

U. S. Department of Labor



Employment and Training Administration

Region IV

Dallas Regional Office

525 S. Griffin St., Room 317
Dallas, Texas 75202

April 15, 2016

Natalie Shirley
Secretary of Education and Workforce Development
Oklahoma State University – Oklahoma City
900 N. Portland Avenue
Oklahoma City, OK 73107

Richard McPherson
Executive Director
Oklahoma Employment Security Commission
Will Rogers Memorial Office Building
P.O. Box 52003
Oklahoma City, OK 73152-2003

RE: Grants AA24113, AA25374, AA26800,
ES24639, ES26039, ES27511

Natalie *Richard*
Dear Ms. Shirley and Mr. McPherson:

On February 8-11, 2016, our office completed an assessment of Oklahoma's implementation of the Workforce Innovation and Opportunity Act (WIOA). The enclosed report is to provide you our written analysis of the assessment.

The reviewers conducted an on-site assessment using the draft WIOA Implementation Guide which was developed using applicable WIOA laws and Training and Employment Guidance Letters issued by the U.S. Department of Labor. While opportunities for improvement exist, we commend the State and local staff, partners and other workforce professionals for the tremendous amount of time, expertise, knowledge and energy contributed to WIOA implementation thus far.

I hope the enclosed assessment and recommendations will assist you in your State's implementation of the requirements set forth in WIOA.

If you have any questions, or if we can be of assistance, please contact Felecia Blair or me at (972) 850-4600.

Sincerely,

A handwritten signature in black ink, appearing to read "N. Lalpuis".

NICHOLAS E. LALPUIS
Regional Administrator

Enclosure

U.S. Department of Labor

Workforce Innovation and Opportunity Act (WIOA)

Implementation Assessment Report

April 15, 2016

Submitted to:

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Oklahoma State University – Oklahoma City
900 N. Portland Avenue
Oklahoma City, OK 73107

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Introduction and Overview

The Workforce Innovation and Opportunity Act (WIOA) was signed into law on July 22, 2014, and is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. This act represents the most significant reform of the Federal workforce development system in 16 years. Secretary Perez likes to think of this as our “Eisenhower Moment.” Just as President Eisenhower made forward-looking investments in our physical infrastructure when he built the interstate highway system, today we’re making historic upgrades in our skills infrastructure. Working together, with our partners at the State and local level, we can build a skills and career super highway for America’s job seekers and businesses.

Below is a list of key technical assistance resources that may be beneficial to Oklahoma:

- WIOA advisories https://wdr.doleta.gov/directives/All_WIOA_Related_Advisories.cfm
- *WIOA FAQs* <https://www.doleta.gov/WIOA/FAQs.cfm>
- *Innovation and Opportunity Network* (ION) provides a wide variety of resources and technical assistance tools such as information on past and upcoming interactive peer learning events, WIOA 101, the Act Now Series where you will learn how your peers are moving forward with WIOA implementation, best practices, Quick Start Action Planners (QSAP), and other guides. The ION can be located at <https://wioa.workforce3one.org/page/home>
- Narrated presentations that highlight key provisions of WIOA, Titles I and III <https://www.workforce3one.org/view/3001432333369774359>

Key Implementation Dates

The majority of the WIOA provisions became effective on July 1, 2015, the first full year after enactment. However, to effect an orderly transition, the Departments of Labor and Education have used transition authority under WIOA sec. 503(a) to extend certain deadlines through the issuance of Training and Employment Guidance Letters (TEGLs) and the WIOA State Plan Information Collection Request, OMB Control Number 1205-0222 (State Plan ICR). Below are key implementation dates for programs administered by the Department of Labor.

Source/Guidance	Date	Description
TEGL 27-14 WIOA Section 101(a)	7/1/15	Governor appoint WIOA-compliant State Workforce Development Board (SWDB)
TEGL 27-14 WIOA Section 101(e)	7/1/15	Notify Regional Office of alternative SWDB entity (if used)

Source/Guidance	Date	Description
TEGL 27-14 WIOA Section 107(b)	7/1/15	Governor establish Local Workforce Development Board (LWDB) member criteria
TEGL 27-14	7/1/15	Governor and SWDB develop policy and procedure for designation of all local areas. Include formal appeal policy for local entities denied initial designation
TEGL 27-14	(Encouraged) 7/1/15	Governor designate local areas
TEGL 38-14	7/1/15	WIA local service provider contracts are modified to reflect WIOA requirements
TEGL 23-14	7/1/15	WIOA Youth Program elements are required to be made available
TEGL 41-14	7/22/15	Eligible Training Providers (ETP) provisions are implemented by Governors and boards
TEGL 27-14	(Encouraged) 9/30/15	Chief Local Elected Official (CLEO) establish policy to facilitate LWDB member nominations (date based on appointment deadline)
TEGL 27-14 WIOA Section 107(c)	(Encouraged) 9/30/15	CLEO appoint WIOA-compliant LWDB
TEGL 27-14 WIOA Section 107(b)	(Encouraged) 9/30/15	LWDB establish Standing Committees (including Youth)
TEGL 14-15 State Plan ICR WIOA Section 102	4/1/16	States submit their first Unified or Combined State Plan
TEGL 27-14 State Plan ICR WIOA Section 106(a)-(b)	4/1/16	Governor designate regions and local areas (in State Plan)
TEGL 14-15 State Plan ICR WIOA Section 116	4/1/16	State submits expected levels of performance relating to the performance accountability indicators for program year (PY) 16 and PY 17
TEGL 41-14 TEGL 41-14 c1	6/30/16	Governor's procedures for continued eligibility of training providers are in effect; Governor may set an earlier date
WIOA Section 102(a)	7/1/16	State Plan takes effect through June 30, 2020
WIOA Section 121(e)(4)	7/1/16	Use of common one-stop delivery identifier must be implemented (not later than start of 2nd full PY)

Purpose and Scope

The report outlines four key implementation focus areas to serve as the lens with which we assess the workforce development system of each State. The focus areas are: state governance, partnerships, local governance and one-stop operations, and youth. Each focus area represents a component of the statute that has changed significantly from the Workforce Investment Act of 1998 (WIA) and represents both the greatest risk and the greatest opportunity for success.

The reviewers, in consultation with State staff and system partners, reviewed core components within each area of focus to determine progress towards implementation. In addition to providing a summary of State's overall implementation of each focus area, the report highlights areas of opportunity for the State to pay particular attention to, best practices identified, and suggested resources that may assist the State in implementation.

In order to draw conclusions, during the week of February 8-11, 2016, reviewers visited two local workforce boards (Southern and Eastern), interviewed State/local workforce staff and State level leadership from partner agencies, and reviewed evidence presented by the State to verify its activities.

Implementation Assessment

Focus Area 1: State Governance

Oklahoma's State Board has skilled, tenured leadership in place that has the ability to facilitate WIOA implementation. All required State Board members were appointed in September 2015, and the first WIOA compliant State Board meeting was held on November 6, 2015.

The State Board Oversight Committee designated a System Review Team (SRT) to revise and finalize all WIOA Title I policies. The SRT is composed of Oklahoma workforce development system partners including State Board members, Adult Basic Education/Career Tech, Vocational Rehabilitation, Department of Human Services, Wagner-Peyser (OESC), Higher Regents, workforce staff at OSU-OKC, Department of Corrections, and the Oklahoma Health Care Authority. Additionally the SRT is revising the statewide Memorandum of Understanding (MOU), which will include a cost sharing agreement. The Southern Workforce Board is piloting an infrastructure costs and resource sharing agreement that will inform the final cost sharing section of the statewide MOU.

A monitoring system is in place to ensure that local areas are implementing the new provisions of WIOA. For example, a desk review on local area program and grant management systems for PY 2015 is currently underway to check for compliance. This includes, but is not limited to, a review of each local area's service provider contracts and cost allocation plans.

Eight of nine local areas have been designated under WIOA. East Central requested initial designation but did not meet performance or population requirements. As a result, East Central's chief elected official submitted a request to merge with the Central local area. The State is in the process of ensuring that final approval of the new area is in accordance with Departmental guidance and the State's Local Area Designation policy.

Oklahoma's State Plan will address its decision to divide the State into four regions. The State held nine WIOA public input meetings across the state to gather feedback from workforce partners, local elected officials and other stakeholders on the WIOA planning regions. Agendas and recordings of these meetings are available on the Oklahoma Works website. One written comment was received.

The State Board is engaged in identifying demand occupations through analysis of economic data and employer information. The critical occupations necessary for Oklahoma's future employment growth and wealth generation are identified under five ecosystems: Aerospace and Defense, Energy, Agriculture and Bioscience. Under each ecosystem, there are ecosystems at the regional level and other complementary industries important for the State's regional economies.

Area of Opportunity

At the time of this visit, there was one business vacancy on the State Board due to a resignation. To ensure compliance, future State Board member vacancies should be filled in accordance with WIOA and State Board By-Laws. That is, when positions become vacant or need to be filled, nominations must be obtained from the appropriate agencies or entities. Also, resignations should be addressed in State Board By-Laws.

Best Practice

WIOA requires the State to provide guidance to local areas on one-stop infrastructure cost sharing. To assist with this process, a local level resource sharing and infrastructure cost pilot is currently underway led by the Southern Workforce Board at its McAlester One Stop Center, located in Durant, Oklahoma. Local core and required partners are working together to develop a methodology that can be replicated and utilized across the State. This effort is supported by State level Chief Financial Officers (CFOs) from each partner agency to resolve issues that traditionally have created barriers for local efforts. CFOs dedicate time to work through and provide guidance as problems are identified during the pilot to keep the process moving. With local level testing of methodologies before implementation and the involvement of the CFOs, the State expects successful implementation. The pilot is expected to be completed by July 1, 2016, and finalized by the end of calendar year 2016.

Suggested Resources

- *Governance and Leadership Fact Sheet*
https://www.doleta.gov/wioa/Docs/WIOA_GovernLeadership_FactSheet.pdf
- *State Leadership and Governance QSAP*
<http://qsap.workforce3one.org/planner/Governance/Questionnaire>
- *WIOA State and Local Governance Slideshow*
http://wi-cwi.org/State Board/2014/koenig_wioa_State_governance_120514.pdf
- *State and Local Governance* podcasts highlighting WIOA key provisions
<https://www.workforce3one.org/view/300143233369774359>
- *TEGL 27-14 Workforce Innovation and Opportunity Act Transition Authority for Immediate Implementation of Governance Provisions*
https://wdr.doleta.gov/directives/corr_doc.cfm?docn=7158
- *Supporting Sector Strategies Initiative* webpage provides a variety of tools and resources for States in the beginning and advanced stages
<http://businessengagement.workforce3one.org/news/view/supporting-sector-strategies-initiative-information-resources>

Focus Area 2: Partnerships

State and local partners experienced success in working together to develop a toolkit for certifying One Stop Systems. Oklahoma's New Day New Way System Certification Project has played a major role in the strength of Oklahoma's state and local level partnerships. This effort began in 2012, and was a Governor-backed initiative to encourage voluntary collaboration across partners to address workforce needs.

Oklahoma has developed and enhanced partnerships with Oklahoma State University at Oklahoma City (Title I), Oklahoma Employment Security Commission (Title III), Adult Basic Education/Career Tech (Title II), Vocational Rehabilitation (Title IV) and required partner, the Oklahoma Department of Human Services (Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families). This was evident during the National WIOA Convening held in January in Washington D.C.

Oklahoma has taken advantage of the platform WIOA presents by engaging up to 21 partner agencies in its Unified State Plan development process. Partners have participated in monthly and quarterly meetings since the passage of WIOA, giving partner agencies a voice and helping to ensure effectiveness, efficiency, and coordination as the Governor has also mandated an Oklahoma state-wide strategic plan to address skills gaps and the State's budget crisis.

Area of Opportunity

Communication within state agencies sometimes does not trickle down to the local level. This can present a barrier to local partnering efforts when WIOA information that requires action comes from a convener. Regional Administrators from the Departments of Labor, Education, Health and Human Services, and Housing and Urban Development will present on WIOA during a general session at the upcoming Partners Conference scheduled for April 20-22, 2016. It may be a good opportunity to address this matter.

Suggested Resources

- *Partnerships and Program Alignment QSAP*
<http://qsap.workforce3one.org/planner/Partnerships/Questionnaire>
- *Office of Career, Technical, and Adult Education partner webpage*
<http://www2.ed.gov/about/offices/list/ovae/pi/AdultEd/wioa-reauthorization.html>
- *National Association of State Workforce Agencies webpage*
<http://www.naswa.org/resources/WIOA/?action=home>
- *National Association of Workforce Boards webpage*
http://www.nawb.org/wioa_resources.asp
- *Partnering with Economic Development*
<https://wioa.workforce3one.org/view/2001602549860152531/info>

Focus Area 3: Local Governance and One-Stop Operations

The local workforce boards visited are implementing WIOA requirements and operating with compliant local boards. New provisions for WIOA Adult, Youth, and Dislocated Worker services were included in the service provider contracts. Locals are on track to meet WIOA one-stop procurement requirements by July 1, 2017.

Oklahoma has two stand-alone Wagner Peyser offices located in Sand Springs and Stillwell. The Oklahoma Employment Security Commission (OESC-administrative entity for Wagner Peyser/Employment Services Programs) is currently in the process of evaluating options related to these two offices, including leases currently in place. OESC anticipates closing both offices and relocating staff to other offices during the 3rd or 4th quarter of this calendar year.

Once final regulations are released, the State will issue guidance and expects that all local areas will have completed the one-stop operators by July 1, 2017. The State is in the process of branding all of its local workforce centers as Oklahoma Works. The first office to carry the Oklahoma Works marquee brand will be the local workforce office in Durant, Oklahoma. The American Job Center logo is incorporated on the State's website and correspondence.

OESC and the Oklahoma Department of Rehabilitative Services partnered in a review of all local offices. Revisions were made and as a result, all offices are more accessible to individuals with disabilities.

Best Practice

The Oklahoma Association of Workforce Development Boards is comprised of executive directors from all nine local workforce boards in Oklahoma, but was recently expanded to include local partner agencies. This provides another local avenue for communication, coordination, and sharing promising or best practices between partner agencies.

Suggested Resources

- *Local Leadership and Governance QSAP*
<http://qsap.workforce3one.org/planner/LocalLeader/Questionnaire>
- Learn from your peers: *Strategic Local Boards*
<https://wioa.workforce3one.org/view/4201519730977143643/info>
- *One-Stop Career Centers Fact Sheet*
https://www.doleta.gov/wioa/Docs/WIOA_OneStop_FactSheet.pdf
- *One-Stop Center Service Design QSAP*
<http://qsap.workforce3one.org/planner/OneStop/Questionnaire>
- *WIOA One Stop MOU* template of the State of Colorado
http://r.search.yahoo.com/_ylt=A0LEVvIBi8xW530ArVcnnIIQ;_ylu=X3oDMTEydWQx

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- *State One-Stop Partnerships*
<https://wioa.workforce3one.org/view/4201523248055978288/info>
- NASWA's Approved *Suggested Steps for WIOA Planning and Implementation*
http://www.naswa.org/assets/utilities/serve.cfm?gid=DD356674-9D9D-476D-91A3-48F1FBBDA7D9&dsp_meta=0

Focus Area 4: Youth

The State Board has a standing Youth Program Committee for the purpose of providing policy and performance guidance in the development and implementation of WIOA youth funded programs. Local areas were provided guidance by Title I staff on new WIOA youth provisions including the 75% youth expenditure requirement. Efforts are being taken to improve expenditures in this area through greater coordination with Adult Basic Education and partnering with the foster care system. Each local board is expected to establish local youth committees. Contracts for local areas visited contain provisions for the youth services required by WIOA.

Suggested Resources

- *Enough is Known for Action* webinar series
<https://www.workforce3one.org/view/4001516629875798833/info>
- *Youth Service Strategies* QSAP
<http://qsap.workforce3one.org/planner/Youth/Questionnaire>
- *Youth Program Fact Sheet*
www.doleta.gov/wioa/Docs/WIOA_YouthProgram_FactSheet.pdf
- TEGL 23-14 *Workforce Innovation and Opportunity Act Youth Program Transition*
http://wdr.doleta.gov/directives/attach/TEGL/TEGL_23-14.pdf
- TEGL 8-15 *Second Title 1 Youth Program Transition Guidance*
https://wdr.doleta.gov/directives/attach/TEGL/TEGL_08-15.pdf
- *Pre-Apprenticeship Tools and Resources* webpage
<https://www.doleta.gov/oa/preapp/resources.cfm>