



Program Year 07: 07-01-07 through 06-30-08

Program Year 08: 07-01-08 through 06-30-09

Background:

The Department of Labor Bureau of Workforce Programs has requested and been granted work-flex authority from the U.S. Department of Labor(USDOL). This authority allows the state the ability to approve certain local waivers of statutory or regulatory requirements under Title I of the WIA, consistent with Section 192 of the WIA and WIA Final Regulations Section 661-430. The local waivers allow local Workforce Investment Boards the ability to implement workforce investment services more strategically and expeditiously to address growing workforce challenges impacting the economic viability of the region.

Proposed Work-flex Waiver Request:

Incumbent Worker Training Utilizing Local Activity Funds

The Job Force Board is requesting a waiver to allow up to 10% of our Workforce Investment Act(WIA) adult and dislocated worker allocations to be utilized as local activity funds” to enhance and operate an incumbent worker training program for the purpose of (1) meeting training needs of sectoral driven initiatives aimed at increasing the economic viability of regional employers and their workforce; (2) developing skill training for the purpose of layoff aversion and (3) targeting first and second tier small business entrepreneurs for training to build, sustain and enhancing their long term success. These funds will be utilized in the same manner as statewide activities funding. Therefore, WIA performance measures will not be applicable. Performance outcomes, however, will be reviewed and monitored by the Workforce Investment Board. The Board will also follow all Department of Labor and Economic Growth’s Incumbent Worker Policies and Procedures as well as alignment to the strategic activities of the Council for Labor and Economic Growth, the Job Force Board’s Strategic Workforce Development Plan and the Upper Peninsula’s 21st Century Initiative. We are requesting an effective date of October 1, 2007 and to end June 30, 2009.

Statutory Requirements to be Waived:

Consistent with Section 192 of the WIA and Section 661.430 of the WIA, The Job Force Board is seeking a waiver of restrictions on the use of our WIA formula allocation in order to operate an enhanced and responsive incumbent worker training program. The waiver will allow the board to use up to 10% of the fund allocated under Section 133(b) of the WIA, to operate an incumbent work program as described under Section 134(a)(3)(A)(iv)(I) and consistent with 20 CFR Sections 6645.210 and 665.220.

Goals and outcomes to be Achieved by Obtaining the Waiver:

1. **Alignment to value added activities under the Job Force Board Strategic Plan ---Mission:** “Promote Regional Economic Competitiveness and Maintain and Grow a Competitive Workforce”

a. Workforce Improvement for Economic Development

Goal: To build regional competitiveness through collaborative partnerships

Work flex Waiver Outcome

Increased alignment of the activities of the M-TEC, Northern Michigan University, Job Force Board and MEDC for Regional Skills Alliances’ high demand occupations with increased accountability to ensure wage increases and career ladders are the result of the combined investments into RSA industries. It is projected that approximately 100 incumbent workers will benefit from the Work flex waiver.

b. Resource Supply and Demand Management

Goal: Manage human resources to meet industry demand

Work flex Waiver Outcome:

Increased identification of high growth, high wage job classifications among companies that require skill training that will result in increased entry level occupations and increased use of the Michigan Works! Service Center System by the business community and job candidates.

c. Skills Development for Business and Industry

Goal: Build and prepare a skilled and competitive workforce for Central Upper Peninsula business and industry

Work flex Waiver Outcome

Increased targeting of layoff aversion services by the Michigan Works! Business Solutions Professionals as well as increased targeting of first and second stage entrepreneurs whose companies will diversify the economy and result in job growth. It is estimated that 10 companies will benefit from the Work Flex waiver.

2. **Alignment to the Upper Peninsula's 21st Century Plan**

Mission: "Promote Regional Economic Competitiveness and Maintain and Grow a Competitive Workforce"

Aligned 21st Century Goals:

- a. Address business and economic development needs by creating a unified approach to working with business and industry**

Work flex Waiver Outcome

Increased alignment of the activities of the M-TEC, Northern Michigan University, Job Force Board and MEDC for Regional Skills Alliances' high demand occupations with increased accountability to ensure wage increases and career ladders are the result of the combined investments into RSA industries. It is projected that approximately 100 incumbent workers will benefit from the Work flex waiver.

- b. Assess region-wide workforce and business resources to identify and address workforce and industry gaps.**

Work flex Waiver Outcome

Increased alignment of the activities of the M-TEC, Northern Michigan University, Job Force Board and MEDC for Regional Skills Alliances' high demand occupations with increased accountability to ensure wage increases and career ladders are the result of the combined investments into RSA industries. It is projected that approximately 100 incumbent workers will benefit from the Work flex waiver.

- c. Develop a layoff aversion service strategy that is aligned across the region and responsive to the needs of Upper Peninsula Business and Industry**

Work flex Waiver Outcome

Increased targeting of layoff aversion services by the Michigan Works! Business Solutions Professionals as well as increased targeting of first and second stage entrepreneurs whose companies will diversify the economy and result in job growth. It is estimated that 10 companies will benefit from the Work Flex waiver.

- d. Develop, attract, and retain workforce talent in the Upper Peninsula through partnerships that are aligned to the 21st Century workforce needs of business and industry**

Work flex Waiver Outcome:

Increased identification of high growth, high wage job classifications among companies that require skill training that will result in increased entry level occupations and increased use of the Michigan Works! Service Center System by the business community and job candidates.

3. **Alignment to the Strategic activities of the Council for Labor and Economic Growth, Mission:** “Promote Regional Economic Competitiveness and Maintain and Grow a Competitive Workforce”

Aligned Council for Labor and Economic Growth Goals:

a. Build on the Michigan Regional Skills Alliances

Work flex Waiver Outcome

Increased alignment of the activities of the M-TEC, Northern Michigan University, Job Force Board and MEDC for Regional Skills Alliances’ high demand occupations with increased accountability to ensure wage increases and career ladders are the result of the combined investments into RSA industries. It is projected that approximately 100 incumbent workers will benefit from the Work flex waiver.

b. Increase global competitiveness

Work flex Waiver Outcome:

Increased identification of high growth, high wage job classifications among companies that require skill training that will result in increased entry level occupations and increased use of the Michigan Works! Service Center System by the business community and job candidates.

c. Increase educational attainment

Work flex Waiver Outcome

Increased alignment of the activities of the M-TEC, Northern Michigan University, Job Force Board and MEDC for Regional Skills Alliances’ high demand occupations with increased accountability to ensure wage increases and career ladders are the result of the combined investments into RSA industries. It is projected that approximately 100 incumbent workers will benefit from the Work flex waiver.

d. Accelerate re-employment strategies to steer toward high demand high wage jobs

Work flex Waiver Outcome

Increased targeting of layoff aversion services by the Michigan Works! Business Solutions Professionals as well as increased targeting of first and

second stage entrepreneurs whose companies will diversify the economy and result in job growth. It is estimated that 10 companies will benefit from the Work Flex waiver.

e. Creating lower wage entry level worker advancement strategy

Work flex Waiver Outcome

Increased alignment of the activities of the M-TEC, Northern Michigan University, Job Force Board and MEDC for Regional Skills Alliances' high demand occupations with increased accountability to ensure wage increases and career ladders are the result of the combined investments into RSA industries. It is projected that approximately 100 incumbent workers will benefit from the Work flex waiver

f. Create a culture of entrepreneurship

Work flex Waiver Outcome

Increased targeting of layoff aversion services by the Michigan Works! Business Solutions Professionals as well as increased targeting of first and second stage entrepreneurs whose companies will diversify the economy and result in job growth. It is estimated that 10 companies will benefit from the Work Flex waiver.

4. **Outcomes of the Work flex waiver will also support key reform principles of the WIA outlined under 20CFR 661.400. Mission: "Promote Regional Economic Competitiveness and Maintain and Grow a Competitive Workforce"**

Resulting and aligned WIA Key Reform Principles to Job Force Board Work Flex Waiver Request:

- a. Streamlining services and information to participants through a One-Stop delivery system
- b. Empowering individuals to obtain needed services and information to enhance their employment opportunities;
- c. Ensuring universal access to core employment- related services;
- d. Increasing accountability of States, localities and training providers for performance outcomes;
- e. Establishing a stronger role for Local Boards and the private sector;
- f. Providing increased local flexibility to implement innovative and comprehensive workforce investment systems

Monitoring, compliance and quality assurances:

Michigan Works! The Job Force Board has established a continuous quality improvement system based on the Malcolm Baldrige standards that will ensure business community

development. This continuous quality improvement system is supported by an established value system comprised of: Visionary Leadership, Clear, Accurate and Timely Communication, Empowered Teams and Individuals, Universal Access Through Meaningful Partnerships, and Business Focused Continuous Improvement Resulting in Multiple Customer Satisfaction. To that end, the Job Force Board has established a monitoring policy/procedure to ensure compliance with Workforce Development Plans/Services that will promote and enhance our Business Community Development.

Continuous Quality Improvement Monitoring is used to 1) assure the highest quality of service to customers, 2) to assure compliance with grant requirements, 3) to reduce the risk of liability and disallowed costs, 4) to provide evidence of past performance for use in the procurement process, and 5) to identify and replicate best practice.

Monitoring of the enhanced incumbent worker program shall consist of review of internal operations and relevant operations of the board, subrecipients and or vendors. In case of findings of noncompliance, the Job Force Board shall require appropriate corrective action, which may include contract or employment termination depending on the severity of the noncompliance. Follow up monitoring(s) shall be conducted to assure any findings have been rectified. Ongoing review of all areas of the incumbent worker program will be integrated into the operations of the Job Force Board and its subrecipients as a means to continually ensure compliance in all areas of workforce development services.

Financial and programmatic monitoring of this work-flex waiver will occur every quarter for review by the Job Force Board.

Under the Work Flex Waiver, the Job Force Board will require the following reporting requirements:

Number of program participants

Number of program participants who completed training

Type of Training Provided

Length of training provided

Number of Program participants who received a credential or certificate

Program participant wage ranges at completion of training

Number of participants whose job classifications changed or skills were upgraded

Number of vacancies created

Number of Michigan Works! participants who fill the vacancies created

Written narrative of each training and outcome for inclusion in news stories.

Public Comment Process:

The Job Force Board has posted a public notice the regional newspapers to direct regional stakeholders to www.jobforce.org website to review its work flex waiver. This public notice included instructions how comments may be submitted. A public hearing on September 6, 2007 will also allow for any public comment. Any public comments received will be forwarded to the Department of Labor and Economic Growth within 30 days.