part 664.405(a)(4) that indicate eligible providers of youth activities shall be awarded on a competitive basis by the local board based on the recommendation of the youth council. The waiver allows the State and its workforce investment boards to:

- Expand existing competitively procured contracts by no more than 100%; and
- Conduct an expedited, limited competition to select service providers.

Through the use of this waiver, the Balance of State Workforce Investment Board and IPIC were able to expand its existing contracts with WIA Youth Service providers to provide summer youth employment programs funded by ARRA, and to provide a limited competition among service providers with a track record of success.

The program design for ARRA-funded Summer Youth Employment programs in the State focuses primarily on providing work experiences for eligible youth between the ages of 14 and 24, leading to an increase in participant's work readiness. All participants in summer youth employment programs will have access to all other workforce investment services for which they are eligible, including the ten youth program elements, and Wagner-Peyser, WIA Adult, and Dislocated Worker services (if eligible) through the leveraging of regular workforce development funds. Worksites developed for summer employment will primarily be in the public sector, with some in the private sector; however the work experiences will be varied, and will include opportunities for all youth to gain and further develop skills which will help prepare them for long-term, self-sufficient positions in growth industries. Some examples of position types are carpentry, restoring natural habitats, creating nature trails, customer service, information technology, and health care assistants. The State's Youth and Monitoring Teams will be aggressively monitoring worksites throughout the State to ensure that meaningful work experiences are provided to youth through the provision of ARRA-funded summer youth programs. In addition, the State is following the federal requirement of using the work readiness indicator to measure the effectiveness of the summer employment opportunities for youth. The State is requiring the use of pre and post program assessments to determine whether a measurable increase in a participant's work readiness skills has occurred. These pre and post assessments will be developed locally, based upon the specific program in which the youth is participating. In addition, the State Youth Team is working with each of its local areas to ensure that the assessments that are utilized take into account the participant's interests, skill levels, and upon program completion, the likelihood that the participant will transition into a long-term employment opportunity or additional education.

State policy allows each WIB to determine the appropriate mix of classroom versus worksite time in summer employment programs, and to determine how summer employment opportunities will be connected to academic or occupational learning. It is the State's policy that these determinations should be made based upon the needs of each participant, determined by an assessment of the participant's specific barriers. Local areas in the State will utilize co-enrollment opportunities with regularly-funded WIA Youth, Adult, Dislocated Worker, and Wagner-Peyser programs to ensure that each participant in ARRA-funded Youth summer employment opportunities has access to supportive services, and other needed services, including classroom and occupational-based training.

Business Services

Each WorkOne Office in Indiana has a uniform method of organizing service delivery to business customers. As part of its Regional Integration policy, the State required each WorkOne to have an Employer Service Team. This team is charged with building relationships with employers, identifying opportunities to address the human resource challenges of employers and marketing a robust product line designed to assist them in meeting their human resource needs. At minimum, each WorkOne office will offer the following services through its Employer Service Team:

- Staff-assisted customized job matching services
- Training on entering job orders/ads on Indiana Career Connect
- Referral of appropriate employment candidates as specified by employer
- Assistance with initial candidate screening
- Labor market information targeted to the employer's specific industry

In addition, Indiana's labor market information website, *Hoosiers by the Numbers*, www.hoosierdata.in.gov was launched in May 2006 and contains labor market data, statistics and trends compiled by the Indiana Department of Workforce Development's Research & Analysis and the U.S. Department of Labor (USDOL). This website is continually being upgraded to add or expand content, improve navigation and provide for greater flexibility and user interactivity. Employers are 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.

Indiana continues to integrate its resources with the state economic development agency and community college as well as the small business development center. Joint strategic planning sessions between partners occur regularly, and representatives at the local level continually identify opportunities for leveraging funds and providing superior customer service to employers.

DWD also continues 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.

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 has aggressively pursued the involvement of faith-based organizations in the delivery of workforce services. Indiana continues to build on these successes by working with the 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.

The State of Indiana began the SHARE (Sharing How Access to Resources Empowers) Network collaborative venture during Program Year 2006. The SHARE Network was created to empower job seekers and other citizens in need of assistance to find all of the local resources they can tap into to become self-sufficient. It is comprised of two components: 1) an on-line Resource Directory; and 2) SHARE Network Access Points (SNAPs). The Resource Directory is an on-line tool that consolidates information on local and state resources (service providers) in a centralized location. SNAPs provide job search assistance and referral to other services, in various faith-based and community organizations throughout the State. Implementation of the initiative is a joint venture between the Indiana Department of Workforce Development, Indiana Department of Correction, and the Office of Faith-Based and Community Initiatives.

X State Administration

Technology Infrastructure and/or Management Information Systems

Indiana has invested significant resources to upgrade its technology to meet the needs associated with our vision of an integrated and efficient workforce development system. During the first four years of this plan, Indiana launched its statewide electronic case and performance management system, TrackOne, and Indiana Career Connect, its new automated labor exchange system.

Job Matching

IndianaCareerConnect.com (ICC), the State's new, state-of-the-art labor exchange system, was officially launched in July 2008.

It is a no cost service that benefits both individuals and employers through the use of innovate technology. The system is an easy to use and modern website that has been designed specifically to help Hoosier companies find Hoosier workers.

The main focus of Indiana Career Connect is to connect job seekers with employers. The system facilitates the process of individuals finding the right job/career and employers finding the right candidate. In less than one year of operation, Indiana Career Connect has the largest number of job postings for Indiana which is 10 to 20 times more jobs than our previous system contained. The system has several features to make this happen as well as other useful and important features related to the labor market. Individuals and employers are able to access Indiana Career Connect on their own at any time, and WorkOne staff are also available for assistance.

ICC is linked to both the TrackOne Case Management System and UpLink (the state's unemployment insurance system) through the use of innovative enterprise service bus technology. This technology allows the electronic communication between these three vital systems with minimal human intervention thereby allowing the state to redirect data entry labor to more vital customer service needs. Additionally, the ICC system collects participant reporting information and shares it with the TrackOne Case Management System in "real-time." This feature improves efficiency by eliminating the need for the manual creation of a participant case file and core service record for each Wagner-Peyser labor exchange customer. Case managers are able to access a system generated case file in the TrackOne Case Management System for each labor exchange customer that subsequently requests staff assisted, intensive and training services.

Case Management and Performance Management

Historically, Indiana maintained a decentralized system for case management and performance management/reporting systems. Local workforce investment boards were responsible for selecting, operating, and maintaining case management and data systems for WIA that were 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 provided for local control, it also resulted in an inconsistent approach for reporting and case management. Customers receive the same services (i.e., case management)

across the State, but it was completed differently from local area to local area. The decentralized system resulted in barriers to the Department's program integration efforts.

The Indiana Department of Workforce Development procured an electronic case management system for the delivery of workforce development services effective July 1, 2006 for the entire state. The system was operational on July 1, 2006 for the WIA and TAA funding sources. The system became operational for the Wagner-Peyser and Veterans' programs during Program Year 2007 in conjunction with the state's integration efforts. The TrackOne Case Management System is designed to record service delivery information on every client service while providing transaction records necessary to document program performance.

With Indiana moving to accomplish full integration of the workforce investment system, the TrackOne Case Management System was reconfigured to support the full integration of programs, services and eligibility determination processes for WIA, TAA, the Wagner-Peyser and Veterans' Employment and Training Service (VETS) programs. TrackOne supports all federal and state eligibility-based workforce programs as well as local programs regardless of the funding source.

Use of Statewide Funding

Indiana will continue to 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). The Grants Committee of the State Workforce Innovation Council (SWIC) is charged with overseeing the usages of statewide funding in Indiana. The Grants Committee has created and implemented a formal process to reward reserved statewide funding to projects that promote innovative strategies, integration, or alignment. The Grants Committee meets on a monthly basis and reviews and scores requests statewide funding; for requests that exceed $1 million, the full SWIC must review and approve the requests. Some examples of how the State has used statewide funds include:

- Support of Jobs for American Grads program;
- Implementation and support of an innovative program that supports a collaborative approach to adult basic education by providing integrated academic and career counseling to participants, and facilitating bridges between adult basic education and occupational skills training; and
- Provision of additional WIA training funds to Regions that obligated and expended exceptional amounts of Annual funds on WIA training programs;

This objective and formal process established by the Grants Committee allows the State to award innovative regions with the capital needed to implement Governor Daniels' vision. It is the State's anticipation that the competitive grant process will facilitate the integration and innovation of regions and partners behind common objectives, 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

The State recognizes the importance of accountability in the delivery of all workforce investment services, including those funded specifically by ARRA. To that end, the State Workforce Innovation Council is performing a closer analysis of performance levels at the State, local, and regional level. The SWIC is committed to establishing quantitative and qualitative performance measures during PY2009 that go above and beyond those required by the U.S. Department of Labor.

Indiana currently 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.

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 input 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, Policy and Performance, Field Operations, Fiscal, Grants' Processing, and Oversight staff meet to review expenditure and participant levels and recommend action to ensure operational success. Trends are analyzed and anomalies identified. Local and Regional 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.

In conjunction with the implementation of the statewide electronic case management system, Indiana redesigned its service delivery model and performance reporting mechanisms to include common measures. Following this, the State requested and received a waiver which allowed it to discontinue use of the 17 performance measures, and use solely the 6 common measures, which is consistent with implementation of the accountability system envisioned by USDOL.

The State of Indiana continues to push for the highest performance outcomes it can achieve. As part of this modification request, the State requests an extension of its current Common Measures performance goals for Program Year 2010. Performance measures for Program Years 2005, 2006, 2007, 2008, 2009, and 2010 can be found in Attachment C.

Indiana uses a comprehensive approach to service delivery under the one-stop philosophy. Following the reorganization of the regional structure, Indiana has elected to apply the federally negotiated performance standards to both of the Workforce Investment Boards and the Regional Workforce Boards.

Performance is tracked locally on most measures. The targeted groups under WIA Title I, the Wagner-Peyser Act or Title 38 Chapters 41 and 42 (VETS) and WIA Sections 112(b)(3) and 136(b)(3), are tracked in the state's performance management system and reported in the WIA Annual Report. On wage-based and customer satisfaction measures, the State supplies quarterly updates to the WIBs and RWBs. To shorten the gap between program outcome and outcome measurement, Indiana is working to develop new measurement systems to provide feedback on real-time measures. DWD anticipates this endeavor will provide WIBs and RWBs better management tools to ensure program success.

As in previous program years, DWD staff will continue to conduct data validation visits to the Regional Workforce Boards and Workforce Investment Boards. 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 Innovation Council.

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 State 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. (§ 117(c)(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 189(c) 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).
  - OMB Circular A-102 - Grants and Cooperative Agreements with State and Local Governments (Revised 10/7/94, As Further Amended 8/29/97).
  - PL 109-234, Section 7013 – Salary and Bonus Limitations.
- Assurances and Certifications: 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 parts 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 parts 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 parts 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: June 2009

Region 5 - Chicago

Byron Zuidema
Regional Administrator
U. S. Department of Labor, Region V
Employment and Training Administration
John Kluczynski Building
230 South Dearborn Street, Sixth Floor
Chicago, Illinois 60604-1505

Attachment B - Program Administration Designees and Plan Signatures

Name of WIA Title I Grant Recipient and Signatory Official:

Mark W. Everson, Commissioner
Agency: **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-7676**
Facsimile Number**:** **317.233-1670**
E-mail Address: **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 Liaison:

Dr. Gina DelSanto, **Senior Deputy Commissioner of Policy, Education and Training**
Agency **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-0203**
Facsimile Number: **317.233-1670**
E-mail Address: **STATEPLAN@dwd.IN.gov**

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

Mark W. Everson, Commissioner
Agency: **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-7676**
Facsimile Number**:** **317.233-1670**
E-mail Address: **STATEPLAN@dwd.IN.gov**

Attachment B - Program Administration Designees and Plan Signatures (continued)

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

Dr. Gina DelSanto, **Senior Deputy Commissioner of Policy, Education and Training**
Agency **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-0203**
Facsimile Number: **317.233-1670**
E-mail Address: **STATEPLAN@dwd.IN.gov**

Other Points of Contact

Point of Contact (POC) for Federal Equal Treatment Regulations and Religion-Related Regulations:
Ron Miller, Deputy Commissioner for Legal Services, Ethics and Compliance
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, Indiana 46204

Attachment C - Workforce Investment Act and Wagner-Peyser Measures

Program Years 2005, 2006, 2007, 2008, 2009, and 2010
Workforce Investment Act Performance Goals
for
Indiana Workforce Investment Boards and Regional Workforce Boards

	PY'05 Goals	PY'06 Goals	PY'07 Goals	PY'08 Goals	PY'09 Goals	PY'10 Goals
WIA ADULTS						
Entered Employment Rate	81%	82%	83%	70%	65.5%	65.5%
Employment Retention Rate	82%	84%	84%	83%	83%	83%
Earnings Change	$3,360					
Average Earnings		$10,403	$10,403	$13,900	$13,900	$13,900
Employment & Credential Rate	64%	64%				
WIA DISLOCATED WORKERS						
Entered Employment Rate	86%	87%		85%	72%	72%
Employment Retention Rate	90%	91%		90%	90%	90%
Earnings Change	-$2,420					
Average Earnings		$14,544		$16,500	$16,500	$16,500
Employment & Credential Rate	61%	62%				
WAGNER-PEYSER						
Entered Employment Rate		63%	66%	70%	65.5%	65.5%
Employment Retention Rate		81%	82%	83%	83%	83%
Average Earnings		$11,157	$11,715	$13,900	$13,900	$13,900
WIA YOUTH						
Placement in Employment or Education				72%	72%	72%
Attainment of Degree or Certification				63%	63%	63%
Literacy & Numeracy Gains				40%	28.7%	28.7%

Attachment D - Tables and Charts

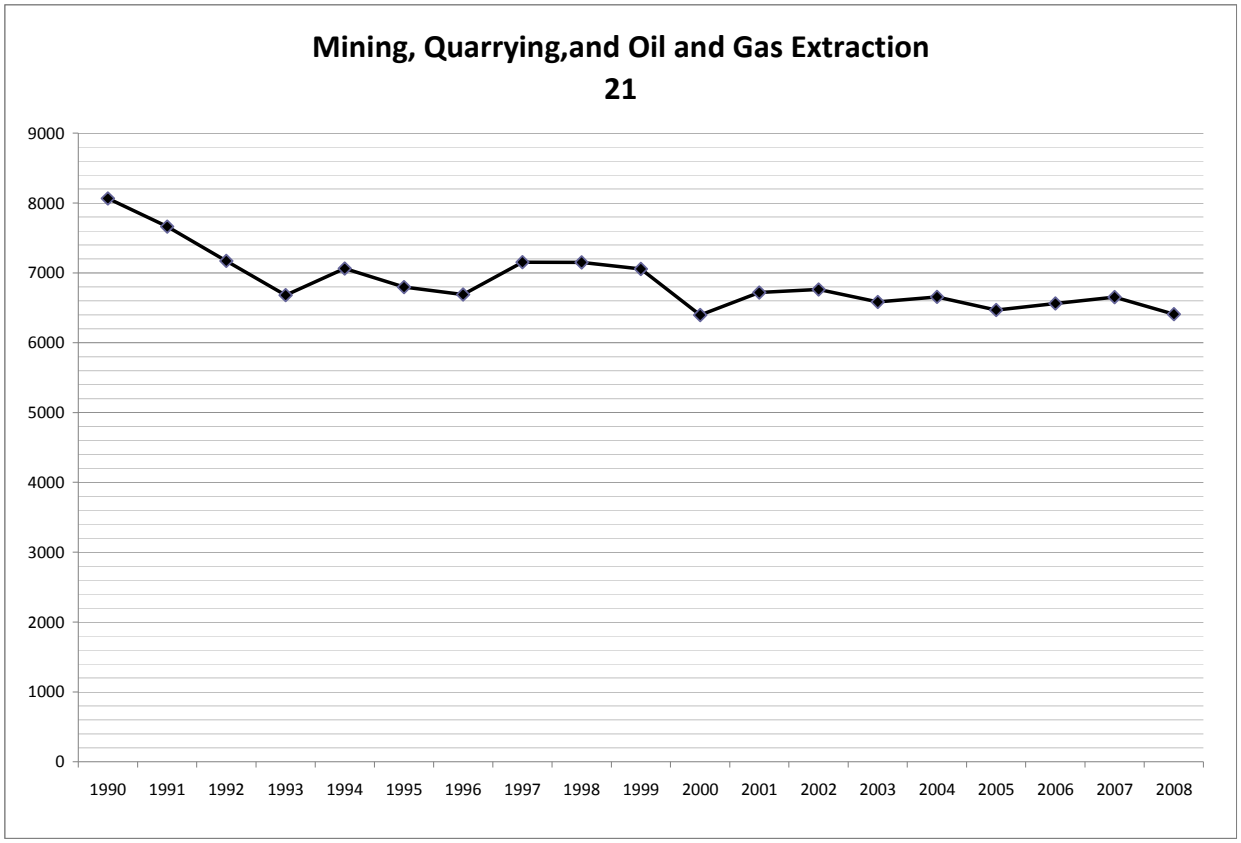


Chart 1

Construction
23
160000
140000
120000
100000
80000
60000
40000
20000
0
1990
1991
1992
1993
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1996
1997
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1999
2000
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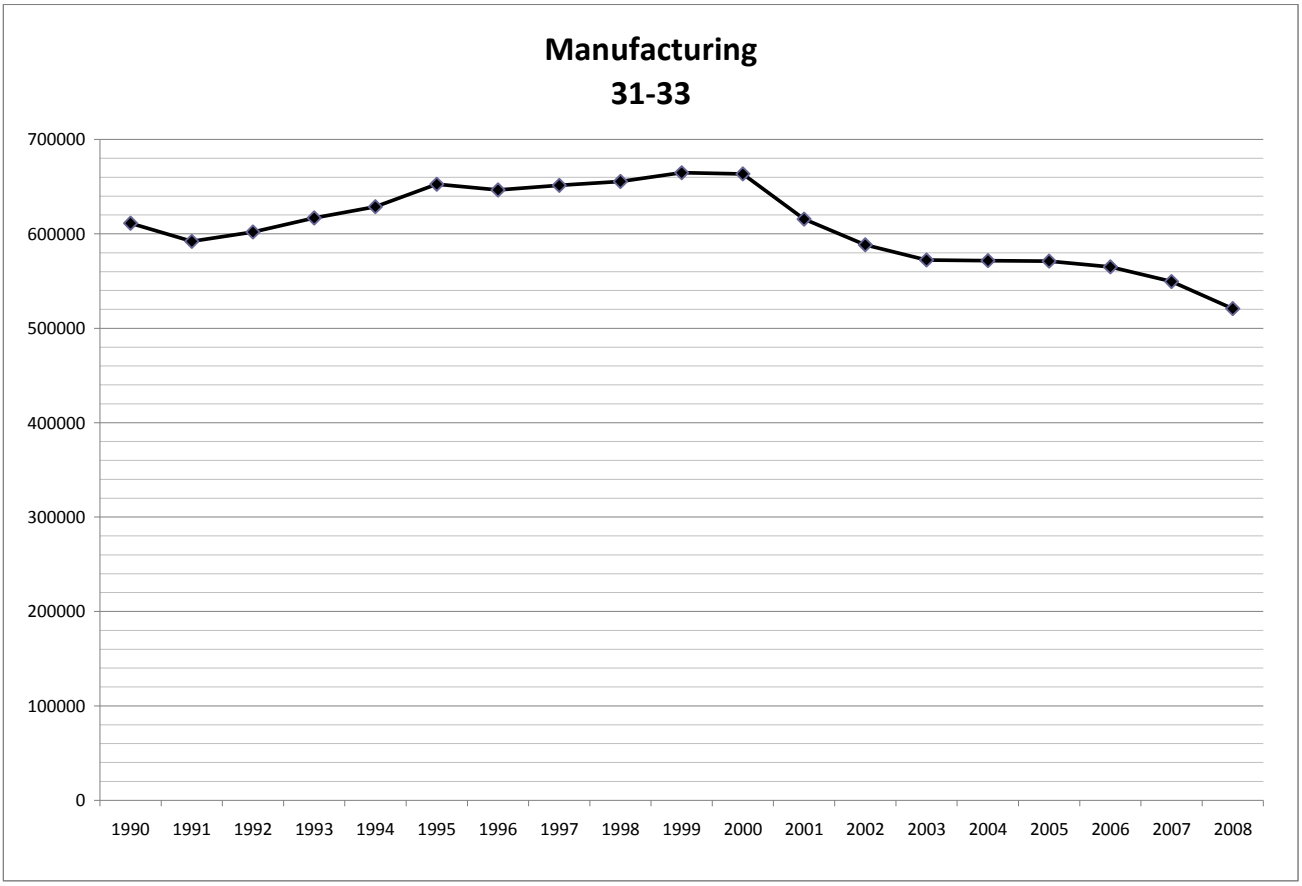
2003
2004
2005
2006
2007
2008
Construction

Chart 2


Manufacturing
31-33
700000
600000
500000
400000
300000
200000
100000
0
1990
1991
1992
1993
1994
1995
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1998
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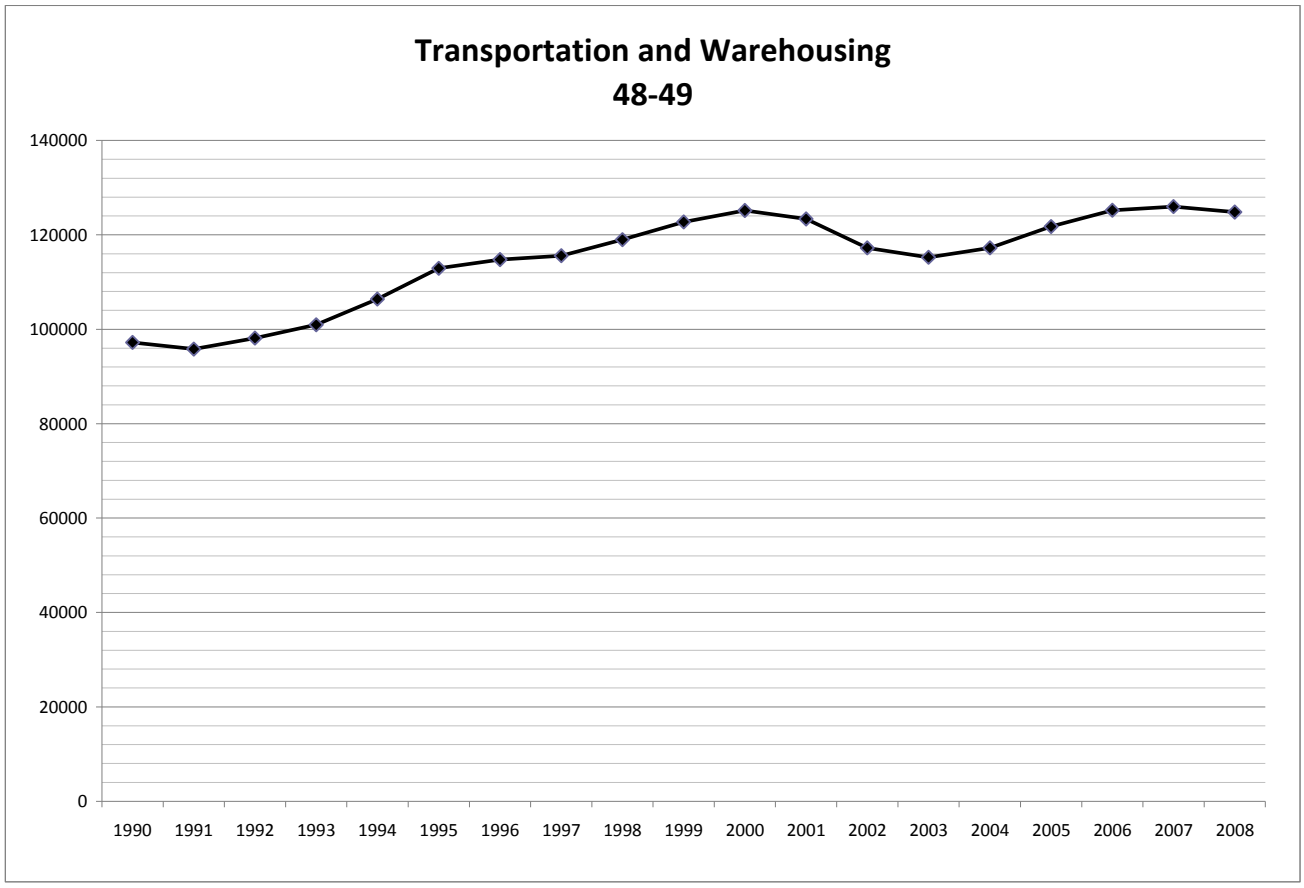
2004
2005
2006
2007
2008

Chart 3


Transportation and Warehousing
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140000
120000
100000
80000
60000
40000
20000
0
1990
1991
1992
1993
1994
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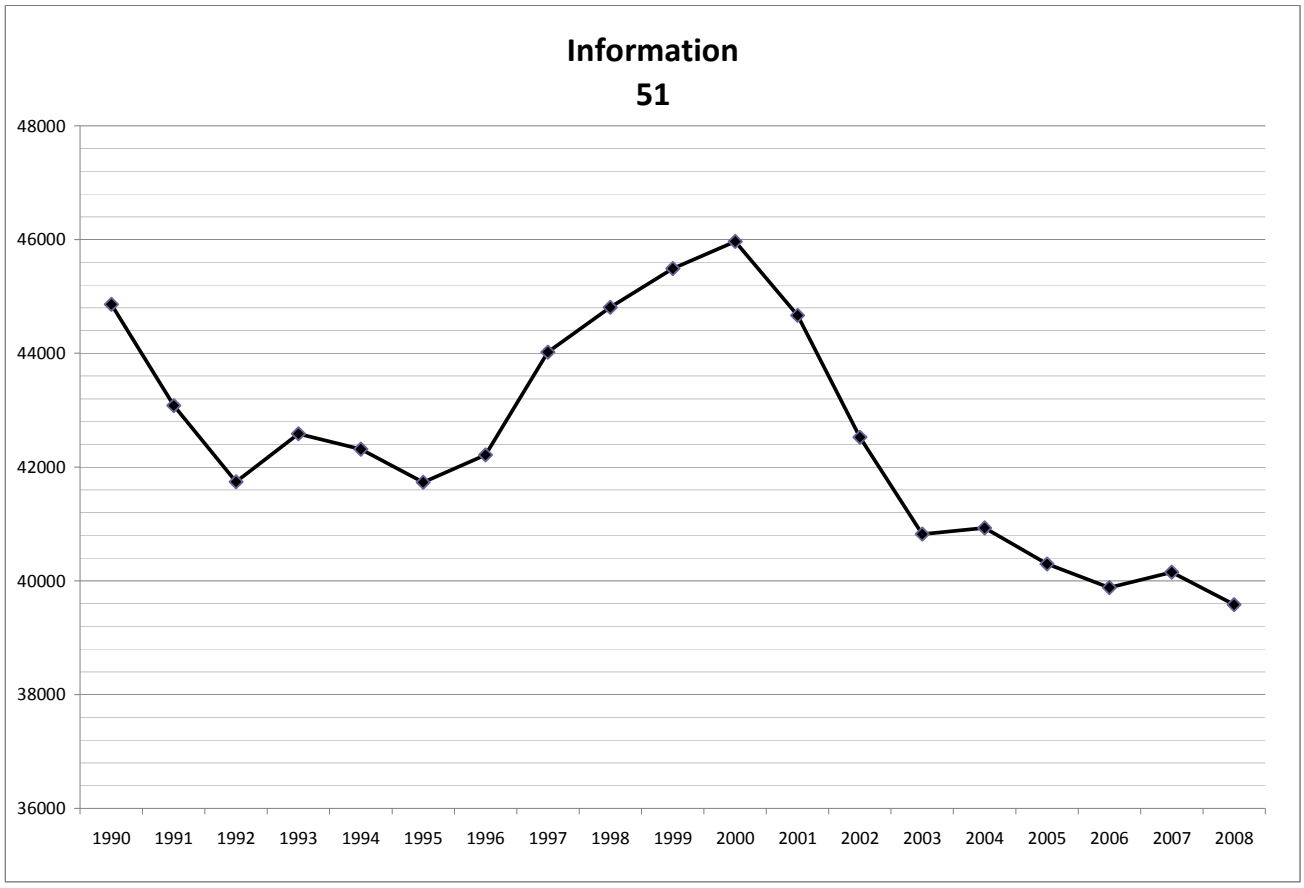
2004
2005
2006
2007
2008

Chart 4


Information
51
48000
46000
44000
42000
40000
38000
36000
1990
1991
1992
1993
1994
1995
1996
1997
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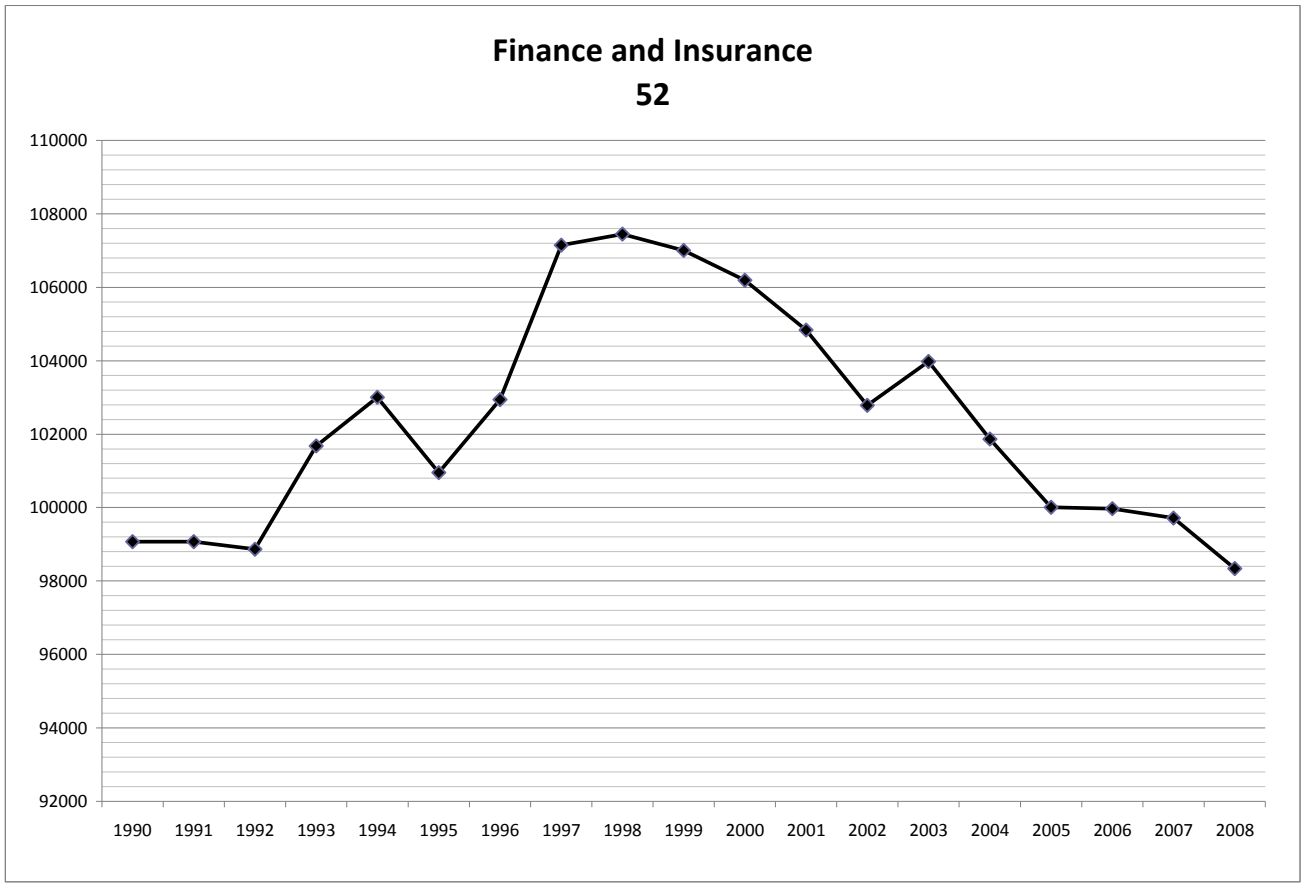
2004
2005
2006
2007
2008

Chart 5


Finance and Insurance
52
110000
108000
106000
104000
102000
100000
98000
96000
94000
92000
1990
1991
1992
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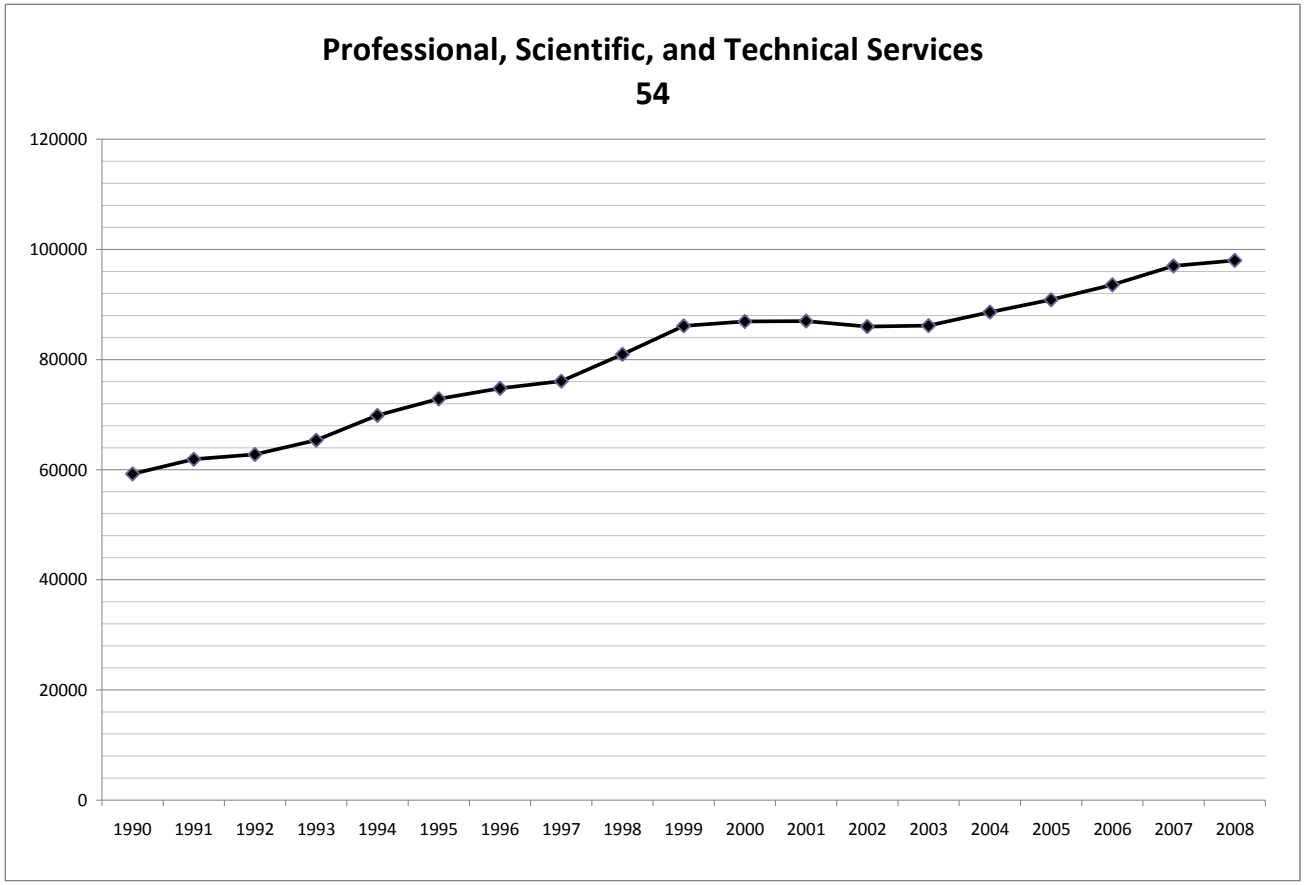
2004
2005
2006
2007
2008

Chart 6


Professional, Scientific, and Technical Services
54
120000
100000
80000
60000
40000
20000
0
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
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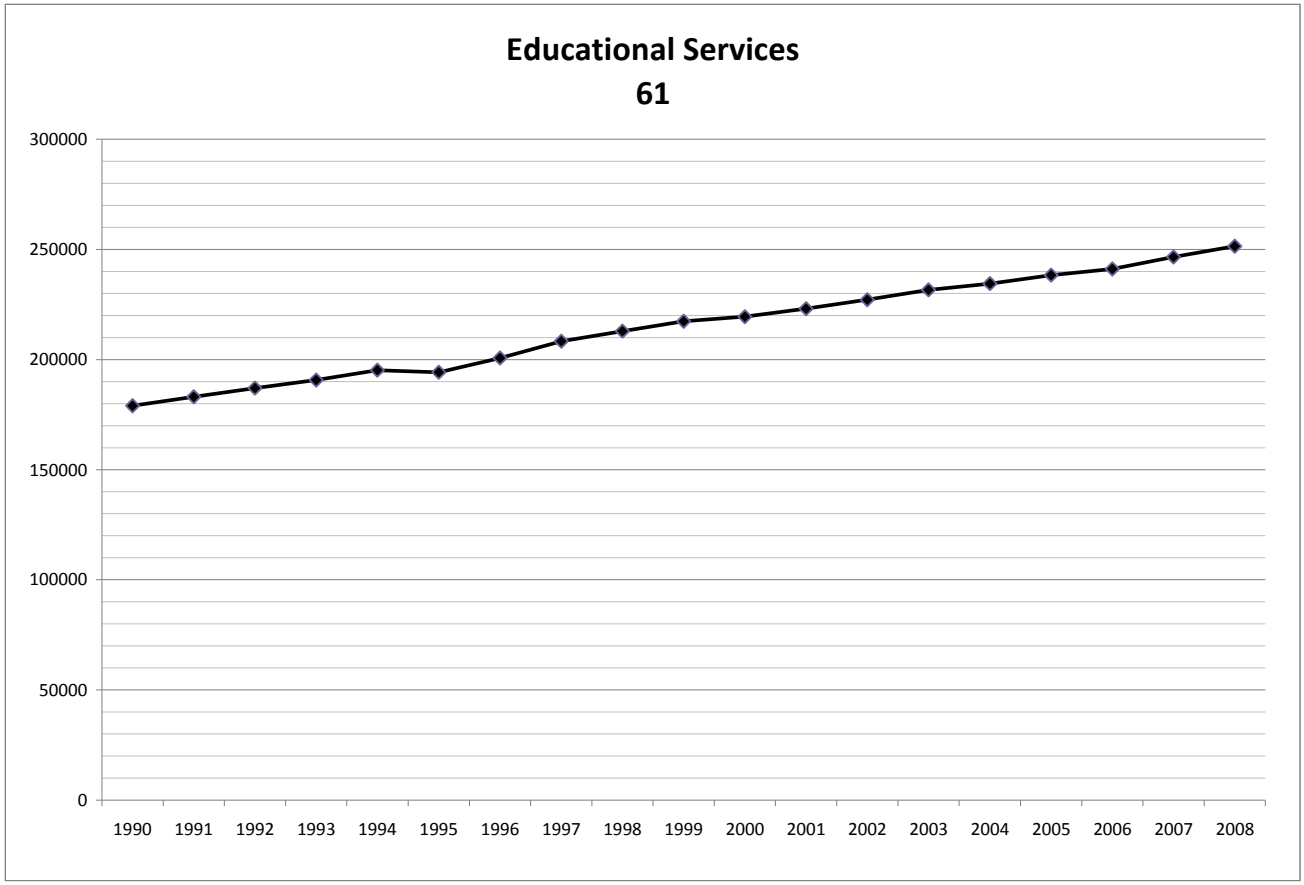
2004
2005
2006
2007
2008

Chart 7


Educational Services
61
300000
250000
200000
150000
100000
50000
0
1990
1991
1992
1993
1994
1995
1996
1997
1998
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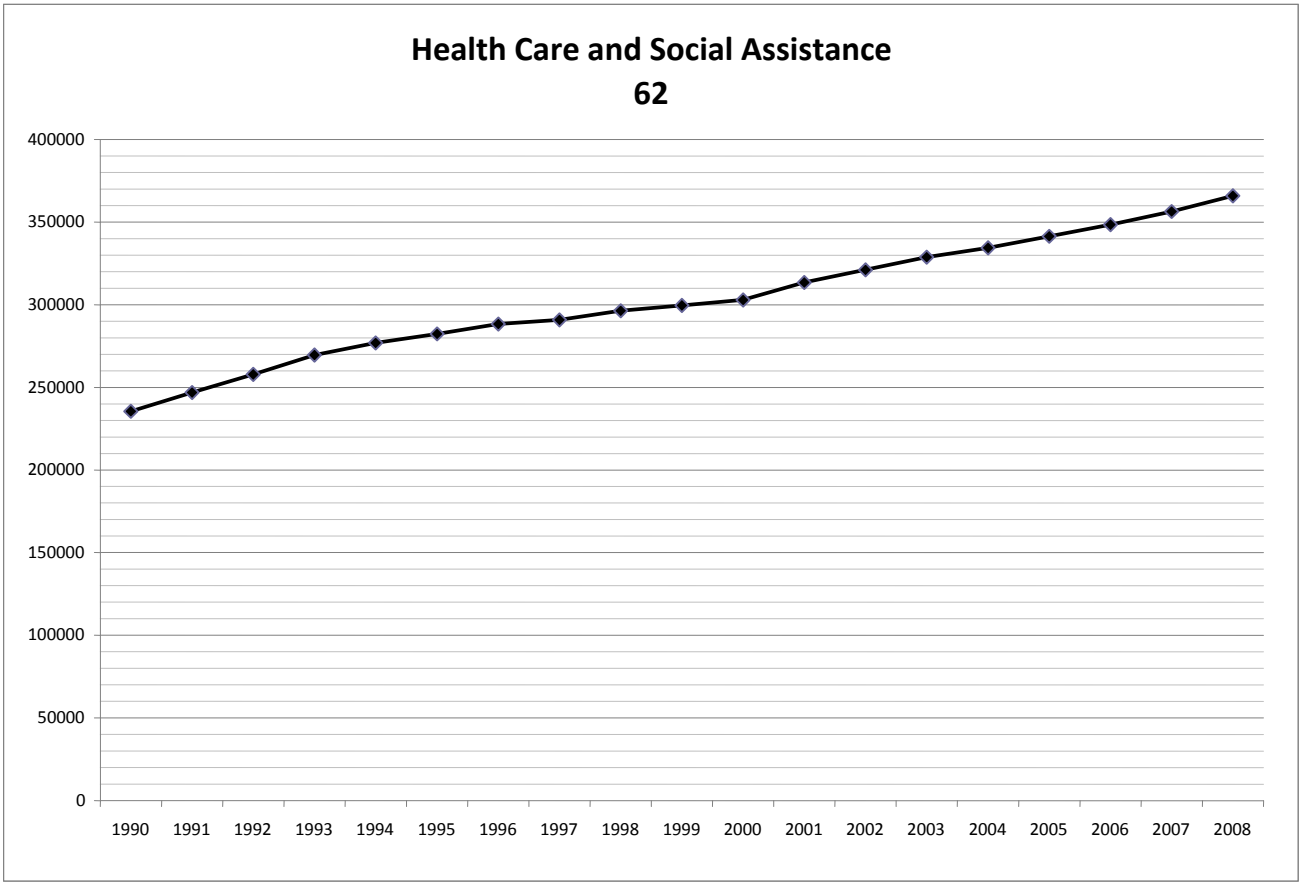
2004
2005
2006
2007
2008

Chart 8


Health Care and Social Assistance
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400000
350000
300000
250000
200000
150000
100000
50000
0
1990
1991
1992
1993
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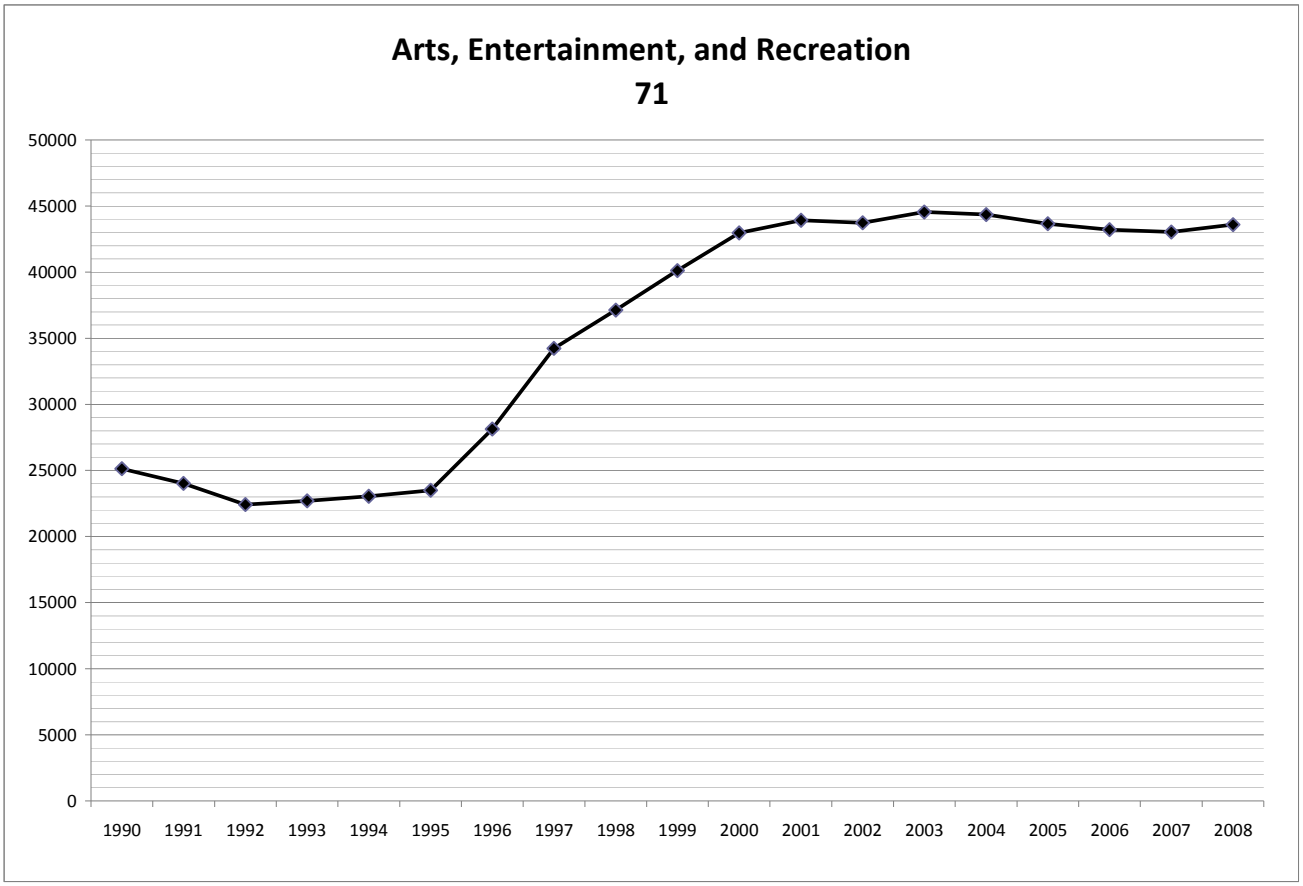
2004
2005
2006
2007
2008

Chart 9


Arts, Entertainment, and Recreation
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50000
45000
40000
35000
30000
25000
20000
15000
10000
5000
0
1990
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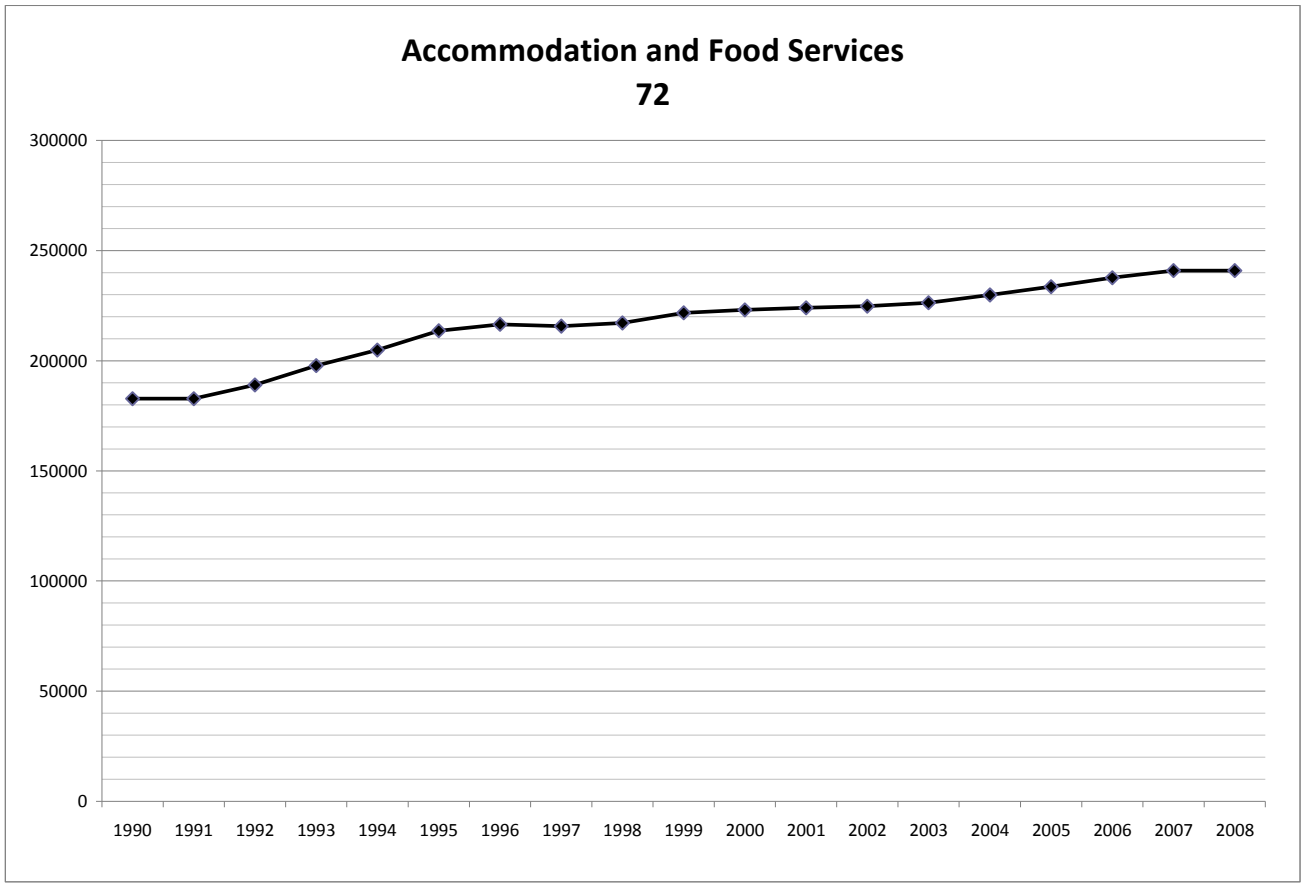
2004
2005
2006
2007
2008

Chart 10


Accommodation and Food Services
72
300000
250000
200000
150000
100000
50000
0
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
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2004
2005
2006
2007
2008

Chart 11

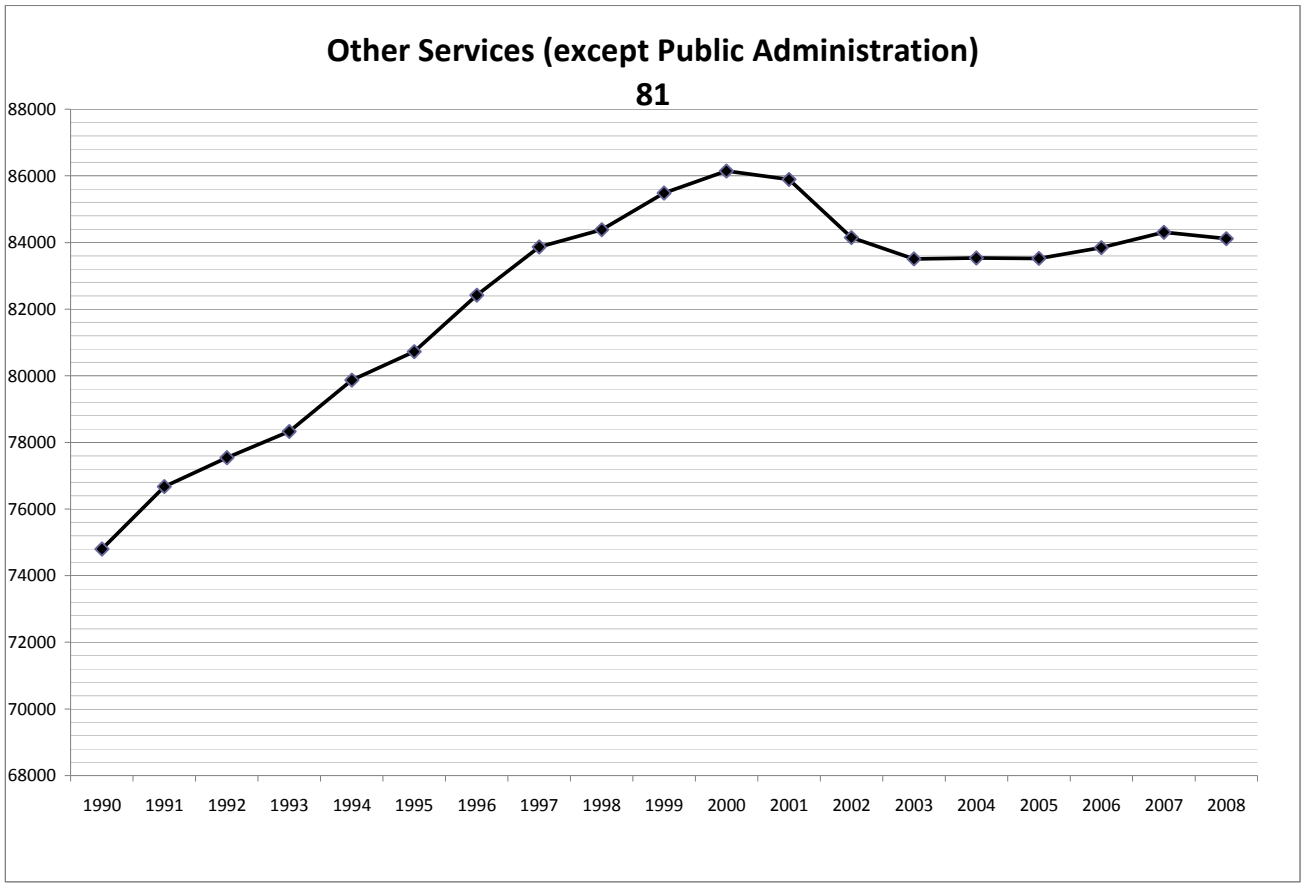
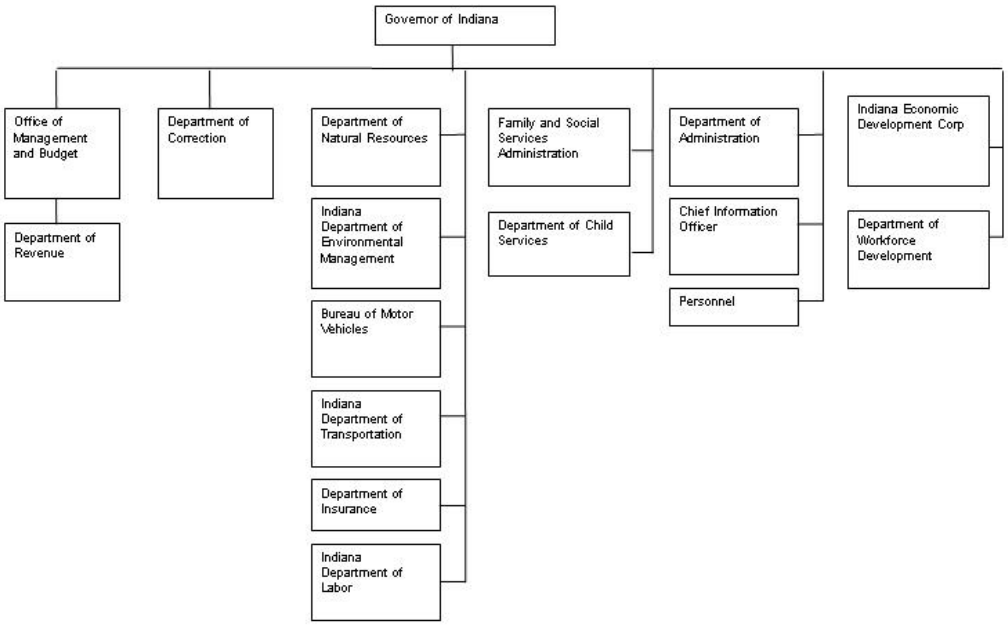

Other Services (except Public Administration)
81
88000
86000
84000
82000
80000
78000
76000
74000
72000
70000
68000
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008

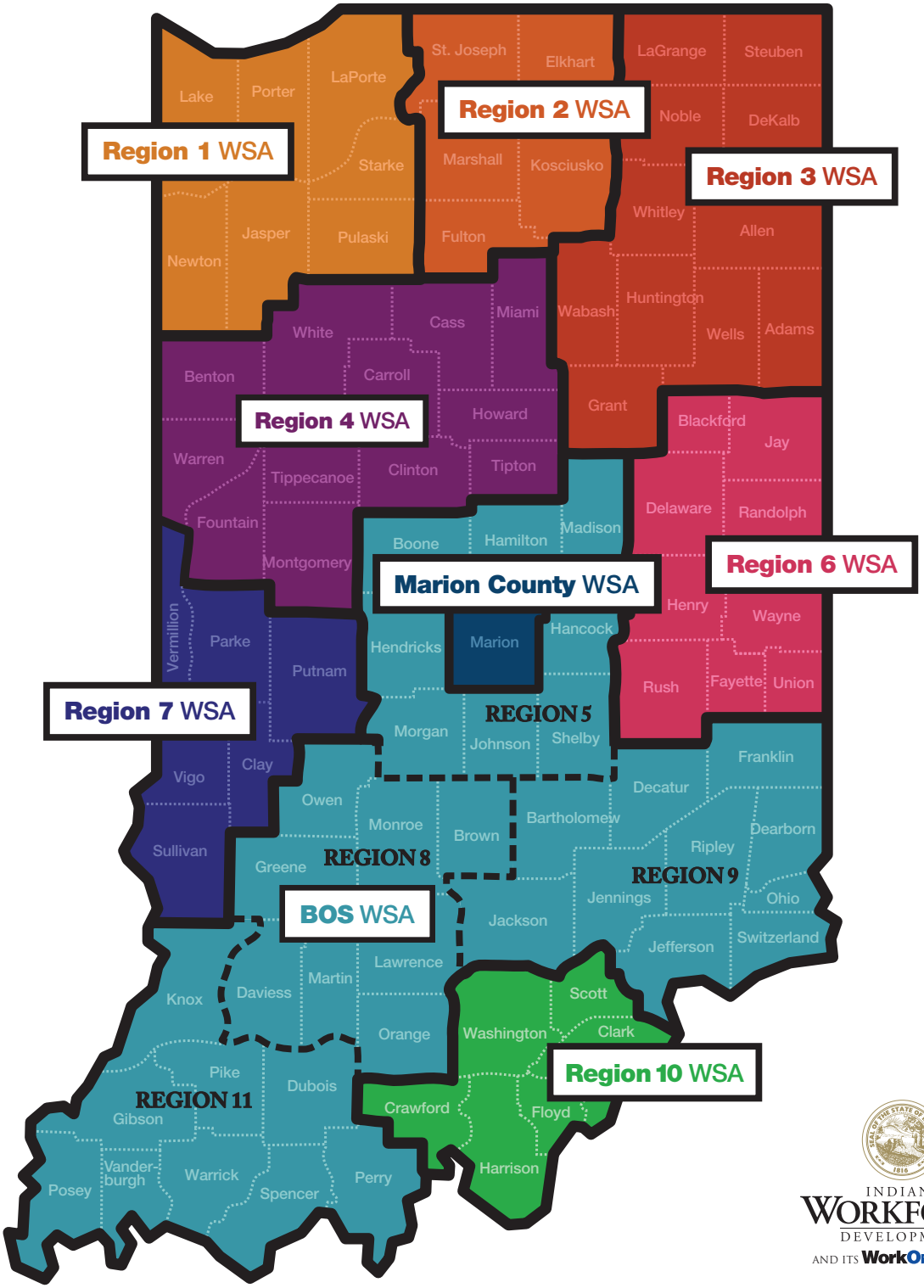
Chart 12

Attachment E - Indiana State Agencies in Relation to the Governor



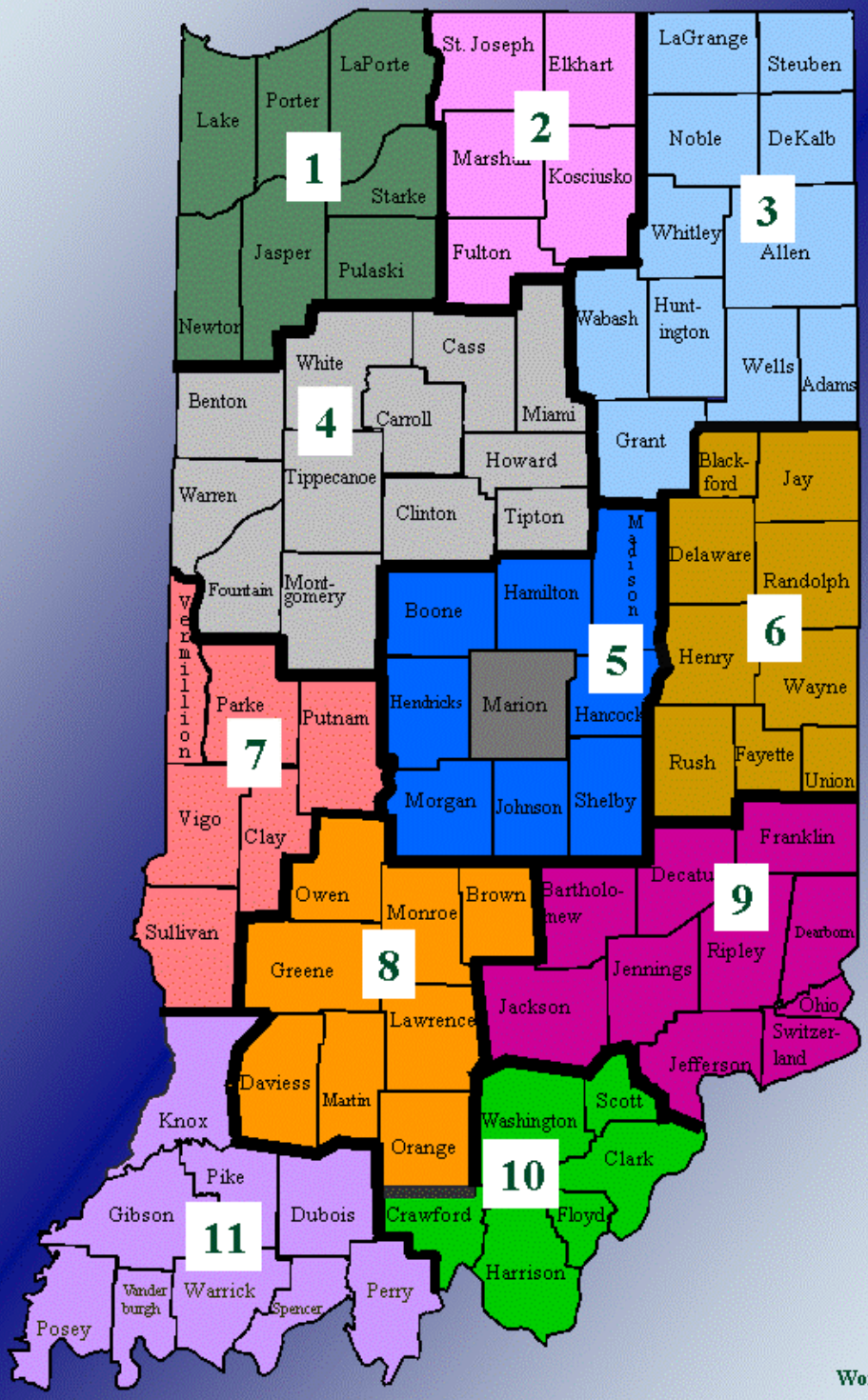
Department of Workforce Development

Workforce Service Areas (WSA)



INDIANA WORKFORCE DEVELOPMENT AND ITS WorkOne CENTERS

Regional Areas



Attachment G – Full Waiver Plans

Waiver Request
Transfer between Adult and Dislocated Worker Programs
State of Indiana
Effective July 1, 2006 – June 30, 2012

This waiver was originally approved by the U. S. Department of Labor in July of 2005, and subsequently, was reapproved in September of 2007, and was modified in February of 2009. The State of Indiana respectfully requests an extension of this waiver through June 30, 2010.

The waiver provides the ability to transfer up to 50 percent of allowable funding between the Adult and Dislocated Worker programs. Thus, workforce investment boards and regional workforce boards throughout Indiana have increased flexibility to respond to ever-changing economic conditions and serve a greater number of customers based upon their needs. It also enables the State to effectively operate it integrated services model, where participants are co-enrolled in and provided services from all programs for which they are eligible.

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 respectfully requests 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. The State requests this waiver to specifically eliminate the 30 percent limitation on transferring funds between adult and dislocated worker programs at WIA Section 133(b) (4) for WIA annual funds, and to allow the transfer of up to 50 percent of WIA annual funds between the WIA Adult and Dislocated Worker programs. To be clear, this waiver would only apply to WIA annual funds, and would not apply to WIA Adult and Dislocated Worker funds made available by the American Recovery and Reinvestment Act of 2009.

The primary goal that the State intends to achieve of this waiver is the continuation of its integrated services strategies, where all customers are co-enrolled in all programs for which they are eligible, and are provided services based upon their needs, rather than from programmatic silos. Allowing the 50% transfer of funds between the Adult and Dislocated Workers ensures that funds are maximized at the local and regional levels, and that the areas are able to apply the funds where they are needed the most, based upon the changing economic conditions. In addition, this waiver allows the local and regional areas within the State to maximize the use of WIA Adult and Dislocated Worker funds for direct client services and training, rather than for unnecessary and duplicative administrative and overhead costs.

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.

The goals of this waiver request are:

- To improve the ability of local and regional boards to respond to changes within their areas.

- To emphasize effective local and regional program management
- To increase accountability at the state, local, and regional levels
- To maximize a limited amount of funding and ensure integrated services are provided based upon customer need
- To ensure that a greater percentage of WIA Annual funds are utilized for the provision of direct client services and training
- To provide greater flexibility to local and regional boards in designing and implementing integrated WIA programs

Programmatic Outcomes
Indiana believes the increased flexibility and control allows the local and regional boards to better respond to changes within their areas, thus allowing the boards the ability to most effectively utilize limited funds. Expected outcomes include an increase in the number of customers that receive services, and a greater emphasis on utilizing funds for direct client services and training.

Describe the individuals impacted by the waiver.

The waiver benefits local and regional boards, employers, WIA Adult and Dislocated Workers participants, and service providers. Because this waiver allows local and regional boards throughout Indiana to have greater flexibility to design programs based on regional needs and priorities which maximize the use a limited amount of funds, all WorkOne customers benefit from expanded access to a comprehensive set of integrated services.

Describe the process used to monitor the progress in implementing such a waiver

The State closely monitors all aspects of Indiana's workforce investment system, including the implementation and management of this waiver. While all local and regional boards are provided with the opportunity to transfer funds between WIA Adult and Dislocated Worker Programs, State policy requires written permission from the Indiana Department of Workforce Development to transfer the funds. This process allows the State to ensure that Adult and Dislocated funds are being maximized at the local and regional levels to provide the most meaningful services to Hoosiers.

Describe the process by which notice and an opportunity to comment on such a request has been provided to the local board

The Indiana Department of Workforce Development published this waiver request on its website (www.IN.gov/dwd) along with this modification to the State Plan for public review and comment. In addition, an electronic memorandum advising Indiana's workforce investment system of this proposed waiver was sent to all workforce investment board leaders of the opportunity to provide comment

Waiver Request
State Set-Aside Rapid Response Redistribution
State of Indiana
Effective July 1, 2006 – June 30, 2012

The U. S. Department of Labor approved this waiver on April 2, 2007, and it was modified in February of 2010. The State of Indiana respectfully requests an extension of this waiver through June 30, 2010. This waiver allows the State to use up to 20 percent of the funds set-aside for statewide rapid response purposes as Governor's Discretionary funds for the specific purpose of funding incumbent worker training programs as part of a layoff aversion strategy.

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 respectfully requests a waiver of the regulatory requirements found in 20 CFR Part 665.310 and 20 CFR Part 665.320 that defines the use of state set-aside rapid response funding (Section 133(a)(2) and Section 134(a)(2)(A)). Specifically, the Indiana Department of Workforce Development would like to use up to 20 percent of funds set-aside for rapid response to further the Governor's initiatives found in Section 134(a)(1) and (2) and 20 CFR Part 665.200 and 20 CFR Part 665.210. If granted, this waiver request would be utilized for regular WIA annual allocations. The primary goal that the State intends to achieve with this waiver is to utilize statewide rapid response funds to offer incumbent worker training programs as part of a layoff aversion strategy.

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 would like to utilize a portion of its statewide rapid response funds to implement incumbent worker training programs designed to avert layoffs during the economic downturn. Funds made available through the use of this waiver would be used for a competitive grant program overseen by DWD that would provide funding for incumbent workers in industries at greatest risk for dislocation during the economic downturn. The goals of this program would include:

- Decreasing the potential of layoffs and plant closures throughout the State by providing employers with a skilled workforce.
- Increasing the number of workers eligible to receive training.
- Increasing the skill levels of incumbent workers.
- Enhance services available to businesses and industries most at risk for layoff or closure.

<u>Programmatic Outcomes</u>
Use of the Governor's Discretionary funds made available with this waiver will help the State of Indiana: 1) meet employer demands for a pool of highly skilled workers; 2) greatly increase the number of adult low to mid range incumbent workers and dislocated workers who will receive occupational skill training; 3) increase the competitiveness of business and industry; and 3) Provide flexible funds for incumbent worker training initiatives designed to avert layoffs during the economic downturn.

Describe the individuals impacted by the waiver

- Adult workers will have increased opportunities to learn high tech, high wage skills, thus increasing their potential for employment or better employment.
- Workforce investment boards and regional workforce boards will have additional training resources available to them.
- Business and industries at risk during the economic downturn will have the opportunity to bolster their competitiveness through an increased number of highly skilled workers.

Describe the process used to monitor the progress in implementing such a waiver.

If granted this waiver, the State would closely monitor the implementation of programs established with these funds. The State would conduct a competitive procurement grant competition, ensuring that the funds would be targeted for training to those incumbent workers working in industries at risk for layoff or closures. The State would establish a comprehensive set of performance metrics for each grantee that would align with the overall goals of the program, and grantees would be required to report on monthly, quarterly, and annual bases. The State would also publish policy regarding the expected design and outcomes of the program, and would conduct regularly scheduled technical assistance meetings and monitoring visits to ensure the successful implementation of the programs.

Describe the process by which notice and an opportunity to comment on such request has been provided to the local board.

The Indiana Department of Workforce Development published this waiver request on its website (www.IN.gov/dwd) along with this modification to the State Plan for public review and comment. In addition, an electronic memorandum advising Indiana's workforce investment system of this proposed waiver was sent to all workforce investment board leaders of the opportunity to provide comment

Attachment H, Plan & Modification Correspondence between IDWD and the U. S. Dept. Labor - ETA

Governor Mitchell E. Daniels, Jr., Letter to USDOL-ETA Region V, Byron Zuidema, July 28, 2005

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,

M E Daniels, Jr.

Mitchell E. Daniels, Jr.

USDOL-ETA Emily Stover DeRocco Letter to The Honorable Mitch Daniels, November 28, 2005

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

Commissioner Ronald L. Stiver Letter to USDOL-ETA Region V, Byron Zuidema, June 30, 2006

OSS (DWI)

RA

INDIANA
WORKFORCE
DEVELOPMENT

June 30, 2006

Mr. Byron Zuidema, Regional Administrator
U. S. Department of Labor, Region V
Employment and Training Administration
230 South Dearborn Street, Sixth Floor
Chicago, Illinois 60604-1505

Dear ~~Mr. Zuidema~~ Byron:

Enclosed please find an updated one page modification to the Indiana Department of Workforce Development's Strategic Two Year Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2005 through June 20, 2007, Modification 1, Amendment 1. The plan was approved by the United States Department of Labor on November 28, 2005. We are rescinding the modification to the state plan we submitted to you by e-mail and letter on June 27, 2006.

The reason for this updated chart is the further performance goal negotiations between Indiana and Region V regarding the dislocated workers' Six Months Earnings Change. The enclosed page lists the final Program Years 2005 and 2006 Workforce Investment performance goals and Wagner-Peyser goals.

The request for modification of the state plan regarding the negotiated change in the dislocated workers performance measure was posted for public comment on the Indiana Department of Workforce Development's webpage at http://www.in.gov/dwd/ on June 29, 2006.

Please review these levels. If they are correct, we would like to ask you to accept them as an amendment to our state plan. Please let us know that they are accepted. If so, the page, numbered 90A, will be inserted in Attachment C Optional Table for State Performance Indicators and Goals, after page 90, of the above named state plan.

Thank you for your support as Indiana implements IDWD's state plan.

Sincerely,

Ronald L. Stiver
Commissioner

Enclosure

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

10 North Senate Avenue
Indianapolis, IN 46204-2277
www.workforce.IN.gov

Phone: 317.232.7670
Fax: 317.233.4793

An Economic Development Partner

USDOL-ETA Region V, Byron Zuidema Letter to USDOL-ETA E. Fred Tello, September 25, 2006

U.S. Department of Labor

Employment and Training Administration
REGION V
John C. Kluczynski Building
230 South Dearborn Street, 6th Floor
Chicago, IL 60604-1505

http://www.doleta.gov/regions/reg050

September 25, 2006

Mr. E. Fred Tello, Grant Officer
U.S. Department of Labor
Employment and Training Administration
Office of Grants and Contract Management
Division of Federal Assistance Services
200 Constitution Avenue NW - Room N-4655
Washington, D.C. 20210

Dear Mr. Tello:

Please find enclosed a June 30, 2006 modification request from the State of Indiana. The modification requests that the Workforce Investment Act (WIA) Program Year 2005 Dislocated Worker Earnings Change (DWEC) performance goal be renegotiated. The letter requests that the previously negotiated PY05 goal of ($1,700) be renegotiated to a new goal of ($2,420). The renegotiation process has concluded, and I have agreed with the State's proposed Dislocated Worker Earnings Change level of ($2,420).

For your information, I have enclosed a copy of the modification request from Commissioner Ronald Stiver, dated June 30, 2006, along with a chart showing the complete negotiated levels for all PY 2005 and 2006 performance goals, including the renegotiated Dislocated Worker Earnings Change goal. I request that Commissioner Stiver's letter and chart be incorporated into the Indiana Strategic Two-Year Plan replacing the current chart on page 87, Attachment C, to the State Plan.

I have also enclosed a copy of my letter to Commissioner Stiver acknowledging receipt of the modification request, and informing him that we are incorporating the PY05 DWEC renegotiated performance goal of ($2,420) into the National Office and Regional Office copies of the State Plan.

Should you need any additional information, please contact me or Ms. Catherine Brooks, the Indiana Federal Representative, at 312-596-5531.

Sincerely,

Byron Zuidema
Regional Administrator

USDOL-ETA Emily Stover DeRocco Letter to The Honorable Mitch Daniels, April 2, 2007

U.S. Department of Labor

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

APR 2 - 2007

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

Dear Governor Daniels:

It is with pleasure that I respond to the State of Indiana's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act. The request 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). The following is the disposition of the State's waiver submission (copy enclosed).

Requested Waiver 1: Waiver to permit the use of up to 50 percent of funds reserved for rapid response activities to conduct allowable statewide activities.

The State seeks to increase the number of workers who receive occupational skills training and provide flexible funds for older worker training initiatives. We are approving a waiver of the language limiting the authority to provide the activities at WIA Section 134(a)(1)(B) to statewide reserve funds. This waiver will permit the use of up to 50 percent of the funds reserved for rapid response activities at WIA Section 133(a)(2) to provide the allowable statewide activities authorized at WIA Section 134(a)(3), excluding administration, through June 30, 2009. The State is required to report performance outcomes for any incumbent workers served under this waiver in the Workforce Investment Act Standardized Record Data (WIASRD).

Requested Waiver 2: Waiver to permit the use of 50 percent of local area formula funds to provide statewide employment and training activities.

The State indicates that the waiver will enable it to expand the provision of occupational skills training. We are approving a waiver of the language that limits the authority to provide the activities identified in WIA Section 134 to the State. This waiver will permit the use of up to 50 percent of local area formula funds to provide the allowable statewide activities authorized at WIA Section 134(a)(3), excluding administration, through June 30, 2009. These funds must be tracked by funding stream. Further, the State is required to report performance outcomes for any incumbent workers served under this waiver in the Workforce Investment Act Standardized Record Data (WIASRD).

The granted waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and constitute a modification of the State's approved Strategic Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

Emily Stover DeRocco

Enclosure

Governor Mitchell E. Daniels, Jr., Letter to USDOL-ETA Janet Sten, April 30, 2007

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

Mitchell E. Daniels, Jr.
Governor

April 30, 2007

Janet Sten
Federal Coordinator for Plan Review and Approval
U. S. Department of Labor, Employment and Training Administration
Office of Workforce Investment, Div. of Workforce System Support
200 Constitution Avenue NW, Room S4231
Washington DC 20210

Dear Ms. Sten:

The State of Indiana is pleased to submit the Program Years 2007 and 2008 Modification to the Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act. This modification continues Indiana's efforts to upgrade the skills of Hoosier citizens to ensure a pool of highly skilled workers exists in the State. In turn, economic development efforts to continue to attract high wage, high skill industries into the State have been made easier.

This plan modification reflects a major component of the administration's Competitiveness Agenda, the Workforce Innovation in Regional Economic Development (WIRED) initiative. Beginning in Program Year 2005, Indiana began the process of regionalization. We realized structuring economic and workforce development efforts on a regional basis was critical to delivering services and competing in the global economy. We began to integrate resources within regions through implementation of a common reporting structure and staff training. Training has been targeted to high-wage, high-demand occupations. At the same time, we began aligning workforce development with economic development, business, education, and other partners. We have started initiatives and reforms, incorporating greater competition and accountability, to create such alignment. Also, we are piloting programs and systems thereby introducing a variety of innovations so that Indiana's public workforce system can successfully support industry growth.

As the Governor, I certify that for the State of Indiana the agencies and officials designated in this plan modification (in Attachment B) have been duly designated to represent the State in the capacities indicated for the Workforce Investment Act, Title I, and the 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 programs in accordance with the Plan assurances herein.

Sincerely,

M E Daniels, Jr.

Mitchell E. Daniels, Jr.
Governor

Addendum 1, Chief Counsel Teresa Voors Letter to USDOL-ETA Region V, Al Gordon, May 3, 2007

INDIANA
WORKFORCE
DEVELOPMENT

May 3, 2007

Mr. Al Gordon
Indiana Federal Representative/Federal Project Officer
United States Department of Labor
Employment and Training Administration, Region 5
Office of State Systems
230 South Dearborn Street, 6th floor
Chicago, IL 60604

Dear Mr. Gordon:

This is to certify that the file entitled "Summary of Public Comments" attached to the e-mail letter of April 30, 2007 transmitting Indiana's Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act is an official addendum to the Plan. As indicated in Attachment B of the Plan, I am the WIA Title I Liaison. Once approved, this additional information will be placed in the original text of the Plan and/or attachments.

Sincerely,

Teresa Linn Voors
Chief Counsel and Director of Policy

Mitchell E. Daniels, Jr., *Governor*
Andrew J. Penca, *Commissioner*

10 North Senate Avenue
Indianapolis, IN 46204-2277
www.workforce.IN.gov

Phone: 317.232.7670
Fax: 317.233.4793

An Economic Development Partner

Addendum 1, Summary of Public Comment Process

State of Indiana
Strategic Plan for Title I of the Workforce Investment Act of 1998
and the Wagner-Peyser Act
Summary of Public Comment Process

Process

A notification announcing the availability of Indiana's Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act – Modification 3 for public comment was issued to –

- State Board
- Local Workforce Investment Boards
- Regional Boards
- State Legislators and Other Elected Officials
- Business Organizations
- Labor Organizations
- One-Stop Partners
- Other Interested Parties

In addition to the announcement, the State Plan was posted to the Indiana Department of Workforce Development's website for 30 days as required by federal guidance. Both a physical address and an e-mail address were provided for feedback. Both addresses provided unique addresses to insure that all public comments were received. In the case of the e-mail address, a unique address (mailbox) was provided to insure that no comment was lost or mixed with other e-mail.

Both physical and electronic mail boxes were checked frequently to insure prompt receipt and timely responses. All input was reviewed with the objective of clarifying and improving the final submitted product. The submitted State Plan includes all public comment changes recommended by the review committee.

Indiana was a little surprised with the low number of public comments since the State Plan modification was widely publicized and the plan was clearly posted on our website.

Indiana's position on the low number of comments–

- Indiana's original strategic plan was so inclusive that the changes in Modification 3 are not overly significant. They are basically the next steps in a clear path documented in previous modifications of the plan.
- Indiana spent an extraordinary amount of time in working with elected officials, boards and other interested parties in developing and marketing the strategy. By the time the plan was issued, surprises were at a minimum.

Statistics for and Summary of Comments

Only two public comment notices were received. One was from the Indiana AFL-CIO. The comment addressed four major points. A summary of those points and our responses follows:

William R. Miller
Director, Career Services
Indiana Workforce Development

- They opposed Waiver #7 because it took money away from the stated purpose of the Rapid Response fund.
    - Indiana has sufficient funding in the Rapid Response fund to accommodate both the primary purpose of the fund and the alternative use for the funds as outlined in Waiver #7.
    - The use of the funds as match for the Career Advancement Account grant leverages the funds to bring an additional $3 million dollars to the State over a two year period.
- They opposed Waiver #8 because it took money away from the population which needs the services.
    - The intent of the modification is to allow the local boards to have sufficient flexibility so that they can truly customize their workforce development system to meet their regional needs.
    - The State will develop policy for the implementation of the waiver that not only adds clarity to the intent, but also provides processes to control the implementation and insure that it retains the objective of increased and improved services for customers.
- They opposed a number of issues under a general heading of State Merit Staff. The primary one was the integration of service delivery. They were concerned with violations of law and regulation. They also opposed the move of IMPACT to Workforce Development and the planned integration of grievance processes into one policy.
    - This modification of the plan makes no significant changes to Indiana's approach to service integration. No wording in the plan is contrary to law or regulation and Indiana has no intention of violating law or regulation with the implementation.
    - IMPACT transition was in previous versions of the plan. The AFL-CIO did not specify why they opposed it. The transition is covered by a Governor's Executive Order.
    - AFL-CIO opposed an integrated common grievance process for WorkOne employees, but the planned integrated grievance process is for WorkOne clients. Indiana has made minor changes to the State Plan to insure clarity of our intent.
- They want to insure that all future waivers are subject to public comment and that they have the opportunity to provide input.
    - All new waivers require a plan modification. All modifications require public comment period. Thus, we will automatically comply with their request.

The other public comment notice was from the Indianapolis Private Industry Council, the Workforce Investment Board for Marion County (Indianapolis area). They had objections to Waiver #8 because they thought the State was reducing the amount of formula money that would be distributed to the Workforce Investment Boards. We clarified this in a response letter to them indicating that the waiver only increased the flexibility of the allocated adult and dislocated worker funding that the boards received and that formula money was not being retained by or diverted to the State as a result of this waiver. We further indicated that the Indiana Department of Workforce Development would issue a policy clarifying Waiver #8 and providing processes for its implementation.

William R. Miller
Director, Career Services
Indiana Workforce Development

Addendum 2, Commissioner Andrew J. Penca Letter to USDOL-ETA Janet Sten, June 20, 2007

INDIANA
WORKFORCE
DEVELOPMENT

June 20, 2007

Janet Sten
Federal Coordinator for Plan Review and Approval
U. S. Department of Labor
Employment and Training Administration
Office of Workforce Investment
Division of Workforce System Support
200 Constitution Avenue NW
Room S 4231
Washington DC 20210

Dear Ms. Sten:

Attached is an official addendum (2) to the State of Indiana's Modification to the Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2005 through June 30, 2009. The addendum provides clarification to the Strategic Plan based on comments received from Region V, Department of Labor and reflects Workforce Investment Act and Wagner-Peyser performance negotiations for Program Years 2007 and 2008.

The clarifications for appropriate sections of the Strategic Plan are attached. The clarification will also be posted on the web site for public review and comment. New wording for the State Plan is in regular type, with original wording *italicized.* The clarifications will be incorporated into the Strategic Plan once approval is provided. The Indiana Department of Workforce Development will revise DWD Communications 2005-16, 2006-8, 2006-10, and 2006-20 in accordance with the Strategic Plan no later than September 1, 2007. Indiana's Federal Project Officer will be notified as each policy is revised.

Thank you for the opportunity to clarify the Strategic Plan.

Sincerely,

Andrew Penca
Commissioner

Mitchell E. Daniels, Jr., *Governor*
Andrew J. Penca, *Commissioner*

10 North Senate Avenue
Indianapolis, IN 46204-2277
www.workforce.IN.gov
An Economic Development Partner

Phone: 317.232.7670
Fax: 317.233.4793

State of Indiana Response
June 20, 2007

Statutory Cite	Explanation
III.B.6	*The Council is required to comply with the State's Public Meeting and Open Records Statutes.* The Council also complies with 20 CFR Part 661.207 regarding conducting business in an open manner under the "sunshine provision" of WIA section 111(g). For individuals with disabilities, all meetings associated with the Council are held in buildings in compliance with the Americans With Disabilities Act (ADA.)
VI.	The State Workforce Innovation Council serves as both the State's Council and the workforce investment board for the balance of state. The Department of Workforce Development provides staff support to the Council for both its roles. The SWIC, acting as State Council, formula allocates the State's Workforce Investment Act state allotments to Indiana's two workforce investment boards, as required by federal and state law. The SWIC, acting as the workforce investment board for the balance of state, allocates by formula to the eleven regional workforce boards. The SWIC, acting as the workforce investment board for the balance of state, is the selecting and awarding authority for grants and contracts in accordance with Department of Labor approval of Waiver 1b and statutory requirements which reserve this authority to the local board. The SWIC, acting as the workforce investment board for the balance of state, signs the grant documents between each regional workforce board and the State. By signing the grant, the SWIC, acting as the workforce investment board for the balance of state, provides approval the workforce development activities conducted in the regional area. The Balance of State Workforce Board provides guidance to the newly created system through policies and procedures from the Department of Workforce Development. *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.* There is a single fiscal agent for the Balance of State Workforce Service Area in accordance with the provisions of the WIA Section 117(d)(3)(B)(i)(II) which is the Department of Workforce Development. DWD competitively procured an entity to provide fiscal services across the State. However, DWD also allowed each regional workforce board to competitively procure their own fiscal entity in conjunction with their Regional CEO to assist in the administration of grant funds allocated to the Region. ~~*The balance of state WIB in conjunction with the State selected a fiscal agent for the eleven RWBs. Each RWB in conjunction with their Regional CEO has had the opportunity to select their own fiscal agent in lieu of the state fiscal agent.*~~

State of Indiana Response
June 20, 2007

VI.E.	*Coordination will occur between WIA youth programs, Job Corps programs operating in the State, and other youth program grantees*, including apprenticeship programs.
VII.B.	*Employer Services – These services are directly associated with WorkOne services for employers. They are the service set that creates a professional atmosphere for employers and will continue to grow as we move forward.* Service delivery to employers will be accomplished in an integrated fashion, as described. *These employer services are:*
VIII.	*Indiana put in place policies that provided for increased competition in the selection of support staff and service providers.* All policies concerning competition and non-competition comply with applicable federal and state policies and regulations. The Balance of State Workforce Investment Board provided guidance on procurements, including sole source, to the newly created system through policies from the Department of Workforce Development.
VIII.G.6.	*Indiana is 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 are 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).* Policy was issued providing guidance on competitive procurements. All service providers, including youth, shall be assessed by at least the following criteria: o Satisfactory record of past performance in providing similar services o Satisfactory record of organizational integrity and fiscal accountability o Necessary organizational experience and operational controls o Adequate management and participant data systems to generate timely and accurate reports o Ability to meet the desired goals at a reasonable cost
VIII.K.8.	The definition regarding the "requires additional assistance to complete an education program, or to secure and hold employment" criterion found at 20 CFR Part 664.200(c)(6) has been delegated to the Marion County workforce investment board and the regional workforce boards, as appropriate.
X.D.2.	*Performance is tracked locally on most measures.* The targeted groups under WIA title I, the Wagner-Peyser Act or Title 38 Chapters 41 and 42 (VETS) and WIA Sections 112(b)(3) and 136(b)(3), are tracked in the state's performance management system and reported in the WIA Annual report.

	On wage-based and customer satisfaction measures, the State supplies quarterly updates to the WIBs and RWBs. To shorten the gap between program outcome and outcome measurement, Indiana is working to develop new measurement systems to provide feedback on real-time measures. DWD anticipates this endeavor will provide WIBs and RWBs better management tools to ensure program success.

Program Years 2005, 2006, 2007 and 2008
Workforce Investment Act Performance Goals
for
Indiana Workforce Investment Boards & Regional Workforce Boards

	PY'05 Goals*	PY'06 Goals**	PY'07 Goals**	PY'08 Goals**
ADULTS				
Entered Employment Rate	81%	82%	83%	83%
Employment Retention Rate	82%	84%	84%	84%
Earnings Change	$3,360			
Average Earnings		$10,403	$10,403	$10,788
Employment & Credential Rate	64%	64%	70%	70%
DISLOCATED WORKERS				
Entered Employment Rate	86%	87%	89%	89%
Employment Retention Rate	90%	91%	91%	92%
Earnings Change	-$2,420			
Average Earnings		$14,544	$14,544	$14,689
Employment & Credential Rate	61%	62%	66%	67%
OLDER YOUTH				
Entered Employment Rate	72%	73%	77.5%	79%
Employment Retention Rate	82%	84%	84%	84%
Earnings Change	$3,000	$3,200	$3,200	$3,200
Credential Rate	46%	48%	53%	55%
YOUNGER YOUTH				
Skill Attainment Rate	86%	87%	87%	88%
Diploma Attainment Rate	60%	60%	62%	64%
Retention Rate	61%	62%	67%	68%
CUSTOMER SATISFACTION				
Participant	73%	74%	77%	77%
Employer	70%	71%	71%	71%

Program Years 2005, 2006, 2007 and 2008
Wagner-Peyser Performance Goals
for
Indiana Workforce Investment Boards & Regional Workforce Boards

	PY'05 Goal	PY'06 Goals**	PY'07 Goals**	PY'08 Goals**
Wagner-Peyser Entered Employment		63%	66%	67%
Wagner-Peyser Employment Retention		81%	82%	82%
Wagner-Peyser Average Earnings		$11,157	$11,715	$11,890

* These were the goals for Indiana's fifteen workforce investment boards in Program Year 2005.

** These are the goals for Indiana's two workforce investment boards in Program Years 2006, 2007 and 2008 and the eleven regional workforce boards.

USDOL-ETA Byron Zuidema & Gay M. Gilbert to the Honorable Mitch Daniels, June 29, 2007

U.S. Department of Labor

Employment and Training Administration
200 Constitution Avenue, N.W.
Washington, D.C. 20210

JUN 29 2007

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

Re: Indiana's Strategic State Plan Modification for Title I of the Workforce Investment Act and the Wagner-Peyser Act

Dear Governor Daniels:

This letter provides approval of the modification to Indiana's State Strategic Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act for the two-year period, July 1, 2007 through June 30, 2009. The Employment and Training Administration (ETA) received your state's proposed modification on April 30, 2007, and appreciates your timely submission. ETA views the State strategic planning process under WIA as an opportunity for transforming the workforce investment system into a system that is aligned with and supports regional economic development. The role of governors in this process is critical, and we thank you for your leadership and that of your State Workforce Investment Board.

Plan Review and Approval

ETA has reviewed the Indiana Plan submission for years three and four of its Strategic Five-Year Plan in accordance with Title I of the Workforce Investment Act, the Wagner-Peyser Act, the corresponding regulations, and, as required by TEGL 13-06, the WIA/Wagner-Peyser Act Planning Guidance issued on April 12, 2005. Pursuant to 20 CFR 661.220(e), this letter constitutes a written determination under WIA Section 112(c) (29 USC 2822(c)), that the Plan as modified, for the two-year period, July 1, 2007 through June 30, 2009, is consistent with the requirements of WIA and the Wagner-Peyser Act.

The Grant Officer will issue a Notice of Obligation for the "July portion" of the WIA formula allocations for Adult and Dislocated Worker programs and the balance of the Youth program funds, effective July 1, 2007, under the current Program Year 2007 Annual Funding Agreement. The Wagner-Peyser Act program grant documents for Program Year 2007/Fiscal Year 2008 were sent to the designated state grantee agency for signature and return to the Grant Officer for execution, effective July 1, 2007. These Wagner-Peyser Act documents will provide for the initial base allocation of Program Year 2007 funds.

Performance Levels

Enclosed are the negotiated Program Year 2007 and 2008 performance levels for WIA and Wagner Peyser Act which were agreed upon in prior discussions with the Regional Office. These performance levels have been incorporated into the State Plan, and approval of this Plan constitutes formal approval of Indiana's WIA and Wagner Peyser Act performance levels for Program Years 2007 and 2008.

Waiver Requests

We appreciate that you sought to take advantage of the waiver authority provided in the Workforce Investment Act to expand the flexibility Indiana has in implementing your workforce investment system. You will soon receive a separate notification from the Assistant Secretary of the Employment and Training Administration, which will constitute the official response to the waiver requests included in your State Plan modification. Your waiver requests were approved.

ETA is committed to supporting Indiana in driving the workforce investment system to enhance regional economic development in response to changes in the economy brought on by globalization. We look forward to working together in advancing this agenda and assisting you in implementation of your strategic vision for Indiana. If you have any questions related to the issues discussed above, please contact Janet Sten, the Federal Coordinator for Plan Review and Approval, at (202) 693-2793, Sten.Janet@dol.gov, or Alvin Gordon, the Federal Project Officer for Indiana, at (312) 596-5495, Gordon.Alvin@dol.gov.

Sincerely,

Byron Zuidema
Regional Administrator
Employment and Training
Administration

Gay M. Gilbert
Administrator
Office of Workforce Investment
Employment and Training
Administration

Enclosure

cc: Andrew J. Penca, Commissioner, Indiana Department of Workforce Development
Emily Stover DeRocco, Assistant Secretary for Employment and Training
Janet Sten, Federal Coordinator for Plan Review and Approval
E. Fred Tello, Grant Officer
Alvin Gordon, Federal Project Officer for Indiana

Workforce Investment Act and Wagner-Peyser Act Performance Levels for PYs 2007 and 2008

Indiana

Workforce Investment Act Performance Levels

Adult Measures	PY 2007	PY 2008
Adult entered employment	83.00	83.00
Adult employment retention	84.00	84.00
Adult average six-month earnings	$10,403.00	$10,788.00
Adult employment and credential	70.00	70.00
Dislocated Worker Measures		
Dislocated worker entered employment	89.00	89.00
Dislocated worker employment retention	91.00	92.00
Dislocated worker average six-month earnings	$14,544.00	$14,689.00
Dislocated worker employment and credential	66.00	67.00
Older Youth Measures		
Older youth entered employment	77.50	79.00
Older youth employment retention	84.00	84.00
Older youth earnings change	$3,200.00	$3,200.00
Older youth credential	53.00	55.00
Younger Youth Measures		
Younger Youth Skill Attainment	87.00	88.00
Younger youth diploma	62.00	64.00
Younger youth retention	67.00	68.00
Customer Satisfaction Measures		
Participant ACSI	77.00	77.00
Employer ACSI	71.00	71.00

Wagner-Peyser Act Performance Levels

Measures	PY 2007	PY 2008
Entered employment	66.00	67.00
Employment retention	82.00	82.00
Average six-month earnings	$11,715.00	$11,890.00

Region 5

USDOL-ETA Emily Stover DeRocco Letter to The Honorable Mitch Daniels, September 28, 2007

U.S. Department of Labor

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

SEP

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

Dear Governor Daniels:

It is with pleasure that I respond to the State of Indiana's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2007, through June 30, 2009, the State submitted four waiver requests. The requests are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appear to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's waiver submission (copy enclosed).

Requested Waiver 1: Extension of the waiver of the funds transfer limitation at WIA Section 133(b)(4).

This request for funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act—the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams. The State is granted an extension of the waiver of the funds transfer limitation at WIA Section 133(b)(4). The waiver allows the State to approve local area requests to transfer up to 100 percent of local area allocations between the WIA Adult and Dislocated Worker funding streams.

Requested Waiver 2: Extension of the waiver to use Individual Training Accounts (ITAs) for youth participants.

The request states that the extension will allow local areas to enhance delivery of occupational skills training and increase customer choice for youth. We are granting an extension of the waiver of the prohibition on the use of ITAs for older and out-of-school youth at 20 CFR 664.510, through June 30, 2009. The State should ensure that funds used for ITAs are tracked and reflected in the individual service strategies for these youth.

Requested Waiver 3: Extension of the waiver of the time limit on the period of initial eligibility at 20 CFR 663.530.

The State indicates that an extension is requested to address the continuing difficulties in the collection of "all student" information from training providers. The State is granted an extension of the waiver through June 30, 2009. Under this waiver, the State will be able to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Requested Waiver 4: Extension of the waiver to permit the State to apply 20 CFR 661.300(f) to the balance of State workforce investment area.

The State indicates that a waiver extension will enable it to continue to improve the governance structure that is responsive to the unique characteristics of Indiana's labor market. We are granting an extension of the waiver to permit the State to apply 20 CFR 661.300(f) to the balance of State workforce investment area, through June 30, 2009. 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.

The granted waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and constitute a modification of the State's Strategic Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

Emily Stover DeRocco

Enclosure

Governor Mitchell E. Daniels, Jr., Letter to USDOL-ETA Emily Stover DeRocco, December 19, 2007

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

Mitchell E. Daniels, Jr.
Governor

December 19, 2007

Emily Stover DeRocco
Assistant Secretary
Employment and Training Administration
U.S. Department of Labor
Frances Perkins Building
200 Constitution Avenue, NW
Washington, DC 20210

Dear Ms. DeRocco:

The State of Indiana is pleased to submit Modification 4 to the Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act. This modification includes Indiana's ninth waiver request: "Current WIA Performance Measures in order to fully implement Common Measures." In addition, we are including in this modification a revised Attachment B – Program Administration Designees and Plan Signatures. We received no comments during the public comment period.

As you may be aware, the Indiana Department of Workforce Development (IDWD) is transitioning toward full integration of WIA, Wagner-Peyser, TAA, and Veterans Program services. Regional areas will be moving toward full integration during Program Year 2007. This waiver request will allow Indiana to hold programs administered by the Indiana Department of Workforce Development to a consistent set of performance criteria.

As the Governor, I certify that for the State of Indiana the agencies and officials identified in this plan modification (Attachment B) have been duly designated to represent the State of Indiana in the capacities indicated for the Workforce Investment Act, Title I, and the 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 programs in accordance with the Strategic Plan assurances herein.

Sincerely,

Mitch Daniels

Mitchell E. Daniels, Jr.
Governor

Waiver Request 9 – Waiver of Current WIA Performance Measures in Order to Fully Implement Common Measures
State of Indiana
Effective July 1, 2007 – June 30, 2009

Indiana is requesting a waiver of the core indicators of performance and the customer satisfaction indicators (a total of 17 measures), as specified in Section 136(b)(2) and (c)(1) of the Workforce Investment Act of 1998 (WIA), as well as accompanying provisions in Section 666.100(a) and 666.300(a) of the WIA Final Rules, which are currently in force. Through this waiver the State is also requesting approval to use United State Department of Labor (USDOL) "Common Measures" (as defined in Training and Employment Guidance Letter 17-05, issued February 17, 2006) for WIA program performance reporting.

The purpose of this waiver request is to remove the burden (i.e., known substantial inconsistencies) inherent in current WIA performance reporting requirements. This would also allow Indiana to align accountability within the workforce investment system, by holding programs administered by the Indiana Department of Workforce Development to a consistent set of performance criteria.

This request supports Indiana's Strategic Plan to align strategy, services to customers and accountability across the workforce investment programs administered by the Indiana Department of Workforce Development. It should be noted that, effective July 1, 2007 (PY 2007), the Department began integrating services across the WIA and Wagner-Peyser programs, by piloting common enrollments and exits for all participants served by these programs in several regions. As the Program Year progresses, additional Regions are implementing integration of services in these programs.

WIA program performance is currently based on the 17 performance measures defined in the WIA legislation (cited above) and on USDOL "Common Measures" for federal job training and employment programs. This waiver request is to discontinue use of the 17 performance measures, and use solely the 6 common measures, and is consistent with implementation of the accountability system envisioned by USDOL.

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 seeking a waiver of the core indicators of performance and the customer satisfaction measures required in WIA Section 136(b)(2) and (c)(1), as well as accompanying regulations in Section 666.100(a) and 666.300(a). Indiana is requesting a waiver of the State and local requirement to report on these measures and to instead adopt and report on the Common Measures, as delineated in TEGL 17-05, for federal job training and employment programs. If granted this waiver, Indiana would operate solely under the six common measures for Adults/Dislocated Workers (Entered Employment, Employment Retention and Average Earnings) and Youth (Placement in Employment or Education, Attainment of a Degree or Certificate and Numeracy/Literacy Gains).

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

There is no state or local statutory or regulatory barrier to implementing the proposed waiver. Indiana has been taking action to move state and local systems toward greater program integration and the reduction of unnecessary duplication.

Indiana is in the process of modifying its TrackOne Electronic Case Management System for data reporting and case management to support the implementation of common measures as well as functional alignment of WIA and Wagner-Peyser service delivery and structure. These modifications include:

- Eliminate the need for duplicate data entry to co-enroll participants in Wagner-Peyser and WIA through the use of an automated process
- Reduce the amount of data entry needed to record core, intensive and supportive services
- Provide a streamlined, common list of services across Wagner-Peyser and WIA programs

Automated common enrollments have been established for each WIA Adult and Dislocated Worker, Wagner-Peyser and Trade Act participant, as well as common exit dates.

Each Regional Workforce Board and Regional Operator has been required to prepare a formal Integration Plan as an addendum to its comprehensive three-year local plan which describes the specific steps they plan to take to achieve functional alignment of WIA Title IB and Wagner-Peyser programs and service structures in the local One Stop systems.

Elimination of dual performance accountability and reporting systems, as outlined in this request, will significantly contribute to the State's ongoing efforts to eliminate duplication and streamline programs and align its WIA and Wagner-Peyser services.

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

The State intends to achieve various goals through enactment of this waiver. Having the flexibility to implement a single set of performance criteria under the common measures will improve the statewide workforce investment system by eliminating duplicative, overlapping and contradictory performance reporting requirements, and allow the state and local systems to achieve full implementation of the common measures. The Indianapolis Private Industry Council (Local Workforce Investment Board for the Marion County Metropolitan Area) and the Balance of State Workforce Investment Board, Regional Workforce Boards and training providers can be held accountable to a single and uniform set of performance criteria. Barriers to comprehensive and integrated case management caused by the need to simultaneously manage two inconsistent performance assessment systems will also be removed.

Describe the individuals impacted by the waiver

Implementation of this requested waiver would permit Indiana, its 2 Workforce Investment Boards, 11 Regions, and its wide network of service providers to operate under a single and consistent set of performance measures, thus simplifying and integrating program design, delivery and reporting. It would eliminate conflicting and contradictory data collection requirements and would allow local areas to operate under clearer performance directives. Multiple programs would use the same performance measures, so there would be standardization of participant performance assessment across programs. Case management would be facilitated and barriers to coordination would be reduced. Other programmatic outcomes include:

- Adult and dislocated worker measures would be combined.
- All youth would be served by the same set of measures, eliminating the need to track and report older and younger youth separately.
- The credential measure for adults and dislocated workers would be removed, allowing certificate attainment to be a focus for youth.
- "Skill Attainment" would be eliminated as a measure for youth.
- Academic and occupational outcomes for all youth would be improved by the inclusion of in-school youth in the "Placement in Employment or Education" and "Attainment of a Degree or Certificate" youth common measures, whereas they are excluded in the current core measures. An increased focus on serving out-of-school youth may be an outcome of the revised criteria for these measures.
- Customer Satisfaction would be removed from the measures.

All customers and service providers in the statewide workforce investment system could be positively impacted by the elimination of a dual set of performance criteria. Individual customers will be presented with more consistent service offerings among programs and a common set of goals.

Providers will have clearer performance directives and will be able to focus on designing services around one set of performance criteria, thus spending less time on duplicative tracking and reporting and more time on direct customer service.

State and local WIA and partner program staff will likewise benefit from facilitated case management and continuity of services among programs.

Describe the process used to monitor the progress in implementing such a waiver.

The Indiana Department of Workforce Development administers the WIA Title IB, Wagner-Peyser and Trade Adjustment Assistance programs. IN DWD also administers the TrackOne electronic case management system which is the mechanism for local areas to manage services to individuals and report outcomes, as well as for the State to meet federally mandated reporting requirements. This system is currently configured to be fully capable of the data collection and reporting required under common measures.

The Indiana Department of Workforce Development will monitor the progress of the waiver implementation through analysis of performance results from the local level as well as through ongoing oversight and interchange with local area management and staff. Technical assistance on common measures data entry and reporting has been and will continue to be provided to key State and local WIA and partner program staff.

Describe the process by which notice and an opportunity to comment on such request has been provided to the local board.

Indiana will publish this waiver request on the Department's website (www.in.gov/dwd). Notice of publication of the waiver request and invitation for public comment will be disseminated to Chairpersons of Local Workforce Investment Boards, Chief Elected Officials, Regional Workforce Boards, Regional Workforce Board Chairpersons, Regional Operators, Directors of Field Operations for Northern and Southern Indiana, and all WorkOne Employees/Partners. A 30 day comment period will be allowed. All comments will be taken into account when developing the final draft of this request.

Should this waiver be granted, the Department will issue a formal notice that will be disseminated to Chairpersons of Local Workforce Investment Boards, Chief Elected Officials, Regional Workforce Board, Regional Workforce Board Chairpersons, Regional Operators, Directors of Field Operations for Northern and Southern Indiana, and all WorkOne Employees/Partners. The notice will also be posted on the Department's web site (www.in.gov/dwd).

Attachment B - Program Administration Designees and Plan Signatures

Name of WIA Title I Grant Recipient

Teresa L. Voors, Commissioner
Agency: **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-7676**
Facsimile Number**:** **317.233-1670**
E-mail Address: **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 Liaison:

Dale Wengler, **Deputy Commissioner of Policy and Field Operations**
Agency **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-0203**
Facsimile Number: **317.233-1670**
E-mail Address: **STATEPLAN@dwd.IN.gov**

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

Teresa L. Voors, Commissioner
Agency: **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-7676**
Facsimile Number**:** **317.233-1670**
E-mail Address: **STATEPLAN@dwd.IN.gov**

Attachment B - Program Administration Designees and Plan Signatures (continued)

Name and Title of State Employment Security Administrator (Signatory Official)

Dale Wengler, **Deputy Commissioner of Policy and Field Operations**
Agency **Indiana Department of Workforce Development**
Address: **10 North Senate Avenue, SE302**
Indianapolis, Indiana 46204

Telephone Number: **317.232-0203**
Facsimile Number: **317.233-1670**
E-mail Address: **STATEPLAN@dwd.IN.gov**

Please see Governor Daniels' letter, dated December 19, 2007 regarding the certifying of this Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2005 through June 30, 2009, Modification 4.

Other Points of Contact:

Point of Contact (POC) for Federal Equal Treatment Regulations and Religion-Related Regulations
Dustin Stohler, Chief Legal Counsel and Deputy Commissioner of Legal Affairs and Administration
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, Indiana 46204

USDOL-ETA Brent R. Orrell Letter to the Honorable Mitch Daniels, April 18, 2008

U.S. Department of Labor

Employment and Training Administration
200 Constitution Avenue, N W
Washington D C 20210

APR 18 2008

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

Dear Governor Daniels:

Thank you for submitting a modification to Indiana's Strategic State Plan on behalf of the Indiana Workforce Investment System. The electronic message requesting approval was received by the Employment and Training Administration (ETA). The modification includes a waiver request. We are pleased that Indiana is using the modification and waiver process to keep its Strategic Plan a viable document that responds to the changing governance and operational needs of the Indiana Workforce Investment System.

We have reviewed the modification to the Indiana Strategic State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act in accordance with Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act, the corresponding regulations, and, as made applicable by TEGL 13-06, the WIA/Wagner-Peyser Act Planning Guidance (70 Fed. Reg. 19206, April 12, 2005). Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112(c) and (d) (29 USC 2822(c) and (d)), that the Plan, as modified, is consistent with the requirements of WIA and the Wagner-Peyser Act.

We are also responding to the State of Indiana's request for a waiver of statutory and regulatory requirements under WIA. This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act. The waiver request 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). The following is the disposition of the State's waiver submission.

Requested Waiver: Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State of Indiana is requesting a waiver of the 17 performance measures under WIA Section 136(b). In their place, the State wishes to report only the six common measures. The State indicates that the waiver will allow it to align accountability within the workforce investment system by holding programs to a consistent set of performance criteria.

We are approving a waiver that permits the State to report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. The waiver is approved through June 30, 2009, with an effective date of July 1, 2007.

The granted waiver is incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement. The waiver and other revisions to Indiana's Strategic State Plan will be incorporated into National and Regional Office copies of the Plan. A copy of this approval letter should be filed with the State's WIA Grant Agreement and the approved State Plan.

ETA commends Indiana for its innovative approach to advancement of its workforce investment system. If we can be of assistance as you implement your modified Plan, including the approved waiver, please have your staff contact Celeste Moerle, the Federal Project Officer for Indiana, at (312) 596-5422, moerle.celeste@dol.gov.

Sincerely,

Brent R. Orrell

Brent R. Orrell
Acting Assistant Secretary

Commissioner Teresa L. Voors Letter to USDOL-ETA Region V, Nick Lammers, April 13, 2009

INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

April 13, 2009

Mr. Nick Lammers
Acting Regional Administrator
U.S. Department of Labor
John Kluczynski Building
230 S. Dearborn Street, Room 638
Chicago, IL 60604

Dear Mr. Lammers:

Enclosed please find a one page modification to the Indiana Department of Workforce Development's Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2005 through June 30, 2009, Modification 4, with Addenda. The plan was approved by the United States Department of Labor on April 14, 2008.

The reason for this update is the result of the final performance goal negotiations between Indiana and ETA Region V. The enclosed page lists Program Year 2008 Common Measures Goals for Workforce Investment Act and Wagner-Peyser Act programs in the State of Indiana.

This modification is currently posted for public comment on the Indiana Department of Workforce Development's webpage at www.IN.gov/dwd. If we receive any comments during the public comment period, we will forward those on to your office.

Please review these levels. If they are correct, we would like to ask you to accept them as an amendment to our state plan. If so, the page, numbered 150A, will be inserted after page 150 in the above named state plan.

Thank you for your support as Indiana implements its state plan.

Sincerely,

Teresa L. Voors
Commissioner

Enclosure

Mitchell E. Daniels, Jr., *Governor*
Teresa L. Voors, *Commissioner*

10 North Senate Avenue
Indianapolis, IN 46204-2277
www.workforce.IN.gov
An Economic Development Partner

Phone: 317.232.7670
Fax: 317.233.4793

Program Years 2008 Performance Goals

	PY08 Goals Final
WIA ADULT & WAGNER-PEYSER	
Entered Employment Rate	70%
Employment Retention Rate	83%
Average Earnings	$13,900
WIA DISLOCATED WORKERS	
Entered Employment Rate	85%
Employment Retention Rate	90%
Average Earnings	$16,500
WIA YOUTH	
Placement in Employment or Education	72%
Attainment of Degree or Certification	63%
Literacy & Numeracy Gains	40%

Commissioner Teresa L. Voors Letter to USDOL-ETA Janet Sten, April 14, 2009

INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

April 14, 2009

Federal Coordinator for Plan Review And Approval
ATTN: Janet Sten
Division of Workforce System Support
Employment and Training Administration
U. S. Department of Labor
200 Constitution Ave., NW, Room S-4231
Washington, DC 20210

Dear Ms. Sten:

The State of Indiana's Strategic Plan for Title I of the Workforce Investment Act (WIA) of 1998 and the Wagner-Peyser Act will expire on June 30, 2009. In accordance with Training and Employment Guidance Letter (TEGL) No. 14-08, the State of Indiana is requesting that the U. S. Department of Labor extend the life of the existing State of Indiana WIA/Wagner-Peyser Act State Plan until June 30, 2010. Specifically, the State is requesting to extend the following:

1. WIA/Wagner-Peyser Performance Goals for Program Year 2009

For its performance goals for Program Year 2009, the State of Indiana intends to use the same Common Measures goals negotiated for Program Year 2008.

2. Waiver Requests

As indicated in TEGL No. 14-08, the State of Indiana is requesting that the following approved waivers be continued through June 30, 2009 for both WIA formula funds and Recovery Act funds, unless otherwise stipulated:

Waiver Request 1(b) - Two-Workforce Service Area (WSA) Designation
Waiver Request 3 - Allow Youth to Use Individual Training Accounts
Waiver Request 5 - Time Limit for Initial Eligibility for Eligible Training Provider List
Waiver Request 6 - Transfer between Adult and Dislocated Worker Programs (for WIA formula funds only)

Mitchell E. Daniels, Jr., *Governor*
Teresa L. Voors, *Commissioner*
10 North Senate Avenue
Indianapolis, IN 46204-2277
www.workforce.IN.gov
Phone: 317.232.7670
Fax: 317.233.4793
An Economic Development Partner

Waiver Request 7	- State Set-Aside Rapid Response Redistribution (This waiver applies to Recovery Act funding for the purpose of utilizing incumbent worker training as part of layoff aversion strategies and for WIA formula funds.)
Waiver Request 8	- Permit Formula Funds to be used as Governor's Discretionary Local Formula Funds
Waiver Request 9	- Waiver of Current WIA Performance Measures in Order to Fully Implement Common Measures

The State of Indiana is requesting one new waiver per the requirements of TEGL No. 14-08. The waiver is:

Waiver Request 10	- Procurement Requirements for Youth Summer Employment Providers (for Recovery Act funding only)

A complete waiver plan is attached.

The point of contact for the waivers in the State Plan for the State of Indiana is:

Gina C. DelSanto, Ph.D.
Senior Deputy Commissioner for Policy and Performance
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, IN 46204
Phone: 317.232.0204
Email: GDelsanto@dwd.IN.gov

Please contact Dr. DelSanto should you have questions.

Sincerely,

Teresa L. Voors
Commissioner

Enclosure
Waiver Request 10, Procurement Requirements for Youth Summer Employment Providers

c Nick Lammers, Acting Regional Administrator, USDOL/ETA Region V

Waiver Request 10
Procurement Requirements for Youth Summer Employment Providers
State of Indiana
Effective April 1, 2009 to September 30, 2009 (ARRA only)

The State of Indiana is requesting a waiver of the regulatory requirements found in the Workforce Investment Act, Section 123, and 20 CFR Part 664.405(a)(4) that indicate eligible providers of youth services be selected by awarding a grant or contract on a competitive basis by the local board based on the recommendation of the youth council. This waiver is two-fold, and would only be applicable to American Recovery and Reinvestment Act of 2009 (ARRA) funding and only be for the summer of 2009:

1. Request a waiver to allow Workforce Investment Boards (WIBs) to expand existing, competitively procured contracts by no more than 100%.
2. Request a waiver to conduct an expedited, limited competition to select service providers.

The Indiana Department of Workforce Development (DWD) has communicated with the two local Workforce Investment Boards within the State of Indiana to assess the readiness of immediately procuring service providers to carry out the summer employment program under ARRA. Both WIBs expressed concern over the short timeframe for procurement, and requested that the State submit a waiver on their behalf with the flexibility of utilizing the options listed above. The State views this waiver as an emergency request in order for the State to support the Workforce Investment Boards' efforts to quickly implement the procurement process so enrollment of youth into the summer employment program may begin on time.

Justification for this waiver
Both of Indiana's Workforce Investment Boards intend to carry out a robust youth summer employment program funded by ARRA. In order to rapidly implement these programs, both WIBs seek to expand existing, competitively procured contracts with WIA youth providers.

For one WIB (Balance of State), the WIA grantee (DWD) would serve as the employer-of-record for summer youth participants, conducting interviews, hiring processes, and payroll for participants. Existing, competitively procured WIA youth service providers would provide the following activities:

- Determine participant eligibility
- Enroll participants
- Case manage participants
- Provide work readiness assessment
- Monitor work experience sites.

It is assured that these youth service providers were procured in accordance with DWD policy, based on OMB Circular compliance, and federal and state procurement legislation and regulations.

For Indiana's other WIB (Marion County), the grantee (the Indianapolis Private Industry Council) would expand existing, competitively procured contracts with current WIA youth service providers to:

- Determine participant eligibility
- Enroll participants
- Case manage participants
- Provide work readiness training
- Serve as the employer-of-record for participants
- Monitor work experience sites
- Monitor education sites

In its plan, in addition to the summer employment component, the Marion County Workforce Investment Board would offer participants in its youth summer employment program the opportunity to participate in remediation and credit recovery in order to get back on track for high school graduation. Approval of this waiver would allow the Workforce Investment Board to utilize an expedited, limited competition to select area high schools to provide this remediation and credit recovery.

Accountability safeguards against unfair procurement practices
If approved, DWD will provide guidance for implementing this waiver through policy issuance. The Oversight Unit of DWD will be responsible for monitoring each WIB that utilizes this waiver, and will ensure that procurement practices adhere to this waiver and to applicable state and local procurement laws.

How will the State publicly announce summer employment providers as indicated by the transparency provisions in the Recovery Act?
DWD currently posts all WIA Youth Service Providers on its website. In addition, each WIB will be responsible for identifying their service providers for the youth summer employment program on its website.

Identify the statutory or regulatory requirements that are requested to be waived.
The State of Indiana is requesting a waiver of the regulatory requirements found in the Workforce Investment Act, Section 123, and 20 CFR Part 664.405(a)(4) in order to allow WIBs to expand existing, competitively procured contracts with youth service providers and/or to conduct an expedited, limited competition to select service providers.

Describe the actions that the State has undertaken to remove State statutory or regulatory barriers.
Indiana's emergency procurement processes are not available in this situation as the release of ARRA funds does not constitute an emergency under Indiana law.

Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.
The overarching goal of this waiver is to improve youth service provider procurement by increasing flexibility and streamlining procurement processes to allow the State of Indiana to implement robust youth summer employment programs through the use of ARRA funding. Specifically, the granting of this waiver request would allow the following:

- There will be no delay in service delivery to eligible youth participants for summer activities.
- Additional time for planning for summer activities, rather than procurement, will be available to youth program administrators and youth service providers.

Describe the individuals impacted by the waiver.

- Eligible youth participants will not encounter delays in service delivery for summer activities.
- Local boards will be able to implement youth summer employment activities in a timely manner, to begin on or around May 1, 2009.

Describe the process used to monitor the progress in implementing such a waiver.
The State will closely monitor the implementation of this waiver though the DWD Oversight Unit. If this waiver is approved, DWD will issue a policy detailing the requirements of this waiver, including the process by which each WIB will procure its ARRA-funded youth summer employment providers. The DWD Oversight Unit will ensure that the Workforce Investment Boards' procurement practices conform to this waiver and to applicable state and federal procurement laws.

Describe the process by which notice and an opportunity to comment on such request has been provided to the local board.
The Indiana Department of Workforce Development will publish this waiver request on its website (www.IN.gov/dwd) along with the Program Year 2009 Modification to the State Plan for public review and comment. In addition, an electronic memorandum advising Indiana's Workforce Investment System of this proposed waiver will be sent to all Workforce Investment Board leaders notifying them of the opportunity to provide comment. The waiver request will be available for public comment for 15 days, and any comments received during that period will be disseminated to the United States Department of Labor, Employment and Training Administration.

USDOL-ETA Region V Rick Lammers Letter to Commissioner Teresa L. Voors, April 17, 2009

U.S. Department of Labor

Employment and Training Administration
REGION V
John C. Kluczynski Building
230 South Dearborn Street, 6th Floor
Chicago, IL 60604-1505

http://www.doleta.gov/regions/reg05

April 17, 2009

Ms. Teresa L. Voors
Commissioner
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, IN 46204

Dear Ms. Voors:

This is to acknowledge receipt of the April 13, 2009 letter advising us that the State of Indiana has modified its Strategic Two-Year Plan to incorporate the recently negotiated Workforce Investment Act (WIA) Common Performance Measures for Program Year 2008.

As you requested, we will incorporate these performance levels into National and Regional Office copies of the State Plan, as noted below:

	PY 08 Final Negotiated
WIA ADULT and WAGNER PEYSER	
Entered Employment Rate	70%
Employment Retention Rate	83%
Average Earnings	$13,900
WIA DISLOCATED WORKERS	
Entered Employment Rate	85%
Employment Retention Rate	90%
Average Earnings	$16,500
WIA YOUTH	
Placement in Employment or Education	72%
Attainment of Degree or Certificate	63%
Literacy & Numeracy Gains	40%

We appreciate you advising us of this action and look forward to continuing to work with you and your staff as Indiana implements its modified State Plan. If we can be of assistance, please contact me or Ms. Celeste Moerle, the Indiana Federal Representative, at 312-596-5422.

Sincerely,

Nicholas E. Lammers
Acting Regional Administrator

COMMISSIONER'S OFFICE
APR 23 2009
DWD

USDOL-ETA Douglas F. Small Letter to The Honorable Mitch Daniels, May 8, 2009

U.S. Department of Labor

Employment and Training Administration
200 Constitution Avenue, N.W.
Washington, D.C. 20210

MAY - 8 2009

The Honorable Mitch Daniels
Governor of Indiana
Indianapolis, Indiana 46204

Dear Governor Daniels:

The Employment and Training Administration (ETA) is pleased to be able to respond positively to your request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, Subtitles B and E, and sections 8-10 of the Wagner-Peyser Act. The requests are written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c), and appear to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's submission (copy enclosed). The State also submitted extensions of other waivers, which ETA will respond to under separate cover.

Requested Waiver: Waiver of the requirement under WIA section 123 and 20 CFR 664.610 regarding competitive selection of providers of youth activities.

The State has requested a waiver of the requirements under WIA section 123 and 20 CFR 664.610, stating that providers of summer youth employment opportunities must be selected by awarding a grant or contract on a competitive basis. Indiana seeks the waiver to allow local areas to use local procedures to: 1) expand existing competitively procured contracts, and 2) conduct an expedited, limited competition to select service providers.

When submitting a waiver request, states must provide detailed justification for the waiver, describe reasonable accountability safeguards against unfair procurement practices, assure compliance with state and local procurement laws and policies, and describe how states will publicly announce summer employment providers, as indicated by the transparency provisions in the Recovery Act. See ETA Training and Employment Guidance Letter (TEGL) No. 14-08, Section 19, issued on March 18, 2009. The State's written request meets the ETA requirements outlined above. The waiver is intended to allow the State to select as quickly as possible the service providers necessary to develop and implement summer youth employment opportunities for the summer of 2009. The requested waiver is granted through September 30, 2009, to expand existing competitively procured contracts and conduct an expedited, limited competition to select service providers.

The waiver is only applicable to WIA Youth program funds made available through the American Recovery and Reinvestment Act of 2009, and only applies to the summer employment program element. If a limited competition is used to select service providers, the limited competition must be among service providers with proven records of success in providing youth services. The waiver is not to be construed as ETA approval of the process of selection, but rather approval under this waiver to use this procedure as a method of selecting summer youth employment providers, provided that the procedure meets Office of Management and Budget requirements (codified in 29 CFR Parts 95.40-95.48 and 97.36) and state and local procurement laws and policies.

The approved waiver is incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, we encourage the State to address the impact this waiver has had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to continuing our partnership with you and achieving better workforce outcomes. If you have any questions, please do not hesitate to call me at (202) 693-2700 or contact your State's Federal Project Officer in the Regional Office.

Sincerely,

Douglas F. Small

Douglas F. Small
Deputy Assistant Secretary

Enclosure

cc: Celeste Moerle, Federal Project Officer for Indiana, ETA Chicago Regional Office

Governor Mitchell E. Daniels, Jr. Letter to USDOL-ETA Janet Sten, May 24, 2010

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

Mitchell E. Daniels, Jr.
Governor

May 24,2010

Janet Sten
Federal Coordinator for Plan Review and Approval
U.S. Department of Labor, Employment and Training Administration
Division of Workforce System Support
Room S-4321
200 Constitution Avenue, NW
Washington, DC 20210

Dear Ms. Sten:

The State of Indiana is pleased to submit the Program Year 2009 Modification to the Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2005 through June 30, 2010. In accordance with the United States Department of Labor's request, this plan modification describes changes in Indiana's workforce investment governance structure and provides additional details regarding the State's usage of Recovery Act funds. Additionally, this plan modification requests an extension of the waivers that enable the State to offer innovative programs of the highest quality.

As the Governor, I certify that the agencies and officials designated in this plan modification have been duly designated to represent the State in the capacities indicated for the Workforce Investment Act, Title I, and the Wagner-Peyser Act grant programs. Effective June 1, 2010, Mark W. Everson will serve as the Commissioner of the Indiana Department of Workforce Development and is designated as the WIA Title I Grant Recipient for the State of Indiana. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as they occur.

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

Sincerely,

M E Daniels, Jr.

USDOL-ETA Jane Oates Letter to The Honorable Mitchell E. Daniels, Jr., June 30, 2010

U.S. Department of Labor

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

JUN 30 2010

The Honorable Mitchell E. Daniels, Jr.
Governor of Indiana
206 State House
Indianapolis, Indiana 46204

Dear Governor Daniels:

This letter responds to your letter dated May 24, 2010 in which you request approval of the modification to Indiana's State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act for the period July 1, 2010 through June 30, 2011, submit new requests for waivers, and request an extension of Indiana's current waivers through June 30, 2011. The Employment and Training Administration (ETA) received the State's proposed modification and request for extension of waivers on June 1, 2010.

Training and Employment Guidance Letter (TEGL) No. 21-09, issued on April 15, 2010, provides guidance for states that choose to submit a modification of the existing State Plan for PY 2010. We appreciate the State's responsiveness to this guidance.

Plan Review and Approval

ETA has reviewed the Indiana State Plan modification in accordance with Title I of WIA, the Wagner-Peyser Act, the corresponding regulations, the WIA/W-P Planning Guidance (73 Fed. Reg. 72853, December 1, 2008), and as appropriate Attachment A of TEGL 14-08. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA cannot approve the modification to Indiana's State Plan for the period July 1, 2010 through June 30, 2011, without additional information and clarification. ETA is extending the approval of Indiana's Program Year (PY) 2009 State Plan through August 30, 2010.

The enclosure sets forth the areas of concern that Indiana must address. Indiana must provide the additional information and clarification described in the enclosure in a revised modification and this revised modification must be submitted to ETA by July 30, 2010. The revised modification should be sent to Janet Sten, the Federal Coordinator for Plan Review and Approval, at WIA.PLAN@ DOL.GOV, with a copy to Byron Zuidema, the Regional Administrator for Region V. ETA will provide notice of its determination upon review of the revised State Plan modification on or before August 30, 2010.

Prior to submission of the revised modification to ETA, Indiana should conduct vigorous outreach to gain the input of and ensure meaningful opportunity for public comment by representatives of business and labor, and chief elected officials. Indiana must provide at a later date, but no later than August 25, the outcome of the State's review of the public comments received.

The Grant Officer will issue a Notice of Obligation for the initial portion of the WIA formula allocations for Adult and Dislocated Worker programs, effective July 1, 2010, under the PY 2010 Annual Funding Agreement. The W-P program's Annual Funding Agreement for PY 2010/Fiscal Year 2011 will be sent to the designated state grantee agency for signature and return to the Grant Officer for execution, effective July 1, 2010. The W-P Annual Funding Agreement will provide for the initial base allocation of PY 2010 funds.

Performance Levels

Indiana has decided to extend its existing PY 2009 WIA and W-P performance goals for PY 2010. ETA has incorporated these performance goals, identified as PY 2010 performance goals, into the Regional and National Office copies of the State Plan. Please include these PY 2010 goals in the State's official copy of the State Plan.

Waivers

As part of Indiana's modification of the WIA/W-P State Plan, and as described in TEGL 21-09, ETA has made determinations regarding an extension of Indiana's PY 2009 waivers of statutory and regulatory requirements under WIA for PY 2010. The State also submitted a request for new waivers (copy enclosed). The State's request for new waivers is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver extensions as well as its submission of new waiver requests is outlined below. This action is taken under the Secretary's authority at WIA section 189(i) to waive certain requirements of WIA title I, Subtitles B and E, and sections 8-10 of the Wagner-Peyser Act. Unless otherwise indicated, all waiver approvals that follow apply to both WIA formula funds and funds made available under the American Recovery and Reinvestment Act of 2009.

ETA is only approving the waivers that follow, with the exception of the waiver related to summer youth flexibility, until August 30, 2010. The State does not need to submit an additional request to continue approval of the waivers through all of PY 2010; ETA will assume the State wishes to extend the waivers. Upon approval of the revised State Plan modification, the waivers approved with

the modified Plan will take effect and the waivers extended in this letter will terminate.

Extension of Waivers

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State was previously granted a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted an extension of this waiver through August 30, 2010.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State was previously granted a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State granted an extension of this waiver through August 30, 2010. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State was previously granted a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older and out-of-school

youth program participants. The State is granted an extension of this waiver through August 30, 2010. Under this waiver, the State can use ITAs for older and out-of-school youth program participants. The State should ensure that funds used for ITAs are tracked and reflected in the individual service strategies for these youth.

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State was previously granted a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted an extension of this waiver through August 30, 2010. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs. As stated in TEGL No. 14-08, Section 19, issued on March 18, 2009, this waiver does not apply to funds made available through the American Recovery and Reinvestment Act of 2009. However, the State is permitted to transfer up to 30 percent of ARRA funds between programs under WIA and under the Department of Labor Appropriations Act of 2009. This authority is discussed in TEGL No. 14-08, change 1.

Waiver of WIA Section 134(a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.

The State was previously granted a waiver to permit use of rapid response funds to conduct allowable statewide activities as defined under WIA section 134(a)(3), specifically incumbent worker training. The State is granted an extension of this waiver through August 30, 2010. Under this waiver, the State is permitted to use up to 20 percent of rapid response funds for incumbent worker training only as part of a lay-off aversion strategy. ETA believes limiting incumbent worker training to layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. The State is required to report performance outcomes for any incumbent workers served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver. As stated in TEGL No. 14-08, Section 19, issued on March 18, 2009, this waiver does not apply to funds made available through the American

Recovery and Reinvestment Act of 2009.

Application of WIA regulations at 20 CFR 661.300(f) to allow the state board to carry out the roles of a local board.

The State was previously granted a waiver to permit the state to apply 20 CFR 661.300(f) to the statewide regional planning area described in its State Plan. 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. To allow additional time to transition to a fully WIA-compliant local board and to allow revision of the Plan modification, we are extending this waiver through August 30, 2010.

Under the waiver, the Governor may designate the State Board to carry out the roles and responsibilities of the local board in the designated region encompassing the state, in the same manner as permitted in single service delivery area states. This waiver will not be extended beyond August 30, 2010.

New Waiver Requests

Requested Waiver: Waiver of performance measures for youth who participate in work experience only.

The State has requested a waiver of the common performance measures for out-of-school youth ages 18 to 24 who participate in work experience that occurs outside of the summer months.

When submitting a plan to request this waiver, the State must provide a justification for the waiver and address continued service plans for participants served under the waiver, such as transition to the WIA Adult program (i.e., co-enrollment in WIA Adult services) or further education and training activities under WIA or Recovery Act-funded youth services. See TEGL No. 14-08, Section 19, issued by ETA on March 18, 2009.

The State's written request meets the ETA requirements outlined above. The requested waiver is approved and allows the State to use the work readiness indicator as the only indicator of performance for such youth. The waiver only applies to youth served through WIA Youth program funds made available through the American Recovery and Reinvestment Act of 2009. The waiver is only applicable from October 1, 2009 through October 23, 2010.

In recognition that many older and out-of-school youth need supportive services to enable them to participate in work experience, this waiver can be applied to

out-of-school youth ages 18 to 24 that receive supportive services in addition to participating in work experience. The waiver would not apply to such youth participating in other WIA youth program elements.

Requested Waiver: Waiver of certain provisions under WIA section 129 and 20 CFR 664 to provide program design flexibility in serving youth who participate in work experience only.

The State has requested a waiver of certain provisions under WIA section 129 and 20 CFR 664, requiring the design framework of youth local programs to include 10 elements for improving the educational and skill competencies of its participants. Through this waiver, the State will be able to provide program design flexibility in serving out-of-school youth ages 18 to 24 who only participate in work experience that occurs outside of the summer months.

When submitting a plan to request this waiver, the State must provide a justification for the waiver and address continued service plans for participants served under the waiver, such as transition to the WIA Adult program (i.e., co-enrollment in WIA Adult services) or further education and training activities under WIA or Recovery Act-funded youth services. See TEGL No. 14-08, Section 19, issued by ETA on March 18, 2009.

The State's written request meets the ETA requirements outlined above. The State's waiver request is approved. Specifically, the State is granted a waiver of statutory and regulatory provisions as follows:

- Waiver of the requirement at WIA section 129(c)(2)(I) and 20 CFR 664.450(b) to provide a minimum of 12 months of follow-up services, to allow local areas to provide follow-up services with Recovery Act funds as deemed appropriate for such youth participants.
- Waiver of the requirement at WIA section 129(c)(1)(A) and 20 CFR 664.405(a)(1) to provide an objective assessment and the requirement at WIA section 129(c)(1)(B) and 20 CFR 664.405(a)(2) to develop an individual service strategy (ISS), to allow local areas to provide an assessment or ISS as deemed appropriate for such youth participants.

This waiver only applies to youth participants served through WIA Youth program funds made available through the American Recovery and Reinvestment Act of 2009. The waiver is only applicable from October 1, 2009 through October 23, 2010.

In recognition that many older and out-of-school youth need supportive services

to enable them to participate in work experience, this waiver can be applied to out-of-school youth ages 18 to 24 that receive supportive services in addition to participating in work experience. The waiver would not apply to such youth participating in other WIA youth program elements.

The State also requested flexibility in providing academic remediation. Please note there are no statutory or regulatory requirements to provide academic remediation. The State may reference TEGL No. 14-08, Section 16, which describes the program design flexibility available for Recovery Act funded summer youth programs. The approval of this waiver provides for the same program design flexibility described in that TEGL beyond the summer months.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, as required by TEGL No. 14-00, Change 3, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

If you have any questions related to the issues discussed above, please contact Stacy O'Keefe, the Federal Project Officer for Indiana, at 312-596-5527 or Okeefe.stacy@dol.gov.

Sincerely,

Jane Oates

Jane Oates
Assistant Secretary

Enclosure

cc: Mark W. Everson, Commissioner, Indiana Department of Workforce Development
Gina DelSanto, Senior Deputy Commissioner of Policy and Performance
Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Janet Sten, Federal Coordinator for Plan Review and Approval
Thomas Martin, Grant Officer
Stacy O'Keefe, Federal Project Officer for Indiana

Enclosure

Additional Information and Clarification Required For Indiana WIA Plan Modification

The WIA/Wagner-Peyser State Planning Guidance, issued in the Federal Register on December 1, 2008, provides a suggested structure for State Plans and the following uses that structure in an effort to facilitate Indiana's revision of the Indiana State plan modification.

III. State Governance Structure

III.A. 2. In a narrative describe how the agencies involved in the workforce investment system interrelate on workforce, economic development, and education issues and the respective lines of authority.

The State Plan describes how the Local Veterans Employment Representatives (LVER) and Disabled Veteran Outreach Program (DVOP) staff are integrated into multi-functioning teams. The State Plan should clarify how staff of the LVER and DVOP programs perform the duties prescribed by DOL regulations and the Jobs for Veterans Act (JVA). (Page 21 of the Indiana State Plan)

VII. Integration of One-Stop Service Delivery

VII.B. What policies or guidance has the State issued to support maximum integration of service delivery through the One-Stop delivery system for both business customers and individual customers?

The statement that WorkOne employees "cross function" in their capacities, and that all WorkOne offices are integrated into functional units "and not separated by program or funding streams," does not acknowledge the distinct roles and responsibilities of the LVER and DVOP staff in the One-Stop system pursuant to DOL regulations and the JVA.

The State Plan should explain how the LVER and DVOP staff have distinct roles and responsibilities in the State's One-Stop System. (Page 43 of State Plan)

VIII. Administration and Oversight of Local Workforce Investment System

VIII.A.2. Include a description of the process used to designate such areas. Describe how the State considered the extent to which such local areas are consistent with labor market areas: geographic areas served by local and intermediate education agencies, post-secondary education institutions and

area career and technical education schools; and all other criteria identified in section 116(a)(1) in establishing area boundaries, to assure coordinated planning. Describe the State Board's role, including all recommendations made on local designation requests pursuant to section 116(a)(4). (§§112(b)(5) and 116(a)(1).)

The Plan modification does not include a description of the process used to designate the State's two local workforce areas, Indianapolis Private Industry Council (IPIC) and balance of state (BOS), nor does it indicate how the two local areas are consistent with the criteria identified in Section 116(a)(1).

The State should provide a description of the process used to designate the two local areas, including how the process ensured that the local areas are consistent with the criteria identified in Section 116(a)(1).

As reference, Section 116(a)(1) states:

> *...the Governor of the State shall designate local workforce investment areas within the State--*
> *(i) through consultation with the State board; and*
> *(ii) after consultation with chief elected officials and after consideration of comments received through the public comment process as described in section 112(b)(9).*
> *(B) Considerations.--In making the designation of local areas, the Governor shall take into consideration the following:*
> *(i) Geographic areas served by local educational agencies and intermediate educational agencies.*
> *(ii) Geographic areas served by postsecondary educational institutions and area vocational education schools.*
> *(iii) The extent to which such local areas are consistent with labor market areas.*
> *(iv) The distance that individuals will need to travel to receive services provided in such local areas.*
> *(v) The resources of such local areas that are available to effectively administer the activities carried out under this subtitle.*

VIII.B. Local Workforce Investment Boards -- Identify the criteria the State has established to be used by the Chief Elected Official(s) in the local areas for the appointment of Local Board members based on the requirements of section 117. (§§112(b)(6), 117(b).)

The Plan does not identify the criteria the State has established to be used by the Chief Elected Official(s) (CEOs) in the local areas for the appointment of Local Board members based on the requirements of Section 117. The State should identify the criteria used by the CEOs of the two local areas for the appointment of Board members and an explanation as to how the criteria ensure that the requirements of Section 117 are met.

The Plan also does not identify the CEOs for the State's designated local workforce areas. The State should identify the CEOs for the designated local workforce areas and describe how they were appointed. Since the BOS local workforce area contains multiple jurisdictions with multiple local elected officials, the State should describe how the agreement on the selection of CEO was reached. The State should attach a copy of any LEO/CEO agreement.

If the Governor is the CEO for the State Board and the BOS local board, the State should describe how it will ensure the independence of the two boards. The State should provide membership lists for the State Board and the two local boards.

Given the size and scope of the BOS workforce area, the State should describe how the State will ensure that the Board represents the diverse local areas that make up the BOS local workforce area.

While the Plan includes a detailed description of the roles and responsibilities of the Regional Boards, there is little information on the distinction between the roles and responsibilities of the BOS WIB versus these Regional Boards. The State should provide an outline of functions/roles and responsibilities of the BOS WIB and the Regional Boards.

VIII.D. Local Planning Process (§112(b)(2) and 20 CFR 661.350(a)(13)) -- Describe the State mandated requirements for local workforce areas' strategic planning, and the assistance the State provides to local areas to facilitate this process, including:

1. **What oversight of the local planning process is provided, including receipt and review of plans and negotiation of performance agreements?**
2. **How does the Local Plan approval process ensure that Local Plans are consistent with State performance goals and State strategic direction?**

The modification to the Plan does not include any information around the Local Planning Process. The State should describe the local planning process from development of plans to approval per section 112(b)(2) and 20 CFR 661.350(a)(13).

IX. Service Delivery

IX.C.4.b. Describe the reemployment services the State provides to unemployment insurance claimants and the Worker Profiling services provided to claimants identified as most likely to exhaust their unemployment insurance benefits in accordance with section 3(c)(3) of the Wagner-Peyser Act.

The modification does not include a plan for the use of the ARRA RES funds as required by TEGL 14-08. The State should provide a detailed plan for use of the ARRA RES funds.

IX.D.1. Identify the entity responsible for providing Rapid Response services. Describe how Rapid Response activities involve Local Boards and Chief Elected Officials. If Rapid Response activities are shared between the State and local areas, describe the functions of each and how funds are allocated to the local areas.

The Plan modification does not address the Planning Guidance criteria around Rapid Response, which includes identification of who is responsible for providing Rapid Response services and description of how Rapid Response activities involve Local Boards and Chief Elected Officials.

The State should provide additional description of the Rapid Response function in Indiana and more clearly identify and delineate the roles and responsibilities of Division of Workforce Development and local Rapid Response staff.

Commissioner Mark W. Everson Letter to USDOL-ETA Janet Sten, July 30, 2010

INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

July 30, 2010

Janet Sten
Federal Coordinator for Plan Review and Approval
U.S. Department of Labor
Employment and Training Administration
200 Constitution Avenue NW
Room S4231
Washington, DC 20210

Dear Ms. Sten:

Attached is an addendum to the State of Indiana's Modification to the State Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act July 1, 2005 through June 30, 2011. The addendum provides clarification to the State Plan based upon Assistant Secretary Oates' letter dated June 30, 2010 to Governor Mitch Daniels.

As requested in Assistant Secretary Oates' letter, these clarifications describe how Indiana's two workforce area structure was established and is currently operating. As I indicated to Assistant Secretary Oates in earlier correspondence, the State will continue to evaluate its current structure in the coming months and will work closely with USDOL-ETA to formalize any additional proposed modifications to its State Plan.

The requested clarifications for the appropriate sections of the State Plan are attached, and once approved by USDOL-ETA, will be incorporated into the Plan, as indicated in the addendum. The clarifications will also be posted on the Indiana Department of Workforce Development's website for public review and comment from July 30, 2010 through August 20, 2010. The Department will notify the public of the opportunity to review and comment on the contents of the addendum and the State Plan, and the Department will provide a summary of all comments received to USDOL-ETA no later than August 25, 2010.

If questions arise in the course of USDOL-ETA's review of the addendum, please do not hesitate to contact me at 317/232-7676.

Sincerely,

Mark W. Everson
Commissioner

cc: Byron Zuidema, Regional Administrator, ETA Chicago Regional Office

Mitchell E. Daniels, Jr., *Governor*
Mark W. Everson, *Commissioner*

10 North Senate Avenue
Indianapolis, IN 46204-2277
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Phone: 317.232.7670
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An Economic Development Partner

ADDENDUM
Response to Request for Clarification dated June 30, 2010

Section VIII.A.2.

(Section to be inserted beginning on Page 46 of State Plan)

Designation of Local Areas
Since July 1, 2006, Indiana has been operating with two federally defined workforce service areas – Marion County and Balance of State. Both of these workforce service areas have local workforce investment boards, which conform to the membership requirements found in WIA Section 117(b)(2), and perform the required functions found in WIA Section 117(d).

Previous to July 1, 2006, the State had fifteen workforce service areas, but upon taking office in January of 2005, Governor Mitch Daniels instituted a vision of streamlining the governance structure of the Indiana's workforce investment system in order to:

- Inject greater competition and accountability into the system;
- Align the system with the current and future needs of employees and employers;
- Make the best use of the funding available to the system by maximizing return on investment;
- Ensure commonality and consistency of services throughout the State, while allowing regional inflection through shared governance;
- Integrate service delivery at State, local, and regional levels to provide better customer service; and
- Build regional capacity in which the workforce development system is closely aligned with industry, economic development and education providers.

The State carefully considered its options for realigning the governance structure and ultimately determined that maintaining two workforce service areas for the entire state was the best option for achieving the Governor's vision, while simultaneously maintaining compliance with requirements of the Workforce Investment Act.

Following the guidelines established in Section 116(a)(2) of WIA, The City of Indianapolis/Marion County, which is a single unit of general local government with a population greater than 500,000 was designated as a workforce service area.

The Governor, after consultation with the State Workforce Investment Board and local elected officials, designated the balance of state workforce service area, which is comprised of the other 91 counties, organized into eleven economic growth regions. This "redesign" of Indiana's workforce service areas was done following an extensive planning process that occurred between May and November of 2005. The planning process included the following activities:

- The DWD Commissioner and Deputy Commissioner held various meetings with Workforce Investment Board Directors, WIB Chairs, the Indiana Workforce Investment Board Association (INWIBA), and local elected officials.
- The DWD Commissioner and Deputy Commissioner held a local elected officials' meeting in each of the "new" regions to receive input on the proposed changes.
- The DWD Commissioner and Deputy Commissioner held a round table at the Indiana Association of Cities and Towns (IACT), which provided mayors throughout the State an opportunity to review the two-workforce-service-area plan, ask questions, and provide input.

- Roundtable meetings were held by DWD staff in each of the "new" regions and were open to the public.
- Prior to submitting the plan to the USDOL, as part of a State Plan modification request, the plan was posted on DWD's website for public review and comment. Public notices were sent to all partners, WIBs, local elected officials, labor, and other organizations. A total of three public comment periods lasting 75 days were provided bewteen May 29, 2005 and November 11, 2005.
- The modification of the two workforce service area structure was approved by USDOL on November 28, 2005.

The characteristics of areas included included in balance of state workforce service area share many commonalities:

- All are comprised of small, medium, and large-sized cities and towns under the population of 250,000;
- The majority of the industries are comprised of small and medium-sized firms;
- Major employers in all 11 of the economic growth regions include healthcare employers and manufacturing employers;
- Top 10 Occupations by Growth for all 11 economic growth regions include multiple healthcare occupations, retail and customer service occupations, and share many other commonalities;
- Average and median wages for all metro areas in the BOS service area fall below the national average and median wages;
- A large portion of the land mass is used for agriculture;
- WorkOne (OneStop) offices are located in 84 of the 91 counties;
- Ivy Tech, Indiana's statewide community college, has 22 campuses, with at least one campus is each of the 11 economic growth regions that comprise the BOS service area;
- A State Four-Year University is located is each of the 11 economic growth regions;
- Every county has at least one secondary school corporation;
- 87 of the 91 counties in the BOS service area fall below the national average of bachelor degree or higher education attainment; and
- All areas share concern about high school completion rates.

Sections III.A.2. and VII.B.

(Section to be inserted beginning on Page 43 of State Plan)

<u>VETS Integration into WorkOne</u>

Veteran programs are integrated at Indiana's One Stop Centers, the WorkOne offices, and are based upon the Secretary's Agreement Governing Services to Veterans.

LVER and DVOP staff work with WIA Service Provider Staff, Wagner-Peyser Staff, and Chapter 31 VR&E staff in enrollment into programs, planning and conducting job fair activities, intensive services, and other veteran and employer-related events. DVOPs work with local office management to develop a planned approach to outreach efforts to promote services available to veterans within the one-stop center or at expresss offices. All current outreach sites are evaluated to determine productivity. Management and DVOP staff make changes to current sites based upon their evaluations. Specific job duties of LVERs and DVOP within Indiana's integrated OneStop system follows.

LVER Job Duties
The LVER works with local office management to devise a planned approach to working with employers and the community to develop jobs for veterans. Additional focus is on providing local office staff and management with technical assistance and support related to veteran employment and training issues. In addition, the LVER conducts regular outreach activities with employers to market veterans who are 'job ready'. LVER's are required to post these business service contacts in the State's service delivery system, Indiana Career Connect (ICC), ensuring that veterans have the first opportunity to apply to those jobs advertised. LVERs are also recommending to business contacts that they register and post available job openings on the ICC website.

DVOP Job Duties
The DVOP focuses on veterans that are in need of intensive services. To accomplish this, DVOPs case manage all individuals eligible for the Chapter 31 program and are registered for employment services as well as all other veterans needing intensive services.

The DVOP also conducts outreach at locations as specified in VPL 07-05. Some organizations approved for outreach are Homeless Veterans Reintegration Programs, VA Medical Centers, Veteran Centers, Homeless Shelters, Civice and Service organizations, Community Stand Downs, and Military Installations, and other veteran-related institutions as required.

Section VIII.B.

(Section to be inserted beginning on Page 51 of State Plan)

Identification of Chief Elected Officials for Workforce Service Areas
Indiana's two workforce service areas are overseen by chief elected officials, who assume the duties as set forth in the Workforce Investment Act. In Marion County, the Honorable Mayor Gregory Ballard serves as the Chief Elected Official, as he is the chief elected executive officer of Marion County/The City of Indianapolis. For the balance of state workforce service area, Governor Mitch Daniels has been appointed as Chief Elected Official by agreement of the regional chief elected officials in the Balance of State workforce service area.

In 2006, when Indiana transitioned to its current structure, establishing regions which comprise the balance of state workforce service area, the following process was utilized, which resulted in the appointment of Governor Mitch Daniels as the CEO for the balance of state workforce service area:

- All of the elected officials within each of the eleven regions convened and appointed a regional chief elected official;
- Each of the eleven regional chief elected officials completed an agreement (sample provided below) that designated Governor Daniels as the Chief Elected Official for the Balance of State;

AGREEMENT TO DESIGNATE THE
CHIEF ELECTED OFFICIAL
FOR THE BALANCE OF STATE

I. TERM

This agreement will be in effect from July 1, 2006 until modified.

II. AGREEMENT

In accordance with the Workforce Investment act of 1998 (PL 105-220), Section 117 (c)(1)(~~b~~)(B), I, **John Richwine ,** as the local chief elected official in **Region 5,** do hereby agree to the designation of the Governor of the State of Indiana as chief elected official for the balance of state workforce service area with those duties and responsibilities outlined within the above section of the Workforce Investment Act and in Section 117 (d)(3)(B) as follows:

(1) The chief elected official will appoint the members of the Balance of State Workforce Investment Board in accordance with the criteria set forth in the Act; and,

(2) The chief elected official will assume all liability for disallowed costs based on compliance findings for the balance of state workforce service area.

John Richwine
Commissioner, Madison County

6/15/06
Date

- The State received signed agreements from the following regional chief elected officials:
  - Region 1 – Newton County Commissioner Russell Collins, Jr.
  - Region 2 – Mayor Steve Luecke, South Bend, Indiana
  - Region 3 – Adams County Commissioner Douglas Bauman
  - Region 4 – Howard County Commissioner Bradley Bagwell
  - Region 5 – Madison County Commissioner John Richwine
  - Region 6 – Henry County Commissioner Philip Estridge
  - Region 7 – Vigo County Commissioner Paul Mason
  - Region 8 – Mayor Tom Jones, Linton, Indiana
  - Region 9 – Jefferson County Commissioner Gregg Sinders
  - Region 10 – Mayor Judith Chastain, Salem, Indiana
  - Region 11 – Mayor Jonathan Weinzapfel, Evansville, Indiana
- Each of these signed agreement remain in effect as of the beginning of Program Year 2010.

Local Workforce Investment Board Membership and Appointment Criteria

A primary duty of the Chief Elected Officials of Indiana's two workforce service areas is appointing members of the workforce investment boards. Indiana is strongly committed to following the criteria set forth in Section 117 of the Workforce Investment Act for appointment of members to local workforce investment boards. As such, the State of Indiana has established policy that Chief Elected Officials follow when appointing members of local workforce investment boards. DWD Policy 2007-32, entitled "Establishment and Certification of Indiana's Workforce Investment Boards and Regional Workforce Boards," available at http://www.in.gov/dwd/2544.htm describes the process which the Chief Elected Officials must follow when appointing local workforce investment board members.

DWD Policy 2007-32 reiterates the local board membership requirements established by Section 117(b) of the Workforce Investment Act. The policy provides the following overarching membership requirements of local boards:

- WIB members must be individuals with optimum policymaking authority within the organization, agency, or entity they represent;
- A majority of members of the workforce investment board must be representatives of business;
- The WIB must select a chairperson from among the business representatives on the board; and
- WIB members may represent more than one interest group and/or WIA partners.

The policy requires the following types of entities to be represented on each WIB:

- Business Representatives – must comprise a majority of the WIB membership.
  - Members must be appointed from nominations solicited from business organizations and business trade organizations in the workforce service area;
  - Members should be representatives of business in the local workforce service area who:
    - Are owners of business, chief executives, operating officers of businesses, or other executives with optimum policymaking or hiring authority; and
    - Represent businesses with employment opportunities that reflect employment opportunities in the local workforce service area.
- Labor Representatives – must have at least two labor representatives on WIB.
  - Must be appointed from nominations solicited from local labor federations (called Central Labor Councils in Indiana) that have jurisdiction in the local workforce service area.
- Education Representatives – must have at least two educational representatives on WIB.
  - Must be appointed from nominations received from regional or local educational agencies, institutions, or organizations representing local educational entities;
  - Adult education and literacy and post-secondary WorkOne (One Stop) partners may satisfy the educational requirement if they meet requirements under Section 117(b)(2)(A)(ii) of WIA.
- Community-Based Organization Representatives – must have at least two representatives of community-based organizations on WIB.
  - Must be appointed from nominations received from community-based organizations that deal with workforce development or human services, particularly those that represent organizations that represent individuals with disabilities and veterans;
  - Community-based organizations represented on the WIB should serve a large portion of the workforce service area and represent diverse aspects of the population.
- Economic Development Representatives – must have at least two representatives of economic development.
  - Must be appointed from nominations solicited from public and private local economic development entities.
- Mandatory WorkOne (One Stop) Partners – must have at least one representative from each of the mandatory partners identified in Section 117(b)(2)(A)(vi) of the Workforce Investment Act that are located in the workforce service area. The following partners shall be identified and appointed:
  - WIA Title I – Adult, Youth, and Dislocated Worker;
  - Job Corps;
  - Indian and Native American Programs;
  - Migrant and Seasonal Farmworker Programs;
  - Wagner-Peyser Program;

- Adult Education and Literacy Programs authorized under WIA Title II;
- Rehabilitation Act Title I programs;
- Senior Community Service Employment Program;
- Postsecondary Vocational Education programs under Carl Perkins Act;
- Community Services Block Grant Employment and Training Programs; and
- U.S. Department of Housing and Urban Development Programs.

▪ Other Board Members deemed appropriate by the Chief Elected Official.

In addition to the policy requirements, given the size and scope of the Balance of State workforce service area, the State believes it is important to appoint business members that represent geographic diversity to the Balance of State Workforce Investment Board (BOS WIB). When making appointments to the BOS WIB, the Governor ensures that at least one business representative from each region that comprises the balance of state workforce service area is on the BOS WIB. The current membership roster can be found at http://www.in.gov/dwd/2540.htm.

Roles of Balance of State Workforce Investment Board and Regional Workforce Boards

The Balance of State Workforce Board (BOS WIB) performs all of the functions described in Section 116(d) of the Workforce Investment Act for the Balance of State workforce service area. In performing its functions, the BOS WIB works closely with Regional Workforce Boards (RWB), which were established by Indiana Code 22-4.5-7-1 to oversee regional workforce areas. The following chart depicts the responsibilities of each entity, and further discussion follows.

Responsibility	BOS WIB	RWB
Develop Local Plan	X	X
Selection of OneStop Operators	X	X
Selection of Youth Providers	X	X
Identification of Eligible Training Providers	X	
Identification of Eligible Providers of Intensive Services	X	X
Develop Budget	X	X
Administration (Liability)	X	
Program Oversight	X	X
Negotiation of Local Performance Measures	X	
Employment Statistics System	X	
Employer Linkages	X	X
Connecting, Brokering, and Coaching	X	X

Developing Local Plans

The BOS WIB is ultimately responsible for developing and submitting the local plan for the balance of state workforce service area. It does so with the assistance of the Regional Workforce Boards, who are required by Indiana Code 22-4.5-7-4 to "develop an outcome based regional plan that encourages the integration of service delivery." The BOS WIB approves the regional plans and utilizes the information, to develop its local plan. The primary differences between the two plans are that the BOS WIB local plan must conform to the all of the requirements of WIA Section 118, whereas the regional plans do not, and that regional plans take only the regional outlook into consideration, whereas the BOS WIB local plan considers the entirety of the balance of state workforce service area.

Selection of One Stop Operators

In the balance of state workforce service area, One Stop Operators are called Regional Operators. Indiana Code 22-4.5-7-4 requires that Regional Workforce Boards "Select and enter into an

agreement with a regional operator on behalf of its workforce investment board at least every three (3) years using a competitive procurement process." The BOS WIB is ultimately responsible for selecting the One Stop Operators throughout the workforce service area, and has established a protocol that ensures that it maintains the appropriate controls in regards to the selection of One Stop Operators. The protocol consists of the following:

- RWBs utilize a standard RFP and scoring criteria developed under the guidance of the BOS WIB;
- The Indiana Department of Workforce Development (DWD), as staff to the BOS WIB, issues the RFP on behalf of the BOS WIB with all proposals returned to DWD;
- DWD transmits all proposals to RWBs for review and assists them with the vetting process;
- RWBs complete the vetting process and submit a letter of recommendation to the BOS WIB;
- The BOS WIB reviews the recommendations of the RWB, and vote on approval;
- If approved, a three-party (BOS WIB, RWB, and selected Regional Operator) contract will be issued for signature.

Selection of Youth Providers

Very similar to the selection of One Stop Operators, the selection of Youth Providers is a duty shared by Regional Workforce Boards and the Balance of State WIB. The BOS WIB is ultimately responsible for the selection of Youth Service Providers, and has developed a similar protocol for coordinating the selection with RWBs. The protocol consists of the following:

- RWBs utilize a standard RFP and scoring criteria developed under the guidance of the BOS WIB and its Youth Council;
- The Indiana Department of Workforce Development (DWD), as staff to the BOS WIB, issues the RFP on behalf of the BOS WIB with all proposals returned to DWD;
- DWD transmits all proposals to RWBs, with copies to the BOS WIB Youth Council, for review, and assists them with the vetting process;
- RWBs complete the vetting process and submit a letter of recommendation to the BOS WIB Youth Council;
- The BOS WIB reviews the recommendations of the RWB, and if it concurs, will forward the recommendation to the full BOS WIB for a vote;
- If approved by the BOS WIB, a three-party (BOS WIB, RWB, and selected Youth Provider) contract will be issued for signature.

Identification of Eligible Training Providers

The Balance of State Workforce Board is solely responsible for this activity. The responsibility of workforce investment boards with respect to the identification of eligible training providers is described in detail in DWD Policy 2009-13, available at http://www.in.gov/dwd/files/DWD_Policy_2009-13.pdf.

Identification of Eligible Providers of Intensive Services

Like the selection of One Stop Operators and Youth Providers described above, the BOS WIB is ultimately responsible for identifying eligible providers of intensive services throughout the balance of state workforce service area. Much like the protocols defined previously, the BOS WIB oversees the identification of eligible providers in close consultation with the RWBs that comprise the balance of state service area.

Develop Budget

The BOS WIB allocates 100% of its WIA Title I Adult, Dislocated Worker, and Youth annual funds to the Regions that comprise the balance of state workforce service area. When allocations are provided to the Regional Workforce Boards, the BOS WIB indicates the percentage of funds that

must be utilized for program activities and the percentage that can be used for administrative activities. The RWB is then charged with developing a detailed budget, with the assistance of DWD, in its role as staff to the BOS WIB.

Administration (Liability)
As was established in the Chief Elected Official Agreement, provided previously, the Governor of Indiana, as CEO for the balance of state workforce service area assumes all liability for disallowed costs based upon compliance findings.

Program Oversight
Both the BOS WIB and Regional Workforce Boards have responsibilities that relate to program oversight. On an annual basis, DWD, as staff to the BOS WIB, conducts monitoring of WIA programs in the balance of state workforce service area. DWD reviews the activities of the Regional Workforce Boards, the Regional Operators (One Stop Operators), and WIA service providers. Monitoring reports prepared by DWD staff are regularly shared with the BOS WIB. Regional Workforce Boards are charged with oversight of the WIA activities conducted by the Regional Operator and WIA service providers within their specific region. DWD assists the Regional Workforce Boards with respect to compliance findings and resolutions when needed.

Negotiation of Local Performance Measures
The BOS WIB is responsible for negotiating performance measures for the balance of state workforce service area. The BOS WIB does so in consultation with RWBs; however, the BOS WIB is ultimately responsible for negotiating those measures and providing them to all regions which comprise the BOS workforce service area.

Employment Statistics System
The BOS WIB works with the State to maintain an employment statistics system, which is made available to Regional Workforce Boards, and the public-at-large.

Employer Linkages
Both the BOS WIB and Regional Workforce Boards have strong employer linkages. The BOS WIB primarily facilitates the linkages through partnerships with the Indiana Economic Development Corporation and the Indiana Chamber of Commerce. Additionally, the BOS WIB has among its standing committees, the Employer Development and Marketing Committee. This committee is charged with developing programs, services, and instruments to improve the reliability and visibility of the workforce development system within the employer community. The programs, services, and instruments that the committee develops are instituted throughout the BOS service area. Regional Workforce Boards are also expected to facilitate employer linkages throughout their region. They do so in a variety of manners, most often through partnerships with local chambers of commerce and economic development entities.

Connecting, Brokering, and Coaching
As with employer linkages, the BOS WIB and Regional Workforce Boards both undertake these responsibilities. They do so in the same manner as described previously under employer linkages and program oversight.

Independence of Balance of State Workforce Investment Board and State Workforce Innovation Council

Beginning in Program Year 2010, and brought about by the loss of the waiver which allowed the State Workforce Innovation Council to function as both Indiana's state workforce investment board and the local workforce investment board for the balance of state service area, The Balance of State Workforce Investment Board (BOS WIB) and State Workforce Innovation Council (SWIC) are separate entities with separate functions. Although the two boards share many of the same members, the two boards function separately. The boards have separate meetings and conduct business separately. Each board has individual by-laws and unique membership requirements. Also, the SWIC is responsible for monitoring and certifying the BOS WIB on an annual basis. Beginning in Program Year 2010, the monitoring of the BOS WIB will be conducted by an independent entity procured by DWD on behalf of the SWIC. The independent monitoring organization will report the results of the monitoring to the SWIC. Additionally, as the current terms of members of the BOS WIB expire, special attention will be given to appointing new members that do not serve on the SWIC. Through these actions, the independence of the SWIC and the BOS WIB will be strengthened. The current roster of the State Workforce Innovation Council may be found at http://www.in.gov/dwd/2540.htm.

Section VIII.D.

(Section to be inserted following the section above beginning on Page 51 of State Plan)

Both workforce service areas in the State of Indiana are bound by the local plan requirements established in Section 118 of WIA and each submit a local plans to the Governor. However, because the Balance of State workforce service area is comprised of 11 regions, the Balance of State local plan is comprised of the local plans from each of the 11 regions. Each regional workforce board submits a regional plan to the Indiana Department of Workforce Development who compiles the regional plans into the Balance of State local plan.

In 2006, the State implemented a new local workforce investment board planning process in DWD Commissioner's Directive 2006-11. This Directive provided instructions to Indiana's local workforce investment boards regarding the process for submitting local plans, the required contents of the plans, and the approval process. Following is a summary of the requirements established by the State for local plans:

Plan Development and Content

Local plans consist of five sections.

- Mission Statement and Strategic Plans
- Labor Market Information and Demographics
- Governance & Structure
- Operational Plans
- Signature Page

The State provided a detailed list of subtopics that each WIB/RWB addressed in the local plan:

Mission Statement and Strategic Plans

- Finances
- Strategic Service Delivery
- WorkOne Marketing
- SWOT Analysis
- Grant Opportunities

Labor Market Information and Demographics

- Workforce Statistics
- Workforce Data Needs

Governance & Structure

- Relationship Chart between major entities in workforce development system
- Identify Primary Councils, Committees, or Workgroups that support WIB
- Identify All WIA Service Providers within workforce service area

Operational Plans

- WIA Service Plan
- Adult and Dislocated Worker Services
- Youth Services
- Pilot Projects

Signature Page

- Plan must be signed by Chief Elected Official, Workforce Investment Board Chair, and Workforce Investment Board Director

In developing the local plan, the WIB/RWB must:

- Provide opportunities for local input into the development of the plan.
- Provide opportunities for public comment on the plan.
- Post the plan to their internet web page for public comment.
- Start the 30-day comment period prior to submission of the plan to DWD.
- Summarize and submit to DWD public comments about the plan.

Submission and Approval Process

WIB/RWBs were required to submit both electronic and printed copies of the plans to the Indiana Department of Workforce Development (DWD). DWD initially reviewed the plans, and either recommended formal approval of the plan or requested additional information or clarifications. Once DWD recommended approval of all eleven regional plans, DWD combined the regional plan into one overarching plan for the BOS WIB, and forwarded local plans, along with recommendations to the State Workforce Innovation Council. The State Workforce Innovation Council reviewed the plans and the recommendations from DWD, and approved the final plans.

Modifications to Local Plans

Since 2006, the State has mandated only one change to the Local Plans. In 2007 and 2008, the State implemented a new integrated services policy (DWD Policy 2007-20), which is detailed throughout the State Plan. Both WIBs and all regions in Indiana provided modifications to the local plans, including detailed information about how integrated services would be implemented throughout the local areas. These plans were submitted to DWD and presented to the State Workforce Innovation Council, then acting as both the State WIB and the Balance of State local WIB. DWD and the SWIC reviewed and approved regional integration plans, and incorporated them into the existing local plans.

Since 2008, the State has not required any additional modification to local plans, extending the previously approved plans. It is anticipated in Program Year 2010 that the State will implement new policy surrounding local plans and direct local workforce investment boards to develop updated local

plans. While it is anticipated that the required contents of the plans will be altered from those mandated in 2006, the process for development, submission, and approvals will remain essentially the same. The State also assures that local plans will cohere to all the requirements enumerated in Section 118 of the Workforce Investment Act.

Section IX.C.4.b

(Section to be inserted on Page 70 of State Plan)

Usage of ARRA Reemployment Services Funding
During Program Year 2010, Indiana intends to use the funds provided for reemployment services (RES) under the ARRA for the following:

- Procurement and Usage of TABE Testing for eligible individuals
- Procurement and Usage of CAPS/COPS/COPES Assessment Tool
- Procurement and Usage of WorkKeys Job Profiling and Assessment tools
- Professional Development Training for RES Staff

TABE
Test for Adult Basic Education is a diagnostic test used to determine a person's skill levels and aptitudes. Many companies use in hiring, promotions, or for selecting employees for training programs for skilled positions. The TABE test is also used by public service agencies who are guiding people into adult education programs, such as getting a GED, or going to trade school, etc.

CAPS/COPS/COPES
This combination of assessment tools assist individuals with career choices based on their abilities, interests and values.

- CAPS - The Career Ability Placement Survey (CAPS) is a comprehensive, multi-dimensional battery designed to measure vocationally relevant abilities. Each of the eight ability dimensions is keyed to entry requirements for the majority of occupations in each of the 14 COPSystem Career Clusters. CAPS scores are interpreted in terms of examinees' abilities relative to others at the same educational level. Scores are also interpreted in terms of each of the 14 COPSystem Career Clusters. Examinees learn which occupational areas are most suited to their present abilities and which areas might require a bit more training if examinees are interested in pursuing related occupations.
- COPS – The Career Occupational Preference System interest inventory consists of 168 items, providing job activity interest scores related to the 14 COPSystem Career Clusters. Each Cluster is keyed to high school and college curriculum, as well as current sources of occupational information. The COPS interpretive material emphasizes a "hands-on" approach to career exploration, featuring career and educational planning worksheets, along with a listing of suggested activities to gain experience.
- COPES - The Career Orientation Placement and Evaluation Survey (COPES) provides a measure of values to supplement programs in educational and industrial career counseling. COPES scores are keyed to the 14 COPSystem Career Clusters and examinees will discover which occupational areas match their personal values.

WorkKeys Job Profiling and Employee Assessments

- Indiana has historically utilized the WorkKeys assessment tools to profile various occupations for multiple employers as well as for assessing the skills of job seeking clients as they pertain to those occupations. The WorkKeys program includes the following assessments:
- WorkKeys Foundational and Personal Skills assessments provide reliable, relevant information about workplace skill levels.
- WorkKeys Foundational Skills assessments measure cognitive abilities such as applied mathematics, reading for information, and locating information.
- WorkKeys Personal Skills assessments are designed to predict job behavior and measure the full potential of individuals.
-

Professional Development Training
The State intends to utilize a portion of its ARRA RES funds to procure professional development training to be provided to RES Staff throughout the State. This training will provide meaningful opportunity for RES Staff to enhance skills and job requirements such as case management, conducting and interpreting assessments, and conducting workshops. The State intends for this training to begin no later than the second quarter of Program Year 2010.

Section IX.D.1

(Section to be inserted on Page 75 of State Plan, under Rapid Response)

The Indiana Department of Workforce Development (DWD) is responsible for overseeing Rapid Response services in Indiana. The State has been especially hard hit by layoffs in the manufacturing and auto-related industries and investigates all avenues to assist these workers in locating new employment more quickly. Aggressively aligning dislocated workers with new company startups and with companies that intend to hire are only two of the possible solutions under discussion. In addition, the Agency works closely with local economic development officials, Regional Workforce Boards, and Indiana Economic Development Corporation to ensure that all stakeholders are strategically involved in the process and that the training needs and skills required by employers are known.

Currently, notices of layoffs and impending closures are submitted to the DWD. These notices may be a tip from a local office, a news report, or a WARN notice. Rapid Response activities are activated once a layoff is confirmed. Services that can be provided include on-site orientations for unemployment insurance and employment services, assessments, labor management committees, and job search workshops. Labor market information and skills assessments are also available to those seeking information on new careers, trends, and average wages for the area. On the Job Training opportunities are also strongly encouraged to return the dislocated workers to meaningful employment.

Rapid Response activities are coordinated through state staff, WIA partner staff and local elected officials. Indiana has recently approved the addition of six new Regional Coordinators that will be the point people for initial RR activity. The Regional Coordinators will each have responsibility for two regions within the state. They will work with local employers, labor representatives, elected officials, business consultants and our designated partner staff in each region to provide the best possible RR services. Additionally, the State Dislocated Worker team has created and implemented a model for coordinating large scale dislocation events, where 200 or more employees have been dislocated.

USDOL-ETA Region V, Stacy O'Keefe E-mail to Department of Workforce Development, Nate Klinck and Gina C. DelSanto, August 17, 2010

From: Okeefe, Stacy - ETA [Okeefe.Stacy@dol.gov]
Sent: Tuesday, August 17, 2010 2:21 PM
To: Klinck, Nate; DelSanto, Gina C
Cc: Zibert, Rosaura - ETA
Subject: Additional Info Needs on Addendum to State Plan

Attachments: Comments on Addendum.doc
The attached document outlines the remaining information/clarification ETA needs from DWD in order to be able to act on the most recent modification to the State Plan. The VETS folks have also indicated some outstanding concerns, but I am still working with them on those (to hopefully narrow them down a bit) and may have to send them to you separately in the next day or so. I wanted you all to be able to start on our pieces, since we'd still like to take some action by August 30. Please submit your response to the "WIA.PLAN" email address by cob Monday the 23rd, with "cc's" to zuidema.byron@dol.gov; okeefe.stacy@dol.gov and zibert.rosaura@dol.gov.

As always, let me know if you have questions or want to discuss. Thanks.

Stacy Davis O'Keefe

USDOL/ETA Region V

230 S. Dearborn St., 6th Floor

Chicago, IL 60604

(Ph) 312/596-5527

(Fax) 312/596-5401

okeefe.stacy@dol.gov

Indiana State Plan Modification Addendum July 30, 2010
Additional Information Needs

Appointment of CEO for BOS Local Area

The State provided a description of the process that was undertaken to appoint the Governor the CEO for the BOS area. The State also indicated that each of the 11 regional chief elected officials completed an agreement to this effect, but only included a sample of one of the agreements.

- In order to verify that all regional chief elected officials agreed to this appointment, the State should provide all of the signed agreements or renew any agreements that are missing.

Appointment of Local Board Members

The termination of the waiver that allowed the State Board to act as the BOS local board (BOS WIB) necessitates the creation of a separate local board to govern the BOS area. It is still unclear how this separate local board for the BOS area was created/constituted. The State did provide a link to its policy letter that outlines the process/criteria to be used by CEOs to appoint board members. While the policy clearly indicates that a nomination process is to be followed by the CEO of the respective board, the State did not describe how the required nomination process was used in this case to constitute the new BOS WIB in the manner specified in Section 117(b)(2) of the Act.

- The State should provide information on the nomination process for appointment of members to the newly-created BOS WIB, including when the solicitation took place and a list of all of the nominations received, that meets the nomination requirements in Section 117(b)(2) of the Act.

Ensuring the Independence of and Local-Level Representation on the BOS WIB

The additional information the State provided on the independence of the State Board and the BOS local board does not adequately respond to this issue and, in some cases, actually elevates ETA's concerns. The membership of the two boards is almost identical with 29 of 34 members of the BOS WIB overlapping the state board, making it impossible for the two boards to act independently. The BOS WIB can not act independently and fulfill its roles and responsibilities as a local board when the majority of the board's members represent the same agencies/interests as the state board. Again, the termination of the waiver that allowed the State Board to act as the BOS local board necessitates the creation of a separate local board to govern the BOS area. Simply attaching different labels (State Board and BOS WIB) to the same group of individuals does not adequately respond to the termination of the waiver and does not result in a local board that complies with the requirements of the statute.

- In attempts to ensure compliance with the statute and to demonstrate that independence will be achieved and local-level interests will be represented, the State should ensure that the BOS Board membership is distinct from the State Board membership, demonstrate how the BOS Board membership meets the membership requirements of Section 117(b)(2), and identify which agency/partner-program each of the members of the BOS local board represents. Please include identification of the Chair of the BOS local board.

Roles and Responsibilities of the BOS WIB

The addendum indicates that the BOS WIB will allocate 100% of the funds to the Regional Workforce Boards, and not reserve any funds for itself that would enable it to perform its required

functions. This, coupled with the fact that DWD serves as staff to both the BOS WIB and the State Board, raises concerns about whether the BOS board can function independently of the state board and state agency, and have the necessary resources to carry out its separate responsibilities, including how and by whom its required oversight role will be fulfilled.

- The State should indicate how the BOS local board will conduct its required oversight and other activities, in the absence of any funds reserved for administration or independent staff support.
- The State should explain how DWD staff who serves the state agency and the state board can provide independent staff support to the local board and avoid the potential for conflict of interest that appears to be inherent in this arrangement.

Public Comment

ETA Assistant Secretary Jane Oates, in her letter to Governor Daniels, requested that prior to submission of the addendum, the State conduct vigorous outreach to gain the input of and ensure meaningful opportunity for public comments by representatives of business and labor and chief elected officials. WIA statute and regulations also require that states seek public comment prior to submission. We note that the State only posted the Plan modification for public comment after submitting the modification to ETA.

ETA has requested and the State has agreed to provide any public comments received by August 25. However, because the State did not solicit public input before submitting the Plan, in order to comply with WIA statute and regulations regarding public comment, the State should provide a description of the process used to reach-out to the above groups, include a copy of any comments received thus far, and provide the outcome of the State's review of the comments received.

USDOL-ETA Region V, Stacy O'Keefe E-mail to Department of Workforce Development, Nate Klinck and Gina C. DelSanto, August 20, 2010

From: Okeefe, Stacy - ETA [Okeefe.Stacy@dol.gov]
Sent: Friday, August 20, 2010 8:44 AM
To: Okeefe, Stacy - ETA; Klinck, Nate; DelSanto, Gina C
Cc: Zibert, Rosaura - ETA
Subject: RE: Additional Info Needs on Addendum to State Plan

Hi Nate and Gina. We were able to get the VETS stuff narrowed down to the following three concerns. Please address these items in your August 25th response. Thanks.

1. Page 3 of the addendum to the mod (and also referenced in the original mod on pages 21 and 43) does not adequately address the concern that the DVOP/LVER staff are performing multiple functions in the WorkOne Centers, like doing intake and enrolling participants into other One-Stop programs. The state's addendum does not adequately address the concern that the DVOP/LVER staff performs functions outside of the scope of their programs. The addendum states that the LVER and DVOP work with WIA, W-P and VR&E staff in "enrollment into programs..." Despite the Addendum listing the duties of LVER and DVOP staff, the opening paragraph leaves open the impression that these staff may be involved in enrolling participants into other One Stop programs.

To clarify, in accordance with the regulations, states must have in place DVOPs and LVERS who are either full time or half-time. For example, if someone is a half-time LVER, they can spend half of their time serving clients other than veterans in the One-Stop. However, half of their time must be spent on JVSG (jobs for veterans state grant) activities. If someone is a full time LVER, they cannot spend their time on anything but JVSG activities, even if they cost allocate it back to the grant that benefitted-that is, the LVER must make 100% of their time available to JVSG activities. Assuming this practice is followed in the State, the State should include language in its mod that makes it clear that half-time staff are spending half of their time on JVSG activities and that full-time staff are spending all of their time on JVSG activities. The State should also indicate how it ensures that this practice is implemented locally.

2. Page 68 of original modification states that employed or unemployed adults and dislocated workers may receive training services if "they are unable to obtain grant assistance for other sources, such as, but not limited to, TAA, Federal Pell Grant, and state-funded training funds."
This statement raised the concern that veterans may be required to exhaust their VA Benefits such as GI BIll or VA Voc Rehab in order to receive training. This is not an allowable practice. The State should revise the language in this section so that it is clear that veterans are not being required to exhaust VA Benefits in order to receive training services.

3. In several places, the modification refers to outdated policy guidance issued by the Veterans' Employment and Training Service (VETS) and ETA. Our main concern here is that the State is adhering to and has communicated with local areas and One-Stop Career Center staff the most recent guidance. For instance, page 65's description of service delivery/eligibility does not reference the most recent issuance on Implementing Priority of Service pursuant to ETA TEGL 10-09 dated November 10, 2009, nor does it recognize the ETA/VETS joint issuance of VPL No. 07-09 dated November 10, 2009.

-----Original Message-----
From: Okeefe, Stacy - ETA
Sent: Tue 8/17/2010 2:20 PM
To: 'Klinck, Nate'; DelSanto, Gina C
Cc: Zibert, Rosaura - ETA
Subject: Additional Info Needs on Addendum to State Plan

The attached document outlines the remaining information/clarification ETA needs from DWD in order to be able to act on the most recent modification to the State Plan. The VETS folks have also indicated some outstanding concerns, but I am still working with them on those (to hopefully narrow them down a bit) and may have to send them to you separately in the next day or so. I wanted you all to be able to start on our pieces, since we'd still like to take some action by August 30.
Please submit your response to the "WIA.PLAN" email address by cob Monday the 23rd, with "cc's" to zuidema.byron@dol.gov; okeefe.stacy@dol.gov and zibert.rosaura@dol.gov.

As always, let me know if you have questions or want to discuss.
Thanks.

Stacy Davis O'Keefe

USDOL/ETA Region V

230 S. Dearborn St., 6th Floor

Chicago, IL 60604

(Ph) 312/596-5527

(Fax) 312/596-5401

okeefe.stacy@dol.gov

Commissioner Mark W. Everson Letter to USDOL-ETA Janet Sten, August 25, 2010

INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

August 25, 2010

Janet Sten
Federal Coordinator for Plan Review and Approval
U.S. Department of Labor
Employment and Training Administration
200 Constitution Avenue NW
Room S4231
Washington, DC 20210

Dear Ms. Sten:

Thank you for the most recent reply and request for clarification to the State of Indiana's Workforce Investment Act (WIA) and Wagner-Peyser Act State Plan. We have taken the time to review the clarifications requested and have addressed the questions pertaining to Veteran's programs in the attached addendum.

As I discussed with Assistant Secretary Oates during our recent meeting, it is the intent of the State of Indiana to modify its WIA governance structure in a way that will obviate the remaining issues identified in your communication dated August 17, 2010. Therefore, we have not addressed those additional issued identified your correspondence. I ask your forbearance in doing so. As I indicated to Assistant Secretary Oates, the issues identified will be addressed by the end of September 2010.

Thank you for your attention to this matter.

Sincerely,

Mark W. Everson
Commissioner

cc: Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Stacy O'Keefe, Federal Program Officer, ETA Chicago Regional Office
Rosaura Zibert, Division Chief, Office of Workforce Investment, ETA Chicago Regional Office

Mitchell E. Daniels, Jr., *Governor*
Mark W. Everson, *Commissioner*
10 North Senate Avenue
Indianapolis, IN 46204-2277
www.workforce.IN.gov
Phone: 317.232.7670
Fax: 317.233.4793
An Economic Development Partner

Response to Additional Issues Identified in Addendum to State Plan

Issue #1

Page 3 of the addendum to the mod (and also referenced in the original mod on pages 21 and 43) does not adequately address the concern that the DVOP/LVER staff are performing multiple functions in the WorkOne Centers, like doing intake and enrolling participants into other One-Stop programs. The state's addendum does not adequately address the concern that the DVOP/LVER staff performs functions outside of the scope of their programs. The addendum states that the LVER and DVOP work with WIA, W-P and VR&E staff in "enrollment into programs..." Despite the Addendum listing the duties of LVER and DVOP staff, the opening paragraph leaves open the impression that these staff may be involved in enrolling participants into other One Stop programs.

To clarify, in accordance with the regulations, states must have in place DVOPs and LVERS who are either full time or half-time. For example, if someone is a half-time LVER, they can spend half of their time serving clients other than veterans in the One-Stop. However, half of their time must be spent on JVSG (jobs for veterans state grant) activities. If someone is a full time LVER, they cannot spend their time on anything but JVSG activities, even if they cost allocate it back to the grant that benefitted-that is, the LVER must make 100% of their time available to JVSG activities. Assuming this practice is followed in the State, the State should include language in its mod that makes it clear that half-time staff are spending half of their time on JVSG activities and that full-time staff are spending all of their time on JVSG activities. The State should also indicate how it ensures that this practice is implemented locally.

Response

All LVERs and DVOPs in Indiana are full-time positions, devoted solely to allowable JSVG activities. These individuals only spend their time conducting services which are allowable under JSVG. The State Veteran's Coordinator regularly conducts training and provides guidance to local and regional management to ensure that all individuals funded by JSVG conduct activities that are allowable under JSVG rules and regulations.

Issue #2

Page 68 of original modification states that employed or unemployed adults and dislocated workers may receive training services if "they are unable to obtain grant assistance for other sources, such as, but not limited to, TAA, Federal Pell Grant, and state-funded training funds." This statement raised the concern that veterans may be required to exhaust their VA Benefits such as GI BIll or VA Voc Rehab in order to receive training. This is not an allowable practice. The State should revise the language in this section so that it is clear that veterans are not being required to exhaust VA Benefits in order to receive training services.

Response

The following change will be made on Page 68 of the original modification:

Previous Statement:

Employed or unemployed adults and dislocated workers may receive Training services if.... 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.

New Statement:

Employed or unemployed adults and dislocated workers may receive Training services if.... 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. This requirement is exclusive of any funds protected by veteran's priority of service as dictated in federal statute or regulation.

Issue #3

In several places, the modification refers to outdated policy guidance issued by the Veterans' Employment and Training Service (VETS) and ETA. Our main concern here is that the State is adhering to and has communicated with local areas and One-Stop Career Center staff the most recent guidance. For instance, page 65's description of service delivery/eligibility does not reference the most recent issuance on Implementing Priority of Service pursuant to ETA TEGL 10-09 dated November 10, 2009, nor does it recognize the ETA/VETS joint issuance of VPL No. 07-09 dated November 10, 2009.

Response

Following the publication of 20 CFR Part 1010, Priority of Service for Covered Persons, Final Rule, DWD updated its priority of service policies, and as indicated in the State Plan modification that was approved in 2009, conducted vigorous training to local workforce investment staff surrounding the requirements of veteran's priority of service. In July of 2009, DWD issued Policy 2009-01, available at http://www.in.gov/dwd/files/DWD_Policy_2009-01.pdf, which provided guidance pertaining to priority of service. Although neither TEGL 10-09 nor VPL No. 07-09 are cited specifically in the State Plan, because the State follows the regulations found at 20 CFR Part 1010, it is in compliance with the TEGL and VPL issued on November 10, 2009.

USDOL-ETA Jane Oates Letter to The Honorable Mitchell E. Daniels, Jr., August 27, 2010

U.S. Department of Labor

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

AUG 27 2010

The Honorable Mitchell E. Daniels, Jr.
Governor of Indiana
206 State House
Indianapolis, Indiana 46204

Dear Governor Daniels:

This letter responds to your letters of July 30 and August 25, 2010 in which Indiana submitted additional information to revise the modification of Indiana's State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act (W-P) submitted on May 24, 2010. We appreciate your efforts to submit the additional information and clarification within the requested timeframes.

In a letter of June 30, 2010, ETA advised Indiana that ETA could not approve the modification to Indiana's State Plan submitted in response to Training and Employment Guidance Letter (TEGL) No. 21-09. In the June 30 letter, ETA described the additional information and clarification required to be included in a revised modification that Indiana had to submit by July 30, 2010. In this letter, ETA also extended through August 30, 2010 the waiver that allowed the state board to carry out the roles and responsibilities of the local board for the balance of state local workforce area, and indicated that this waiver would not be extended beyond August 30, 2010.

In response to ETA's June 30 letter, Indiana submitted additional information to revise its modification on July 30, 2010. ETA reviewed this information and found several of the responses to be incomplete, and provided, through the electronic messages of August 17 and August 20, 2010, a description of the additional information and clarification that was required to be included in a revised modification that Indiana had to submit by August 25, 2010. In its August 25, 2010 submission, Indiana only provided additional information to two of the issues ETA raised, and did not provide the requested information for the remaining issues.

Review and Approval of Revised State Plan Modification

ETA has reviewed the Indiana State Plan modification, as revised by the submissions of July 30 and August 25, 2010, in accordance with Title I of WIA, the Wagner-Peyser Act, the corresponding regulations, the WIA/W-P Planning Guidance (73 Fed. Reg. 72853, December 1, 2008), and, as appropriate,

Attachment A of TEGL 14-08. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA cannot approve the revised modification to Indiana's State Plan without additional information and clarification. In order to allow the State time to plan its transition from having the state board act as the local board for the balance of state local area and revise its State Plan Modification, ETA is extending the approval of Indiana's Program Year (PY) 2009 State Plan through October 29, 2010.

The enclosure sets forth the areas of concern that Indiana must address. Indiana must provide the additional information and clarification described in the enclosure in a revised modification and this revised modification must be submitted to ETA by September 30, 2010. The revised modification should be sent to Janet Sten, the Federal Coordinator for Plan Review and Approval, at WIA.PLAN@ DOL.GOV, with a copy to Byron Zuidema, the Regional Administrator for Region V. ETA will provide notice of its determination upon review of the revised State Plan modification on or before October 29, 2010.

If the State fails to submit information that is responsive to the issues discussed in the enclosure, ETA will consider the State out of compliance with its WIA grant agreement and with WIA regulations that require the State to submit a State Plan in accordance with the planning guidance issued by the Secretary of Labor (20 CFR 661.220(b)). ETA will then consider taking additional measures, including disapproval of the State Plan, requiring a corrective action plan, or other options in consultation with the Grant Officer.

Prior to submission of the revised modification to ETA, Indiana should conduct vigorous outreach to gain the input of and ensure meaningful opportunity for public comment by representatives of business and labor, and chief elected officials. Indiana must provide at a later date, but no later than October 15, 2010, the outcome of the State's review of the public comments received.

Waivers

In a letter dated June 30, 2010, ETA granted Indiana approval of the following waivers from October 1, 2009 through October 23, 2010:

- Waiver of performance measures for youth who participate in work experience only.
- Waiver of certain provisions under WIA section 129 and 20 CFR 664 to provide program design flexibility in serving youth who participate in work experience only.

The approval for these waivers remains in effect. The letter dated June 30, 2010 granted temporary extensions of the remainder of Indiana's waiver requests. These approvals are extended until October 29, 2010, with the exception noted below.

Application of WIA regulations at 20 CFR 661.300(f) to allow the state board to carry out the roles of a local board.

The State was previously granted a waiver to permit the state to apply 20 CFR 661.300(f) to the statewide regional planning area described in its State Plan. As described in the ETA letter of June 30, 2010, ETA did not intend to extend this waiver beyond August 30, 2010. The waiver approval period has lapsed and the waiver expires as of August 30, 2010. Therefore, the State must transition from using the state board as the local board for the balance of state area and submit a description of how it will adjust its governance structure, as further described in the enclosure.

Commissioner Everson explained when we met that he was making progress in learning all the complexities of the system. I hope that the additional time and clarifications provide all the information that you need to address your plan by September 30. Please know that we are available to provide any technical assistance you might need. We value your partnership in improving the public workforce system in Indiana.

Sincerely,

Jane Oates

Jane Oates
Assistant Secretary

Enclosures

cc: Mark W. Everson, Commissioner, Indiana Department of Workforce Development
Gina DelSanto, Senior Deputy Commissioner of Policy and Performance, Indiana Department of Workforce Development
Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Janet Sten, Federal Coordinator for Plan Review and Approval
Thomas Martin, Grant Officer
Stacy O'Keefe, Federal Project Officer for Indiana

Additional Information and Clarification Required For Indiana WIA Plan Modification

The WIA/Wagner-Peyser State Planning Guidance, issued in the Federal Register on December 1, 2008, provides a suggested structure for State Plans and the following uses that structure in an effort to facilitate Indiana making the additional revisions required for the State Plan modification.

State Planning Instructions

A. Plan Development Process (§ 112(b)(1), §§ 111(g) and 112(b)(9)) (Page 72857 of the Stand-Alone Planning Guidance)

ETA, in a letter of June 30, 2010, requested that prior to submission of a revised modification, the State conduct vigorous outreach to gain the input of and ensure meaningful opportunity for public comment by representatives of business and labor, and chief elected officials. WIA statute and regulations require that states seek public comment prior to submission of State Plan modifications. We note that the State only posted the Plan modification for public comment after submitting the modification to ETA.

- The State agreed in response to ETA's request to provide any public comments received on the additional information revising the modification submitted on August 25. The State has yet to provide such comments. Because the State did not solicit public input before submitting the Plan modification, and in order to comply with WIA statute and regulations regarding public comment, the State should provide a description of the process used to reach out to the above groups, include a copy of any comments received, and provide the outcome of the State's review of the comments received.
- ETA's directions related to public review and comment for the modification to be submitted by September 30, 2010 are provided in the letter under "Review and Approval of Revised State Plan Modification."

State Plan Contents

VII.B. Integration of One-Stop Service Delivery - What policies or guidance has the State issued to support maximum integration of service delivery through the One-Stop delivery system for both business customers and individual customers? (§ 112(b)(14).) (Page 72861 of the Stand-Alone Planning Guidance)

In its response to this question on page 68 of the original State Plan modification, the State says that employed or unemployed adults and dislocated workers may receive training services if "they are unable to obtain grant assistance for other sources, such as, but not limited to, TAA, Federal Pell Grant, and state-funded training funds." This statement raised the concern that veterans may be required to exhaust their Veterans' Administration (VA) benefits such as GI Bill or VA Vocational Rehabilitation in order to receive training, which is unallowable. In its submission of August 25, the State revised this sentence to explain that the policy excludes funds protected by veterans' priority of service. The clarification is insufficient.

- The State should revise the language in this section so that it is clear that the State's requirement excludes veterans whose funds may be protected by federal statute or regulation.

VIII.B. Local Workforce Investment Boards -- Identify the criteria the State has established to be used by the Chief Elected Official(s) in the local areas for the appointment of Local Board members based on the requirements of section 117. (§§ 112(b)(6), 117(b).) (Page 72861 of the Stand-Alone Planning Guidance)

The State provided a description of the process that was undertaken to appoint the Governor as the Chief Elected Official (CEO) for the balance of state (BOS) area. The State indicated that each of the regional chief elected officials for the 11 Regional Workforce Boards completed an agreement that designated Governor Daniels as the CEO for the BOS. The State included a copy of only one agreement. Please verify that the other ten regional chief elected officials agreed to this appointment by submitting copies of the agreements.

Appointment of Local Board Members for the BOS

The termination of the waiver that allowed the state board to act as the BOS local board necessitates the creation of a separate local board to govern the BOS area. The State has not explained how this separate local board for the BOS area was constituted. The State provided a link to its policy letter that outlines the process and criteria to be used by CEOs to appoint local board members. While the policy clearly indicates that a nomination process is to be followed by the CEO of

the respective board, the State did not describe how the required nomination process was used to constitute the new BOS local board in the manner specified in Section 117(b)(2) of the Act.

- The State should provide information on the nomination process for appointment of members to the newly-constituted BOS local board, including a list of the nominations received and the date when the solicitation took place. In this information, the State should discuss whether this met the nomination requirements in Section 117(b)(2) of the Act, as well as the WIA regulations at 20 CFR 661.315 -325.

Ensuring the Independence of and Local-Level Representation on the BOS Local Board

The additional information the State provided on the independence of the BOS local board does not adequately respond to this issue. The membership of the two boards is almost identical with 29 of 34 members of the BOS local board overlapping the state board, i.e., the same individuals are on both boards, which raises a concern that the BOS local board will not be independent of the state board. The termination of the waiver that allowed the state board to act as the BOS local board necessitates the creation of a separate local board to govern the BOS area.

- To ensure compliance with the statute and to demonstrate that independence will be achieved and local-level interests will be represented, the State should demonstrate how the BOS board membership meets the membership requirements of Section 117(b)(2), identify which agency/partner-program each of the members of the BOS local board represents, and identify the chair of the BOS local board. The State should also describe how the BOS local board would maintain its independence from the state board.

Roles and Responsibilities of the BOS Local Board

The additional information provided indicates that the BOS local board will allocate 100 percent of its local WIA formula allocation to the Regional Workforce Boards, and not reserve any funds for itself that would enable it to perform its required functions. This, coupled with the fact that Indiana's Department of Workforce Development (DWD) serves as staff to both the BOS local board and the state board, raises concerns about whether the BOS local board can function independently of the state board, and have the necessary resources to carry out its responsibilities.

- The State should indicate how the BOS local board will conduct its required oversight and other activities, in the absence of any funds reserved for administration or independent staff support.
- The State should explain how DWD staff who serve the state agency and the state board can provide independent staff support to the local board and avoid the potential for conflict of interest that appears to be inherent in this arrangement.

USDOL-ETA Jane Oates Letter to The Honorable Mitchell E. Daniels, Jr., October 29, 2010

U.S. Department of Labor

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

OCT 29 2010

The Honorable Mitchell E. Daniels, Jr.
Governor of Indiana
206 State House
Indianapolis, Indiana 46204

Dear Governor Daniels:

This letter responds to your letters of July 30, August 25, and September 28, 2010 in which Indiana revised the modification of Indiana's State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act (W-P) submitted on May 24, 2010. We appreciate your efforts to submit the additional information and clarification within the requested timeframes.

In a letter of June 30, 2010, ETA advised Indiana that ETA could not approve the modification to Indiana's State Plan submitted in response to Training and Employment Guidance Letter (TEGL) No. 21-09. In the June 30 letter, ETA described the additional information and clarification required to be included in a revised modification that Indiana had to submit by July 30, 2010. In this letter, ETA also extended through August 30, 2010 the waiver that allowed the state board to carry out the roles and responsibilities of the local board for the balance of state local workforce area, and indicated that this waiver would not be extended beyond August 30, 2010.

In response to ETA's June 30 letter, Indiana submitted additional information to revise its modification on July 30, 2010. ETA reviewed this information and found several of the responses to its original questions to be incomplete, and provided, through the electronic messages of August 17 and August 20, 2010, a description of the information and clarification that was required to be included in a revised modification that Indiana had to submit by August 25, 2010. In its August 25, 2010 submission, Indiana only provided additional information to two of the issues ETA raised, and did not provide the requested information for the remaining issues. In a letter of August 27, 2010, ETA reiterated its questions and described the information and clarification that was required to be included in a revised modification that Indiana had to submit by September 30, 2010.

In response to ETA's August 27 letter, Indiana submitted additional information to revise its modification on September 28, 2010, which responded to all of ETA's questions.

Review of Revised State Plan Modification

ETA has reviewed the Indiana State Plan modification, as revised by the submissions of July 30, August 25, 2010, and September 28, 2010 in accordance with Title I of WIA, the Wagner-Peyser Act, the corresponding regulations, the WIA/W-P Planning Guidance (73 Fed. Reg. 72853, December 1, 2008), and, as appropriate, Attachment A of TEGL 14-08. A description of ETA's review, and our determination under 20 CFR 661.230(e) follows.

A. Plan Development Process (§ 112(b)(1), §§ 111(g) and 112(b)(9)) (Page 72857 of the Stand-Alone Planning Guidance)

- ETA requested that prior to submission of a revised modification, the State conduct vigorous outreach to gain the input of and ensure meaningful opportunity for public comment by representatives of business and labor, and chief elected officials. WIA statute and regulations require that states seek public comment prior to submission of State Plan modifications.
- The State describes on page 61 of its revised modification how it posted the revised State Plan to its website and invited comments from chief elected officials, workforce board chairs, and workforce investment partners including business and labor representatives during a public comment period that lasted from July 30, 2010 through August 20, 2010. The State also provided a summary of public comments received.
- ETA finds Indiana's public comment process to be sufficient and to meet the requirements of WIA statute and regulations. We appreciate that Indiana is maintaining open communication channels with current Regional Workforce Boards. Indiana should continue to outreach to all stakeholders, particularly local elected officials and representatives of business and labor, as it transitions to a revised workforce system, as required by WIA.

VII.B. Integration of One-Stop Service Delivery - What policies or guidance has the State issued to support maximum integration of service delivery through the One-Stop delivery system for both business customers and individual customers? (§ 112(b)(14).) (Page 72861 of the Stand-Alone Planning Guidance)

- ETA asked that the State clarify its policy on veterans' access to WIA-funded training, in particular whether veterans may be required to exhaust benefits that may be protected by federal statute or regulation such as the Post 9/11 Contributory GI Bill or Veterans' Administration Vocational Rehabilitation benefits. The State has changed its revised modification to state that "Employed or unemployed adults and dislocated workers may receive Training services if ...they are unable to obtain grant assistance from other

sources… This requirement excludes veterans whose funds may be protected by federal statute or regulation."

- ETA finds Indiana's revised description of veterans' eligibility for training services to accurately reflect applicable statute and meets regulatory requirements. Guidance on this issue is discussed in item 3 of Attachment A to Training and Employment Guidance Letter (TEGL) No. 10-09, also published as Veterans Program Letter (VPL) No. 07-09, dated November 10, 2009. Department of Labor staff are available for technical assistance to ensure that all training services in all local areas are provided in accordance with regulations under the Workforce Investment Act and Jobs for Veterans Act.

VIII.B. Local Workforce Investment Boards -- Identify the criteria the State has established to be used by the Chief Elected Official(s) in the local areas for the appointment of Local Board members based on the requirements of section 117. (§§ 112(b)(6), 117(b).) (Page 72861 of the Stand-Alone Planning Guidance)

Chief Elected Official for the BOS

- ETA asked the State to verify that all regional chief elected officials agreed to the designation of Governor Daniels as Chief Elected Official by submitting copies of all the agreements from each of the regional chief elected officials for the 11 Regional Workforce Boards.
- The State did not provide such copies. However, because Indiana has stated that it only intends to maintain a Balance of State (BOS) local board through June 30, 2011, ETA agrees that the State should focus its resources on the transition to a revised workforce investment system and workforce board structure. Therefore, ETA will not condition our approval on the submission of copies of the agreements at this time.

Appointment of Local Board Members for the BOS

- ETA asked that Indiana explain how the new BOS local board was constituted, and provide information on the nomination process for appointment of members to the newly-constituted BOS local board, including a list of the nominations received and the date when the solicitation took place. ETA asked that in this information, the State discuss whether this met the nomination requirements in Section 117(b)(2) of the Act, as well as the WIA regulations at 20 CFR 661.315 -325.
- The State described its policy on the required members of local boards on pages 51-53 of its revised modification but did not describe its nomination

- process for appointment of members. However, to allow the State to focus its resources on its workforce system transition, ETA will forego information on the nomination process at this time and will not condition our approval on the submission of such information.
- Once local workforce investment areas are determined, before we are able to approve Indiana's next State Plan modification, ETA may require that the State submit a description of the process that will be used to establish local boards for the new areas, including the nominations process.

Ensuring the Independence of and Local-Level Representation on the BOS Local Board

- ETA asked the State to demonstrate how the BOS board membership met the membership requirements of Section 117(b)(2), identify which agency/partner-program each of the members of the BOS local board represents, and identify the chair of the BOS local board. ETA also asked the State to describe how the BOS local board would maintain its independence from the state board.
- The State described its policy on the required members of local boards on pages 51-53 of its revised modification, noted an asterisk by one name indicating the BOS local board chair, and described on page 57 how the BOS local board would maintain its independence. The State did not identify which agency or partner program each of the members represents. However, the State should focus its resources on the transition to a revised workforce investment system and workforce board structure, and ETA will forego the remaining information and will not condition our approval on its submission. ETA is available for technical assistance throughout the year to ensure that the BOS local board maintains its independence.

Roles and Responsibilities of the BOS Local Board

- ETA required that the State indicate how the BOS local board would conduct its required oversight and other activities, in the absence of any funds reserved for administration or independent staff support. ETA also asked that the State explain how Department of Workforce Development (DWD) staff that serves the state agency and the state board can also provide independent staff support to the local board and avoid the potential for conflict of interest that appears to be inherent in this arrangement.
- The State described on pages 57-58 how the DWD would procure on behalf of the state board an independent entity to conduct monitoring of the BOS local board, but it was not clear how the BOS local board will fulfill its required oversight role independent of DWD. However, to allow the State to focus its

resources on the transition to a revised workforce investment system and workforce board structure, ETA will forego the remaining information and will not condition our approval on its submission. ETA maintains an expectation that the BOS local board will fulfill its required oversight role, and is available to provide any assistance needed to ensure that the BOS local board conducts its required oversight in an effective and compliant manner during this transition year.

Approval of Revised State Plan Modification

Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA approves the revised modification to Indiana's State Plan for the remainder of Program Year (PY) 2010, though June 30, 2011.

The organizational changes Indiana describes in its revised modification as it transitions from a BOS local workforce area to multiple local workforce areas would require a modification to the State Plan under WIA regulations at 20 CFR 661.230(b)(2). ETA therefore requires that when Indiana has designated its local workforce areas, which the State estimates it will do by December 31, 2010, the State will submit a State Plan modification. That modification should include the responses the State received from local elected officials requesting local workforce area designation or to remain within the BOS local area; identification and description of the local workforce areas that the State ultimately designates, including how the areas are consistent with the criteria identified in WIA Section 116(a)(1); statewide policy guidance including instructions to chief local elected officials on creation of local boards; and an updated timeline on all remaining transition activities, such as appointment of local board members, local plan submission, funds allocation and local board certification by the state board.

Waivers

In a letter dated June 30, 2010, ETA granted Indiana approval of the following waivers from October 1, 2009 through October 23, 2010:

- Waiver of performance measures for youth who participate in work experience only.
- Waiver of certain provisions under WIA section 129 and 20 CFR 664 to provide program design flexibility in serving youth who participate in work experience only.

The approval for these waivers ended as of October 23, 2010.

In the letter dated August 27, 2010, ETA notified the State that its waiver to permit the state to apply 20 CFR 661.300(f) to the statewide regional planning area described in its State Plan had lapsed. The letter dated August 27, 2010 granted temporary extensions of the remainder of Indiana's waiver requests. These approvals are now extended for the remainder of PY 2010, through June 30, 2011, under the same terms and conditions contained in the June 30 extension.

We continue to be available to provide any technical assistance you might need. We value your partnership in improving the public workforce system in Indiana, and look forward to working with you in the coming year.

Sincerely,

Jane Oates
Assistant Secretary

Enclosures

cc: Mark W. Everson, Commissioner, Indiana Department of Workforce Development
Gina DelSanto, Senior Deputy Commissioner of Policy and Performance, Indiana Department of Workforce Development
Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Janet Sten, Federal Coordinator for Plan Review and Approval
Thomas Martin, Grant Officer
Stacy O'Keefe, Federal Project Officer for Indiana

INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

September 28, 2010

Janet Sten
Federal Coordinator for Plan Review and Approval
U.S. Department of Labor
Employment and Training Administration
200 Constitution Avenue NW
Room S4231
Washington, DC 20210

Dear Ms. Sten:

This letter responds to your letters of June 30 and August 27, 2010 and electronic messages received on August 17 and August 20, 2010 regarding the State of Indiana's request for a modification and addendum to its State Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act.

The Indiana Department of Workforce Development has responded to the requests for information and clarification in the attached modification to the State Plan. Additionally, as a result of guidance received from USDOL-ETA and outreach to partners in Indiana's workforce investment system, including businesses and labor organization, the Department has undertaken a comprehensive review of its workforce investment governance structure. As delineated in the State Plan Modification, the review began on September 16, 2010 and will be concluded by December 31, 2010, at which time the Department will issue an additional modification to the State Plan that details the proposed workforce investment governance structure that will be implemented. A detailed explanation of the review and timeline for completion is included in Section VIII of the attached modification.

We anticipate working closely with USDOL-ETA throughout the coming months as we complete the comprehensive review.

Sincerely,

Mark W. Everson,
Commissioner

Mitchell E. Daniels, Jr., *Governor*
Mark W. Everson, *Commissioner*

10 North Senate Avenue
Indianapolis, IN 46204-2277
www.workforce.IN.gov
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Commissioner Mark W. Everson Letter to USDOL-ETA Janet Sten, December 29, 2010

INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

December 29, 2010

Janet Sten
Federal Coordinator for Plan Review and Approval
U.S. Department of Labor
Employment and Training Administration
200 Constitution Avenue NW
Room S4231
Washington, DC 20210

Dear Ms. Sten:

This letter responds to Assistant Secretary Jane Oates letter, dated October 29, 2010 regarding the approval of Indiana's State Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act.

As was requested in the letter, Indiana is submitting a modification of its State Plan to identify the local workforce areas within the state. The identification of these areas resulted from a comprehensive review that the Indiana Department of Workforce Development (DWD) and the State Workforce Innovation Council (SWIC) conducted of its workforce investment governance structure. DWD and the SWIC communicated with the local elected officials within each balance-of-state local area and requested that they submit a letter indicating their intent to remain a part of the balance-of-state local area or to transition to a workforce service area, with compliant local workforce investment boards. On December 9, 2010, the SWIC reviewed the letters of intent, and approved the initial establishment of seven additional workforce areas, and the reconstitution of the balance-of-state area, which now includes four contiguous economic growth regions.

This modification to Indiana's State Plan provides a detailed explanation of the new workforce areas and the process that will be utilized for appointing local board members, submitting local plans, allocating funds, and certifying local boards.

Sincerely,

Mark W. Everson,
Commissioner

Mitchell E. Daniels, Jr., *Governor*
Mark W. Everson, *Commissioner*

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USDOL-ETA Jane Oates Letter to The Honorable Mitchell E. Daniels, Jr., February 7, 2011

U.S. Department of Labor

FEB 7 2011

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

The Honorable Mitchell E. Daniels, Jr.
Governor of Indiana
206 State House
Indianapolis, Indiana 46204

Dear Governor Daniels:

Thank you for submitting a modification to the Indiana State Plan for Title I of the Workforce Investment Act (WIA) and Wagner-Peyser Act. The Employment and Training Administration (ETA) received the State's request for approval of the modification on December 29, 2010. We are pleased that Indiana is using the modification process to keep its State Plan a viable document that responds to the changing governance and operational needs of the Indiana workforce investment system.

ETA required in its letter of October 29, 2010 that Indiana describe its transition from a balance of state local workforce area to multiple local workforce areas, and include the following information:

- responses the State received from local elected officials requesting local workforce area designation or to remain within the balance of state local area;
- identification and description of the local workforce areas that the State ultimately designates, including how the areas are consistent with the criteria identified in WIA Section 116(a)(1);
- statewide policy guidance including instructions to chief local elected officials on creation of local boards; and,
- an updated timeline on all remaining transition activities, such as appointment of local board members, local plan submission, funds allocation and local board certification by the state board.

Indiana's modification includes all the information ETA required.

We have reviewed the modification to the Indiana State Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the corresponding regulations, and the WIA/Wagner-Peyser Act Planning Guidance (73 Fed. Reg. 72853, December 1, 2008). Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112(c) and (d) (29 USC 2822(c) and (d)), that the Plan, as modified, is consistent with the requirements of WIA and the Wagner-Peyser Act.

We appreciate your dedication to continually improving the public workforce system in Indiana. We continue to be available to provide any technical assistance you might need, and look forward to working with you this year.

Sincerely,

Jane Oates

Jane Oates
Assistant Secretary

Enclosure

cc: Mark W. Everson, Commissioner, Indiana Department of Workforce Development
Gina DelSanto, Senior Deputy Commissioner of Policy and Performance, Indiana Department of Workforce Development
Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Stacy O'Keefe, Federal Project Officer for Indiana

From: Culley, Betty [mailto:BCulley@dwd.IN.gov]
Sent: Wednesday, December 29, 2010 2:41 PM
To: WIA.PLAN
Cc: Zuidema, Byron - ETA; Okeefe, Stacy - ETA; DelSanto, Gina C; Marshel, Michelle E; Vollmer, Gregory P; Klinck, Nate
Subject: Indiana State Plan Modification

Dear Ms. Sten:

Attached is a Modification to Indiana's Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2005 through June 30, 2011, Modification 6, December 2010. This document has been posted for public comment on the Indiana Department of Workforce Development's website.

Below are the key modifications in the attached document.

Pg. 6 – Paragraph inserted describing modification development process

Pgs. 19, 20 – Inserted updated four strategic goals for workforce development

Pg. 38 (under Structure and Governance of Balance of State Workforce Investment Area)
– Provided brief description of PY2010 WIA Governance transition

Pg. 39 – Added Drug Screening for WIA Training Participants section

Pgs. 46-58 – Rewrote Section VIII, Administration and Oversight of Local Workforce Investment System

Pgs. 66-69 (beginning with last paragraph on pg. 66) – updated OneStop customer flow process description

Pgs. 74-77 – Updated description of core, intensive, and follow-up services

Please note that the Department will not be submitting a hard copy of this document. We are copying Region V's Regional Administrator, Byron Zuidema, and Indiana's Federal Project Officer, Stacy O'Keefe, on this transmission.

Thank you.

Nate Klinck
Director of Policy
Indiana Department of Workforce Development
10 N. Senate Avenue
Indianapolis, IN 46204
317-233-6078
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