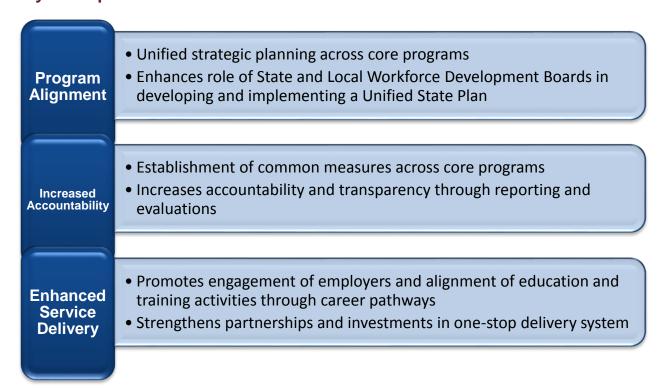
THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

United States Department of Education

Overview

On July 22, 2014, President Barack Obama signed into law the WIOA, which revises and reauthorizes the *Workforce Investment Act of 1998* (WIA) after more than a decade. The new law, which was a bipartisan, bicameral effort to support innovative strategies to keep pace with changing economic conditions, seeks to improve coordination between the primary federal programs that support employment services, workforce development, adult education and vocational rehabilitation activities.

Key Principles



Structure of WIOA

Law Title (Section)	Name	Core Program/Activities	Who oversees in Minnesota
Title I (Subtitle A)	Workforce Development Activities (System Alignment)	All WIOA Programs	DEED and MDE
Title I (Subtitle B)	Workforce Development Activities (Workforce Activities and Providers)	Adult, Youth, and Dislocated Worker Programs	DEED
Title II	Adult Education and Family Literacy Act	Adult Basic Education	MDE
Title III	Wagner-Peysar Act	Workforce Centers (One-Stops)	DEED
Title IV	Rehabilitation Act	Vocational Rehabilitation (VR)	DEED
Title V	General Provisions	All WIOA Programs	DEED and MDE

Source: Office of Career, Technical & Adult Education, U.S. Department of Education

The new law encourages alignment between the four core programs within the law. The core programs consist of: (1) the Adult, Dislocated Worker and Youth formula programs administered by the Department of Labor (DOL) under Title I; (2) the Adult Education and Literacy program administered by the Department of Education (ED) under Title II; (3) the Wagner-Peyser Act employment services program administered by DOL under Title III; and (4) the programs under Title I of the Vocational Rehabilitation Act administered by ED under Title IV.

The following highlights significant changes related to the Adult Education and Family Literacy Act (AEFLA) of Title II, which provides foundation skills and English literacy instruction to nearly 1.8 million individuals each year.

HIGHLIGHTS OF WIOA REFORMS FOR ADULT EDUCATION

Increases coordination of core programs through submission of a Unified State Plan or Combined State Plan: The WIOA requires States to prepare a single plan for the core programs that includes the strategic vision and goals of the State and the operational elements that support the four-year strategy.

- The plan includes AEFLA-specific elements, including how the State intends to: align content standards for adult education with state-adopted academic standards; fund local activities using the considerations for grants and contracts, programs for corrections education, English literacy and civics education, and integrated education and training; use funds to carry out State leadership activities; and assess the quality of adult education providers.
- States may also submit a Combined State Plan that would include other Federal programs, such as the Perkins Career and Technical Education programs.
- States will be required to submit unified plans under the new law by March 2016.

Establishes Common Performance Measures across Core Programs: The WIOA includes six primary indicators of performance that will be negotiated with each State by the Secretaries of Education and Labor as part of the State plan.

- Performance measures include:
 - percentage of program participants in unsubsidized employment during the second and fourth quarter after exit;
 - median earnings;
 - percentage of participants who obtain a postsecondary credential or diploma during participation or within one year after exit;
 - o participants achieving measurable skill gains; and
 - effectiveness in serving employers.
- States will negotiate new performance indicators as part of the Unified State Plan in March 2016.

Strengthens alignment between adult education, postsecondary education, and employers: WIOA recognizes that the core purpose of adult education is to prepare individuals with the skills and knowledge needed to succeed in postsecondary education and the workforce.

- The Act expands the purpose of adult education to emphasize that activities should increase an individual's ability to transition to postsecondary education and obtain employment.
- Promotes the integration of adult education with occupational education and training, as well as
 development of career pathways systems; authorizes the use of funds for "integrated education and
 training" and "workforce preparation activities"; and clarifies that integrated English literacy and
 civics education programs may provide workforce training.
- Encourages activities provided in collaboration with employers.

Supports educational and career advancement for incarcerated individuals: WIOA encourages a range of education and job training activities to promote successful reentry and reduce recidivism.

- The WIOA increases the percentage of funding for States to use for correctional education to not more than 20 percent under the new Act.
- Funds may be used for integrated education and training, career pathways, concurrent enrollment, peer tutoring, and transition to re-entry initiatives and other services with the goal of reducing recidivism.

Encourages establishment of a high-quality local adult education delivery system: The WIOA amends the considerations States are to use in awarding grants and contracts to local program providers.

• There are 13 considerations States are required to use in providing funding to local programs; these include an increased emphasis on alignment of activities with regional needs identified in local plans under Title I; serving individuals with disabilities; instructional activities based on rigorous research; effective use of technology; activities that promote integrated education and training; and coordination with education, training, employers, and social service providers to promote career pathways.

Supports professional development opportunities and innovative models to enhance adult education programs: The WIOA adds four new required leadership activities to be supported with State leadership funds.

- WIOA encourages activities to support alignment among core programs to implement the State plan strategy, including the development of career pathways; establishment of high quality professional development programs to improve instruction; technical assistance based on rigorous research; and evaluation and dissemination of information about promising practices within the state.
- States may also use funds for several allowable activities related to instructional technology, models
 for integrated education and training and career pathways, and support to eligible providers in
 achieving performance goals, among other activities.

Promotes activities to improve the quality of adult education programs: The WIOA is committed to ensuring that resources support activities that better prepare adult students for postsecondary and career success.

- The WIOA reserves 2 percent of AEFLA funds (not to exceed \$15 million) to carry out national leadership activities.
- The Act requires the Secretary to support four mandatory technical assistance activities, including support for implementing the new common performance measures; conducting rigorous research and evaluations; and carrying out an independent evaluation of adult education and literacy activities every four years.

Codifies the integrated English Literacy and Civics education (IEL/CE) program: The WIOA reinforces support for IEL/CE programs through codification and enhanced services for individuals to effectively participate in education, work, and civic opportunities.

- The WIOA codifies the authority to carry out the Integrated English Literacy and Civics Education
 (IEL/CE) program, in which 12 percent of AEFLA funds (after reserving funds for national leadership
 activities) will be reserved to carry out the IEL/CE program. The allocation formula remains the
 same.
- Programs should be designed to: (1) prepare adults who are English language learners for, and place
 them in, unsubsidized employment in in-demand industries and occupations that lead to economic
 self-sufficiency; and (2) integrate with the local workforce development system and its functions to
 carry out the program.

WIOA Details

Important Title I Definitions

- Individual with Barriers to Employment
- Career Pathway
- One-Stop Partner
- Supportive Services
- Workforce Development System

Individual with barrier to employment

A member of one or more of the following populations:				
Displaced homemakers	Ex-offenders	Long-term unemployed		
Low-income individuals	Homeless individuals, or homeless children and youth	Individuals within 2 years of exhausting lifetime eligibility under the SSA, title IV part A		
Indians, Alaska Natives, and Native Hawaiians	Youth who are in or have aged out of foster care	Single parents (including single pregnant women)		
Individuals with disabilities, including youth	English language learners, individuals with low levels of literacy, and individuals facing substantial cultural barriers	Such other groups as the Governor determines to have barriers to employment		
Older individuals	Migrant and seasonal farmworkers			

Career Pathway

A combination of rigorous and high-quality education, training, and other services that:				
Aligns with skill needs of industries in the State and regional economy	Organizes education, training, and other services to meet the particular needs of an individual to accelerate educational and career advancement			
Prepares individual to be successful in secondary or postsecondary education options, including registered apprenticeship	Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential			
Includes counseling to support in achieving the individual's education and career goals	Helps an individual enter or advance within a specific occupation or occupational cluster			
Includes education offered concurrently with workforce preparation activities and training for a specific occupation or occupational cluster				

Title I-A: System Alignment and Unified Plans

States are required to submit a single, strategic, coordinated plan

Changes in State Plan Requirements		
WIA	WIOA	
5-year State plan	4-year State plan	
Unified State Plans optional	Unified State Plans <u>required</u>	
Strategic planning elements	Strategic and operational planning elements	
Plan submitted to ED Secretary	Submitted to DOL Secretary, joint approval with ED	

Program-specific plan elements

AEFLA
Plan
Elements

Alignment of adult education content standards with ESEA State academic standards

Funding of local activities using 13 considerations under AEFLA

Use of funds for adult education and literacy activities

Assess and improve quality of adult education providers

State Plan Approvals

Submission Dates

- Plans submitted March 2016
- May be modified at end of first 2-year period
- Subsequent plans submitted 120 days prior to end of 4-year period

Combined State Plans

- More comprehensive version of a unified plan
- Incorporates other key partners (including Perkins, TANF, libraries, etc.)
- Combined State Plans must include:
 - Strategy for joint planning and coordination
 - Assurance allowing core programs to review plan
- Plan approval within 90 days (or 120 days if 3 or more Secretaries)
- Special rule for CTE regarding performance

State Workforce Boards

Streamlined Membership

- Reduces size of State Workforce Development Boards
- Includes business majority, labor organizations, apprenticeship (new), organizations serving individuals with barriers to employment
- Includes the lead State official with the responsibility for the core programs
- No representation in multiple categories

Functions

- Develop and implement State Plan
- Align core programs and develop and improve of workforce system
 - Develop career pathways
 - Develop and implement one-stops
 - o Identify regions and local areas
- Establish State performance measures and targets to assess effectiveness of core programs
- Develop policies to coordinate services
 - o Criteria and procedures for local board to use in assessing core programs
 - o Guidance on infrastructure costs
 - Defining role and contributions of one-stop partners, including equitable and efficient cost allocation
- Align technology and data systems across one-stop partners
- Technological improvements for digital literacy, accelerating learning, accessibility, and professional development

Additional title I alignment provisions

- Section 107 and 108 Expands role and responsibilities of local workforce development boards, including the development of local plan and alignment of AEFLA provider activities with the local plan.
- Section 116 Replaces Section 212 of WIA. Establishes common performance accountability indicators that apply across the four core programs
- Section 121 Strengthens the roles and responsibilities of partner programs in the one-stop delivery system, including contributions to infrastructure costs and access to partner activities
- Promotes coordination on a variety of evaluation activities to promote program improvement

Title II: Adult Education and Family Literacy Act (AEFLA)

Retains WIA AEFLA Purposes

Create a partnership among Federal Government, States, and localities to provide adult education and literacy services that

- Assist adults to become literate and obtain the knowledge and skills necessary for employment and economic self-sufficiency
- Assist adults who are parents or family members become a full partner in the education development of their children

Assist adults in completing high school

Expands AEFLA Purposes

Purpose expanded to:

- Promote transitions from adult education to postsecondary education and training through career pathways
- Assist immigrants and English language learners
 - improve reading, writing, math, speaking, and comprehending the English language
 - acquire understanding of American government, individual freedom, and responsibilities of citizenship

State Responsibilities

WIOA maintains much of the State fiscal requirements.

State Distribution of Funds

- State administrative expenses capped at 5% or \$85,000 (increased from \$65,000 under WIA)
- State leadership may not exceed 12.5%
- Maintains 82.5% for grants and contracts to eligible providers, not more than 20% may be used for corrections education programs (increased from 10%)
- Match and MOE requirements remain unchanged

Additional title II changes

- Changes "eligible provider" definition
- Creates three new activities supported with AEFLA funds
- Increases the amount of funds reserved for national leadership activities (from \$8 million to \$15 million) and includes four new required activities
- Adds four new required activities to be supported with State leadership funds, along with several permissible activities
- Revises considerations States must use in awarding grants to eligible providers

WIOA New Activities

WORKFORCE PREPARATION ACTIVITIES

- Activities, programs, or services designed to help an individual acquire a combination of basic academic, critical thinking, digital literacy, and self-management skills
- Includes competencies in utilizing resources and using information, and acquiring other skills necessary for successful transition into postsecondary education, training, or employment

INTEGRATED EDUCATION AND TRAINING

- Service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training
- Targets training in occupations or clusters that assist adults in their educational and career advancement

INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION

- Codifies the IEL/CE program, previously funded through annual appropriations
- Provides instruction in literacy and English language acquisition, civic participation and the rights and responsibilities of citizens, and workforce training
- Activities must be provided in combination with IET activities

- Focuses program design and goal on preparing adults for employment in in-demand industries and in coordination with local workforce system
- Reserves 12% of appropriations to support IEL/CE activities

Overview of the Performance Accountability System

Purpose: "...establish performance accountability measures that apply across the core programs to assess the effectiveness of States and local areas...in achieving positive outcomes for individuals served by those programs"

Changes in performance requirements

WIA	WIOA	
Separate performance indicators for Title I and Title II programs	Core programs subject to 6 primary indicators of performance	
AEFLA indicators include:	Performance indicators:	
Incentives for States that exceed targets	Sanctions for States that fail to meet targets	

Performance indicators

Core programs required to report:

- Percentage of program participants in unsubsidized employment during second quarter after exit
- 2. Percentage of program participants in unsubsidized employment during fourth quarter after exit
- 3. Median earnings of program participants employed during second quarter after exit
- 4. Percentage of program participants who obtain a postsecondary credential or high school diploma
 - a. Participants attaining a high school diploma may only be counted if they entered or retained employment within one year after exit, **or**
 - b. Are in an education or training program leading to a postsecondary credential within one year after exit
- 5. Percentage of program participants who, during a program year, are in an education or training program that leads to a postsecondary credential or employment and who are achieving measurable skill gains toward a credential or employment
 - Statement of Managers report clarifies "measurable skill gains" to encourage Title II
 providers to serve all undereducated, low-level, and underprepared adults
- 6. Effectiveness in serving employers

Adjusted levels of Performance

States must negotiate targets for each of the primary indicators of performance using several factors

- Comparison with targets established by other States
- Adjustments using objective statistical model, taking into account economic conditions and characteristics of participants
- Establishment of targets that promote continuous improvement and ensure optimal return on investment

 Targets that assist in achieving long-term goals in accordance with the Government Performance and Results Act

Table 1. State Program Score and State Indicator Scores

Indicator/Program	Title II Adult Education	Title IV Rehabilitative Services	Title I Adults	Title I Dislocated Workers	Title I Youth	Title III Wagner - Peyser	Average Indicator Score
Employment 2nd Quarter After Exit				,			1
Employment 4th Quarter After Exit							2
Median Earnings 2nd Quarter After Exit							3
Credential Attainment Rate							4
Measurable Skill Gains							5
Effectiveness in Serving Employers							6
Average Program Score	7	8	9	10	11	12	-

Source: Joint Notice of Proposed Rulemaking for WIOA (ETA-2015-0002), Federal Register (April 16, 2015)

Sanctions

States that fail to meet performance targets are subject to the following:

Year One	•	Technical assistance
	•	Develop performance improvement plan
Year Two	•	5% reduction in Governor's reserve fund

Performance reports

	State	Local
Level of performance for core programs	X	X
Level of performance for individuals with barriers to employment (disaggregated)	Χ	Χ
Total number of participants served	Χ	Χ
Number of participants who received and exited career and training services within 3 years	Χ	Χ
Average cost per participant for career and training services	Χ	Χ
Percentage of participants who obtain unsubsidized employment in relevant field	Χ	Χ
Number of individuals with barriers to employment served	Χ	Χ
Number of participants co-enrolled	Χ	Χ
Percentage of annual allotment spent on administrative costs	Χ	Χ
Other information for program comparisons with other States	Χ	Χ

Evaluation of State Programs

States are required to conduct evaluations of core programs to promote continuous improvement and achieve high level performance and outcomes

Evaluations must be:

- Designed to use rigorous analytical and statistical methods that are reasonably feasible (such as use of control groups)
- Designed in conjunction with the State and local boards and State agencies responsible for core programs
- In cooperation with Federal evaluations
- Submitted annually to State and local boards and results made publicly available

Fiscal and Management Accountability

- Funds under a core program must be used to support a fiscal and management accountability system
- System based on guidelines established by the Secretaries to promote efficient data collection and use for reporting, monitoring, and preparing annual reports
- U.S. DOL must make arrangements to ensure States have access to quarterly wage records and interstate arrangements
- Requirements must comply with Family Educational Rights and Privacy Act (FERPA) confidentiality provisions

Local Level Alignment under WIOA

Key Local Alignment Provisions

- Role and Responsibilities of Local Board
 - Local board representation
 - Local board functions
- Eligible Provider Application Process
 - Alignment with local plan
 - Alignment with one-stop partner services
- One-Stop Partner Requirements
 - Memorandum of Understanding (MOU) requirements
 - One-stop partner contributions
 - Career services

Title I Local Workforce Boards

Local Board Membership

- Business majority; 20% workforce representatives
- Required representation from eligible providers of adult education
- Economic community development organizations (Wagner-Peyser; Vocational Rehabilitation)
- One-Stops not a required member
- Special rule: In instances where there are multiple providers of adult education serving a local area, a representative must be appointed to the board through a nomination process

Enhanced Functions and Role of Local Boards

- Develop 4-year local plan to support State plan strategy
- Analysis of regional conditions
- Develop and implement career pathways

- Engage and develop effective linkages with employers
- Align technology and leverage resources
- Review of adult education local provider applications

Title II - Local Applications

Changes How States Compete Funds

- Sets forth five new local application requirements, including those aimed at alignment with local workforce plans and participation in the one-stop system
- Revises considerations that must be used in awarding grants

Local Application Requirements

WIA	WIOA		
Eligible providers desiring a grant or contract shall submit an application to the eligible agency containing the following information and assurances, including:			
A description of how funds awarded will be spent	Same two requirements under WIA and adds the following descriptions:		
A description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations	How eligible provider will provide services in alignment with local plan, including how provider will promote concurrent enrollment with title I programs and activities		
	How eligible provider will meet the State adjusted levels of performance and collect data to report on performance indicators		
	How eligible provider will fulfill one-stop responsibilities		
	How provider will meet the needs of eligible individuals		
	Information that addresses the 13 considerations		

13 Considerations

- 1. Responsive to regional needs in local plan and serving individuals most in need
- Ability to serve eligible individuals with disabilities, including learning disabilities
- 3. Past effectiveness in improving literacy skills
- 4. Alignment between proposed activities and services with strategy and goals of local plan and services of one-stop partners
- 5. Program is of sufficient intensity and quality, based on rigorous research, and uses instructional practices
- 6. Provider activities are based on best practices derived from rigorous and scientifically valid research and effective educational practice
- 7. Effective use of technology, services, and delivery systems to increase the quality of learning
- 8. Provide learning in context, including through integrated education and training, to assist in transition to and completion of postsecondary education and training, and obtaining employment
- Activities delivered by instructors who meet the minimum qualifications established by the State
- 10. Coordination with other education, training, and social service resources in the community
- 11. Activities offer flexible schedules and coordination with support services necessary to enable individuals to attend and complete programs

- 12. Provider maintains a high-quality information management system to report participant outcomes and monitor program performance
- 13. Local areas where provider is located have demonstrated need for additional English acquisition and civics education programs

Highlights of Local Plan Provisions

- Key Strategic Planning Elements
 - Analysis of regional economic conditions and workforce needs
 - Coordination of workforce development system and services, including core programs and CTE
 - Strategies for career pathways development and postsecondary credential attainment
 - Facilitate access to one-stop delivery system and roles and contributions of partner programs
 - ✓ <u>Note</u>: Adult education is a *required partner* in the one-stop system

One-Stop Partner Requirements

- Provide access to adult education programs or activities through the one-stop delivery system
- Enter into a local MOU with the local board relating to operation of the one-stop system
- MOU contents include:
 - Services to be provided through the one-stop delivery system
 - How costs of services and operating costs of the system will be funded, including funding one-stop infrastructure costs
 - Methods of referral for partner services
 - Duration of MOU and review to ensure appropriate funding and delivery of services

Infrastructure and Other Costs

- One-Stop Infrastructure Costs:
 - o Agreement reached by local board, chief elected officials, and one-stop partners
 - If no consensus, Governor provides guidance based on programs' proportionate use of the system and determines equitable and stable methods of funding the infrastructure costs of area centers

Other Costs:

- Requires a portion of funds to be used to pay the additional costs relating to the operation of the one-stop delivery system
- Costs must include provision of career services applicable to each program, and may include shared costs (i.e., initial intake, assessment of needs, appraisal of basic skills, referrals, etc.)

Career Services: Local Requirements for Career Services (Sec. 134(c)(2)):

- Funds must be used to provide career services through the one-stop delivery system and must include, at a minimum:
 - Determination of eligibility for services
 - Outreach, intake, and access to information and services at the one-stop
 - Initial assessment of skill levels, including literacy, numeracy, and English language proficiency, skill gaps, and supportive service needs; among other requirements (Sec. 122(b)(2))
- Local board must work with the State to ensure there are sufficient numbers and types of providers of career services and training services, including eligible providers with expertise in assisting adults in need of adult education and literacy activities (Sec. 107(d)(10(E))

WIOA Timeline

Effective Implementation Dates

The Act officially takes effect on **July 1, 2015**, the first full program year after enactment, unless otherwise noted. ED, in coordination with DOL, will issue further guidance on the timeframes for implementation.

November/December 2014

- Participation in consultation sessions with DOL/ED
- WIOA planning meetings and partnership building with labor and other agencies (ongoing)
- States receive PY 2015-16 Transition State Plan guidance for transition year
- States begin development of PY 2015-16 State Plan for (WIA performance measures remain in effect; transition activities included in 2015 State Plan)
- States submit PY 2013-14 performance data and narrative to ED (December 31)

January/February 2015

- · Notice of Proposed Rulemaking (NPRM) published
- Work with stakeholders to develop and submit comments
- States begin to develop application/reapplication requirements for PY 2015-16 to eligible providers to include any new WIOA activities

March/April 2015

- · States submit comments to NPRM
- States submit PY 2015-16 Transition State Plan (April 1)
- States begin performance negotiations for PY 2015-16 targets
- Anticipated release of Federal Register Notice announcing States eligible to apply for incentive awards based on PY 2013-14 performance

May/June 2015

- Performance negotiations continue and targets approved by June 2015
- Incentive eligible States prepare and submit applications for incentive funds (final round of incentive funds awarded by June 30, 2015)

July/August 2015

- WIOA goes into effect (July 1, 2015)
- WIA core indicators of performance remain in effect
- PY 2015-16 Transition State Plan goes into effect

September/October 2015

- WIOA Unified Plan guidance release anticipated
- WIOA performance accountability guidance release anticipated
- States begin considerations for MIS needs
- States organize for unified state planning process

November/December 2015

States submit PY 2014-15 performance data and narrative to ED (December 31)

January/February 2016

- Final regulations published
- States begin application/reapplication process for local grants (WIA or WIOA TBD)

March/April 2016

- 4-year Unified State Plan submitted (March 3)
- Two-year performance target negotiation under WIOA

Additional Information

Minnesota Information

Minnesota's WIOA Title II implementation information can be found on the MNABE Law, Policy and Guidance site (http://mnabe.org/program-management/law-policy-guidance)

National Information

USED, in coordination with DOL and the Department of Health and Human Services, will be working together to ensure that states, local areas, and stakeholders are prepared for implementation of WIOA. ED's Office of Career, Technical, and Adult Education (OCTAE) will provide technical assistance, tools, and resources through the <u>Division of Adult Education and Literacy's WIOA Reauthorization page</u> (www.ed.gov/AEFLA), as well as provide related links to our Federal partners' websites for additional information. Proposed regulations related to the transition and implementation will be issued soon after enactment. OCTAE will continue to engage stakeholders and communicate guidance throughout the WIOA implementation period.

For additional information related to other WIOA titles:

- The DOL Employment and Training Administration has established a WIOA Resource Page (www.doleta.gov/WIOA) to serve as the on-line repository for DOL's WIOA implementation materials. Questions regarding WIOA implementation may be submitted to DOL.WIOA@dol.gov.
- Information related to Rehabilitation Act programs amended under Title IV of WIOA is available through the Rehabilitation Services Administration's site at: http://www.ed.gov/aboust/offices/list/osers/rsa/wioa-reauthorization.html.