

February 1, 2016

Governor Tom Wolf Governor's Correspondence Office 508 Main Capitol Building Harrisburg, PA 17120

Governor Wolf:

On behalf of the Three Rivers Workforce Investment Board (3RWIB), please accept the enclosed comments in response to the 30-day public commenting period allowed for the Pennsylvania WIOA Combined State Plan.

3RWIB supports the strategy, vision, and goals outlined in the combined state plan and will work to achieve the workforce development objectives that have been set. 3RWIB conducted a thorough review of the combined state plan document and engaged with key stakeholders during the development of our comments. We greatly appreciate this opportunity to offer input.

Please do not hesitate to contact me with any questions at spashman@trwib.org or (412) 552-7090.

Sincerely,

Stefani Pashman Chief Executive Officer Three Rivers Workforce Investment Board

Mark Latterner

Mark T. Latterner President, Three Rivers Workforce Investment Board Executive Vice President Middle Market Regional Executive, Citizens Bank

Enclosure: 3RWIB Combined State Plan Comments

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Three Rivers Workforce Investment Board

Comments on Pennsylvania Combined State Plan (07/01/2016 to 6/30/2020)

The Three Rivers Workforce Investment Board (3RWIB) strongly supports the Governor's vision and goals outlined in the Pennsylvania WIOA Combined State Plan, including developing viable career pathways, expanding training opportunities, improving data sharing and integration, strengthening collaboration across agencies and sectors, and building a stronger workforce development system that works for both job seekers and employers. 3RWIB will work together with our local and regional partners to achieve the Governor's objectives and offers suggestions below to strengthen the system's ability to respond to the needs of businesses and job seekers

3RWIB appreciates the opportunity to review and provide input on the combined state plan. In support of this process, we also offer to provide a local perspective on program implementation, participate in focus groups, or actively pilot and evaluate new initiatives proposed by the Governor to help create evidence that practices work. With respect, 3RWIB submits the following comments and recommendations:

Data Integration and Accessibility

3RWIB is encouraged by efforts discussed in the state plan to build a greater level of integration between the Commonwealth Workforce Development System (CWDS) and other case management and data collection systems across programs. This integration is necessary to improve the coordination of services for individuals throughout programs and understand the effectiveness of multiple interventions. Opportunities remain to strengthen the Commonwealth's plan for improving the coordination and use of data across systems:

- 1. Local Data Access: In a system driven on accountability, local areas need real time data to ensure that programs are being run effectively, services are not duplicated across programs, and that public funds are being spent with an eye toward the return on investment. 3RWIB is encouraged to see the Departments linking data to ensure validity. There are additional opportunities in which the Commonwealth could support local areas in achieving goals by enabling local areas to access (when possible) data from specific state systems. 3RWIB recommends the following:
 - **a.** To support local areas in their effort to serve individuals with the greatest barriers to employment, the Commonwealth should allow local areas access to data from the state's COMPASS system. This access would enable PA CareerLink® staff to streamline the process for determining WIOA eligibility by reducing paperwork requirements and allowing for verification of eligibility on-site. For example, youth program staff currently estimate up to 25 percent of staff time is spent determining eligibility when processing youth applications. Access to COMPASS data would also enable more targeted outreach to populations with barriers to employment. Furthermore, COMPASS data would provide staff with a better understanding of the services currently being accessed by participants, enabling staff to

more effectively provide referrals. By enabling staff to assess the variety of services being accessed by individuals, these data would also increase understanding of the combinations of human and workforce development services that work best when serving clients.

- **b.** The combined plan discusses that Unemployment Insurance Wage Records will be merged with participant data from all core partners and access to the quarterly UI wage records will be granted within the constraints of PA regulations for program evaluation purposes (page 66). Where possible under PA regulations, disaggregated data from these records should also be shared with local areas. Local access to these data, which provides a more real-time assessment of program outcomes, is needed to fully understand the impact of systemic efforts across programs, improving accountability of all programs in meeting the Governor's goals. Access to these data would also be particularly beneficial for youth programming, as youth clients tend to be more ephemerally tied to the system and the additional burden of retention measures will be an administrative challenge for youth programs.
- 2. Workforce Development Quality Initiative (WDQI): The combined state plan discusses the PA-WDQI, an initiative to link data from the workforce development and education programs in Pennsylvania that use different systems of record (page 55). To build upon the commitment of the Commonwealth to implement the PA-WDQI and increase data-driven decision making at the local level, the following steps are recommended:
 - **a.** Where possible, use of wage record data should be implemented to understand outcomes of all programs included in the combined state plan. As mentioned, this data would strengthen understanding of the effectiveness of shared efforts across programs in serving individuals with barriers to employment by allowing more real-time analysis of program impact.
 - **b.** The Commonwealth should establish a clear timeline within the state plan for implementation of the PA-WDQI, including setting firm targets and goals for the initiative. It is not clear within the current plan when LWDBs should expect the PA-WDQI to be implemented or how LWDBS can contribute to or benefit from the system.

Balancing the Needs of both Job Seekers and Employers

3RWIB commends the Governor for the vision of serving populations most in need of workforce development services through the public system. 3RWIB also recognizes the significant value of training to help job seekers gain the skills and credentials in demand by employers, enabling them to enter employment opportunities along viable career pathways. However, some strategies and requirements within the state plan may create challenges in effectively meeting the needs of both job seekers and employers:

- **1. Training Benchmarks:** The combined state plan includes benchmarks set by the Commonwealth for how much WIOA Title I funding must be used for training, as well as the percentage of these training funds that must be spent on individuals with barriers to employment (page 10). 3RWIB will strive to meet these targets. In setting training benchmarks, however, it is recommended that the following be considered:
 - **a.** Training benchmarks should not apply to WIOA Youth programs. WIOA youth participants have significantly different needs than adult and dislocated workers, not all of which can be served through training. Prescriptive thresholds for funding allocation would be particularly detrimental for youth programs, where elements like adult mentoring and

training and follow up are both time and cost intensive and vital to the success of youth participants.

- **b.** Training benchmarks should not apply to Dislocated Worker programs. Dislocated Workers commonly already possess in-demand skills and benefit from employment and job placement services that allow them to reenter the workforce quickly rather than devoting longer periods of time to training. In Pittsburgh and Allegheny County, Dislocated Workers that did not participate in training had a job placement rate of 91% and average wages of \$17.21, just under the 92% rate and \$17.81 average wages for Dislocated Workers that participated in training.
- **c.** The Commonwealth's definition of training expenses should be broad and include all staff expenses directly related to providing training services as defined in Section 134(c)(3) of WIOA.
- 2. **Priority of Service:** The combined state plan sets a target for 70 percent of job seekers served through local PA CareerLink centers to be individuals with priority of service (page 68). 3RWIB applauds the Governor for his emphasis on serving individuals with barriers to employment. To support LWDBs in meeting this goal and to prevent any unintended consequences, such as a slower response to employer needs, it is recommended that the following be considered:
 - **a.** The Commonwealth should support LWDBs in meeting this priority of service target by providing local areas with access to additional state data systems, including COMPASS data. These data would streamline the process for determining eligibility for priority of service by reducing paperwork and enabling onsite verification. These data would also support local outreach efforts to individuals with priority of service.
 - **b.** WIOA does not require priority of service for dislocated worker populations. In order to best serve local businesses, the Commonwealth should exclude dislocated workers from priority of service calculations.
 - **c.** The Commonwealth should take this priority of service target into account when setting performance levels, including for the measure "Effectiveness in Serving Employers." Setting a high benchmark for serving priority of service individuals presents a challenge when also meeting the needs of employers. Populations with priority of service often require supportive and more intensive services, extending the length of their program participation. This in turn lengthens the time required to serve employers.
- **3.** Additional Burden upon Employers: 3RWIB supports the Governor's goal to expand training opportunities, including work-based training, to better serve job seekers. 3RWIB also supports the Governor's goal of strengthening efforts to engage employers with the public workforce development system. However, requirements within the combined state plan may increase the burden and challenge the participation of employers. The following is a key example that should be considered:
 - **a.** Workforce System Policy No. 04-2015, referenced in the combined state plan (page 82) creates a new requirement for work-based training providers to be placed on a Local Training Provider List (LPTL) to provide training services. Employers must provide a variety of program information, including program performance, to be considered for the LTPL. WIOA did not include this requirement and the State plan should remain consistent with WIOA to maximize opportunities for employer engagement. Additional administrative burdens will increase the time and effort required by employers to complete a training contract, creating an additional obstacle to employer engagement.

4. Focusing on "High Quality Jobs": In the combined state plan, the Commonwealth "will require LWDBs to prioritize funds to be used for business services activities, on-the-job training and incumbent worker training to those employers offering high quality jobs" (page 16). To support the Governor's goal of developing viable career pathways, it is also important to consider the value of positions offering an entrance to career pathways leading to higher quality jobs. 3RWIB recommends that "high quality jobs" continues to allow for engagement with employers offering entry-level positions along career pathways, consistent with WIOA. These positions are crucial to providing WIOA participants, particularly individuals with priority of service, with an opportunity to initially enter a career pathway that offers opportunities for advancement into "high quality jobs".

Coordination across Partners and Programs: 3RWIB supports the purpose of a combined state plan that outlines the strategy, vision, and goals for workforce development across all core and partner programs. The Commonwealth's combined plan could be strengthened by providing greater discussion on how programs and partners will truly work together to achieve the Governor's goals. It is recommended that the combined state plan include more specific language and detail that ensure all partners and programs work together and are accountable for meeting the Governor's goals. The following are examples:

- 1. WIOA emphasizes equal accountability across all core programs. Performance in WIOA will be measured on both a program-specific (through a set of common measures for all programs) and system-wide basis (how well programs achieve collective outcomes). A systemic performance measure should be set in the combined state plan to ensure all programs are held accountable together in meeting performance goals.
- **2.** The combined plan should include specific language and mutual requirements for how programs will coordinate to ensure appropriate referrals between WIOA Titles to reduce duplication of services and meet the variety of participant needs.
- **3.** 3RWIB recognizes the value of co-enrollment to more effectively meet the multiple service needs of individuals. The combined state plan should set clear expectations and mutual requirements for how programs will work together to identify ideal candidates for co-enrollment.
- **4.** 3RWIB is encouraged by the Commonwealth's plan to enhance agency coordination in providing business services (page 16). However, the combined plan would benefit from greater detail on how this enhanced coordination would work. More importantly, having a clear set of expectations and mutual requirements for each partner and program would facilitate collaboration among partners. This coordination is necessary to improve efficiency and reduce the duplication of work in employer engagement.