The Kentucky State Plan

Two Years of the Strategic Five-Year Plan
for

Title I of the Workforce Investment Act of 1998
and
the Wagner-Peyser Act

Effective July 1, 2005 – June 30, 2007

Plan Development Process

Describe, *in one page or less*, the process for developing the state plan

1. Include (a) a discussion of the involvement of the Governor and the State Board in the development of the plan, and (b) a description of the manner in which the State Board collaborated with economic development, education, the business community and other interested parties in the development of the state plan. (§112(b)(1).)
2. Include a description of the process the State used to make the Plan available to the public and the outcome of the state's review of the resulting public comments. (§§111(g), 112(b)(9).)

The Education Cabinet, Department for Workforce Investment (DWI), Office of Employment & Training (OET), in conjunction with the Kentucky Workforce Investment Board (KWIB), led the initiative to develop Kentucky's Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act State Plan. An initial meeting was held on October 6, 2004 with representatives from the following areas: Office of Employment & Training, Research & Statistics Branch, Division of Field Services, Division of Workforce Services, Office of the Blind, Office of Vocational Rehabilitation, Health & Family Services, Community Based Services, Office of Career & Technical Education, Cabinet for Economic Development, Education Cabinet, Department for Education, Kentucky Adult Education and three representatives from local workforce investment areas representing the ten local workforce investment areas. Follow up meetings were held October 28, 2004, and November 18, 2004.

Personnel from OET and the KWIB were identified to serve on a development team, responsible for researching and drafting components of the state plan. The development team was responsible for assembling and preparing all drafts for partner and community review and comment. An initial draft of the State Plan was presented to the above referenced partner agencies for discussion and input on December 17, 2004.

During the development process, the team sought input from partners such as economic development, business leaders, workforce development professionals (state and local), partner agencies and other stakeholders. Methods for data collection and communication included email, meetings, presentations, and data collection from local and regional workforce partners.

The following steps were taken to make the plan available to the public including the following:

Office of Employment & Training staff presented an outline and timeframes for the planning process to the KWIB on March 24, 2005. Input was obtained from the KWIB in regards to various sections of the proposed plan.

A second draft was posted on the KWIB website as part of the April 26th KWIB board packet. An in-depth overview of the draft was presented to the board. Comments were solicited for the remainder of the process.

Each of the 10 Local Workforce Investment Area directors and his/her Workforce Investment Board chairs were invited to review and comment on the draft plan.

A final draft was posted on the Department for Workforce Investment and KWIB websites on May 16, 2005. Written notice was issued to interested parties requesting final comments. No public comments were received.

The official State Plan was posted on the OET, DWI and KWIB websites on May 27, 2005.

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State Plan Content

I. Describe the Governor's vision for a statewide workforce investment system. Provide a **summary** articulating the Governor's vision for utilizing the resources of the public workforce system in support of the State's economic development that address the issues and questions below. States are encouraged to attach more detailed documents to expand upon any aspect of the summary response if available. (§112(a) and (b)(4)(A-C).)

A. What are the State's economic development goals for attracting, retaining and growing business and industry within the State? (§112(a) and (b)(4)(A-C).)
B. Given that a skilled workforce is a key to the economic success of every business, what is the Governor's vision for maximizing and leveraging the broad array of Federal and State resources available for workforce investment flowing through the State's cabinet agencies and/or education agencies in order to ensure a skilled workforce for the State's business and industry? (§112(a) and (b)(4)(A-C).)
C. Given the continuously changing skill needs that business and industry have as a result of innovation and new technology, what is the Governor's vision for ensuring a continuum of education and training opportunities that support a skilled workforce? (§112(a) and (b)(4)(A-C).)
D. What is the Governor's vision for bringing together the key players in workforce development including business and industry, economic development, education, and the public workforce system to continuously identify the workforce challenges facing the State and to develop innovative strategies and solutions that effectively leverage resources to address those challenges? (§112(b)(10).)
E. What is the Governor's vision for ensuring that every youth has the opportunity for developing and achieving career goals through education and workforce training, including the youth most in need, 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 farmworker youth, and other youth at risk? (§112 (b)(18)(A).)

In the fall of 2003, Ernie Fletcher was elected Governor by the citizens of Kentucky with a mandate to change the way business is done in Frankfort. In order to make Kentucky a better place to live, work, and raise a family, the Governor committed to make Kentucky more business-friendly; create a flexible, livable tax code; encourage healthy lifestyles; provide a world-class education for every child; and improve transportation infrastructure. All of these elements are interrelated and critical to bringing a brighter future to the state of Kentucky. Governor Fletcher is dedicated to moving Kentucky forward. He knows that creating growth and opportunity in Kentucky cannot be accomplished in a single step, but requires a comprehensive approach.

Kentucky: "Open for Business". Being "Open for Business" means working cooperatively with businesses seeking to locate and expand in Kentucky. Under Governor Fletcher's leadership, Kentucky now has a renewed commitment to find and develop the right situation for businesses, their employees and the citizens of Kentucky by directing the state's resources towards increased investment in job creation. In recognition of this, the Governor's vision is that the state's broad system

of public workforce programs prepare future and current workers for the new economy in order to create stable, reliable, higher-wage jobs that will assist in improving the quality of life for all Kentuckians and their communities.

Governor Fletcher has, in his first year in office, secured several economic development opportunities to ensure job and revenue growth in Kentucky, and begun to enact reforms to make Kentucky the best possible place to work and do business.

In order to build on these and other efforts, the business–led Kentucky Workforce Investment Board (KWIB) and Local Workforce Investment Boards (LWIBs) must continue to improve at understanding and addressing the workforce needs of business and industry, continue to improve Kentucky's educational system at all levels in order to equip youth and adult lifelong learners with the skills they need to be successful in the workplace and maximize the use of public and private resources invested in workforce development.

The Economic Development Partnership Act of 1992 enacted changes to Kentucky's approach to economic development. These policies are now developed and approved by a partnership chaired by the Governor and comprised of representatives from business, industry, economic development organizations, labor, natural resources, and tourism. The Secretary of the Cabinet for Economic Development (CED) now serves at the pleasure of this partnership, allowing programs and initiatives to transcend politics.

The Kentucky Cabinet for Economic Development's network initiative helps companies form alliances with other companies in order to become more competitive. The Kentucky Economic Expansion Program, a partnership between BellSouth, the Kentucky Cabinet for Economic Development, and the University of Kentucky, works with communities to ensure retention of their existing industries.

The Kentucky Cabinet for Economic Development works directly with existing businesses across the Commonwealth to assist in growth opportunities as well as to identify issues that may inhibit successful business operation. To further this goal, the Cabinet works closely with Kentucky communities to enhance and support local business assistance. The following CED initiatives and entities are statewide resources utilized to assist employers and communities with business expansion and retention efforts, thereby supporting a lay-off aversion strategy:

<u>Department for Existing Business Development</u>

Regional Economic Development Divisions

Community Assistance Programs
- Community Action Plans
- Community Assessment Visits
- Business Retention and Expansion Program
- Economic Development Practices Workshops

Financial Incentive Programs

Training
- Bluegrass State Skills Corporation

Tax Credits
- Kentucky Industrial Development Act (KIDA)
- Kentucky Rural Economic Development Act (KREDA)
- Kentucky Jobs Development Act (KJDA)
- Kentucky Economic Opportunity Zone Act (KEOZ)
- Kentucky Industrial Revitalization Act (KIRA)

Direct Loan Program
- Kentucky Economic Development Finance Authority (KEDFA)

Taking Kentucky's Children to the Next Level: Governor Fletcher's commitment to education is a pledge to provide opportunity for our children and all citizens by creating a culture of lifelong learning and achievement. As part of this commitment, strengthening high schools through the American Diploma Project is a high priority. A good educational system makes Kentucky attractive to business decision-makers as they evaluate where they might like to live with their families, and where their company can access the educated labor pool they need. Governor Fletcher is working to make sure Kentucky lives up to its potential and that every child gets a world-class education. "It is extremely important that we realize that education needs to be seamless, and it needs to be tied to the needs of business as well as economic development," Governor Fletcher told the US Senate Committee on Health, Education, Labor, and Pensions.

The Governor's Educational Vision builds upon the success of the Kentucky Education Reform Act (KERA, 1990). His vision takes these reforms to the next level by accelerating the progress and improvement made since the implementation of KERA. The Governor has identified these objectives, to:
- strengthen early foundation for success,
- maximize student achievement, college readiness, and workforce readiness,
- implement new strategies for high-quality teaching,
- align the education system to ensure lifelong success,
- improve decision-making through computer technology,
- focus the mission of statewide universities,
- provide stewardship from comprehensive universities.

By focusing on performance, applying proven research methods, and strengthening accountability, Kentucky can improve the status of both students and teachers.

In an economy that increasingly demands high levels of information and the ability to manipulate that information, those who are better educated and more literate will fare better than those who are less so. Enrollment in Kentucky Adult Education increased 135 percent between 2000 and 2004. Enrollment increases were recorded in all

segments of adult education – adult basic education, GED preparation, family literacy, workforce education, distance education, English as a second language, and corrections education. In the past five years, 60,315 Kentuckians have earned a GED. Kentucky had the highest increase in the nation in the percent of adults with a high school credential from 1990-2000. The college-going rate of GED graduates has increased from 12 percent in 1998 to 21 percent in 2002.

Research indicates that the principal difference between economic opportunity and standard of living is the level of educational attainment. Without increased educational achievement, Kentucky citizens will miss the opportunity to improve their economic well-being. Low educational attainment accounts for 57 percent of the difference in per capita income between Kentucky and all other states.

Upon taking office, Governor Fletcher streamlined state government into fewer cabinets and cabinet-level positions. Governor Fletcher's cabinet is regarded as one of the most qualified in Kentucky history. Cabinet members range from successful business men and women to experienced public servants. Governor Fletcher reorganized the administration and reduced the number of cabinets, made responsible decisions to balance the budget shortfall while continuing to provide government services. The Office of the Governor and the Executive Branch include nine cabinets and Local Initiatives for a New Kentucky (LINK). All of the cabinets are critical to building a world-class workforce in Kentucky.

The Education Cabinet is charged with the mission of preserving Kentucky's heritage, preparing for its future, and promoting a statewide culture of lifelong learning. The cabinet houses agencies that are responsible for the following major federal education, employment and training programs: Workforce Investment Act (WIA), the Wagner-Peyser Act, the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education Act, the Vocational Rehabilitation Act, the School-to-Work Act, and the One-Stop Career Center System federal initiative. In addition, the Cabinet houses the Kentucky Department of Education, the Council on Postsecondary Education, and the Department for Workforce Investment. The Department for Workforce Investment (DWI) includes the Office of Vocational Rehabilitation, the Office for the Blind, the Office of Career and Technical Education, and the Office of Employment and Training. This administrative structure has enabled Kentucky to develop policies, plans, and programs that are closely linked and integrated.

Kentucky shares the Department of Labor's vision, in that focus should be given to youth needing assistance as they move into the workforce. Many agencies assist specifically targeted youth to provide them with the necessary education and training tools to become self-sufficient members of the workforce. The Office of Employment and Training's vision includes coordinating efforts among all agencies to ensure the Commonwealth's youth receive unduplicated services, providing them the opportunity to develop and achieve career goals. Local Workforce Investment Areas are moving toward a more streamlined approach to youth services through coordination and collaboration with many local youth service agencies. Also, through

the One-Stop Career Center network, more out of school youth and dropouts are being reached and receiving career assisted training.

II. Identify the Governor's key workforce investment priorities for the State's public workforce system and how each will lead to actualizing the Governor's vision for workforce and economic development. (§§111(d)(2) and 112 (a).)

The Governor's key priorities for Kentucky's public workforce-system are:

- Responsible Governance: Efficiently providing services to the citizens of the Commonwealth is Governor Fletcher's priority. Through reorganization efforts Governor Fletcher works to eliminate waste, inefficiency, fraud, and abuse. By maximizing the use of available resources and streamlining state government operations, integration occurs at all levels within the workforce system. The creation of the Education Cabinet and housing the majority of the state's education and employment and training programs under one umbrella enables the Governor to align preschool to college education systems to promote lifelong learning.

- Kentucky: "Open for Business": Being "Open for Business" means working cooperatively with businesses seeking to locate and expand in Kentucky. Under Governor Fletcher's leadership, Kentucky now has a renewed commitment to find and develop the right situation for businesses, their employees, and the citizens of Kentucky by directing the state's resources towards increased investment in job creation. In recognition of this, the Governor's vision is that the state's broad system of public workforce programs prepare future and current workers for the new economy in order to create stable, reliable, higher-wage jobs that will assist in improving the quality of life for all Kentuckians and their communities.

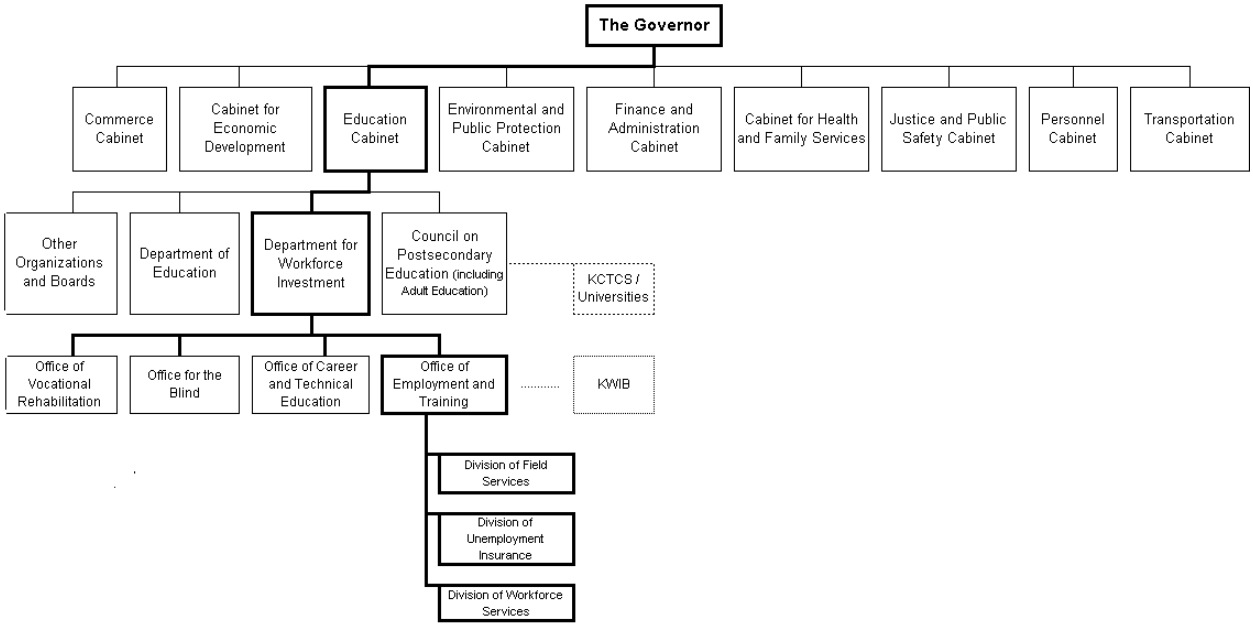
- Taking Kentucky's Children to the Next Level: Governor Fletcher's commitment to education is a pledge to provide opportunity for the children and all citizens by creating a culture of lifetime learning and achievement. High schools are the nation's frontline in the battle to restore America's global competitiveness. High school completion is the first step in the earnings and skill ladder and the bridge to postsecondary education, work readiness, and lifelong learning. Governor Fletcher is eager to align preschool to college education systems to promote lifelong learning and to ensure that businesses and workers in Kentucky remain competitive.

III. State Governance Structure (§112(b)(8)(A).)

A. Organization of State agencies in relation to the Governor:

1. Provide an organizational chart that delineates the relationship to the Governor of the agencies involved in the public workforce investment system, including education and economic development and the required and optional One-Stop partner programs managed by each agency.

Kentucky organizational chart depicting the relationship of workforce investment to economic development and other entities at office, departmental, and cabinet levels



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

   Governor Fletcher and his cabinet leaders recognize that workforce development, education, and economic development go hand-in-hand. However, it was only recently that all state agencies involved in workforce development were brought together under the umbrella of the Education Cabinet. This structure maximizes the coordination of the agencies involved in employment, training, and education with the Cabinet for Economic Development (CED). The Education Cabinet houses the Kentucky Department of Education, the Council on Postsecondary Education, and the Department for Workforce Investment. The Department for Workforce Investment (DWI) includes the Office of Vocational Rehabilitation, the Office for the Blind, the Office of Career and Technical Education, and the Office of Employment and Training (OET). This administrative structure has enabled Kentucky to develop policies, plans, and programs that are closely linked and integrated with economic development.

   Office of Employment and Training staff are frequently asked to provide information to the Cabinet for Economic Development when companies are considering relocating to Kentucky. Information requested often includes average wage data, the number of job seekers registered in specific occupations, and skill levels of potential applicants.

   OET staff and those partner staff involved in workforce activities play a major role in assisting businesses in recruitment and other services. One of the most

promising recent developments is the growth of Business Liaisons or Business Service Groups. Patterned after the successful National Business Engagement Consortium, all LWIAs have developed or are developing a more robust business services effort. These efforts go far beyond soliciting job orders and offer a more holistic approach to determining the needs of businesses and involving all one-stop partners in finding solutions.

B. State Workforce Investment Board (§112(b)(1).)
Describe the organization and

1. Structure of the State Board. (§111).)

The Kentucky Workforce Investment Board (KWIB) was established under Executive Order 99-226 by the Governor to provide workforce investment activities through statewide and local workforce investment systems. These activities are aimed at increasing the employment, retention, and earnings of participants, increasing occupational skill attainment by participants, improving the quality of the workforce, reducing welfare dependency, and enhancing the productivity and competitiveness of the United States and its states. The KWIB is comprised of 25 members appointed by the Governor with the exception of the four members, two appointed by the presiding officer of each chamber of the legislature. Members are appointed for four years in staggered terms. The Governor considers minority, gender, and geographical representation when making appointments. Each member serves the appointed term and until a successor has been appointed and duly qualified. The state board accomplishes its work through a standing committee structure. Standing committees are permanent committees comprised of state board members appointed by the state board chair and are designed to perform continuing functions. Meetings are held quarterly; minutes are taken, approved, and made available on the Website as well as included in the agenda packet for the next quarterly meeting.

2. Identify the organizations or entities represented on the State Board. If you are using an alternative entity which does not contain all the members required under section 111(b)(1), describe how each of the entities required under this section will be involved in planning and implementing the State's workforce investment system as envisioned in WIA. How is the alternative entity achieving the State's WIA goals? (§§111(a-c), 111(e), and 112(b)(1).)

The KWIB is comprised of the following:

- the Governor's designee,
- two members from each chamber of the state legislature, and
- representatives appointed by the Governor according to Section 111 (b)(1)(C).
    - chief elected officials
    - labor organization representatives
    - individuals experienced in youth activities
    - representation from organizations with experience in the delivery of workforce investment activities

- representation from the lead state agency responsible for programs and activities carried out by workforce partners
- other gubernatorial designees representing state agency officials

3. Describe the process your State used to identify your State Board members. How did you select board members, including business representatives, who have optimum policy-making authority and who represent diverse regions of the State as required under WIA? (20CFR 661.200).)

   Interested individuals desiring to serve on the KWIB submit their name for consideration to the Governor's Office of Boards and Commissions. The Boards and Commissions Office reviews each submission and determines qualifications and the desire of the governor. KWIB staff review proposed appointments in conjunction with the Office of Boards and Commissions to determine compliance with the Workforce Investment Act and to ensure that all areas of the Commonwealth are represented geographically and with appropriate business representation.

4. Describe how the board's membership enables you to achieve your vision described above. (§§111(a-c) and 112(b)(1).)

   The business leadership is integral to achieving a demand-driven workforce system that provides the strategic framework for workforce investment in Kentucky. These business leaders assist the state board and the system to focus primarily on the Governor's priorities for the system, such as identifying and assisting industries with statewide labor shortages. By determining that all diverse regions of the Commonwealth are represented, the KWIB assists in the achievement of the vision.

5. Describe how the Board carries out its functions as required in sec. 111 (d) and 20 CFR 661.205. Include functions the Board has assumed that are in addition to those required. Identify any functions required in sec. 111 (d) the Board does not perform and explain why.

   The KWIB serves in an advisory role to the Governor and is responsible for assisting the Governor in all functions as outlined in WIA Section 111(d). The Board does not deliver services or implement programs. Most of its efforts over the past several years have been focused on:

   - enhancing Kentucky's workforce investment system,
   - promoting one-stop system,
   - encouraging responsive services to the business community, and
   - strengthening partnership and alignment of services.

   In addition to the above-mentioned functions of the state workforce board, the Governor issued an Executive Order (2005-327) designating the KWIB as the eligible agency for administration of the Carl D. Perkins Act. Duties and responsibilities include:

III. State Governance Structure, Section B. 2 (Additional Information)

Workforce Investment Act of 1998
Membership / Organizations

Sec 111 (b)		Membership Category	Members	Called for
(1) (A)		the Governor (or his designee)	Trey Grayson (Secretary of State)	1
(B)		2 members of each chamber of the State legislature	Charlie Borders, Senator; Vernie McGaha, Senator; Larry Clark, Representative;	4
(C)		representatives appointed by the Governor		
(i)		representatives of business in the State		
	(I)	owners, chief executives or operating officers, executives or employers with optimum policy-making or hiring authority	James Baker (former coal company executive)	
	(II)	businesses with employment opportunities	Sharon Bird (President, Bird Consulting; children's advocate)	
	(III)	business organizations/business trade associations	George Burkley (DEYTA; previously healthcare industry) Martha Layne Collins (numerous boards, former governor, Georgetown College affiliation) Michael McCall (President, Kentucky Community and Technical College System) Todd Mills (Toyota, Human Resource Manager) Ken Oilschlager (Consulting business; former president of Kentucky Chamber of Commerce) Nicky Rapier (Salt River Rural Electric director of Business Development) Ted Richardson (Stratford Development Company) James Shane (Kentucky Commission on Military Affairs) Russell Starkey (United States Enrichment Corporation) Sue Tamme (President, Baptist Hospital East)	13
(ii)		chief elected officials, city and county	Jerry Abramson (Mayor Louisville); Bill May (County Judge Executive)	2
(iii)		representatives of labor organizations		1
(iv)		youth organization representatives	John Cary (Boy Scouts of America)	1
(v)		representatives of delivery of workforce investment activities, including chief executive officers of community colleges		1
(vi)	(I)	lead workforce investment state agency officials	Andrew Frauenhoffer (Deputy Commissioner, Department for Workforce Investment)	1
	(II)	or state representative with expertise		
(vii)		other such representatives and state agency officials as the Governor may designate, such as the State agency officials responsible for economic development and juvenile justice programs	Economic Development Representative or Education (P-16) Representative	1
		Native American Organization	Annette Jones	
		Non-Governmental Social Service Agency (Farmworkers)	Ronald Ramsey	
				25

- coordination of the development, submission and implementation of the State Perkins' plan and the evaluation of the program, services and activities assisted under Title 20 of the United States Code;
- convening and meeting as an eligible agency under federal law at such time as the KWIB determines it necessary to carry out the eligible agency's responsibilities under Title 20.

6. How will the State Board ensure that the public (including people with disabilities) has access to board meetings and information regarding State Board activities, including membership and meeting minutes? (20 CFR 661.205)

   All KWIB board meetings and committee meetings are open to the public, as required by KRS 61.820 and 61.823. All meetings are conducted in handicapped accessible buildings. All meeting notices and meeting minutes are accessible on the KWIB website (www.kwib@ky.gov), providing members and the public with direct access to information on a variety of workforce issues.

7. Identify the circumstances which constitute a conflict of interest for any State or local workforce investment board member or the entity that s/he represents, and any matter that would provide a financial benefit to that member or his or her immediate family. (§§111(f), 112(b)(13), and 117(g).)

   The issue of Conflict of Interest by Board members is dealt with in the *Statement of Executive Authority and Rules of Procedur*e of the Kentucky Workforce Investment Board as follows:

   V. A member of the Kentucky Workforce Investment Board may not vote on a matter under consideration by the Board: regarding the provision of services by such members (or an entity that such member represents) of that would provide direct financial benefit to such member of the immediate family of such member.

8. What resources does the State provide the board to carry out its functions, i.e. staff, funding, etc.?

   Staff attached to the Office of Employment and Training under the Department for Workforce Investment in the Education Cabinet administer KWIB activities. The KWIB office is the repository for state KWIB materials and records, and is funded out of the five percent administrative allowance. Staff organizes, plans, develops, and implements each state board meeting. Staff carry out recommendations as assigned by the state board. The Administrative Coordinator is an integral part of the state board, contributing as a facilitator and participant in the state board meetings.

C. Structure/Process for State agencies and State Board to collaborate and communicate with each other and with the local workforce investment system (§112(b)(8)(A).)
   1. Describe the steps the State will take to improve operational collaboration of the workforce investment activities and other related activities and programs

outlined in section 112(b)(8)(A), at both the State and local level (e.g., joint activities, memoranda of understanding, planned mergers, coordinated policies, etc.). How will the State Board and agencies eliminate any existing State-level barriers to coordination? (§§111(d)(2) and 112(b)(8)(A).)

Under the current administration, the workforce system was reorganized as part of the Education Cabinet. Within the Education Cabinet, the Department for Workforce Investment houses the Office of Vocational Rehabilitation, the Office for the Blind, the Office of Career and Technical Education, and the Office of Employment and Training. The Office of Employment & Training administers the following activities authorized under Section 112(b)(8)(A): Title I of the Workforce Investment Act, activities authorized under chapter 2 of title II of the Trade Act of 1974, programs authorized under the Wagner-Peyser Act, and programs authorized under State unemployment compensation laws (in accordance with applicable Federal law). Integration of components of the Trade Act program with the WIA dislocated worker program further enhances operational collaboration of workforce investment activities. By housing education and other training initiatives, duplication of services is reduced.

2. Describe the lines of communication established by the Governor to ensure open and effective sharing of information among the State agencies responsible for implementing the vision for the public workforce system; between the State agencies and the State Workforce Investment Board.

   Open lines of communication are maintained through the Governor's Executive Cabinet. The Executive Cabinet is comprised of Secretaries from the following Cabinets: Commerce, Economic Development, Environmental and Public Protection, Finance and Administration, Health and Family Services, Justice and Public Safety, Personnel, Transportation, and Education. KWIB membership is represented by individuals having knowledge and expertise in the area workforce investment. The Education Cabinet's appointee and the Governor's representative on the KWIB ensure open and effective sharing of information regarding workforce activities. The KWIB will continue to assist local workforce investment boards, enabling quality and continuous improvement at the local level. The KWIB will continue to encourage consolidated planning and delivery of services through a coordinated and interactive process involving the local workforce investment boards.

3. Describe the lines of communication and mechanisms established by the Governor to ensure timely and effective sharing of information between the State agencies/State Board and local workforce investment areas and local Boards. Include types of regularly issued guidance and how Federal guidance is disseminated to local Boards and One-Stop Career Centers. (§112(b)(1).)

   The Education Cabinet, Department for Workforce Investment, Office of Employment and Training administers Title I of the Workforce Investment Act; thereby providing information, guidance, and action memoranda. These

III. State Governance Structure, Section C. 1 (Additional information)

In addition to these opportunities for collaboration resulting from the administrative reorganization, the state board encourages collaboration among state and local public and private entities through state board membership and through the state board's committee structure by ensuring, in addition to WIA requirements, broad geographic representation on the state board and encouragement for state board members to be engaged in their community workforce investment activities. Attendance at and participation in state board committee meeting discussions by local workforce investment area board members, local business leaders, local and state partner representatives, and other workforce stakeholders with a vested interest in workforce issues are encouraged. Information about meeting dates and locations is made available to local board staff and members as well as to the general public and business community through state meeting notification procedures and the state board's website. Further, the state board chair meets with local board chairs to discuss local board concerns and how the state board can support and enhance their activities.

III. State Governance Structure, Section C. 2 (Revised and expanded information)

Open lines of communication are maintained through the Governor's Executive Cabinet. The Executive Cabinet is comprised of Secretaries from the following Cabinets: Commerce, Economic Development, Environmental and Public Protection, Finance and Administration, Health and Family Services, Justice and Public Safety, Personnel, Transportation, and Education. By having top state political leaders who are responsible for implementation of the Workforce Investment Act actually serving on the Governor's Executive Cabinet, top level input is guaranteed into the policy discussions impacting workforce investment activities. Here leaders from different cabinets discuss policies and issues impacting multiple cabinets. The outcome of these discussions is shared by each cabinet secretary with departmental commissioners within that cabinet. At this second level of state government administration, multiple workforce investment related agencies are grouped in the Education Cabinet, adding another opportunity for administrative review and interaction regarding workforce investment within the Education Cabinet. Further, within this cabinet, the Commissioner for the Department for Workforce Investment meets with the executive directors of the various offices within the department, specifically the Office of Employment and Training, the Office for the Blind, the Office of Vocational Rehabilitation, and the Office of Career and Technical Education to discuss workforce investment related issues and concerns. Within the Office of Employment and Training, the executive director meets with the directors of the Division of Workforce Services and the Division of Field Services specifically regarding workforce investment. In addition, KWIB membership is represented by individuals having knowledge and expertise in the area workforce investment. The Education Cabinet's appointee and the Governor's representative on the KWIB ensure open and effective sharing of information regarding workforce activities. These appointments provide a duplicative opportunity for policy input and communication about WIA-related issues and concerns. The KWIB will continue to assist and collaborate with local workforce investment boards through central office staff attendance at LWIB meetings and local directors meetings, enabling quality and continuous improvement at the local level. The KWIB will continue to encourage consolidated planning and delivery of services through a coordinated and interactive process involving the local workforce investment boards. Attendance at and participation in state board committee meeting discussions by local workforce investment area board members, local business leaders, local and state partner representatives, and other workforce stakeholders with a vested interest in workforce issues are encouraged

memoranda are issued in written and electronic formats. Federal guidance issuances are disseminated in written and electronic formats as well.

Quarterly management meetings are held with state and local staff representing Title I, Wagner-Peyser, Trade Act (Trade), and Unemployment Insurance. In addition monthly meetings are held between local Title I management staff and state program staff. Various committees (youth, technology, ETPL, business relations group and rapid response) allow for open communication and exchange of information.

On a regular basis, the local chairs meet with the KWIB chair and/or the executive committee of the KWIB to discuss local concerns. Concerns identified may be researched and assigned to a KWIB committee for action. State and local boards may conduct combined meetings. All meetings are open to the public. Information is disseminated by electronic format.

4. Describe any cross-cutting organizations or bodies at the State level designed to guide and inform an integrated vision for serving youth in the State within the context of workforce investment, social services, juvenile justice, and education. Describe the membership of such bodies and the functions and responsibilities in establishing priorities and services for youth? How is the State promoting a collaborative cross-agency approach for both policy development and service delivery at the local level for youth? (§112(b)(18)(A).)

   In November 2004 USDOL and other federal agencies provided a preview of the New Strategic Vision to states across the country. Staff from Kentucky represented the Department of Education, Kentucky Adult Education, Council on Postsecondary Education, Cabinet for Health and Family Services, Department for Juvenile Justice, and Department for Workforce Investment. States were encouraged to develop a strategic vision to meet the needs of their targeted youth. As the vision develops, other appropriate agencies and partners will be added to the team.

   Kentucky will continue to be actively engaged in the development of Kentucky's New Strategic Vision for youth.

   Initial goals are:
   - to develop a network of inter-agency communication and professional development to coordinate, streamline and deliver youth services;
   - to build a comprehensive data and referral system of all youth services;
   - to provide a wide spectrum of programs to educate youth in preparation for the demand-driven workforce; and
   - to evaluate continuously the effectiveness of youth services.

   To ensure all youth receive services needed to become productive citizens in this global economy, Kentucky will incorporate this strategic vision to assist local communities and workforce investment areas to collaborate and to coordinate with all available youth service agencies.

A tool currently utilized to provide information and best practices to the LWIAs is the youth extranet site. This site provides current and on-going information regarding best practices, grant opportunities, publications and reports, and links to other helpful websites. This site is reviewed and critiqued continually to improve its effectiveness.

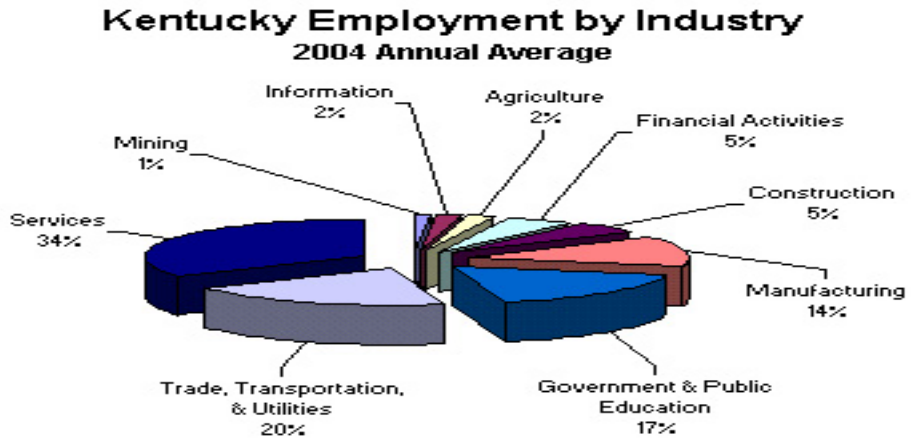
There are several exemplary programs and pilot programs throughout the Commonwealth that address the varied needs of our youth. Examples include career cluster pilots, attaching out-of-school youth to higher education opportunities and careers, serving youth through the one-stop system, and targeting specific populations. As demonstrated in several LWIAs, a greater focus has been placed on services to out-of-school youth to reconnect them to educational opportunities and self-sufficient employment.

To meet the needs of youth, each local area links with appropriate partners and service agencies to provide a full array of opportunities. Each LWIA has a referral system in place to ensure that youth with specific barriers are aware of services tailored to meet their needs, such as pregnant and parenting youth and youth with disabilities.

IV. Economic and Labor Market Analysis (§112(b)(4).): As a foundation for this strategic plan and to inform the strategic investments and strategies that flow from this plan, provide a detailed analysis of the State's economy, the labor pool, and the labor market context. Elements of the analysis should include the following:

A. What is the current makeup of the State's economic base by industry?

There were 1,827,700 wage and salary jobs in Kentucky during an average month of calendar year 2004. Kentucky's economy added a modest number of wage and salary jobs (12,400) in 2004, after losing jobs the previous three years. The service-providing industries in Kentucky consist of approximately 1,429,200 jobs, 78 percent of the total jobs. The goods-producing industries comprise the remaining 398,500 jobs, 22 percent of the overall jobs. Over the past five years, the Kentucky economy has added 51,700 service-providing jobs, but lost 55,700 goods-producing jobs. The following chart depicts the numbers of jobs in each published industry along with the corresponding percentages.



Makeup of Kentucky's Economic Base by Industry - Calendar Year 2004

Sorted by NAICS Supersector Codes	Number of Jobs	Percent of Total
Total Wage and Salary Employment	1,827,700	100.00%
1 Natural Resources and Mining	19,500	1.07%
Coal Mining	14,300	0.78%
2 Construction	83,500	4.57%
Construction of Buildings	18,600	1.02%
Heavy and Civil Engineering Construction	13,800	0.76%
Specialty Trade Contractors	51,100	2.80%
3 Manufacturing	263,900	14.44%
Durable Goods	164,900	9.02%
Wood Product Manufacturing	13,000	0.71%
Primary Metal Manufacturing	14,600	0.80%
Fabricated Metal Product Manufacturing	20,900	1.14%
Machinery Manufacturing	20,100	1.10%
Computer and Electronic Product Manu.	8,000	0.44%
Electrical Equip., Appliance, & Component Manu.	10,200	0.56%
Transportation Equipment Manufacturing	55,200	3.02%
Motor Vehicle Manufacturing	17,800	0.97%
Motor Vehicle Parts Manufacturing	31,000	1.70%
Furniture and Related Product Manufacturing	6,800	0.37%
Non-Durable Goods	99,000	5.42%
Food Manufacturing	23,100	1.26%
Apparel Manufacturing	8,600	0.47%
Paper Manufacturing	10,700	0.59%
Printing and Related Support Activities	12,900	0.71%
Chemical Manufacturing	13,500	0.74%
Plastics and Rubber Products Manufacturing	18,500	1.01%
4 Trade, Transportation, and Utilities	372,000	20.35%
Wholesale Trade	74,100	4.05%
Merchant Wholesalers, Durable Goods	36,100	1.98%
Merchant Wholesalers, Non-Durable Goods	31,300	1.71%
Electronic Markets and Agents and Brokers	6,700	0.37%
Retail Trade	210,900	11.54%
Motor Vehicle and Parts Dealers	25,700	1.41%
Food and Beverage Stores	35,000	1.91%
Health and Personal Care Stores	13,500	0.74%
Gasoline Stations	20,800	1.14%
General Merchandise Stores	49,100	2.69%
Miscellaneous Store Retailers	13,100	0.72%
Transportation, Warehousing, and Utilities	87,000	4.76%
Utilities	6,200	0.34%

Makeup of Kentucky's Economic Base by Industry - Calendar Year 2004

	Sorted by NAICS Supersector Codes	Number of Jobs	Percent of Total
	Transportation and Warehousing	80,800	4.42%
	Truck Transportation	22,300	1.22%
	Couriers and Messengers	20,900	1.14%
	Warehousing and Storage	12,800	0.70%
5	Information	28,800	1.58%
	Telecommunications	10,300	0.56%
6	Financial Activities	87,200	4.77%
	Finance and Insurance	67,600	3.70%
	Credit Intermediation and Related Activities	37,400	2.05%
	Insurance Carriers and Related Activities	23,900	1.31%
	Real Estate and Rental and Leasing	19,500	1.07%
7	Professional and Business Services	161,900	8.90%
	Professional, Scientific, and Technical Services	56,500	3.10%
	Management of Companies and Enterprises	15,300	0.80%
	Administrative & Support/Waste Mgmt. & Remediation Services	90,100	4.90%
	Employment Services	42,900	2.30%
	Services to Buildings and Dwellings	19,500	1.10%
8	Educational and Health Services	230,900	12.60%
	Educational Services	32,100	1.80%
	Health Care and Social Assistance	198,800	10.90%
	Ambulatory Health Care Services	67,000	3.70%
	Hospitals	67,600	3.70%
	Nursing and Residential Care Facilities	37,900	2.10%
	Social Assistance	26,300	1.40%
9	Leisure and Hospitality	160,700	8.80%
	Arts, Entertainment, and Recreation	18,300	1.00%
	Accommodation and Food Services	142,400	7.80%
	Food Services and Drinking Places	127,200	7.00%
10	Other Services	78,400	4.30%
11	Government	309,400	16.90%
	Federal Government	37,000	2.00%
	National Security	4,700	0.30%
	U.S. Postal Service	9,600	0.50%
	State and Local Government Total	272,400	14.90%
	State Government	96,100	5.30%
	State Government Education	52,500	2.90%
	Local Government	176,300	9.60%
	Local Government Education	109,600	6.00%

Makeup of Kentucky's Economic Base by Industry - Calendar Year 2004

	Sorted by NAICS Supersector Codes	Number of Jobs	Percent of Total
12	Agriculture	31,600	1.73%

B. What industries and occupations are projected to grow and or decline in the short term and over the next decade?

As shown in Table 1, 17 of Kentucky's 19 major industry divisions are expected to have job growth in the long term.* This trend is also expected in the short term. These projections very closely follow the national industry projections.

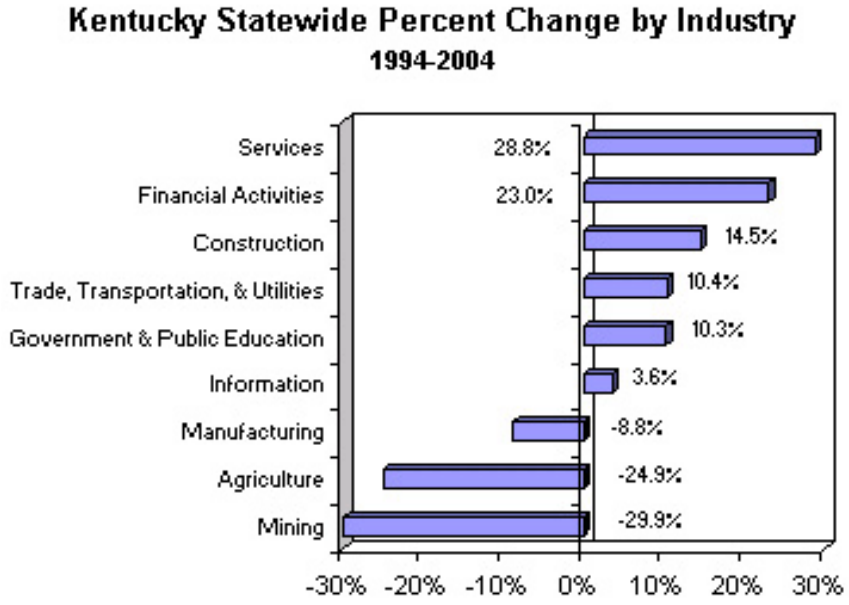


Table 1 - Kentucky Employment by Industry Division
2002 and Projected 2012

Industry Division	Employment Number 2002	Employment Number 2012	Percent Distribution 2002	Percent Distribution 2012	Change 2002-2012 Number	Change 2002-2012 Percent
Total Employment, All Jobs	1,881,897	2,197,908	100	100	316,011	16.80
Total Self-Employed and Unpaid Family Workers	133,080	168,465	7.07	7.66	35,385	26.60
Agriculture, Forestry, Fishing and Hunting	7,508	8,220	0.40	0.37	712	9.50
Mining	19,659	14,634	1.04	0.67	-5,025	-25.60
Utilities	6,692	4,780	0.36	0.22	-1,912	-28.60
Construction	83,290	95,957	4.43	4.37	12,667	15.20
Manufacturing	275,982	283,895	14.67	12.92	7,913	2.90
Wholesale Trade	71,672	88,648	3.81	4.03	16,976	23.70
Retail Trade	212,794	240,415	11.31	10.94	27,621	13.00
Transportation and Warehousing	80,860	98,205	4.30	4.47	17,345	21.50
Information	31,868	43,627	1.69	1.98	11,759	36.90
Finance and Insurance	63,262	71,659	3.36	3.26	8,397	13.30
Real Estate and Rental and Leasing	19,753	23,949	1.05	1.09	4,196	21.20
Professional, Scientific, and Technical Services	56,745	71,361	3.02	3.25	14,616	25.80
Management of Companies and Enterprises	13,445	15,462	0.71	0.70	2,017	15.00
Administrative, Support, Waste Management	84,585	99,724	4.49	4.54	15,139	17.90
Educational Services	156,951	195,826	8.34	8.91	38,875	24.80
Health Care and Social Assistance	202,867	249,537	10.78	11.35	46,670	23.00
Arts, Entertainment, and Recreation	17,731	22,342	0.94	1.02	4,611	26.00
Accommodation and Food Services	135,304	166,168	7.19	7.56	30,864	22.80

*Eleven of Kentucky's 19 industry divisions are expected to have a larger than average growth.

Table 2 shows the projected changes to the occupational makeup of Kentucky's labor force. Professional and service occupations are expected to have the largest growth. This mirrors the national occupational projections.

Table 2 - Kentucky Employment by Major Occupational Group
2002 and Projected 2012

Occupational Group	Employment				Change 2002-2012	
	Number		Percent Distribution		Number	Percent
	2002	2012	2002	2012		
Total, All Occupations	1,879,193	2,194,676	100.00	100.00	315,483	16.79
Management Occupations	132,033	149,159	7.03	6.80	17,126	12.97
Business and Financial Operations Occupations	51,589	62,577	2.75	2.85	10,988	21.30
Professional and Related Occupations	322,513	403,661	17.16	18.39	81,148	25.16
Service Occupations	327,585	407,812	17.43	18.58	80,227	24.49
Sales and Related Occupations	192,413	228,364	10.24	10.41	35,951	18.68
Office and Administrative Support Occupations	293,258	320,242	15.61	14.59	26,984	9.20
Farming, Fishing, and Forestry Occupations	7,548	8,872	0.40	0.40	1,324	17.54
Construction and Extraction Occupations	98,050	114,133	5.22	5.20	16,083	16.40
Installation, Maintenance, and Repair Occupations	83,810	96,646	4.46	4.40	12,836	15.32
Production Occupations	207,662	217,604	11.05	9.92	9,942	4.79
Transportation and Material Moving Occupations	162,732	185,606	8.66	8.46	22,874	14.06

Declining Industries/Occupations:

Kentucky has seen a decline of 23,000 jobs in apparel manufacturing and other textiles since 1990. This trend has been seen across the U.S. as companies move their manufacturing plants to other countries. This has led to a loss of employment in occupations requiring moderate-term on-the-job training. This trend will continue over the short term as well as over the next decade.

Additionally, as companies have looked for other energy sources, there has been a decline in the demand for coal. As a result, Kentucky has seen a decline of 14,200 jobs in coal mining over the past fifteen years. This steady decline has resulted in a generation of jobseekers that have avoided the mining industry as a career option. Now the average age of the coalmine workforce is 48. Current trends in energy and the advent of clean coal technology have rejuvenated the coal industry. The industry is now reporting significant labor shortages that are negatively impacting productivity. Clearly the labor demands of the coal industry remain tied to a very volatile market; however, the need for training workers and a long-term strategy to replace the loss of an aging and highly experienced labor force due to retirement should be addressed.

The following is a list of occupations in those industries that are projected to decline in the next 10 years:

Apparel Manufacturing:

- Sewing machine operators

Coal Mining:
- Mining machine operators
- Shuttle car operators
- Roof bolters

Growing Industries/Occupations:

Current and projected growth in the service-providing sector will encompass a wide variety of occupations. The jobs that are increasing range from cashiers in the Food Services and Drinking Places sector to elementary and secondary school teachers in the Educational Services sector.

The following is a list of growth occupations in those industries that are projected to increase in the next ten years:

Educational Services:
- Elementary Teachers
- Secondary Teachers
- Teacher Assistants
- School Bus Drivers

Health Services:
- Registered Nurses
- Nursing Aides
- Medical Assistants
- Dental Assistants

Food Services And Drinking Places:
- Restaurant Cooks
- Waiters and Waitresses
- Fast Food Workers
- Dishwashers

Retail Trade:
- Cashiers
- Managers/Supervisors of Retail Sales Workers
- Retail Salespersons

Transportation and Warehousing:
- Heavy Truck Drivers
- Light or Delivery Truck Drivers
- Freight, Stock and Material Movers

Wholesale Trade:
- Sales Representatives
- Driver/Sales Workers

- Heavy Truck Drivers
- Light Truck Drivers

Professional and Technical Services:
- Lawyers
- Accountants and Auditors
- Computer Software Engineers
- Paralegals and Legal Assistants
- Legal Secretaries

Administrative and Support Services:
- Security Guards
- Janitors & Cleaners
- Landscaping & Grounds Keeping Workers
- Customer Service Representatives

Information:
- Computer Support Specialists
- Network and Computer Systems Administrators
- Data Entry Keyers
- Customer Service Representatives
- Telecommunication Line Installers and Repairers

Social Assistance:
- Social and Human Service Assistants
- Preschool Teachers
- Child Care Workers
- Personal and Home Care Aides

Transportation Equipment Manufacturing:
- Managers/Supervisors of Production and Operating Workers
- Team Assemblers
- Multiple Machine Tool Setters/Operators
- Painters, Transportation Equipment

Specialty Trade Contractors:
- Cement Masons and Concrete Finishers
- Electricians
- Plumbers, Pipefitters, and Steamfitters
- Heating, Air Conditioning & Refrigeration Mechanics and Installers

C. In what industries and occupations is there a demand for skilled workers and available jobs, both today and projected over the next decade? In what numbers?

Educational attainment is used as a proxy for skill levels. The Bureau of Labor Statistics classifies occupations into eleven different categories:

Post Secondary awards:

- First professional degree
- Doctoral Degree
- Master's Degree
- Bachelor's or higher degree, plus work experience
- Bachelor's degree
- Associate's degree
- Postsecondary vocational awards

Work-related training:

- Work Experience in a related occupation
- Long-term on-the-job training
- Moderate-term on-the-job training
- Short-term on-the-job training

The following table (Table 3) indicates the number of jobs in each of the education and training categories and their projected levels in 2012. Although the majority of jobs fall in the moderate-term and short-term on-the-job training categories, the highest growth rates are projected to be in occupations requiring some post secondary award. These occupations are classified as skilled.

Table 3 - Kentucky Employment by Education and Training Categories 2002 and Projected 2012

Education and Training	Employment				Change	
	Number		% Distribution		2002-2012	
	2002	2012	2002	2012	Number	Percent
Total, All Occupations	1,881,897	2,197,908	100	100	316,011	16.80
First Professional Degree	30,346	37,316	1.60	1.70	6,970	23.00
Doctoral Degree	9,453	12,389	0.50	0.60	2,936	31.10
Master's Degree	22,928	29,089	1.20	1.30	6,161	26.90
Work Experience plus Bachelor's or higher degree	80,342	97,312	4.30	4.40	16,970	21.10
Bachelor's Degree	180,200	226,666	9.60	10.30	46,466	25.80
Associate's Degree	71,028	85,655	3.80	3.00	14,627	20.60
Postsecondary Vocational Training	75,227	91,073	4.00	4.10	15,846	21.10
Work Experience in a related occupation	142,646	169,636	7.60	7.70	26,990	18.90
Long-term on-the-job training	142,029	157,188	7.50	7.20	15,159	10.70
Moderate-term on-th-job training	445,279	501,709	23.70	22.80	56,433	12.70
Short-term on-the-job training	682,404	789,852	36.30	35.90	107,448	15.70

The primary occupations in the growth industries identified in section IV B have a mixture of skills or educational attainments associated with them:

- **Educational Services**: There is a mixture of skilled positions that will grow and those requiring less education.

- **Health Services**: Some of the growth occupations require postsecondary education and others require special certifications or moderate-term on-the-job training.
- **Food services**: Almost all the jobs in this industry need short or moderate on-the-job training.
- **Retail Trade**: Most of the growth jobs in this industry need short or moderate on-the-job training.
- **Transportation and Warehousing**: Almost all the jobs in this industry need short or moderate on-the-job training.
- **Wholesale Trade:** Most of the growth jobs in this industry need short or moderate on-the-job training.
- **Professional and Technical Services:** Almost all the jobs in this industry require postsecondary education.
- **Administrative and Support Services:** Most of the growth jobs in this industry need short or moderate on-the-job training.
- **Information:** Some of the growth occupations require postsecondary education and others require special certifications or moderate-term on-the-job training.
- **Social Assistance:** Most of the growth jobs in this industry need short or moderate on-the-job training.
- **Transportation Equipment Manufacturing:** Some of the growth jobs in this industry need postsecondary vocational training, while some require moderate to long-tem on-the-job training.
- **Specialty Trade Contactors:** Most of the growth jobs in this industry need long or moderate on-the-job training and/or special certifications.

As the economy in Kentucky relies less on agriculture, mining, and simple manufacturing and increases in the demand for services and complex manufacturing, the occupational needs of the state will change. Although the highest number of employees in the state will only need short-term or moderate-term on-the-job training to perform their jobs, these are also the lowest paid positions. However, the projected growth rate of jobs requiring more education is higher than the average projected growth in employment. These positions earn a great deal more than the average worker in the state. (Table 4)

Table 4

2003 Average Annual Kentucky Wage Estimates by Training Category

Training Category	2002 Employment	Average Annual Wage
Postgraduate	62,727	$67,883
Bachelor's Degree & Bachelor's degree with Work experience	260,542	$53,328
Associate's Degree or Postsecondary Vocational Training	146,255	$34,972
Work Experience in a Related Occupation or Long-Term OJT	284,675	$37,028
Moderate-Term OJT	445,276	$28,954
Short-Term OJT	682,404	$22,738

D. What jobs/occupations are most critical to the State's economy?

There are several options to determine which jobs are most critical to the overall economy of Kentucky. For this exercise, three methods were used: (1) the NAICS 3-digit sectors that add the most value to the Kentucky economy per job; (2) the NAICS 3-digit sectors that employ the most persons; and (3) the NAICS 3-digit sectors that have the highest annual salaries. The Kentucky Cabinet for Economic Development was consulted and participated in this portion of the plan. The fifteen NAICS 3-digit sectors that rank the highest based on the three above criteria are as follows.

(1) Sectors with the most value added to the Kentucky economy **(based on a minimum of 1,000 jobs)**

1. Beverage and tobacco product manufacturing (NAICS 312)
2. Utilities (NAICS 221)
3. Petroleum and coal products manufacturing (NAICS 324)
4. Chemical manufacturing (NAICS 325)
5. Rail transportation (NAICS 482)
6. Management of companies and enterprises (NAICS 551)
7. Transportation equipment manufacturing (NAICS 336)
8. Pipeline transportation (NAICS 486)
9. Broadcasting (NAICS 515)
10. Mining (NAICS 212)
11. Electrical equipment, appliance, and component manufacturing (NAICS 335)
12. Wholesale trade (NAICS 420)
13. Credit intermediation/related activities (NAICS 522)
14. Air Transportation (NAICS 481)
15. Mining Services (NAICS 213)

(2) Sectors with the most employment

1. Food services and drinking places (NAICS 722)
2. Construction (NAICS 230)
3. Administrative and support services (NAICS 561)
4. Wholesale trade (NAICS 420)
5. Hospitals (NAICS 622)
6. Ambulatory health care services (NAICS 621)
7. Professional, scientific, and technical services (NAICS 541)
8. Transportation equipment manufacturing (NAICS 336)
9. General merchandise stores (NAICS 452)
10. Nursing and residential care facilities (NAICS 623)
11. Credit intermediation and related activities (NAICS 522)
12. Food and beverage stores (NAICS 445)
13. Motor vehicle and parts dealers (NAICS 441)
14. Social assistance (NAICS 624)
15. Food manufacturing (NAICS 311)

(3) Sectors with the highest annual wage **(based on a minimum of 1,000 jobs)**

1. Securities, commodity contracts, and other financial investments and related activities (NAICS 523)

2. Management of companies and enterprises (NAICS 551)
3. Pipeline transportation (NAICS 486)
4. Petroleum and coal products manufacturing (NAICS 324)
5. Computer and electronic product manufacturing (NAICS 334)
6. Rail transportation (NAICS 482)
7. Chemical manufacturing (NAICS 325)
8 . Utilities (NAICS 221)
9. Beverage and tobacco product manufacturing (NAICS 312)
10. Air transportation (NAICS 481)
11. Couriers and messenger (NAICS 492)
12. Transportation equipment manufacturing (NAICS 336)
13. Insurance carriers and related activities (NAICS 524)
14. Mining (NAICS 212)
15. Primary metal products manufacturing (NAICS 331)

Analysis: Transportation Equipment Manufacturing is the only 3-digit NAICS sector on all three of the above lists. However, there were eleven sectors that made two of the three lists. Manufacturing, Trade, Transportation, and Health Services and Social Assistance are the job sectors most included in the above lists. Many of the occupations in these job sectors require a higher skill level than in needed in other jobs. Thus, Kentucky will need a large number of skilled workers to move into these jobs to replace the expected large retiree labor pool in the upcoming years.

E. What are the skill needs for the available, critical and projected jobs?

There are many factors that impact the skill needs of the available, critical, and projected jobs in Kentucky. By developing sustained partnerships that include business and industry, economic development, the public workforce system, and education, a list of skill needs can be compiled that will provide a well-skilled workforce. Each of these partners will bring its own needs and perceptions of needed skills, and this information can be analyzed in conjunction with the available statistics about Kentucky's workforce.

To further help in this process, the Projections Workgroup (a federal/state Workgroup), in cooperation with the Projections Managing Partnership, has developed a web based *"Skills-Based Employment Projections Module."* This system will integrate short- and/or long-term MicroMatrix forecasts with the Department of Labor's Occupational Information Network (O*NET) data using three components of the O*NET content model: knowledge, skills, and generalized work activities. The system will allow analysts to determine which job requirements are associated with increasing demand. The ability to quantify and measure the "skills gap" is also contained within this new system.

F. What is the current and projected demographics of the available labor pool (including the incumbent workforce) both now and over the next decade?

The current and projected demographics of the available labor pool are listed in the following categories.

Current demographics

1. Gender:
   Male: 48.3 percent
   Female: 51.7 percent

2. Age:
   16-19 years old: 7.1 percent
   20-29 years old: 17.3 percent
   30-39 years old: 17.7 percent
   40-49 years old: 19.7 percent
   50-59 years old: 16.6 percent
   60-69 years old: 10.5 percent
   70-79 years old: 7.0 percent
   80+ years old: 4.1 percent

3. Race/Hispanic Status:
   Minority: 9.1 percent
   Hispanic: 1.3 percent

4. Educational Attainment:
   Less than 9th Grade: 309,293 (11.7 percent)
   9th-12th Grade, no diploma: 375,707 (14.2 percent)
   High School, including equivalency: 888,277 (33.6 percent)
   Some College, no degree: 490,170 (18.5 percent)
   Associate Degree: 129,481 (4.9 percent) - Kentucky ranks number 46 of 50 states
   Bachelor's Degree: 271,418 (10.2 percent)
   Masters Degree: 126,318 (4.8 percent)
   Professional Degree: 39,784 (1.5 percent)
   Doctorate Degree: 15,949 (0.6 percent)

   High School and above: 1,961,397 (74.1 percent) - Kentucky ranks number 49 of 50 states
   4-year degree and above: 453,469 (17.1 percent) - Kentucky ranks number 47 of 50 states
   Graduate/Professional Degree: 182,051 (6.9 percent) - Kentucky ranks number 37 of 50 states

Projected demographics

1. Gender:
   Male: 48.4 percent
   Female: 51.6 percent

   Analysis: The gender composition of the labor pool is not expected to change significantly over the next decade.

2. Age:
   16-19 years old: 6.5 percent (declining)
   20-29 years old: 16.3 percent (declining)
   30-39 years old: 16.5 percent (declining)
   40-49 years old: 17.0 percent (declining significantly)
   50-59 years old: 18.0 percent (growing)
   60-69 years old: 14.1 percent (very fast growing)
   70-79 years old: 7.5 percent (growing)
   80+ years old: 4.1 percent (stable)

   Analysis: The age composition of the labor pool will reflect a substantial shift over the next decade. For example, approximately 55 percent of the labor pool is currently between ages 20-49. Over the next decade, this same age group will decline until they comprise less than 50 percent of the potential labor pool. On the other end of the spectrum, 27 percent of the potential labor pool is currently aged 50-69. Ten years from now, the 50-69 age group will comprise 32 percent of the potential labor pool.

3. Race/Hispanic Status:
   Minority:
   Hispanic:

   There have not been any official projections made concerning race/minority status.

   Analysis: Although minorities still make up relatively small shares of the state's current labor pool, the most recent decennial census (2000) showed high rates of growth among the state's minority population, especially for Asians and for Latinos. Thus, the minority shares of the state's labor pool will be expected to increase in future years.

4. Educational Attainment: There have not been any official projections made concerning educational attainment

   Analysis: Kentucky has made notable improvement in educational attainment over the past 30 years. For example, between the 1990 Census and the 2000 Census, the percentage of adult Kentuckians that had an educational level of high school or above increased from 64.6 percent to 74.1 percent. Further, those with a 4-year college degree or higher saw their percentage increase from 13.6 percent in 1990 to 17.1 percent in 2000. This growth in the educational attainment of Kentuckians has been especially evident in the younger adult population. In fact, Kentucky made the largest jump of any state in the nation in the percentage of high school graduates in the 25-34 age group from 1990 to 2000. As the educational efforts that made these significant improvements over the past ten years are strengthened, there is no reason to believe that educational attainment marks in Kentucky will not improve over the next ten years. In addition, many older Kentuckians that dropped out of school in their youth will be passing away

over the next ten years, which will consequentially improve the educational attainment percentages of Kentuckians.

G. Is the State experiencing any "in migration" or "out migration" of workers that impact the labor pool?

The in-migration and out-migration of workers will be reviewed in a couple of ways. First of all, according to the 2000 Census, there are approximately 117,800 Kentucky residents that commute to another state each day for employment. However, there are some 122,900 residents of other states that commute to a job in Kentucky each day. Thus, Kentucky is a net importer of 5,100 in labor in terms of inflow/outflow. Further, according to data from the U.S. Bureau of Economic Analysis, the earnings of non-residents working in Kentucky is $1.045 billion greater than the earnings of Kentucky residents working in other states. Ten years earlier, Kentucky had been a net exporter of labor by a slightly larger amount (-5,500). The in state/out state commuting makes up less than seven percent of the overall workforce. The current net inflows/outflows for individual states are:

Indiana	+ 20,616
Tennessee	+ 10,197
Illinois	+ 1,512
Virginia	+ 380
Ohio	- 26,730
West Virginia	- 564
Missouri	- 160
Other places	- 143
Total	+ 5,108

A second way to look at the in-migration and out-migration issue is to view the jobs lost as compared to jobs gained in the commonwealth. According to the Worker Adjustment and Retraining Notification (WARN) Program, there have been over 23,000 jobs lost over the past three years (2002-2004). Some of these jobs have out-migrated to other locations, but other jobs have been lost as a result of firms going out of business entirely. Approximately, 45 percent of these jobs involved employees in the manufacturing industry, many in the apparel and textile industry. The average annual wage for an individual in the manufacturing industry in Kentucky is $41,000. For all the other industries combined, the average annual wage is $30,000. Thus, the noteworthy loss of manufacturing jobs has had an effect on Kentucky. The loss of 23,000 jobs over a three-year period has had an effect on the overall Kentucky economy, but often those jobs involved an employer in a small or medium-sized county. In those cases, where the business was one of the area's largest employers, it had a distressing effect on the involved county.

A look at jobs gained can be gleaned from the Kentucky New and Expanding Industries Announced/Reported report, a publication of the Kentucky Cabinet for Economic Development. For this same three-year period (2002-2004), this report detailed some 43,000 new jobs with an investment total of over $7 billion. Often,

these announced jobs do not become evident in the workforce counts immediately because of the processes of building facilities, gradual hiring, and financial issues.

The net difference of +20,000 jobs from these two programs shows an overall positive indication. However, factors such as the quality of the new jobs and the fact that workers in new jobs often begin at the lower end of pay scales compared to experienced workers (with higher wages), losing their jobs often makes a one-to-one comparison inaccurate.

H. Based on an analysis of both the projected demand for skills and the available and projected labor pool, what skill gaps is the State experiencing today and what skill gaps are projected over the next decade?

The Kentucky Workforce Investment Board, in conjunction with local workforce investment areas, engaged in a statewide strategic planning effort (2004-2008). As a result of planning the KWIB addressed a "Sense of Urgency." Numerous factors converged to create a sense of urgency for solving workforce and economic development challenges that will exist through the 21st century:

- globalization,
- science and technology,
- demography,
- organizational dynamics,
- skills gaps, and
- worker shortages.

In light of these environmental factors, the KWIB identified issues, summarized as:

- awareness,
- alignment,
- access, and
- accountability.

Goals noted under the alignment category include: to strengthen partnerships; to align to business needs to ensure that all workers (current, future and potential) have the skills necessary to meet the changing needs of business . . . fill gaps; and to enhance the comprehensive workforce information system.

Strategic outcomes note that in order for Kentucky businesses to compete globally workers must have:

- basic skills (reading, math, writing, speaking and listening skills),
- thinking skills (decision-making, problem solving), and
- employability/inter-personal skills (act of being responsible, high regards for work ethic).

These skills, coupled with occupational skills, will assure Kentucky's ability to compete globally.

I. Based on an analysis of the economy and the labor market, what workforce development issues has the State identified?

Workforce development issues identified as critical to Kentucky include the ability:

- to leverage resources for increased efficiency and effectiveness,
- to increase the flexibility, innovation and responsiveness of partners to better meet demand and supply customers needs,
- to ensure that all system stakeholders (professional and volunteers) have the skill sets necessary for system success,
- to strengthen communications and working relationships between local WIBs and the KWIB,
- to develop and promote a demand driven system approach to workforce and economic development,
- to facilitate and promote the delivery of responsive, demand driven programs and curricula by educational institutions and other service providers,
- to ensure that all workers (current, future and potential) have the skills necessary to meet the changing needs of business…fill gaps, identify supply and demand needs on an ongoing basis,
- to enhance and promote Kentucky's workforce information system, and
- to gather up-to-date information through enhanced environmental scanning.

J. What workforce development issues has the State prioritized as being most critical to its economic health and growth?

The state has prioritized the following as being critical to its economic health and growth:

- recruitment and attraction of new business,
- retention of existing business, and
- a commitment to educational and professional development.

V. Overarching State Strategies

A. Identify how the State will use WIA Title I funds to leverage other Federal, State, local, and private resources in order to maximize the effectiveness of such resources and to expand the participation of business, employees, and individuals in the Statewide workforce investment system? (§112(b)(10).)

Governor Fletcher is dedicated to moving Kentucky forward. Creating growth and opportunity in Kentucky cannot be accomplished in a single step, but requires a comprehensive approach. The Governor's priorities for moving Kentucky's workforce system into a demand driven system is to achieve a more efficient use of public and private funding.

Kentucky leverages other state general funds and federal funds. Funds are used to support the development of programs and training that serve individuals and businesses that currently have the greatest economic impact in the state. An example is the investment of WIA Title I funds through grant opportunities in conjunction with the Cabinet for Economic Development (CED), Bluegrass State Skills Corporation funds, and Kentucky Community and Technical College funds (including WINs) to local public/private partnerships in order to address local needs. Kentucky

encourages and supports the development of partnerships through use of Incentive Funds and WIA Statewide Set Aside funds. Examples include incumbent worker initiatives involving private sector and postsecondary partners. In addition LWIAs have developed and/or are in the process of developing Business Services/Business Solutions Groups to address the needs of business and industry. To support the needs of business and industry at the local level, individuals acting as business liaisons have been employed and are jointly funded. Other approaches include a team approach comprised of partners within the one-stop system. Regardless of the form of their efforts, the emphasis is on meeting business and industry needs through the state and local networks of resources designed to assist businesses in recruiting, training, and retaining a skilled workforce.

Kentucky has designated a Statewide Business Services Coordinator who serves as the liaison between the Business Relations Group (BRG) and the local liaison. Emphasis has been placed on the President's High Growth Job Training Initiative and preparing Kentuckians to take advantage of new and increasing job opportunities in high growth/high demand occupations. The foundations of this initiative are partnerships that include the public workforce system, business and industry, education and training providers, and economic development.

B. What strategies are in place to address the national strategic direction discussed in Part I of this guidance, the Governor's priorities, and the workforce development issues identified through the analysis of the State's economy and labor market? (§§112(b)(4)(D) and 112(a).)

Kentucky shares USDOL's national strategic priorities in that focus on implementation of a demand driven system, system reform to eliminate duplicative administrative costs, increase numbers of individuals in training, enhanced integration of service delivery across federal programs, and increased accountability among other national strategic priorities should be a priority in addressing workforce development issues. An enhanced use of waivers will provide greater flexibility to the state and local areas in developing their workforce system

Kentucky is positioned to address these issues with the reorganization of state government and the establishment of the Department for Workforce Investment. The Department houses the Office of Employment & Training. OET is responsible for the USDOL programs including Unemployment Insurance, WIA, Trade, Wagner-Peyser, Veterans and other USDOL programs. The Commonwealth recently integrated staff of the Trade program with the WIA program allowing for greater use of funding opportunities, enhanced service delivery at the local one-stop level with the goal of reaching more customers and ultimately to increase the number of individuals in training.

Seamless service delivery to both job seekers as well as business customers is a priority and is supported through state guidance, local administration, common data collection and reporting, integrated staff development and monitoring. The increased involvement of state, local, faith-based and community partners will only enhance the resources needed to maintain the workforce investment system.

C. Based on the State's economic and labor market analysis, what strategies has the State implemented or plans to implement to identify and target industries and occupations within the State that are high growth, high demand, and vital to the State's economy? (§§112(a) and 112(b)(4)(A).) The State may want to consider:
1. Industries projected to add a substantial number of new jobs to the economy; or
2. Industries that have a significant impact on the overall economy; or
3. Industries that impact the growth of other industries; or
4. Industries that are being transformed by technology and innovation that require new skill sets for workers; or
5. Industries that new and emerging and are expected to grow.

Targeted Industry Analysis

Kentucky is a diverse state with differing competitive advantages in the various regions of the state. Various targets have been identified as suitable matches for the different regions in Kentucky. The targeted industries listed below should not be viewed as exclusive. A variety of industry types will find Kentucky a great location to build new facilities or expand existing facilities. The below industry targets should be viewed as the main industries that are the most likely candidates for locating in the various regions of the state.

Favorable wages and operating costs, access to unskilled labor, and pollution attainment areas make the **Eastern** part of the state a good location for rubber and plastics manufacturers. Call centers are another target opportunity. With the state's strong work ethic and available industrial space, Eastern Kentucky is already home to many customer support service centers across the state, giving Kentucky a ready-made workforce for customer support service centers. In addition, the value-added wood products industry is a primary target as a result of the abundant natural forestlands and logging operations in the region.

The **Western** part of the state is a natural for industries that require the movement of raw materials or finished goods through waterways. With access to the junction of the Upper and Lower Mississippi, Ohio, and Tennessee-Tombigbee navigation corridors, Kentucky has a waterway link to the Great Lakes and Canada, to Mexican and South American markets, and to the deep-draft ports of New Orleans and Mobile for shipments overseas. Kentucky's inland ports provide an intermodal connection to the world's markets, making manufacturing a main target.

The **Louisville** area is well suited for the location of logistics companies because with the presence of United Parcel Service (UPS), the fourth largest cargo airline in the world. A $1.1 billion international air sorting hub for UPS have helped make the Louisville International Airport the fifth largest cargo airport in the nation, and the eleventh largest cargo airport in the world. The UPS hub allows Louisville to target "just-in-time" manufacturing operations as well. Louisville's concentration of renowned medical facilities and institutions make it a good fit for human health related industries. As the nations 16th largest city, Louisville is also attractive to headquarter facilities.

The **Northern Kentucky** region is blessed to have the Cincinnati/Northern Kentucky International Airport, with eleven airlines offering more than 640 nonstop daily departures to 126 cities worldwide. The airport's geographic location remains one of its key strengths with half the U.S. population and manufacturing base located within an hour's flight. The international airport makes Northern Kentucky a strong contender in the recruitment of headquarter operations and financial services firms, along with manufacturing facilities with foreign ownership. Other targets in Northern Kentucky include biotechnology, logistics, and software/internet.

The **Central Kentucky** region is fortunate to have the state's flagship land grant institution, the University of Kentucky, located in Lexington. The University of Kentucky College of Pharmacy has continued its status as a nationally recognized educational institution with a No. 3 ranking in U.S. News & World Report polls of colleges of pharmacy. Pharmaceutical related companies are one of the targets for the UK Coldstream Research Campus. Coldstream provides a synergetic research campus environment to assist in recruiting and growing science and technology-focused businesses. With the Toyota plant located in Georgetown, the auto parts supplier industry is another target for the Central Kentucky region.

The automotive industry is a key target industry with opportunities for locating virtually anywhere in **Kentucky**. The auto industry provides high wages, is a healthy part of the U.S. and World economy, and provides one of the higher economic multiplier effects because of the connection with high value-added supplier plants. Positioned geographically in the center of the U.S. "auto alley", Kentucky is within 500 miles of 69 auto and truck assembly plants. Kentucky's location, productive workforce, and low business costs make the state a natural for automotive manufacturing and supplier plants.

Kentucky's **new economy** effort is comprehensive and multi-dimensional. It includes programs housed not only in the Kentucky Cabinet for Economic Development (CED), but also the Council for Postsecondary Education (CPE), the Kentucky Science and Technology Corporation (KSTC) and Kentucky Community and Technical College System (KCTCS), along with universities and the private sector. The Department of Commercialization and Innovation developed a statewide strategic plan for the new economy. There are three key elements for success.

Three Key Elements for Successful New Economy Participation

- **Research and Development:** Technology is the engine that powers the new economy and science is its fuel. Research centers, both public and private, that produce cutting-edge scientific and technological advances are fundamental to successful economic development in the emerging economy. A strong research and development base is critical for states to compete.

- **Commercialization:** The best scientists and entrepreneurs frequently lack the skills and experience to convert their ideas into viable products and processes and to build a well-managed company. Tools that have proven to be successful in the

private sector must be available to enable scientists and entrepreneurs to develop investment-grade, start-up companies ready for venture capital investments.

- **Workforce:** To compete successfully in the new economy, the public sector must ensure that the business community has a highly motivated, well-educated workforce. Relevant education and training must start early and continue throughout life so that people with a broad mix of talents and skills can participate and prosper in the new economy.

Additionally, the following are the priority research focus areas and special opportunities that have been identified as part of this initiative:

Priority Research Focus Areas
- Health Technology Services
- Medical Devices
- Niche Pharmaceuticals and Niche Biotechnology
- Information Technology and Communications
- Environmental and Energy Technology
- Materials Science and Advanced Manufacturing

Special Opportunities
- Kentucky Center for Pharmaceutical Science and Technology
- Cardiovascular Institute
- Kentucky Visualization Center
- Kentucky Energy and Environmental Consortium
- Public Safety and Security Institute

The Governor's JOBS for Kentucky Initiative promote economic growth and opportunity by creating nearly 10,000 new jobs, updating and unreliable and unfair tax system and lowering personal income taxes. New incentives will benefit the economy and our environment. A horse breeder incentive helps Kentucky maintain its status as horse capital of the world. Other incentives will stimulate economic development growth and improve our environment – brownfields, clean coal, environmental stewardship and biodiesel.

In addition Governor Fletcher's *Kentucky Energy Opportunities for our Future*, a comprehensive energy strategy, noted 54 recommendations regarding Kentucky's energy sector. Kentucky is one of three of the largest coal producing states in the nation. Several recommendations are made to increase economic development opportunities.

D. What strategies are in place to promote and develop ongoing and sustained strategic partnerships that include business and industry, economic development, the public workforce system, and education partners (K-12, community colleges, and others) for the purpose of continuously identifying workforce challenges and developing solutions to targeted industries' workforce challenges? (§112(b)(8).)

With the consolidation of the majority of agencies responsible for education and employment and training programs under a single cabinet (the Education Cabinet), strategies are in place to promote and develop ongoing and sustained strategic partnerships. Kentucky continues to focus on business as the primary customer by providing one central point of access to programs and services of the Kentucky workforce system. Major emphasis is placed on building strong relationships and offering a customized approach depending on the size of the business. Kentucky's one-stop system offers several assessment tools and certifications, for example, WorkKeys® (a job profiling and matching system), Kentucky Manufacturing Skills Standards, and Kentucky Employability Certificates. In addition the Kentucky Department of Education offers business/occupational specific certifications to youth in the secondary school setting.

Workforce Kentucky (www.workforcekentucky.ky.gov) provides detailed workforce information to employers, economists and market analysts, job seekers, school counselors, students, and One-Stop Career Center staff.

E. What State strategies are in place to ensure that sufficient system resources are being spent to support training of individuals in high growth/high demand industries? (§§112(b)(17)(A)(i) and 112(b)(4)(A).)

Governor Fletcher is dedicated to moving Kentucky forward. He knows that creating growth and opportunity in Kentucky cannot be accomplished in a single step, but requires a comprehensive approach. The Governor's priorities for moving Kentucky's workforce system into a demand driven system is to achieve a more efficient use of public and private funding.

Each Local Workforce Investment Area (LWIA) has policies dictating the placement of Workforce Investment Act eligible participants in local demand occupational skills training. The state monitors local policies during the annual compliance review. The majority of training placements are in local demand occupations. Each LWIA has current Labor Market Information Handbooks. The information is accessible through the Office of Employment and Training website. The U.S. Department of Labor, Bureau of Labor Statistics website also targets fast-growing occupations in each state.

F. What workforce strategies does the State have to support the creation, sustainability, and growth of small businesses and support for the workforce needs of small businesses as part of the State's economic strategy? (§§112(b)(4)(A) and 112(b)(17)(A)(i).)

The Governor and the KWIB recognize that education is key to workforce development and also is becoming increasingly important to promoting economic growth in a competitive environment. With the passage of recent state legislation, SB 248 Business Retention, a bill which provides tax incentives to encourage businesses to build and remain in Kentucky; HB 609 Small Business Regulatory Fairness, a bill which gives small business owners a voice and a formal seat at the table on the Commission of Small Business Advocacy; and a major tax reform, Kentucky's system reinforces the Governor's goals of reducing the high cost of doing business in

Kentucky, the desire to continue to provide employers with qualified and skilled workers, and to continue to create opportunities for small businesses.

In addition LWIAs are partnering with local chambers of commerce and small business development centers to present a series of seminars on topics of interest to local business owners. Seminar topics include state legislation that will effect businesses, state and federal grant and loan opportunities, health care options for small employers, and community college business programs.

Small business development centers assist small business owners with:

- business planning,
- financial projections,
- market research,
- marketing/planning,
- funding recommendations,
- strategic and tactical advice,
- management training,
- needs assessments, and
- training seminars and workshops.

The Kentucky Cabinet for Economic Development's Small and Minority Business Division coordinates small business enterprise, minority business, and women's business enterprise activities throughout the state's administrative structure. The Division acts as an advocacy agency for the expansion of Kentucky-based small, minority and women-owned business through the utilization of resources available throughout the state.

G. How are the funds reserved for Statewide activities used to incent the entities that make up the State's workforce system at the State and local levels to achieve the Governor's vision and address the national strategic direction identified in Part I of this guidance? (§112(a).)

WIA Statewide Set Aside Funds are awarded to local workforce investment areas for achieving USDOL mandated performance standards. In addition funds reserved for Statewide activities are used to support programs administered by state and local partners designed to serve individuals with disabilities reducing barriers to obtaining work, in and out of school youth, and incumbent workers. In addition funds are used for evaluation purposes and to enhance fiscal controls.

H. Describe the State's strategies to promote collaboration between the public workforce system, education, human services, juvenile justice, and others to better serve youth that are most in need and with significant barriers to employment, and to successfully connect them to education and training opportunities that lead to successful employment. (§112(b)(18)(A).)

The Commonwealth's establishment of a state integration team consisting of state and local representatives of the Workforce Investment Act program, secondary and postsecondary education, adult education, human services, juvenile justice, and career

and technical education attended the DOL sponsored Youth Regional Forum in Chicago, November 15-16, 2004.

As a result of the forum, the state inter-agency team continues to meet on a monthly basis for a two-fold purpose: 1) to draft a white paper for support of coordination and collaboration of all programs for service to youth, and 2) to develop a state-level youth strategic vision and plan to meet the needs of at risk youth.

The state strategic approach covers four major areas: 1) focus on alternative education; 2) meet the demands of business, especially in high-growth industries and occupations; 3) focus on the neediest youth; and 4) continuous improvement, especially performance.

The team continues to influence coordination and collaboration between agencies. Agency awareness has led to collaboration on several projects. The main focus of this initiative is to curtail duplication of service and focus on gained efficiencies.

I. Describe the State's strategies to identify State laws, regulations, policies that impede successful achievement of workforce development goals and strategies to change or modify them. (§112(b)(2).)

Several steps have been taken to identify state laws, regulations, policies that impede successful achievement of workforce development goals. The Education Cabinet established a Cabinet level liaison position. This individual reviews state and federal legislation as it relates to workforce issues.

The Office of Employment and Training has developed a 2005 Strategic Plan addressing issues that impede workforce system goals and objectives. Several goals were established:

- develop and implement a plan to ensure the most effective use of staff and comply with state and federal mandates,
- develop and implement a plan that will ensure the integrity and viability of the UI trust fund including reviewing the law and developing overpayment recovery and fraud detection strategies,
- collaborate with cabinet staff and legislators on methods of UI trust fund reform,
- improve reemployment services to help claimants reenter the workforce in a more timely manner and decrease average duration and drain on the UI trust fund including replacing the profiling system and scheduling higher percentages of profiled claimants for Worker Profiling and Reemployment Services (WPRS) sessions.

In addition, it is the responsibility of the Kentucky Workforce Investment Board and the Office of Employment and Training to identify laws, regulations and policies that may impede the successful achievement of the Governor's workforce development vision.

J. Describe how the State will take advantage of the flexibility provisions in WIA for waivers and the option to obtain approval as a workflex State pursuant to §189(i) and §192.

KENTUCKY WAIVER REQUESTS
For Program Year 2005 and 2006

1. Request continuance of previously approved waivers:

   A. Waive 20 CFR 664.510 to permit the use of ITA for older youth participants
      a) Statutory or Regulatory Requirement to be waived: 20 CFR 664.510
      b) Justification/Goals: To increase efficiency and customer choice for older youth. One-stop operators would have a full array of services to offer older youth that can benefit from these services without having to register in both youth and adult programs. Enhance efficiency and ease in tracking of funds for each funding stream. Using the ITA/ETPL process with older youth offers case managers the opportunity to discuss the process of decision-making (training provider, finances, etc.) and the results that ensue.
      c) State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
      d) Individuals impacted by the waiver: enhance services to older youth

   B. Waive the Title I 20 percent transfer authority at WIA Section 133 (b)(4) between adult and dislocated workers to allow transfer of up to 100 percent of a program year allocation between the Adult and Dislocated Worker programs to eliminate the limitation of transferring WIA Funds between Adult and Dislocated Worker programs.
      a) Statutory or Regulatory Requirement to be waived: Section 133(b)(4) and 20 CFR 667.140
      b) Justification/Goals: To increase flexibility for local areas in allocating and expending adult and dislocated worker funds. Such flexibility will enable local workforce investment areas to better serve the needs of their customers and will heighten their ability to respond to changes in the local labor market. This increased flexibility will also allow greater responsiveness to deal with massive worker dislocations.
      c) State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
      d) Individuals impacted by the waiver: better meet the needs of dislocated workers and adults

   C. Waive Subsequent Eligible Training Provider (EDP) requirements, 18-month subsequent eligibility requirement.
      a) Statutory or Regulatory Requirement to be waived: WIA Section 122(c)(5) and 20 CFR 663.530
      b) Justification/Goals: To allow WIA customers to continue to choose their training providers and access training services in their local areas with the highest degree of informed customer choice possible, while

the performance data issues in Subsequent Eligibility are being addressed. Provide time to offer technical assistance to training providers that are trying to comply with the data collection requirements.

c) State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
d) Individuals impacted by the waiver: all WIA customers to enhance their training services

2. Request waiver of federal percentage expenditure mandates on out-of-school and in-school youth allowing for state local decision on funding needs.
   a) Statutory or Regulatory Requirements to be Waived: WIA Section 129(c)(4)(A); 20 CFR 664.320, 667.160
   b) Justification/Goals: allows local workforce investment areas to appropriately determine the need for WIA authorized services for out-of-school and in-school youth and not to be limited by the federal mandate. Provides local workforce investment areas with greater flexibility for responding to changes in their local youth populations as well as ensuring that WIA funds allocated to each local area are being expended in a manner to maximize youth services.
   c) State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
   d) Individuals impacted by the waiver: both in school and out of school youth.

3. Allow up to 10 percent of local adult and dislocated worker funds as described by WIA Section 133 (b)(2) to be expended on incumbent worker training activities pursuant to the rules adherent to statewide activities described by WIA Section 134 (a) (3). Additionally, Kentucky requests necessary waiver approval to allow up to 20 percent of its state-level rapid response funds as described by WIA Section 133 (a) (2) to be shifted to local workforce investment areas for the purpose of providing incumbent worker training as part of the state's incumbent worker initiative.
   a) Statutory or Regulatory Requirements to be Waived: Should the above request related to incumbent worker training funds be deemed to be not in accord with any provision of WIA Section 134 or WIA federal regulations at 20 CFR 667.160, 663 or 665, Kentucky requests waiver of the federal regulations
   b) Justification/Goals: Promotes maximum investment of these limited funds as well as increases levels of service, focuses on employer and workers competitiveness through skills upgrade training therefore strengthening regional economies, promotes flexibility of local workforce investment areas to further expand incumbent worker activities.
   c) State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
   d) Individuals impacted by the waiver: all WIA customers

4. Request a waiver from being required to meet the dislocated worker performance measures negotiated for PY 05 and PY 06 as result of integrating the Trade program and the WIA Dislocated Worker program; maintaining eligibility of incentive awards. Measures will be tracked and reported to obtain base line data for future negotiations.
    a) Statutory or Regulatory Requirements to be Waived: WIA Section 136(b)(3)(a)(iii)
    b) Justification/Goals: Kentucky has had significant Trade activity and it has aggressively moved to co-enroll Trade clients in WIA. Kentucky has transferred the training and case management component to the local WIA level. Local workforce investment areas have assumed the responsibility of the design of training strategies along with the customer.
    c) State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
    d) Individuals impacted by the waiver: dislocated workers

VI. Describe major State policies and requirements that have been established to direct and support the development of a Statewide workforce investment system not described elsewhere in this Plan as outlined below. (§112(b)(2).)

A. What State policies and systems are in place to support common data collection and reporting processes, information management, integrated service delivery, and performance management? (§§111(d)(2) and 112(b)(8)(B).)

Kentucky maintains membership in America's One-Stop Operating System (AOSOS) Consortium. Through an established Common Measures workgroup, the consortium is developing the systems to support common data collection and reporting processes. The Commonwealth utilizes the Employ Kentucky Operating System (EKOS)-- the Commonwealth's version of AOSOS, as the primary information system for performance and reporting.

Kentucky has been very aggressive in identifying those agencies that fall under the Common Measures mandate and a concerted effort has been made to develop partnerships and promote the use of EKOS. Having as many of the agencies that are impacted by Common Measures using the same integrated data system will allow Kentucky to coordinate service tracking more efficiently and allow programs to share accountability for performance reporting.

Kentucky continues to move forward in the collection of common data and integrated service delivery through the Kentucky Database Repository Project. The project is a multi-phased approach that leverages resources and enhances existing technology to address the common collection, storage and sharing needs for testing, certification, and licensure data. The repository will function as a database that updates EKOS registrants' data and resumes to include their most recent testing and certification status.

The Database Repository will allow Kentucky to track the attainment of degrees and/or certificates. It will provide a method for continuous evaluation and allow us to measure increases in skills and educational levels of individuals and students.

The Database Repository seeks to build workforce solutions through a broad partnership among programs for education, employment, and economic development, as well as representatives from business to ensure that these solutions meet employer needs.

Kentucky uses EKOS to track and report all performance measure outcomes prescribed by WIA as well as other programs that require tracking and reporting of performance outcomes.

B. What State policies are in place that promote efficient use of administrative resources such as requiring more co-location and fewer affiliate sites in local One-Stop systems to eliminate duplicative facility and operational costs or to require a single administrative structure at the local level to support local boards and to be the fiscal agent for WIA funds to avoid duplicative administrative costs that could otherwise be used for service delivery and training? (§§111(d)(2) and 112(b)(8)(A).)

The efficient use of administrative resources is best reflected by the state's focused attention to providing oversight and technical assistance to each local workforce area in the use of memoranda of understanding and the use of cost allocation/resource sharing agreements. Local areas in Kentucky are geographically and demographically diverse. State policy is to continue to encourage each local area to develop a system that best fits the needs of its communities.

Kentucky has used WIA Statewide Set Aside Funds and USDOL Incentive Funds in a variety of ways to provide incentives for system building, with a focus on integration of services, enhanced services to individuals with disabilities, and national priorities such as the High Growth/High Demand Initiative and those initiatives regarding the development of a system that is demand driven to meet the needs of business.

In response to each area's unique needs, the state provides customized, hands-on technical assistance. Experienced, professional fiscal, program, and technical staff from the state provide this service. A carefully crafted monitoring tool has been developed and is currently being used. This ensures the continuity of quality services throughout the commonwealth.

The investment by the state in a statewide data collection and fiscal reporting system has greatly increased the local areas' ability to collect and analyze data. Precise customer and service activities counts have provided the local areas with solid data for allocating resources and services. Kentucky now has a greater number of comprehensive centers, fewer affiliates, and more access points across the state.

C. What State policies are in place to promote universal access and consistency of service Statewide? (§112(b)(2).)

The importance of universal access and consistency of service applies to serving both individuals and employers. Delivery through the local labor market model has brought these services into a comprehensive, full-service center based in the local region. One-stop partner services are available through convenient physical locations and 24-hour access to information. Basic services have been enhanced through the active participation of agencies and organizations that assist frequently under-served groups. Increased access was accomplished by co-locating the Office for the Blind and the Office of Vocational Rehabilitation, making information available in multiple formats in many community locations, and extending hours of operation to the evening and weekend. Universality also has meant making facilities user-friendly for all groups by ensuring the availability of technology, equipment, and trained staff and encouraging the provision of fully accessible computers in comprehensive centers.

Approximately one half million dollars have been allocated to address the needs of accessibility in Kentucky one-stops since WIA implementation. Equipment, training, and professional consultation have provided the basis of a statewide system of standardization. The needs continue to be met, with additional updates to training planned for spring 2005.

D. What policies support a demand-driven approach, as described in Part I. "Demand-driven Workforce Investment System", to workforce development – such as training on the economy and labor market data for local Board and One-Stop Career Center staff? (§§ 112(b)(4) and 112(b)(17)(A)(iv).)

The Office of Employment and Training's Labor Market Information Section is the source for Kentucky's Labor Market Information (www.workforcekentucky.ky.gov). Two new publications, *The Kentucky Career Profiles* and the *Kentucky LMI Directory*, were added to the Detailed LMI page in February. The former is useful for any job seeker, detailing 150 of the fastest-growing careers within the state. The latter is helpful to anyone looking for a reference point from which to seek any type of data or workforce information.

Presentations to local WIBs, local WIA directors and One-Stop Center staff have increased their knowledge and understanding of exactly what information is available and how it can be used to impact strategic planning and operations. Presentations to secondary high school counselors have provided them with a tool of reference in regards occupational skills, projected occupational growth, training providers and training programs. As part of its strategic planning, the OET will launch a major effort to provide both outreach and training to the workforce development system.

While OET's website is the primary vehicle for information and product distribution, email distribution lists provide information regarding new product releases and training sessions.

E. What policies are in place to ensure that the resources available through the Federal and/or State apprenticeship programs and the Job Corps are fully integrated with the State's One-Stop delivery system? (§112)(b)(17)(A)(iv).)

The state does not have policies regarding the integration of apprenticeship programs and Job Corp with the state's one-stop delivery system. However, to ensure that every consumer has access to the fullest array of services, these programs are incorporated through local workforce investment area policies. In several LWIAs, Job Corp is a member of the Local Workforce Investment Board and/or serves on the Youth Council.

VII. Describe the actions the State has taken to ensure an integrated One-Stop service delivery system Statewide. (§§112(b)(14) and 121).)

A. What State policies and procedures are in place to ensure the quality of service delivery through One-Stop Centers such as development of minimum guidelines for operating comprehensive One-Stop Centers, competencies for One-Stop Career Center staff or development of a certification process for One-Stop Centers? (§112(b)(14).)

While state certification of Kentucky's Comprehensive One-Stop Centers has been a high priority for the KWIB and preliminary standards have been developed, a final process is pending due to WIA reauthorization. Currently LWIAs establish guidelines for designation of comprehensive one stops at the local level which ensure quality of service delivery and the operation of the facility.

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? (§112(b)(14).)

The Workforce Investment Act allows for flexibility at the local level regarding service delivery. LWIAs implement and maintain policies and processes that comply with the Act. LWIAs work closely with state and federal partners to develop and implement policies to ensure full integration of programs. The Office of Employment and Training issues guidance, information, and action memoranda to provide instruction, guidance, and assistance to LWIAs. LWIAs ensure that each of their local partners is fully aware of guidance relating to their specific operations.

The KWIB embarked on a comprehensive strategic planning process in 2002 as part of this process. This process, a grass root effort, allowed the KWIB to work with LWIAs to develop local plans supporting the demands of the employers and job seekers in each area. These plans help the local boards focus on the needs of their one-stop customers, businesses and individuals. Current local plans reveal a renewed dedication to partner integration, resource leveraging, and community involvement. These plans also provide a framework for developing strategic five-year plans, which will address the needs in a demand driven system.

C. What actions has the State taken to promote identifying One-Stop infrastructure costs and developing models or strategies for local use that support integration? (§112(b)(14).)

VII. Integration of One-Stop Delivery, Section B (Additional information)

The Office of Employment & Training recently aligned the administration of the Trade Act program within the Division of Workforce and Employment Services enabling training activities/services to be integrated with the WIA dislocated worker program and WIA Rapid Response activities. Integration of these programs better serves both the business and customers affected by a plant closure. Guidance in regard to assisting with the integration of the two programs has been provided through the establishment of workgroups, the establishment of an extranet site providing best practices and offering a Q & A segment.

The Office of Employment & Training has also provided guidance in regard to the development of Memorandums of Understandings and Resource Sharing Agreements outlining options for partnerships among partner agencies in addressing business and individual customers. Such guidance has been provided through information and guidance memorandums.

One-stop infrastructure costs are identified at each site. Data is used by local workforce investment area/boards in the development of a memorandum of understanding (MOU), cost allocation and/or resource sharing agreement among partner agencies. Training sessions are conducted in regards to USDOL's Financial Management Guide, and guidance memorandums are issued to assist local areas in the development of MOUs.

D. How does the State use the funds reserved for Statewide activities pursuant to (§§129(b)(2)(B) and 134(a)(2)(B)(v).) to assist in the establishment and operation of One-Stop delivery systems? (§112(b)(14).)

WIA Statewide Set Aside funds have been used to support a statewide comprehensive strategic planning initiative to set a new strategic direction for workforce boards and their communities as they strive to build a highly competitive workforce in Kentucky. Statewide funds as well as Incentive Funds have been used to support innovative projects that enhance the quality of one-stop services, professional development, maintenance of the state provider list, and the development of the WORK system, an internet-based financial program.

E. How does the State ensure the full spectrum of assets in the One-Stop delivery system support human capital solutions for businesses and individual customers broadly? (§112(b)(14).)

Kentucky recognizes that stakeholders should be able to gauge the success of the one-stop system and its continuous improvement efforts; therefore, several processes have been implemented. A nationally renowned group that specializes in performance and outcome measurements was selected through a competitive procurement process to assist Kentucky in the development of an analysis process. The primary focus was determining the role and involvement of stakeholders and identifying their goals and information needs for the one-stop system. Key stakeholder groups included staff and partner representatives of the one-stop system. Meetings were held with local workforce partners, business partners, community leaders, local elected officials and local board members in addition to one-stop tours. A decision conference was held for all interested stakeholders and list of proposed measures was posted for review and discussion. It was determined that measures would be identified by individual areas and center managers, since they are often useful only in specific sites with specific process configurations. Measures recommended for implementation were system progress measures, additional outcome measures, employer-oriented measures, and cost measures.

The analysis process included integration of existing data and the collection on new data to generate information the various stakeholders needed. The contractor analyzed data already collected, what needed to be collected, and suggested a plan for collecting and compiling the information into useful reports. This effort at continuous improvement was boosted by the statewide implementation of the Employ Kentucky Operating System. Data was collected from many sources, then integrated and formatted into customized user-friendly reports for the various stakeholders. The contractor trained stakeholder groups, statewide, on the use of the reports. The greatest area of success has been in the use of the improved customer satisfaction

surveys, subsequent analysis and reports. Information is provided for each local workforce investment area and is presented to the Kentucky Workforce Investment Board.

VIII. Administration and Oversight of Local Workforce Investment System

A. Local Area Designations

1. Identify the State's designated local workforce investment areas and the date of the most recent area designation, including whether the State is currently re-designating local areas pursuant to the end of the subsequent designation period. (§112(b)(5).)

   To ensure a seamless and universal system that is performance based and customer focused, the Governor, in conjunction with the Kentucky Workforce Investment Board (KWIB), designated 11 local workforce investment areas that define zones for service delivery, rather than boundaries that confine available services. The boundaries were drawn based on common geographic and economic factors. On May 28, 1999, full designation under the Workforce Investment Act was conferred to all 11 areas, one being a rural concentrated employment program qualified for automatic designation as specified in Section 116 (a)(2)(B) of the Act.

   The original designation of the City of Louisville/Jefferson County and the North Central Workforce Investment Area as two areas was changed in early 2002, forming a single area. The original local workforce areas of Louisville/Jefferson County and North Central Kentucky Consortium were consolidated to form the Greater Louisville Workforce Investment Area. Thus, the Commonwealth provides WIA services through the current ten local workforce investment areas.

   The state currently has no plans to change the designation of the existing 10 local workforce investment areas.

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 vocational 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 KWIB, pursuant to Section 116(a)(4), reviewed recommendations and requests for designation as workforce investment areas from a number of entities including the 11 service delivery area designees under JTPA, area development district boundaries, legislative/congressional district boundaries, community college districts and 15 areas known as labor market information areas designated under a one-stop implementation grant. After discussions with appropriate local elected officials and completion of the public comment process, the state board recommended to the Governor that the current service delivery areas be

VII. Integration of One-Stop Delivery, Section E (Additional information)

Partnerships have been formed among agencies focusing on the development of a skilled and educated workforce including agencies providing services to the older worker population, individuals with disabilities, corrections and TANF recipients. Kentucky's public workforce system is designed to provide comprehensive services to multiple populations addressing human capital solutions. Assessing these special population needs and contributions provides businesses with a broader source of employees as well as providing greater opportunities for individuals that may have had limited opportunities in the past (sheltered workshop employment).

Recently Governor Fletcher established the Office for Faith Based and Community Nonprofit Social Services, an office within the Governor's office. Community based organizations and private agencies greatly increases the outreach of services that the one-stop system provides in the delivery of services.

designated as the original 11 (now 10) workforce investment areas. The board acknowledged the automatic designation of one rural concentrated employment program as a workforce investment area. The boundaries were drawn based on common geographic and economic factors and duplicate the state's labor market areas.

3. Describe the appeals process used by the State to hear appeals of local area designations referred to in §§112 (b)(5) and 116(a)(5).

   A unit of general local government or grant recipient that requests, but is not granted designation as a local area under paragraph (2) or (3) of Section 116 (a), may appeal to the KWIB. The board may prescribe forms and applicable time frames. Appeals shall be conducted pursuant to the administrative hearing requirements in Chapter 13B of the Kentucky Revised Statutes. A unit of general local government or grant recipient that is dissatisfied with the decision of the KWIB may request a review by the U.S. Department of Labor Secretary pursuant to Section 116 (a) of the Act.

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) and 117(b).)

The Kentucky Workforce Investment Board adopted guidelines on June 9, 1999, pursuant to Section 117 of the Workforce Investment Act. The guidelines stated that the chief elected official of each designated workforce investment area is charged with appointing the membership of the local board.

The guidelines provided the following direction to the LWIBs:

- multiple units of local government in an area;
- composition of the LWIB (i.e., representatives of business, representatives of local educational entities);
- special provisions (i.e., quorum requirements, business must comprise 51 percent of the LWIB membership);
- nomination procedures (i.e., the chief elected official is authorized to appoint the members of the LWIB after the formal nomination procedures);
- certification requirements (i.e., the Governor shall, once every two years, certify one (1) local board from each LWIA); and
- board chair election (i.e., the local board shall elect a chairperson from among the representatives of business).

From time to time, the state has been called upon to respond to special inquiries made on behalf of local workforce investment boards. For example, the state was asked to define and clarify the local board quorum requirement (WIA Guidance Memo #33, issued October 9, 2000). Similarly, the state was asked to consider circumstances of a potential conflict of interest. As a result, the state issued WIA Guidance Memo #61 (July 25, 2002) stating that a local workforce investment board may not allow a member to simultaneously represent more than one category. The state maintained

that prohibiting this practice would ensure "…the required mix of representation from various partners that was intended in the statute."

C. How will your State build the capacity of Local Boards to develop and manage high performing local workforce investment system? (§§111(d)(2) and 112(b)(14).)

Kentucky's award of Incentive Funds has aided in the development and implementation of a fully operational one-stop delivery system. LWIAs have utilized a portion of these funds to enhance local delivery systems. Local board development and training has occurred in the areas of performance management, contracting, and business services. The KWIB supports and encourages local workforce investment boards in developing strong systems.

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

1. What oversight of the local planning process is provided, including receipt and review of plans and negotiation of performance agreements?

   The state provides oversight of the local planning process by advising the local workforce investment areas of local plan requirements and offering technical assistance throughout the drafting process. This advisory is issued in both hardcopy and electronic format. Further, the state ensures the uniform presentation and format of the local plans by providing each local workforce investment area with an electronic template containing plan categories and required content to be addressed and included. Finally, the state establishes a submission date for the local plans. The submission process is outlined in memorandum format and is sent to each local workforce investment area.

2. How does the local plan approval process ensure that local plans are consistent with State performance goals and State strategic direction?

   To develop the program year 2005 plans, the state notified the local workforce investment areas of the performance goal negotiation process as well as the state's planning process for writing the state plan. However, realizing that the drafting process for the local plans ran concurrently with the drafting process for the state plan, OET has requested LWIAs submit an abbreviated version of the local plans. This version concentrates, specifically, on workforce investment issues within their own areas, their unique one-stops, and their individual policies. By requiring a modified version of the local plan, the state ensures that following the approval of the state plan the local workforce investment areas will be better positioned to align local initiatives with the state's strategic direction. This overall direction will be documented in a revised local area plan, which will be due from each area on or before December 31, 2005.

E. Regional Planning (§§112(b)(2) and 116(c).)

1. Describe any intra-State or inter-State regions and their corresponding performance measures.

   Kentucky has not formally created either intra-state or inter-state regions, as specified in the Workforce Investment Act. However, several workforce investment areas have participated in certain efforts to share important information and work together. In addition there are examples of regional partnerships that support services to both job seekers and businesses. An example is a regional job fair hosted by three workforce investment areas.

2. Include a discussion of the purpose of these designations and the activities (such as regional planning, information sharing and/or coordination activities) that will occur to help improve performance. For example, regional planning efforts could result in the sharing of labor market information or in the coordination of transportation and support services across the boundaries of local areas.

   Greater Louisville LWIA has taken the lead in producing labor market information that analyzes the Louisville Metro labor market, and that research has demonstrated that Louisville draws from 24 counties, some of which are in Southern Indiana. Consequently, all of the labor market research conducted is now aided at analyzing that 24 county labor shed. See, for example, the Kentuckiana Occupational Outlook at www.kentuckianaworks.org.

   The Northern Kentucky Workforce Investment Area (NKWIA) is located in a tri-state region including northern Kentucky, southwestern Ohio, and southeastern Indiana. Within this tri-state area, five local one-stop operators formed a regional cooperative. The purpose of the cooperative is to make sure that the entities in the region are aware of issues and activities within their LWIAs. This is needed because the economic activity of each of the areas is inter-related. Residents of Kentucky work in Ohio. Indiana companies hire residents of Ohio. The Northern Kentucky/Greater Cincinnati International Airport has a great affect on the economy of each of the states.

   The cooperative meets quarterly. The agenda provides time for each operator to report on their own local activity and progress. There is discussion on issues arising locally, out of state activity, and developments in Washington. The meetings rotate between the operators so that different one-stop sites can be toured and best practices can be observed.

   The West Kentucky Workforce Investment Board (WKWIB), serving the seventeen (17) counties of western Kentucky, feels the effect of its border states in workforce activities with special projects and overlapping business dislocation events. The adjoining states of Illinois, Indiana, Missouri, and Tennessee all have community colleges, private institutions, or regional universities that are on the WKWIB's local training provider listing. Close travel proximity to community/technical colleges plus Austin Peay State University, Clarksville,

Tennessee; make these educational institutions reasonable choices for western Kentucky residents. The WKWIB has experienced several industry dislocations along its southern border where the industry lay either in Kentucky, or Tennessee. The WKWIB contacts the state of Tennessee's Dislocation staff and the locally effected workforce area staff in these instances to invite them to the Kentucky resource- planning event, as well as to information events for the larger industries. The WKWIB sends career center service information fliers to the bordering Tennessee career centers so individuals have the proper service information for the dislocation. Tennessee in turn relays dislocated worker information to the Purchase/Pennyrile workforce area on similar local events. The Tennessee areas in which this level of coordination occurs is the North West Tennessee Workforce Board, Dyersburg; the North Tennessee Workforce Investment Board, Clarksville; Southwest Human Resource Agency, Workforce Area 11, Henderson. WKWIB staff is invited to several regional Tennessee workforce events throughout the year.

The WKWIB also shares in the activities of the USDOL National Emergency Grant to the North Tennessee Workforce Investment Board, Clarksville, Tennessee, that serves military spouses as dislocated workers due to the spouses' leaving jobs to follow their enlisted husband or wife to new military base locations. The WKWIB has a memorandum of understanding with the North Tennessee WIB and a contract for services with the WKWIB. WKWIB staff provides outreach, recruitment, counseling, and assignment to training activities. The contract funds WKWIB staff to be located on the Fort Campbell, Kentucky military base which straddles the Kentucky-Tennessee state line. Kentucky has a minimum staff presence in the on-base Career Center associated with this operating project.

3. For inter-State regions (if applicable), describe the roles of the respective Governors and State and local Boards.

   NA

F. Allocation Formulas (112(b)(12).)

1. If applicable, describe the methods and factors (including weights assigned to each factor) your State will use to distribute funds to local areas for the 30% discretionary formula adult employment and training funds and youth funds pursuant to §§128(b)(3)(B) and 133(b)(3)(B).

   WIA Title I Funds are allocated on the basis of the prescribed formula and methodology from the United States Department of Labor (US DOL). The formula is one-third based on relative number of unemployed, one-third on relative excess number of unemployed, and one-third on relative number of disadvantaged individuals compared to the total number of each in all states.

   The funds allocated to the local areas for youth activities and adult training and employment activities will be allocated based on the formulas specified in Section

128 (b) (2) (A) (I) and 133 (b) (2) (A) (I) respectively. The two additional discretionary factors specified in 128 (b) (3) and 133 (b) 3 will not be used. As the local areas have not changed, the state intends to enact a "hold harmless" provision in which each area receives at least 90 percent of the allocation percentage of the local area for the preceding fiscal years, if allowed by WIA regulation following Reauthorization.

The Governor will allocate to the local workforce investment areas 85 percent of the Act Section 127 youth funds. Five percent will be used for statewide administration, and ten percent will be reserved to carry out statewide youth, adult, and dislocated worker activities specified in the Act.

The Governor will allocate to the local workforce investment areas 85 percent of the Act Section 133 adult employment and training funds. Five percent will be used for statewide administration, and ten percent will be reserved to conduct statewide youth, adult, and dislocated worker activities specified in the Act.

The Governor will allocate to the local workforce investment areas up to 60 percent of the Act Section 133 dislocated worker funds. Up to 25 percent will be reserved for statewide rapid response activities, five percent for statewide administration, and up to ten percent will be reserved for statewide adult, youth, and dislocated worker activities specified in the Act.

The Governor may elect to adjust the allocation percentages stated.

2. Describe how the allocation methods and factors help ensure that funds are distributed equitably throughout the State and that there will be no significant shifts in funding levels to a local area on a year-to-year basis.

   The state enacts a "hold harmless" provision for youth and adult allocations in which each area receives at least 90 percent of the allocation percentage of the local area for the two preceding years. The hold harmless provision ensures that each LWIA will not experience a significant shift in funding levels on a year-to-year basis.

3. Describe the State's allocation formula for dislocated worker funds under §133(b)(2)(B).

   Dislocated worker funds will be allocated to the local areas using the six factors prescribed in Title I, Section 133(b)(2)(B). Ninety percent of the funds allotted to the local areas will be allocated in the following manner: 30 percent based on unemployment insurance data, 40 percent based on unemployment concentrations, two percent based on plant mass layoffs, 13.5 percent based on declining industries, one-half percent based on farmer-rancher economic hardship data, and 14 percent based on long-term unemployment. The remaining ten percent of the funds allotted to the local areas will be allocated 60 percent based on unemployment concentrations and 40 percent based on declining industries.

The Governor may elect to adjust the allocation percentages stated.

4. Describe how the individuals and entities on the State Board were involved in the development of the methods and factors, and how the State consulted with chief elected officials in local areas throughout the State in determining such distribution.

   The standard formula allocation method for distribution of Adult and Youth funds does not require input by the state board, chief elected officials, or local boards. Since the implementation of WIA, both the state board and local boards have had opportunities to comment on the formula distributions, and in the future may make recommendations to the Governor to adjust the manner in which the allocations are distributed to the local areas.

G. Provider Selection Policies (§§112(b)(17)(A)(iii), 122, 134(d)(2)(F).)

1. Identify the policies and procedures, to be applied by local areas, for determining eligibility of local level training providers, how performance information will be used to determine continuing eligibility and the agency responsible for carrying out these activities.

   The procedure for selecting eligible providers is initiated through an application to the local WIB. All applications must include general provisions and assurances. The board must take action to approve or deny each application, and notify all applicants. When the LWIB denies an application, the notification to the applicant must include the reasons for denial.

   The following categories of providers are initially eligible upon submission of an application to the LWIB:
   - institutions that receive Title IV funds (federal student financial aid) and provide a program that leads to a postsecondary diploma, associate degree, baccalaureate degree, or certificate; and
   - institutions carrying out registered apprenticeship programs as defined in KRS Chapter 343.

   Other providers are identified as: 1) those that provide training through a program covered by the Workforce Investment Act at the date of application for eligibility, or 2) those that do not provide training through a program covered by the Workforce Investment Act at the date of application for eligibility. The following criteria apply to potential providers seeking initial eligibility provider status.

   All applications must include the following information:
   - demonstrated ability to provide training;
   - faculty or instructional staff qualifications;
   - course or service or curriculum description;
   - credentials awarded;
   - tuition and fee requirements;
   - licensure by appropriate state agency, if applicable;

- accreditation by recognized agencies, if appropriate; and
- assurances and certifications required by federal law or the state.

Applications will be evaluated according to the following criteria:
- match between skills needed by employers and the education or training provided by the applicant;
- ability to provide educational and training programs needed in local areas;
- proven ability to provide the specified training, for example a community-based organization (CBO) or other agency;
- licensure pass rate, if appropriate;
- licensure by the appropriate state agency to operate, if applicable;
- accreditation by recognized agencies, if appropriate;
- performance and cost information, if applicable; and
- strong ties to economically disadvantaged community.

A provider that has previously participated in the workforce education and training system must provide performance and cost information as required by the program for which training was provided.

Criteria for continuing eligibility for training providers:
When considering the continuing eligibility status of training providers, local boards must include consideration of the following:
- specific economic, geographic, and demographic factors from the local areas in which providers seeking eligibility are located; and
- the characteristics of the populations served by providers seeking eligibility, including the demonstrated difficulties in serving such populations, where applicable.

Satisfactory performance means meeting the locally negotiated performance levels.

Information to be submitted by training provider in order to continue eligibility:
Kentucky obtained a waiver of the subsequent eligibility requirements. However, the state has instructed local workforce investment areas to request annual cost information from eligible providers in order to ensure that vital information regarding cost of attendance and the length of program are updated. Program information includes program completion rates for individuals participating in the applicable program conducted by the provider, the percentage of all individuals participating in the applicable program who obtain unsubsidized employment, and the wages at placement in unsubsidized employment of all individuals participating in the applicable program.

The provider shall submit training service information for all participants who received assistance under training and employment activities to participate in the applicable program including: the percentage of participants who have completed the applicable program and who are placed in unsubsidized employment; the

retention rates in unsubsidized employment of participants who have completed the applicable program six months after the first day of employment; the wages received by participants six months after the first day of the employment; where appropriate, the rates of licensure or certification, attainment of academic degrees or equivalents, or attainment of other measures of skills of the graduates of the applicable program; and information on program costs (such as tuition and fees) for participants in the applicable program.

Procedures related to continued eligibility of training providers.
A provider must submit an application to the local WIB. The LWIB must take action to continue or terminate eligibility of the applicant and provide notification of its decision. If eligibility of the training provider is terminated, the LWIB must include the reasons for denial in a denial notice forwarded by certified mail with a return receipt requested.

2. Describe how the State solicited recommendations from local boards and training providers and interested members of the public, including representatives of business and labor organizations, in the development of these policies and procedures.

   OET staff maintains communication with Local Workforce Investment Area ETPL coordinators, or ETPL Leads, through e-mail correspondence, phone conversations, and quarterly meetings. The ETPL Leads serve as LWIA liaisons to OET, keeping the Office informed of local issues and reporting back to their LWIA any relevant information. In representing local workforce investment area boards which are partly comprised of business and labor organizations, and by working with providers to establish and maintain WIA eligibility, the Leads have been able to take into consideration recommendations from boards, providers, and public stakeholders as the said procedures have been developed.

3. Describe how the State will update and expand the State's eligible training provider list to ensure it has the most current list of providers to meet the training needs of customers.

   The Office of Employment and Training will maintain the statewide provider list in a centralized database. Regularly updated, this list is available to the local WIB staff, the one-stop staff, and customers through multiple formats including print and public media, and electronic means such as web sites on the Internet.

4. Describe the procedures the Governor has established for providers of training services to appeal a denial of eligibility by the local board or the designated State agency, a termination of eligibility or other action by the board or agency, or a denial of eligibility by a One-Stop operator. Such procedures must include the opportunity for a hearing and time limits to ensure prompt resolution.

   LWIAs have developed informal resolution procedures for disputes concerning eligible provider status. Any provider of training services who alleges a violation

of the Act, federal regulations, or the contract under which the provider is participating may appeal to the local board.

5. Describe the competitive and non-competitive processes that will be used at the State level to award grants and contracts for activities under title I of WIA, including how potential bidders are being made aware of the availability of grants and contracts. (§112(b)(16).)

   Kentucky prescribed and implemented procurement standards in accordance with Section 184(a)(3) of the Workforce Investment Act. Section 184(a)(3) requires states, local areas, and providers receiving funds under this Act to comply with the Uniform Administrative Requirements as promulgated in circulars or rules by the Office of Management and Budget. The Uniform Administrative Requirements, codified by the Department of Labor in 29 CFR Part 97, provides the standards and procedures for procurement of goods and services in Section 97.36, *Procurement*.

   Realizing the critical need for information technology resources, the commonwealth established The Strategic Alliance Services (SAS) Contracts Request for Proposal. This is the Commonwealth's initiative to expedite, simplify, and facilitate solution building and to provide negotiation flexibility in how the executive branch cabinets procure services for information technology. The SAS contract will permit access to 15 state price contracts for information technology project services from private sector companies through a just-in- time delivery system.

   The administrative regulation 29 CFR 97.36(a), reads as follows: "When procuring property and services under a grant, a state will follow the same policies and procedures it uses for procurements from its non-federal funds." The Commonwealth of Kentucky uses the provisions of the *Kentucky Model Procurement Code* [Kentucky Revised Statutes (KRS), Chapter 45A] for the procurement of all goods and services by state agencies. These methods for awarding contracts are contained within the Model Procurement Code:
   - competitive sealed bidding (KRS 45A.080);
   - competitive negotiation (KRS 45A.085 and 45A.090);
   - noncompetitive negotiation (KRS 45A.095);
   - small purchase procedures (KRS 45A.100); and
   - responsibilities of bidders and offerors (KRS 45A.110).

6. Identify the criteria to be used by local boards in awarding grants for youth activities, including criteria that the Governor and local boards will use to identify effective and ineffective youth activities and providers of such activities. (§112(b)(18)(B).)

   Local workforce investment boards determine types of youth services needed based on youth population demographics and gap analysis. When service needs are identified, local procurement guidelines are followed to award grants and

VIII. Administration and Oversight of Local workforce Investment System, Section G. 4 (Additional information)

The Commonwealth of Kentucky has a waiver (and has requested continuation) in regard to subsequent Eligible Training Provider requirements, 18-month subsequent eligibility requirement. Therefore, the state has not established procedures for termination of eligibility as a training provider.

Appeals of an informal decision at the local level regarding a grievance shall be conducted pursuant to the administrative hearing requirements in Chapter 13B of the Kentucky Revised Statutes.

contracts. Contracts are written within criterion built to ascertain the effectiveness of programs. Programs are also monitored on a continuous basis for performance.

Local Workforce Investment Areas ensure the availability of the required ten WIA youth program elements and the provision services on an as-needed basis. Other avenues of youth service are being explored in several local workforce investment areas.

One LWIA determined the most efficient way to provide youth service was through the one-stop system instead of awarding contracts to program providers. A youth case manager will assist in connecting youth to needed services provided by the one-stop system as well as through a referral network of local service providers. Another LWIA, through gap analysis, determined the most effective use of WIA youth funds was to provide specific work readiness and occupational skills services only. There were sufficient services already available to provide basic skills related services.

H. One-Stop Policies (§112(D)(14).)

1. Describe how the services provided by each of the required and optional One-Stop partners will be coordinated and made available through the One-Stop system. Include how the State will consolidate Wagner-Peyser funds to avoid duplication of core services. (§112(b)(8)(A).)

   Kentucky's Local Workforce Investment Areas (LWIA) have been granted authority and have the flexibility to determine how and to what level their required and itinerant partners are integrated into Kentucky's 31 comprehensive one-stop facilities. Required partners operate within the one-stop system across the State and provide a full array of services for all Kentuckians.

   Many of the local areas one-stop center's required partners have representatives housed on a full time basis. Staffs are integrated into operations and are available to serve customers. In other areas partners maintain a part-time physical schedule and are referred to as an itinerant partner. In addition other partners are electronically linked. This is determined by customer services, geographic distance (due to Kentucky's rural demographics) and availability of space and or resources.

   The integration of WIA and Wagner-Peyser programs within the state will occur through reorganization.

2. Describe how the State helps local areas identify areas needing improvement and how technical assistance will be provided.

   The State utilizes several options to identify local area needs. The Office of Employment and Training conducts annual LWIA compliance monitoring. The compliance visits are designed to assist the Office identify deficiencies in local

area performance, participant eligibility, programs, procurement, Individual Training Accounts, and fiscal matters.

Compliance visits do not identify all needs; therefore, staff reviews Crystal Launch Pad reports relating to performance, participant enrollment and eligibility, fiscal information, and desktop monitors the Employ Kentucky Operating System (EKOS) data collection structure. The results of these reviews often produce red flags that staff immediately bring to the attention of the local areas. If the red flags are consistent across local areas or across a particular local area case management staff, then on-site technical assistance is provided to all local areas or to the particular case management staff.

The Office of Employment and Training hosts quarterly Youth Lead, Fiscal, and Rapid Response meetings. Local area directors also meet monthly. These meetings often identify technical assistance needs. The local workforce areas request technical assistance on an as- needed basis. Technical assistance is provided via email, on-site visits, training, quarterly meetings, and monitoring.

The OET is currently drafting a plan to integrate monitoring and technical assistance as a unilateral cohesive unit. It continually strives to develop and implement new and innovative means to determine and provide technical assistance to all our partners.

3. Identify any additional State mandated One-Stop partners (such as TANF or Food Stamp Employment and Training) and how their programs and services are integrated into the One-Stop Career Centers.

Kentucky currently has no additional state mandated one-stop partners. The state has maintained that local areas can best determine their own needs regarding additional partners. The availability of agencies that are equipped to provide compatible one-stop services varies greatly across Kentucky. Urban, suburban, or local landscapes often dictate need and the availability of service providers. These gaps in availability greatly impact management's ability to foster relationships and promote additional interagency collaboration and coordination.

However, to meet the needs of their employers and job seekers, many local workforce investment areas have created strong linkages with other agencies. They have focused their attention and efforts at bringing in partners who will embrace the goals and visions established by the management of the local one-stop system. These linkages can best be illustrated by:

Rural counties have made an overwhelming commitment by covering basic costs associated with establishing and operating satellite one-stop centers. Many have hired an employee, at a county's expense, who manages a center on a full time basis. The centers provide intensive labor exchange services and information/referral to other agencies for additional services. Their reasoning is that they want services available in their counties, rather than having their residents travel long distances to receive such services.

The Department for Community Based Services (DCBS) was a one-stop partner in some areas before the implementation of WIA. DCBS staff provide access to a full array of services, including food stamps, K-TAP (TANF), etc. The WIA one-stop staff is trained and equipped to help with initial identification of job seeking customers who might need referral to DCBS for basic assistance.

Non-Profit agencies like the Commonwealth Educational Opportunity Center, based at Morehead State University, provide financial aid information to one-stop customers, help with orientation and registration information, and provide assistance with financial aid and scholarship applications. Hazard/Perry County Community Ministries and DCBS have partnered for an Earned Income Tax Credit Project, funded through the Annie E. Casey Foundation. It is a part of the Kentucky Asset Success Initiative through the Kentucky State Treasurer's Office. This project involves free tax preparation for 1040 and 1040EZ filers in a five county area. It provides information and assurance to the tax filers that they will get back all of their entitled EITC. The one stop and the partnership have worked with employers to get the word out to wage earners. Asset building workshops such as "Yes, You Can Own a Home" and "Money Smart" (budgeting, banking, and loans information), are offered. In addition to providing one of the three service locations, the LWIA handles the marketing of the project.

The project exceeded its target numbers for both tax returns prepared (197 percent) and people attending the financial education component (605 percent). In total, 393 tax returns were prepared, resulting in $367,644 in refunds including $203,115 due to the EITC. Estimates of savings of money that customers otherwise would have spent filing returns and receiving rapid refund loans range from $24,566 to $90,789. This multi-agency grant project included: LWIA, Perry County JobSight, Hazard/Perry County Community Ministries, L.K.L.P. Community Action Council, Office of Employment and Training, Hazard/Perry County Housing Development Alliance, Little Flower Free Clinic, and DCBS. This is a model for community and partner integration, FBCO, resource leveraging, and employer cooperation.

Juvenile Justice has partnered in some areas and is housed in one-stop centers. LWIAs have partnered with the Veterans Administration. Representatives visit centers to see clients and provide workshops on the one stop.

Reorganization of Kentucky's Executive Branch and Cabinet structure with the alignment of education and employment and training programs under the Education Cabinet, will enable OET to provide more unified guidance to LWIAs. The result is easier access and greater opportunity for one stops to connect with a vast number of established education programs and services. This reorganization provides greater administrative continuity at the state level.

I. Oversight/Monitoring Process -- Describe the monitoring and oversight criteria and procedures the State utilizes to move the system toward the State's vision and achieve the goals identified above, such as the use of mystery shoppers, performance agreements. (§112(b)(14).)

Pursuant to 667.410 of the Regulations, the state has developed a two-fold monitoring process, which begins with an annual on-site compliance visit to each local workforce investment area and each contractor to ensure compliance with the WIA requirements. The second phase of the monitoring process consists of a follow-up visit to verify that corrective actions and recommendations from the compliance visit have been acted upon by the reviewed party.

To provide as much information as possible to the local workforce investment area(s) and contractor(s), the state provides a copy of the state's WIA compliance review tool to each entity at the beginning of the program year. Further, the state also provides a complete compliance review schedule (July – June) to each entity informing them of their tentative compliance review date. Since the memorandum transmitting the compliance review tool describes the preliminary information necessary and leading up to the scheduled visit date, a dialogue is initiated between the state oversight entity and the local workforce investment area or contractor.

Prior to the compliance review date, the local workforce investment area or contractor is requested to review the compliance review tool and provide answers to each question. By furnishing this information to the state oversight team in advance of the compliance review visit, the team becomes aware of problem areas, discrepancies, and potential issues involving the need for technical assistance, if not resolution for non-compliance.

Once on-site, the oversight team reviews information pertaining to programmatic compliance, as well as fiscal compliance. Substantial deficiencies are recorded as findings by the review team. A preliminary determination report is issued by the team, within thirty (30) days following the conclusion of the on-site visit. The preliminary determination gives the LWIA/contractor an opportunity to respond to findings by providing any necessary documentation and instituting corrective action. After a thirty-day response period, the monitoring team reviews the LWIA/contractor response for the required measure of compliance. The monitoring team has thirty (30) days to, then, issue an initial determination specifying findings with satisfactory resolution and those still constituting issues of compliance and/or questioned costs. Following the issuance of the initial determination, the LWIA/contractor receives another thirty (30) day response period to provide any remaining documentation and/or statements of corrective action. The final determination is issued by the Office of Employment and Training no later than thirty (30) days after having received the remaining elements. The final determination states any unresolved issues and advises the LWIA/contractor of the subsequent resolution process.

J. Grievance Procedures. (§§122(g) and 181(cc).) Attach a copy of the State's grievance procedures for participants and other affected parties (including service providers.)

See Attachment E.

K. Describe the following State policies or procedures that have been developed to facilitate effective local workforce investment systems (§§112(b)(17)(A) and 112 (b)(2).)

1. State guidelines for the selection of One-Stop providers by local boards;

   Kentucky requires local Workforce Investment Areas to select providers including one-stop operators (public and private) by competitive process, requiring safe guards against conflict of interest, and describe the scope of services to be provided.

2. Procedures to resolve impasse situations at the local level in developing memoranda of understanding (MOUs) to ensure full participation of all required partners in the One-Stop delivery system;

   Kentucky has no formal resolution procedures in place however, with the majority of the required partners housed under Education Cabinet, Department for Workforce Investment and others housed within Cabinet informal dispute resolution would occur at the Cabinet level and through the state board.

3. Criteria by which the State will determine if local Boards can run programs in-house;
   Kentucky does not permit local boards to run programs in-house unless permission is obtained and granted by the Governor. Documentation must support evidence that there is an insufficient number of eligible providers of the program in the local area and information demonstrating the local board meets the requirements to provide services. Kentucky does allow local boards to provide case management services.

4. Performance information that on-the-job training and customized training providers must provide;

   Providers of on-the-job training and customized training are required to track and provide the same data that are required for all WIA participants and programs to allow for performance tracking.

5. Reallocation policies;

   The following policies outline the Governor's requirement and sanctions regarding meeting the cost limitations as addressed in the Workforce Investment Act and the amount of allowable carry-over funds. The purpose of these policies is to ensure that resources are being utilized effectively.

   A. <u>Background</u>

      Any sanction policy promulgated by the Governor involving the deobligation/reobligation of funds must take into account the cost limitations and the obligational requirements found in the Act and ensure

VIII. Administration and Oversight of Local Workforce Investment System, Section K.2 (Additional information)

Kentucky will issue a directive that reminds LWIAs and their required One-Stop partners of their responsibility, in the event of non-signature of a MOU, to inform the Office of Employment & Training and the KWIB. The directive will also address the sanctions provided in the WIA Regulations for failure to execute a MOU. The state will ensure that future impasse notifications are conveyed to USDOL and other appropriate federal agencies.

that these limitations and requirements are adhered to by the local areas. Further, failure to adhere to the statutory cost limitations may be the basis for sanctions which utilize repayment of funds. Failure to meet the obligational requirements may result in deobligation.

B. Publication/Modification Requirements

A modification to the WIA Plan will be required if a substantial deviation of funds results from either a voluntary or involuntary deobligation or reobligation. A change of more that 20 percent in fund availability is considered a substantial deviation. A technical correction to the WIA plan will be required if the change in funds is less that 20 percent of the total funds available. Modifications and technical corrections to the WIA plan should be submitted in accordance with the WIA Plan instructions.

Involuntary Deobligation Policy Title I, Workforce Investment Act

A. Obligation of Funds

The Governor may reallocate youth, adult, and dislocated worker funds among local areas within the State in accordance with the provisions of sections 128(c) and 133(c) of the Act.

For the youth, adult, and dislocated worker programs, the amount to be recaptured from each local area for purposes of reallocation, if any, must be based on the amount by which the prior year's unobligated balance of allocated funds exceeds 20 percent of that year's allocation for the program, less any amount reserved (up to 10 percent) for the costs of administration. Unobligated balances must be determined based on allocations adjusted for any allowable transfer between funding streams. This amount, if any, must be separately determined for each funding stream.

NOTE: Obligations - means the amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a funding period that will require payment by the recipient or subrecipient during the same or a future period.

It should be noted that the deobligation of funds based upon non-compliance with the requirement that 80 percent of a program year's allocation be obligated is based upon the status of obligations after the first program year of the grant period is over. Therefore, funds set aside at the beginning of a program year for such things as OJT contract pools and administrative budgets, etc., will not count as an obligation at the end of the year unless actual contracts were written.

B. Reobligation

If such funds become available, local areas will be notified as to the amount of the funds available by WIA funding stream. To be eligible to receive youth, adult or dislocated worker funds under the reallocation procedures, a local area must have obligated at least 80 percent of the prior program year's allocation, less any amount reserved (up to 10 percent) for the costs of administration, for youth, adult, or dislocated worker activities, as separately determined. A local area's eligibility to receive a reallocation must be separately determined for each funding stream. Eligible local areas may apply for these funds by submitting a plan with their projected expenditures for the current program year. The minimum/maximum amount of funds which a local area may receive will be determined by the State based on fund availability.

Voluntary Deobligation Policy

A. Principles

1) A local area may opt to transfer funds to another local area that wishes to accept those funds. This transfer may include any portion of a local area's funds, including those exclusively from the program category (i.e. either whole dollars), administrative, or any combination thereof.

NOTE: If a local area deobligates only program funds, it could appear that the local area has exceeded the cost limitations. If this occurs, a clarification should be included with the federal report explaining the voluntary deobligation of funds. The explanation should state: $_____ program dollars were voluntarily deobligated to the _____ local area" in accordance with the State's written policy.

2) Funds voluntarily deobligated and transferred maintain their character regarding cost categories and associated time limitations for expenditure.

A local area that received deobligated funds needs to expend these funds based on the following:

Deobligated funds must be expended within the program year in which they are received. Carry-over of voluntarily deobligated funds is not allowed.

3) Voluntary deobligation for Title I, Section 128(b)(2)(A) or 128(b)(3) and Section 133(b)(2)(A) or 133(b)(3), respectively, may be negotiated and accomplished during the first three quarters of the program year. No voluntary deobligations may occur during

the fourth quarter without a request for wavier and approval by the Office of Employment and Training.

4) Contingent on State approval, the local area may negotiate a voluntary deobligation and transfer with the approval of its LWIB and Chief Elected Officials.

5) Local areas interested in making deobligations or receiving such funds should communicate their interest to other local areas and to the Office of Employment and Training.

B. Reallocation Procedures

1) The identification of an area willing to accept funds and subsequent negotiations of the deobligation transfers is the responsibility of the local areas involved.

2) Once local areas have agreed to a voluntary deobligation transfer, both the local area deobligating and receiving funds must submit a rationale to the State for this action. If a local area accepts program funds without administrative funds, an explanation must be included describing how these funds will be effectively supported.

3) The Office of Employment and Training must approve a local area's deobligation and reallocation plans prior to any funds being transferred.

6. State policies for approving local requests for authority to transfer funds (not to exceed 20%) between the Adult and Dislocated Worker funding streams at the local level;

Kentucky has an approved waiver for authority to transfer up to 50 percent between the Adult and Dislocated Worker funding streams. Kentucky is seeking a modification to the current waiver requesting authority to transfer up to 100 percent between the two funding streams allowing for greater flexibility to address local needs. Local Workforce Investment Areas must submit in writing a request to transfer funds and approval must be granted from the Office of Employment & Training.

7. Policies related to displaced homemakers, nontraditional training for low-income individuals, older workers, low-income individuals, disabled individuals and others with multiple barriers to employment and training;

The state recognizes the LWIAs flexibility to shape local policy as it relates to displaced homemakers, nontraditional training for low-income individuals, older

workers, low-income individuals, disabled individuals and others with multiple barriers to employment and training.

8. If you did not delegate this responsibility to local boards, provide your State's definition regarding the sixth youth eligibility criterion at section 101(13)(C)(iv) ("an individual who requires additional assistance to complete an educational program, or to secure and hold employment"). (§§ 112(b)(18)(A) and 20 CFR 664.210).)

   This responsibility has been delegated to local boards.

IX. Service Delivery -- Describe the approaches the State will use to provide direction and support to local Boards and the One-Stop Career Center delivery system on the strategic priorities to guide investments, structure business engagement, and inform service delivery approaches for all customers. (§112(b)(17)(A).)

A. One-Stop Service Delivery Strategies: (§§112(b)(2) and 111(d)(2).)

1. How will the services provided by each of the required and optional One-Stop partners be coordinated and made available through the One-Stop system? (§112(b)(8)(A).)

   Each local area has local consortium agreements and Memorandums of Understandings (MOUs) among partner agencies. The state monitors these agreements and MOUs on an annual basis.

2. How are youth formula programs funded under (§128(b)(2)(A).) integrated in the One-Stop system?

   Currently, youth formula funds are disseminated by the LWIAs through contractual agreements. LWIAs, in partnership with their local youth councils, develop relationships with local agencies and service providers to ensure that necessary services are available to eligible youth. LWIAs are charged with integrating their programs into their one-stop system. The degree of integration varies. Some local areas are considering establishing stand alone youth one-stops while others have integrated youth services into their comprehensive one stops. Youth services are also available through the one stop via referral between physical centers and other agencies.

3. What minimum service delivery requirements does the State mandate in a comprehensive One-Stop Centers or an affiliate site?

   The state does not currently have minimum requirements beyond those established in the Regulations. While state certification of Kentucky's Comprehensive One-Stop Centers has been a high priority for the KWIB and preliminary standards have been developed, a final process is pending due to WIA reauthorization.

4. What tools and products has the State developed to support service delivery in all One-Stop Centers Statewide?

   WIA has provided extensive training brochures, videos and equipment for 1100 front-line staff regarding accessibility in the One-Stop Centers. Kentucky's Workforce Kentucky site (www.workforcekentucky.ky.gov) provides detailed workforce information to employers, economists and market analysts, job seekers, school counselors, students and One-Stop Career Center staff. LWIAs have also prepared brochures, pamphlets, and leaflets that they make information readily available through the one-stop centers for dissemination to businesses, job seekers, and employment counselors. Each LWIA has similar information posted on its website as well. Regardless of a customer's location or information need, workforce information is readily available to facilitate informed decisions.
5. What models/templates/approaches does the State recommend and/or mandate for service delivery in the One-Stop Centers? For example, do all One-Stop Centers have a uniform method of organizing their service delivery to business customers? Is there a common individual assessment process utilized in every One-Stop Center? Are all One-Stop Centers required to have a resource center that is open to anyone?

   The state does not mandate models / templates or approaches for service delivery in the One-Stop Centers. There is a consensus and expectation among local directors that comprehensive centers statewide will a have a resource center. In support of resource rooms, the state purchased state of the art accessible workstations for all comprehensive centers.

B. Workforce Information – A fundamental component of a demand-driven workforce investment system is the integration and application of the best available State and local workforce information including, but not limited to, economic data, labor market information, census data, private sources of workforce information produced by trade associations and others, educational data, job vacancy surveys, transactional data from job boards, and information obtained directly from businesses. (§§111(d)(8), 112(b)(1), and 134(d)(2)(E).)

1. Describe how the State will integrate workforce information into its planning and decision making at the State and local level, including State and local Boards, One-Stop operations, and case manager guidance.

   Strategic planning consultants provided technical assistance to the state and each of the ten local workforce investment areas regarding state and local strategic planning. Each plan reflects the unique components of that area's demand driven workforce. The Office of Employment and Training, Research and Statistics Branch provided labor market information and economic data in the development of local strategic plans. A website is maintained by this Branch.

2. Describe the approach the State will use to disseminate accurate and timely workforce information to businesses, job seekers, and employment counselors, in

easy to use formats that are readily accessible within One-Stop Career Centers and at remote locations such as libraries, schools, worksites, and at home.

Kentucky's Workforce Kentucky site (www.workforcekentucky.ky.gov) provides detailed workforce information to employers, economics and market analysts, job seekers, school counselors, students and One-Stop Career Center staff. LWIAs have also prepared brochures, pamphlets, and leaflets that they make readily available through the one-stop centers for dissemination to businesses, job seekers, and employment counselors. Each LWIA has similar information posted on its website as well. Regardless of a customer's location or information need, workforce information is readily available to facilitate informed decisions.

3. Describe how the State's Workforce Information Core Products and Services Plan is aligned with the WIA State Plan to ensure that the investments in core products and services support the State's overall strategic direction for workforce investment.

   Kentucky's Workforce Information Core Products and Services Plan for PY 2004 was developed in accordance with the ETA Training and Employment Guidance Letter No. 1-04, which stipulated a collaborative process with the State Workforce Investment Board in developing the plan. The Director of the Kentucky Workforce Investment Board (KWIB) fully participated in the development of the plan. Additionally, the KWIB Business and Industry Committee, as well as the full KWIB membership, reviewed the draft plan and provided feedback regarding the plan content.

   The most recent Strategic Plan (2004-2008) of the Kentucky Workforce Investment Board (WIB) was utilized in developing the Workforce Information Core Products and Services Plan activities for Program Year 2004. This plan identifies four strategic issues that must be addressed to create a competitive economic development and workforce advantage: awareness, access, alignment, and accountability. Increasing awareness and ease of access to information was addressed in the Workforce Information and Core Products and Services Grant plan. One major goal in the KWIB strategic plan is "to enhance the comprehensive workforce information system…through an intelligent, future oriented approach". Objectives under this goal include: 1) To identify supply and demand needs on an ongoing basis; 2) To enhance and promote Kentucky's workforce information system; and 3) To gather up-to-date information (not available through formal data collection systems) through enhanced environmental scanning. Additionally, The KWIB has a particular interest in the Local Employment Dynamics (LED) project, and its greater integration with **Workforce Kentucky**. These goals are also consistent with the Governor's goal to create a business friendly environment that allows for business growth, job creation and retention, and the education of our students and workforce. Access to good workforce and economic information is critical to supporting this business growth.

4. Describe how State workforce information products and tools are coordinated with the national electronic workforce information tools including America's Career Information Network and Career Voyages.

   America's Service Locator is coordinated at the state level by OET. All one-stop system sites are maintained. The comprehensive questionnaire has been completed for all services, partners, and locations. ASL is a prominent link on the state website.

C. Adults and Dislocated Workers
   1. Core Services. (§112(b)(17)(a)(i).)
      a. Describe State strategies and policies to ensure adults and dislocated workers have universal access to the minimum required core services as described in §134(d)(2).

         Kentucky's service strategy to ensure adults and dislocated workers have universal access to core service is within Kentucky's service delivery infrastructure that involves its 31 comprehensive one-stops, their affiliate and satellite sites. Core services are determined by local memorandum of understandings between the one-stop partners, and no one partner is presumed to be the sole source of funding for any of the core services.

      b. Describe how the State will ensure the three-tiered service delivery strategy for labor exchange services for job seekers and employers authorized by the Wagner-Peyser Act include (1) self-service, (2) facilitated self-help service, and (3) staff-assisted service, and are accessible and available to all customers at the local level.

         A new version of Kentucky's Self-Registration Module will enable customers to register with EKOS from any Internet-connected computer. The customer will be able to perform on-line job searches and use a job-scout to receive notification of job openings on a scheduled basis, create a resume and a cover letter to post on the America's Job Bank (AJB) site and apply for employment and training services provided by Kentucky's one-stop centers.

         UI claimants are now able to file for benefits over the Internet or through call centers using Kentucky's Electronic Workplace for Employment Services (KEWES). Customers filing an unemployment insurance claim through KEWES are automatically registered for work in EKOS.

         All job orders entered into America's Job Bank (AJB) by Kentucky employers, as well as employers from surrounding states, will be imported into EKOS. An on-line Internet Job Order Form is available for employers to enter job openings that are automatically emailed to a one-stop center for entry into EKOS. All job orders entered into EKOS will be exported into AJB.

Employers can set up an account, submit their quarterly tax report, pay taxes, and retrieve information relative to their account through KEWES.

Staff are available in all one-stop centers to facilitate the use of all self-service options. This includes providing assistance in the operation of the hardware and software used to access these systems. Guidance will also be available in areas such as resume preparation and interviewing skills.

Kentucky recognizes that some customers will require one-on-one assistance in a number of areas. Some will require this level of assistance because of language barriers, disabilities, low literacy levels, or even "techno-phobia." Others will require specialized services such as employment counseling, referral to training or supportive services or job development that require staff intervention. One-stop staff will always be available for this purpose as needed.

c. Describe how the State will integrate resources provided under the Wagner-Peyser Act and WIA Title I for adults and dislocated workers as well as resources provided by required One-Stop partner programs, to deliver core services.

Integration of the activities under the Wagner-Peyser Act and WIA Title I will occur through reorganization.

2. Intensive Services. (§112(b)(17)(a)(i).) Describe State strategies and policies to ensure adults and dislocated workers who meet the criteria in §134(d)(3)(A) receive intensive services as defined.

Intensive services may be available to adults and dislocated workers who are unemployed and unable to obtain employment through core services if determined by the WIA partner agency. Adults and dislocated workers who are employed, but who are determined by the WIA partner agency to be in need of Intensive Services to obtain and or retain employment that allows for self sufficiency, are also eligible to receive intensive services. To receive intensive services, an individual must have received a core service.

One-stop partners will determine which services (core, intensive, training) to offer based on skill assessment, customer's literacy level, availability of transportation and assistance with for child and or adult care needs. In addition barriers to employment in connection with disabilities may also be considered at the time initial assessment. The number of times a customer is referred to a job may also indicate a need for (or additional) intensive services.

3. Training Services. (§112(b)(17)(A)(i).)
   a. Describe the Governor's vision for increasing training access and opportunities for individuals including the investment of WIA Title I funds and the leveraging of other funds and resources.

IX. Service Delivery, Section C. 1. c (Additional Information)

Core services are available to all customers in the state's thirty-one comprehensive One-Stops and in affiliated One-Stop locations based on community need. Core services are provided by both Wagner- Peyser and LWIA staff through Memorandum of Understandings (MOUs).

OET Field Office Managers, and other partner agency heads participate on local boards working with private industry leaders to address integration issues to better serve the public through the workforce system. In some cases OET staff and partner agency staff participate on a consortium acting as an operator of a One-Stop. Such consortiums address issues related to system integration, collaborative marketing, capacity building, services, staffing, accountability, universal access, and administrative decisions.

Additional integration of activities under the Wagner-Peyser Act and WIA Title I will occur through reorganization under Executive Order issued by the Governor.

Many of Kentucky's local Workforce Investment Areas continue to experience declining WIA formula funds as result of shift in demographics. WIA Statewide Set Aside funds have been made available to local areas to offset losses in formula allocations allowing areas to continue training opportunities for current customers and to enroll new trainees. Kentucky awards on an as needed basis Rapid Response Additional Assistance funds allowing for additional training for dislocated workers. Kentucky has also been the recipient of a number of National Emergency Grants allowing for additional dislocated workers to be served.

In addition Kentucky has integrated its Trade and WIA Dislocated Worker Programs. Local Workforce Investment Areas are responsible for coordinating training and will dually enroll individuals. By leveraging Rapid Response Additional Assistance funds, WIA formula funds and Trade funds greater numbers of dislocated workers will be served.

b. Individual Training Accounts:
   i. What policy direction has the State provided for ITAs?

      The State recognizes the flexibility of the local workforce investment areas to establish policies and procedures governing Individual Training Accounts. Through annual compliance monitoring and technical assistance OET provides the LWIAs with guidance and recommendations for continuous improvement in the Individual Training Account system.

   ii. Describe innovative training strategies used by the State to fill skill gaps. Include in the discussion the State's effort to leverage additional resources to maximize the use of ITAs through partnerships with business, education (in particular, community and technical colleges, economic development agencies, and industry associations and how business and industry involvement is used to drive this strategy.

      Kentucky encourages and supports the development of partnerships through use of Incentive Funds and WIA Statewide Set Aside funds. Examples include incumbent worker initiatives involving private sector and post secondary partners. In addition partnerships between secondary technical education and WIA exist to increase training opportunities to individuals. Partnerships with Kentucky's economic development program Bluegrass State Skills Corporation, Kentucky Adult Education and local economic development agencies exist to serve new and expanding industries in Kentucky.

   iii. Discuss the State's plan for committing all or part of WIA Title I funds to training opportunities in high-growth, high-demand and economically vital occupations.

Local Workforce Investment Areas are required to include strategies for committing WIA Title I funds to training opportunities in high-growth, high-demand and economically vital occupations in their local plans.

iv. Describe the State's policy for limiting ITAs (e.g., dollar amount or duration)

The state recognizes the responsibility of the local workforce investment areas to establish policies and procedures governing Individual Training Accounts. Through the local plan approval process, OET will assist LWIBs in setting policies limiting the amount and durations of ITAs based on the availability of funds and projected need of target populations.

v. Describe the State's current or planned use of WIA Title I funds for the provision of training through apprenticeship.

The state encourages local areas to pursue linkage and coordination with apprenticeship programs. Currently a LWIA is working with the local area technology center to offer apprenticeship programs to eligible WIA participants.

vi. Identify State policies developed in response to changes to WIA regulations that permit the use of WIA Title I financial assistance to employ or train participants in religious activities when the assistance is provided indirectly (such as through an ITA) (20 CFR § 667.266(b)(1).)

Local workforce investment areas are required to follow limitations related to sectarian activities as noted in the WIA laws and regulations. No additional State restrictions apply.

c. Eligible Training Provider List. Describe the State's process for providing broad customer access to the statewide list of eligible training providers and their performance information including at every One-Stop Career Center. (§112(b)(17)(A)(iii).)

The Office of Employment and Training maintains the statewide provider list in a centralized database. The provider list is readily accessible to all customers of the workforce investment system through the workforce development web page and through one-stop centers.

The Eligible Training Provider list is available in one-stops including data related to the core indicators of performance. This information is available via the Internet and the *Kentucky Resource Directory*. In addition to the essential information that will assist customers in making informed decisions (e.g. enrollment numbers, minority participation, etc.), the state will encourage providers to include other requisite performance information.

d. On-the-Job (OJT) and Customized Training (§§112(b)(17)(A)(i) and 134(b).) Based on the outline below, describe the State's major directions, policies and requirements related to OJT and customized training.

   i. In a narrative format, describe the Governor's vision for increasing training opportunities to individuals through the specific delivery vehicles of OJT and customized training.

      It is Kentucky's desire to increase training opportunities for individuals through greater utilization of On-the-Job Training (OJT) and Customized Training (CT). By giving the participant an opportunity to receive training while starting a full time career, not only does the participant benefit, but the participating business benefits as well by receiving up to a 50 percent reimbursement for training the participant. This in turn contributes to collaboration as set out in the Workforce E3 model. In order to increase these training opportunities, the state will assist the local areas in the development of business services to be delivered through the local one-stop system. Interaction at the local level with existing business and industry representatives will increase the communication of available training services designed to meet local labor demands.

   ii. Describe how the State:

      - Markets OJT and customized training as an incentive to untapped employer pools including new business to the State, employers groups;

        Through the one-stop system, businesses are offered customized options for training their employees. Also, joint ventures with local manager associations, chambers of commerce, economic development, and other local and state groups will allow for innovative opportunities.

      - Markets the concept as an incentive to untapped employer pools including new business to the State, employer groups;

        As an incentive for new and expanding industries providing jobs for Kentucky workers, a large segment of the current workforce can participate in on-the-job training and customized training opportunities,. This encourages growth among current employers and offers an incentive for new industries to move to Kentucky. An ongoing partnership with state and local economic development officials is a proven strategy in communicating and marketing these services to new and expanding business and industry.

      - Partners with high-growth, high-demand industries and economically vital industries to develop potential OJT and customized training strategies;

        Currently, OJT and customized training are heavily marketed toward areas of high demand and high growth industries as well as businesses included in the President's Energy Initiatives. These jobs not only

benefit Kentucky and the local communities, but through OJT, individuals who might not normally have a chance for employment in these industries, have an opportunity for a career in a high wage growth occupation that will help them care for their families and become self sufficient members of their communities.

- Taps business partners to help drive the strategy through joint planning, competency and curriculum development; and determining appropriate lengths of training, and

  Through existing partnerships in the one-stop system and new partnerships created for serving businesses while continuing to serve individuals, Kentucky has developed a network that provides placement and assessment of jobs and individuals to meet the employment needs of a community. Input from Kentucky Community and Technical College System (KCTCS) and Department of Labor resources such as America's Job Bank (AJB) and O*Net are being used in the development of curricula and training.
- Leverages other resources through education, economic development and industry associations to support OJT and customized training ventures.

  Kentucky hopes to use its partnerships to reduce duplication of services, to foster cooperation, and to leverage resources that all partners have available to assist local communities and their citizens. This joint approach fosters growth and strengthens the state and local governments in reinforcing systems to help those who need assistance until they become self-sufficient.

4. Service to Specific Populations. (§112(b)(17)(A)(iv).)
   a. Describe the State's strategies to ensure that the full range of employment and training programs and services delivered through the State's One-Stop delivery system are accessible to and will meet the needs of dislocated workers, displaced homemakers, low-income individuals such as migrants and seasonal farmworkers, 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.)

      Local areas' frontline staff, equal opportunity officers, and selected state staff continue to take advantage of learning opportunities to address the needs of special populations in the one-stops. National, regional, and local training events sponsored by DOL and partner agencies provide up-do-date information. Staff is encouraged to research websites for information and best practices. Local areas forge unique community integration initiatives to meet individual needs. One LWIA has purchased a mobile unit, equipped to take one-stop services to various locations.

One-stops housing Wagner-Peyser staff provide veterans with priority employment and training services in accordance with federal law, U. S. Code Title 38, Chapters 41 and 42, and 20 CFR 1001.120(a)(b), as amended by the Jobs for Veterans Act (P.L. 107-288). The full array of core services will be made available to veterans in the following order of priority: service–connected disabled veterans; veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge or expeditionary medal has been authorized; recently separated veterans; other eligible veterans; and eligible spouses.

Local workforce investment areas may provide services to displaced homemakers as additional dislocated workers. The goal for training low-income individuals for non-traditional employment is to provide statewide coordinated approaches, including model programs to train, place, and retain low-income persons in non-traditional employment. The services that may be solicited to achieve this goal are: coordination of the recruitment of low-income individuals into occupations through a network of agencies and programs; the provision of the following: non-threatening experimental personal assessment through activities that develop critical thinking skills; determination of the base of personal knowledge related to the numbers of occupations and opportunities in a changing economy; expansion of personal knowledge of the cast number of occupation that are non-traditional for low-income individuals; and discussion of the barriers that have kept low-income individuals in limited occupations with low pay. Training activities for older individuals will be designed to improve participation in the workforce and lead to higher earnings for participants who successfully complete them.

In the event that the funds allocated to local areas for adult employment and training activities are limited, priority shall be given to recipients of public assistance and other low-income individuals for intensive services and training services. Persons with disabilities will be afforded opportunities for training activities designed to improve participation in the workforce and lead to higher earnings for participants who successfully complete them. Individuals with multiple barriers to employment and training such as basic skills deficiency, school drop outs, recipients of cash welfare payment, offenders, individuals with disabilities, and/or homelessness, will be afforded opportunities for participation in training activities designed to improve participation in the workforce and lead to higher earnings for individuals who successfully complete them. Training activities for persons in these groups will be provided in the context of the state's vision to provide universal access for all customers.

Kentucky will continue to develop and refine strategies to identify and meet the needs of targeted populations in a workforce system. Activities and programs will be assessed for effectiveness and responsiveness and continuously improved to expand outreach and marketing to customers, increase staff development and cross training, and build partnerships with public and private entities that work with targeted groups. These strategies

will support success in individual goals and state and local performance outcome goals and will ensure non-discrimination and equal opportunity.

- *Dislocated workers*: The Education Cabinet will exchange information and coordinate programs with economic development agencies at state and local levels to develop strategies that may avert plant closings or mass layoffs and accelerate the re-employment of affected individuals. Marketing and outreach efforts will increase awareness of available services to groups such as potential dislocated workers, employers, organized labor, state and local economic development agencies, chambers of commerce, and social service agencies. Worker profiling will increase responsiveness to re-employment needs of dislocated workers in Kentucky. Early identification and timely referral will maximize effectiveness of the workforce investment system for dislocated workers.

- *Displaced homemakers:* As identified in the Carl D. Perkins Vocational and Applied Technological Act or in WIA, displaced homemakers may be served through access to quality vocational education programs that are high skill, high wage occupations. Employment and training needs will be made available through eligible service providers under WIA. Such institutions may provide skill training, guidance and career counseling, assessment, job placement assistance, and support services such as tuition and crisis counseling. Displaced homemakers will also receive counseling on career opportunities in nontraditional fields.

- *Low-income individuals*: Cabinet for Health and Family Services is the chief administrative entity for welfare reform (TANF block grant and the Food Stamp Employment and Training Program). In every Kentucky county, local welfare reform planning has brought together a broad spectrum of businesses and public and private agencies. These planning efforts are the basis for the development of local partnerships designed to serve the needs of indigent individuals who are working to achieve self-sufficiency. Recognizing the value of the one-stop concept and services for meeting these goals, CHFS became involved in the one-stop system during its implementation and maintains involvement in one-stop activities in certain areas of the state.

- *Individuals training for nontraditional employment:* Nontraditional employment is defined as employment in occupations for which individuals from one gender comprise less than 25 percent. To encourage the training and retaining of individuals in such employment, nontraditional training programs and related services to support entry into nontraditional employment will be provided as appropriate. The statewide eligible providers list specifies providers who offer nontraditional training services.

- *Other Individuals with Multiple Barriers to Employment:* Kentucky will enhance the employability and increase the earning potential of individuals with multiple barriers to employment. Strategies to address individual needs will include literacy and basic skills programs, occupational skill training, job analyses, job accommodations, disability awareness training and other activities that may address barriers and support achievement of positive employment outcomes. Individuals with multiple barriers to employment will be offered a continuum of education, job training, career counseling and development to enhance achievement and retention of employment. To enhance the employability skills of individuals with disabilities, local boards, one-stop operators, and providers will assure:

  - that staff receives training on how to work with individuals with disabilities;
  - that centers maintain current rehabilitation technology and staff receives ongoing training;
  - that outreach programs are available for individuals with disabilities;
  - specific staff, service goals, and expectations;
  - technical assistance to employers including information regarding ADA requirements and available tax credits; and
  - outcome measures of goals and expectations.

b. Describe the reemployment services you will provide 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 worker profiling and reemployment services system will identify those Unemployment Insurance (UI) recipients in a field office's administrative area who are most likely to exhaust their claims and who would benefit from re-employment services in order to obtain employment.

If selected from the pool of UI claimants to participate in the profiling program, individuals report to an orientation session during which the program and their responsibility for participation are explained. Those not exempt from further participation proceed to an in-depth assessment interview. During the assessment interview, the participant and one-stop staff determines which of the available services are most likely to assist the participant to obtain employment. The services included in the profiling program include:

- in-depth, individual employment counseling to assist those who need to make a vocational choice or overcome barriers to employment;
- testing for assessment purposes, utilizing such instruments as the General Aptitude Test Battery (GATB), Interest Inventory, and the Test of Adult Basic Education (TABE);
- self-directed job search, whereby individuals are assigned to make a

number of job contacts then report back to a counselor to discuss the results of those contacts and to discuss ways to improve job search techniques; and

- job search workshop training in a group setting which instructs claimants on proven methods for obtaining employment.

Participants who are assessed as needing education or training in order to obtain employment are exempt from further participation in the profiling program if they accept referral to an education or training provider. Other claimants who are assessed as job ready and for whom there are available job orders are immediately referred to employers for interviews and are also considered exempt from further participation in the profiling program. Thus, the profiling program attempts to serve only those who are most likely to benefit from the available reemployment services.

Those claimants identified as being most likely to exhaust their claim and, therefore, selected to participate in intensive reemployment services are required to attend at three-hour job search workshop. This motivational group session includes an eligibility review, provides information on networking and the hidden job market, offers resume writing assistance and provides tips of interviewing and job-seeking skills.

Afterward, claimants are assigned to a reemployment manager who provides job development and assistance with additional employer contacts. The reemployment manager also ensures the claimant adheres to UI statutes and regulations. Referrals to supportive services are made when necessary.

c. Describe how the State administers the unemployment insurance work test and how feedback requirements (under §7(a)(3)(F) of the Wagner-Peyser Act) for all UI claimants are met.

The Office of Employment and Training stresses the importance of placing individuals receiving Unemployment Insurance (UI) benefits. All claimants who are unemployed or who are otherwise required by law to register for employment with the public employment service are offered the full array of services available to them. Utilizing cross training, staff can combine intake of claimants and provide employment-related services. They are only two methods available for the unemployed worker filing a claim for UI benefits; and both are done through electronic means, via the Internet or telephone. Permanently separated workers, non-union members, and union members without connection to a union hall must register for work before the UI claim can be validated. The system will not allow the claim to be validated without the work registration.

Work registration information entered as part of the claim-filing process is automatically uploaded to the Employ Kentucky Operating System (EKOS) for work registration. A unique identifier denotes whether or not the work registrant is a UI claimant. Job referrals are made through EKOS and staff

conducts follow-up activities. By virtue of the unique identifier, staff can determine the results for the UI claimant.

d. Describe the State's strategy for integrating and aligning services to dislocated workers provided through the WIA rapid response, WIA dislocated worker, and Trade Adjustment Assistance (TAA) programs. Does the State have a policy supporting co-enrollment for WIA and TAA?

The state's Office of Employment and Training and the Local Workforce Investment Area staff will participate in all local Rapid Response Meetings involving Trade impacted layoffs. State OET staff will cover UI, Work Registration, TAA Program (except Trade training and job search/relocation assistance), TRA Benefits, HCTC, NEG (Bridge Grant), ATAA (if appropriate). Staff from the LWIA will cover TAA/WIA Training, TAA Job Search and Relocation Assistance. If a transitioned layoff (with staggered future layoff dates) is expected, then future meetings for TAA/TRA Orientations will be provided.

The State's policy supporting co-enrollment of WIA and TAA specifies that OET will request that the affected worker complete the necessary paperwork at orientations sessions. OET staff will retain the documentation (continuing the waiver process, if necessary, every 30 days) until an interest in training is requested or as a result of a participation in a training orientation, a training referral is requested by LWIA staff. Once an TAA customer expresses an interest in training, OET staff will make an inter-agency referral to the LWIA. The local workforce investment area staff will then discuss the need-to-train policy and the training requirement with the customer. The TAA need-to-train policy will mirror the Dislocated Worker need-to-train policy, as already determined by the LWIA.

e. How is the State's workforce investment system working collaboratively with business and industry and the education community to develop strategies to overcome barriers to skill achievement and employment experienced by the populations listed in paragraph (a.) above and to ensure they are being identified as a critical pipeline of workers?

All Local Workforce Investment Areas (LWIAs) have either developed, or are in the process of developing, a Business Services (Business Solutions) group. Some hired individuals to act as their business liaison, while others have developed a team approach. Regardless of the form of their efforts, the emphasis is on meeting the needs of business and industry through our state and local network of resources designed to assist business in recruiting, training, and retaining a skilled workforce.

Kentucky has designated a State Business Services Coordinator who serves as the liaison between the Business Relations Group (BRG) and the local liaisons. Emphasis has been placed on the President's High Growth Job Training Initiative and preparing Kentuckians to take advantage of new and

increasing job opportunities in high growth/high demand occupations. The foundations of this initiative are partnerships that include the public workforce system, business and industry, education and training providers and economic development.

f. Describe will the State ensure that the full array of One-Stop services are available to individuals with disabilities and that the services are fully accessible?

Using a portion of WIA incentive funds, a comprehensive training curriculum on physical and programmatic accessibility was designed under the auspices of the One-Stop Accessibility Work Group. The curriculum, *Widening Our Doors*, provides tools and resources to prepare staff working in Kentucky's one-stop system to meet the needs of customers with disabilities and other special populations. *Widening our Doors* was presented to approximately 1,200 front-line one-stop staff and will continue to be used as the standard in training staff on accessibility.

Additional training is scheduled for new staff and as a refresher. The focus will be on awareness and sensitivity to persons with disabilities, who come into the one stops. Individuals with disabilities will be actively involved in providing the training.

In addition to the *Widening our Doors* project, the workgroup focused on providing accessible workstations in the comprehensive one-stops. A contractor was hired to help develop standard specifications for compliance and accessibility under state and federal regulations. Accessible computer workstations, using principles of universal design, have been installed in all 31 comprehensive centers and all staff have been trained. Additional equipment training will be provided under the auspices of a contractor with the assistance of one-stop partner staff. Efforts will be made to create an electronic site for refresher and new staff training.

g. Describe the role LVER/DVOP staff have in the One-Stop Delivery System? How will the State ensure adherence to the legislative requirements for veterans' staff? How will services under this Plan take into consideration the agreement reached between the Secretary and the State regarding veterans' employment programs? (§§112(b)(7), 112 (b)(17)((B); 322, 38 U.S.C. Chapter 41; and 20 CFR §1001.120).)

The role of the Local Veterans' Employment Representative/Disabled Veterans' Outreach Program (LVER/DVOP) staff in Kentucky is in accordance with Title 38 as amended by the Jobs For Veterans Act, the Special Grant Provisions of the Jobs For Veterans Act Grant Agreement with the United States Department Labor, Veterans Employment and Training Service, and the approved State Veterans' Plan. The Special Grant Provisions state in part that "Grantees will maintain compliance with all applicable statutory and regulatory and grant provisions to include U.S.C., Title 38,

Chapters 41 and 42, Title 20, Code of Federal Regulations (CFR), Chapter IX, Part 1001 and Title 20, CFR, Chapter V, Parts 658-667, and special and general grant provisions, U.S. Department of Labor policies and federal directives". The grantee will ensure all of its service delivery points provide priority services to disabled veterans, all other veterans, and eligible persons in the provision of all labor exchange services and, specifically, when making referrals to job openings and training opportunities, shall observe the following order of priority:

1. Service-connected disabled veterans;
2. Veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge or expeditionary medal has been authorized;
3. Recently separated veterans
4. Other eligible veterans
5. Eligible spouses

h. Department of Labor regulations at 29 CFR 37, require all recipients of Federal financial assistance from DOL to provide meaningful access to limited English proficient (LEP) persons. Federal financial assistance includes grants, training, equipment usage, donations of surplus property, and other assistance. Sub-recipients are also covered when Federal DOL funds are passed through from one recipient to a sub-recipient. Describe how the State will ensure access to services through the State's One-Stop delivery system by persons with limited English proficiency and how the State will meet the requirements of ETA Training and Employment Guidance Letter (TEGL) 26-02, (May 29, 2003) which provides guidance on methods of complying with the Federal rule.

In 2002, the Division of Field Services (formerly the Department for Employment Services [DES]) established a Limited English Proficiency Task Force. An implementation plan was developed including a mission statement with specific goals and objectives. As a part this early proactive effort, staff interpreters were identified across the state. These individuals are readily available to assist one-stop management with Limited English Proficiency (LEP) issues. This taskforce also took the initiative of identifying populations within each local office area that might require LEP services. Several forms, brochures, and documents have been translated into Spanish for use in the one-stop system.

All of Kentucky's major electronic systems are accessible to LEP persons. This includes the OET website, Employ Kentucky Operating System (EKOS) and Kentucky's Electronic Workplace for Employment Services (KEWES). Spanish speaking staff has also been attached to the call centers for assistance with UI claims.

Kentucky ensures LWIA awareness of all Federal Issuances regarding LEP. The former Department for Training and ReEmployment, now OET Federal Issuance #101 and #105, issued in 2003, included TEN No. 13-02 and TEGL

IX. Service Delivery, Section C. 4. g (Additional information)

Duties of the DVOP

The DVOP will provide or facilitate the provision of intensive services to veterans with special employment and training needs. These services, at a minimum, must include conducting an assessment, and developing and documenting a plan of action subject to periodic review. DVOP staff will deliver intensive, client-centered services to maximize the employment potential for target veteran populations and other eligible veterans who can benefit from case management services. Targeted veteran groups will include disabled veterans, homeless veterans, enrollees and completers of a program of Vocational Rehabilitation and Employment (VR&E) through the Department of Veterans' Affairs, veterans with barriers to employment, veterans who have exhausted unemployment benefits, veterans who are within 13 weeks of exhausting their unemployment benefits and unemployed veterans not eligible for unemployment benefits. The DVOP will provide outreach to locate veterans who could benefit from intensive services. Carries out outreach activities through contact with agencies such as Department of Veterans' Affairs Vocational Rehabilitation and Employment (VR&E), Homeless Veterans Reintegration Projects (HVRP), Department of Veterans' Affairs hospitals and Vet Centers, homeless shelters, civic and service organizations, partners through the Workforce Investment Act providers, veterans' service organizations, state and county Veterans' Affairs Offices and community colleges. The DVOP is to develop and implement an outreach plan to locate veterans in need of services. The plan must have the prior approval of management. In offices with multiple DVOP staff, outreach efforts must be coordinated to avoid duplication and to ensure the most effective utilization of staff. The DVOP will provide or facilitate a full range of employment and training services to eligible veterans with the primary focus of meeting the needs of those who are unable to obtain employment through core services. The DVOP may serve as a training facilitator for the Transition Assistance Program (TAP) or the Incarcerated Veterans' Transition Program (IVTP) and may refer appropriate disabled veterans to the U. S. Department of Veterans' Affairs for services under the Disabled Veteran Transition Assistance Program (DTAP). Those personnel selected to serve as TAP facilitators will receive prior training from National Veterans' Training Institute personnel, and will be expected to conduct classes in a professional manner, following the class outline as developed by the U. S. Department of Labor.

Duties of the LVER

The LVER is responsible for capacity building of other service providers, and ensuring that veterans are provided the full range of labor exchange services needed to meet their employment and training needs. The LVER works with other workforce development providers to develop their capacity to recognize and respond to these needs, and may train other staff and service delivery system partners to enhance their knowledge of veterans' employment and training issues. The LVER provides or facilitates a full range of employment and training services, as appropriate, to meet the needs of newly separated veterans, and other eligible veterans in the workforce development system. The LVER may serve as a training facilitator for the Transition Assistance Program (TAP) or the Incarcerated Veterans Transition Program (IVTP) and may refer appropriate disabled veterans to the U. S. Department of Veterans' Affairs for services under the Disabled Veteran Transition Assistance Program (DTAP). Those personnel selected to serve as TAP facilitators will receive prior training from National Veterans' Training Institute

personnel, and will be expected to conduct classes in a professional manner, following the class outline as developed by the U. S. Department of Labor. On behalf of veterans, the LVER advocates for employment and training opportunities with business and community-based organizations. The LVER works with unions, apprenticeship programs, and business community to promote employment and training opportunities and promotes credentialing and training opportunities for veterans. The LVER establishes, maintains or facilitates regular contact with employers to develop employment and training opportunities for veterans. The LVER reports to management on services to veterans. A half-time LVER position will continue to be used for the State Veterans' Program Coordinator. In addition, a full-time LVER position will be used to establish an Assistant State Veterans' Program Coordinator, which will permit more staff time for monitoring of services provided to veterans, improve the level of technical assistance and training that can be provided to Field Staff and enhance the development of new initiatives designed to promote veterans' employment and training.

No. 26-02. Local areas report wide use of foreign language databases and on site, bilingual staff in serving LEP customers. Several local areas report heavy recruitment of bilingual staff.

OET staff completed national training on the "Methods of Administration Under the Workforce Investment Act." From this train-the-trainer session, a manual was developed for distribution to local areas. Element two, under "Notice and Communication" of the MOA manual addresses LEP.

Under the auspices of the One-Stop Accessibility Committee, using incentive funds, the statewide training *Widening our Doors* was developed and presented. In 2002, approximately 1,200 frontline one-stop staff were trained in this cross-agency effort. Section V of this curriculum was "Addressing Barriers to Employment for Special Populations." This section discussed some of the language issues and strategies for assisting immigrant/refugee populations. There was also a short video presentation on how to assist non-English speaking customers. There will be continued focus on sharing information and best practices to facilitate universal and LEP services in our one-stops.

i. Describe the State's strategies to enhance and integrate service delivery through the One-Stop delivery system for migrant and seasonal farm workers and agricultural employers. How will the State ensure that migrant and seasonal farm workers have equal access to employment opportunities through the State's One-Stop delivery system? Include the following:

- The number of Migrant and Seasonal Farmworkers (MSFWs) the State anticipates reaching annually through outreach to increase their ability to access core, intensive, and training services in the One-Stop Career Center System.

  Services to agricultural workers and employers are provided through the one-stop centers. The agricultural program coordinator and the state monitor advocate currently support these services. The commonwealth anticipates serving approximately 400 Migrant and Seasonal Farm Workers (MSFWs).

  Kentucky will continue to use local and statewide networks to identify farmers who employ migrant and seasonal labor. Included in these networks will be agricultural employers, growers associations, the Department of Agriculture, USDA Farm Service Agencies, Farm Bureau, and the Agricultural Extension Service to identify farmers who employ migrant and seasonal labor.

  One-stop centers will link with agricultural employers and groups representing MSFWs for the provision of all services. One-stop staff, trained in MSFW programs, will be available either directly or through referral at all one-stop locations. Bilingual staff will be available to assist MSFWs to overcome language barriers. Should demand or organizational

considerations require, central office MSFW program staff will be available to train additional one-stop personnel in all labor market areas.

5. Priority of Service
   a. What procedures and criteria are in place for the Governor and appropriate local boards to direct One-Stop operators to give priority of service to public assistance recipients and other low-income individuals for intensive and training services if funds allocated to a local area for adult employment and training activities are determined to be limited? (§§112(b)(17)(A)(iv) and 134(d)(4)(E).)

      In the event that the funds allocated to local areas for adult employment and training activities are limited, priority shall be given to recipients of public assistance and other low-income individuals for intensive services and training services. A carefully crafted monitoring tool and a trained WIA monitoring team ensure the implementation of this practice.

   b. What policies and strategies does the State have in place to ensure that, pursuant to the Jobs for Veterans Act (P.L.107-288)[38 USC 4215], that priority of service is provided to veterans (certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by the U.S. Department of Labor, in accordance with the provisions of TEGL 5-03 (9/16/03/)?

      TEGL 5-03 was distributed to all providers of employment and training programs in Kentucky funded by the U. S. Department of Labor. In addition, all LWIAs are required to meet assurances that they will comply with all relevant federal statutes and regulations. Priority of services to veterans is one of the items monitored by staff of the Department of Workforce Investment, Office of Employment and Training.

D. Rapid Response. (112(b)(17)(A)(ii).) Describe how your State provides Rapid Response services with the funds reserved under section 133(a)(2).

   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 state Rapid Response unit, within the Office of Employment and Training, is directly responsible for providing immediate information to workers affected by announcements of plant closings and ensuring that Rapid Response is provided by the local workforce delivery system. The purpose of the Rapid Response unit is to connect the displaced worker with delivery of services to transition to new employment following either a permanent closure or mass layoff, approved Trade impacted events, or a natural or other disaster resulting in a mass job dislocation.

The state Rapid Response service works in conjunction with local boards and chief elected officials. Rapid Response is a service for local boards and chief elected officials to refer employers in their area who are dealing with a dislocation. In turn, Rapid Response also informs local boards and chief elected officials when they are notified of an impacting dislocation in their area.

The state Rapid Response unit maintains a working relationship with local and state partners to enhance service delivery on site to both employers and employees. These partners include: state and local economic development; the state and local Unemployment Insurance Benefit Programs and the Labor Market Information Programs of the Office for Employment and Training; Kentucky Adult Education Council on Postsecondary Education; the Office for Vocational Rehabilitation (OVR); local health departments; Trade Adjustment Assistance Program (TAA) representatives; United States Department of Labor (US DOL) Employee Benefit Security Administration (EBSA) representatives; and Local Workforce Investment Area (LWIA) Rapid Response Coordinators/Dislocated Worker Program representatives.

If there are fifty or more employees involved in the dislocation, the state coordinates employer and the affected employee services. For less than fifty affected workers; the LWIA Rapid Response coordinator coordinates all Rapid Response services for that event.

Funds are allocated to local areas based on need and Rapid Response activity.

2. Describe the process involved in carrying out Rapid Response activities.
   a. What methods are involved in receiving notice of impending layoffs (include WARN Act notice as well as other sources)?

      Kentucky's state Rapid Response unit receives notices of impending layoffs via WARN Act, media releases, the Governor's Office, and referral for services from supporting partners, i.e. Economic Development, Labor Market Information Programs, local boards, and chief elected officials.

   b. What efforts does the Rapid Response team make to ensure that rapid response services are provided, whenever possible, prior to layoff date, onsite at the company, and on company time?

      The Rapid Response team ensures that rapid response services are provided, whenever possible, prior to layoff date, onsite at the company, and on company time by reacting quickly and offering a customizable onsite service. The first step is an on-site employer meeting with the company. The team will discuss resources and services available to help the employer manage the layoff and identify the specific needs of the affected employees. Using information gained from the onsite meeting, the Rapid Response team develops a plan of action for delivering necessary services.

c. What services are included in Rapid Response activities? Does the Rapid Response team provide workshops or other activities in addition to general informational services to affected workers? How do you determine what services will be provided for a particular layoff (including layoffs that may be trade-affected)?

Rapid Response activities include services of the following: state and local economic development; the state and local Unemployment Insurance Benefit Program and Labor Market Information programs of the Office for Employment and Training; Kentucky Adult Education Council on Postsecondary Education; the Office for Vocational Rehabilitation; local health departments; Trade Adjustment Assistance Program; the United States Department of Labor Employee Benefit Security Administration; and Local Workforce Investment Area one-stop system Dislocated Worker Program services.

The Rapid Response team may connect an employer and/or affected workforce to specialized workshops or other activities and to general informational services at an employer's request.

Rapid Response determines what services will be provided for a particular layoff (including layoffs that may be trade-affected) by means of an initial assessment and using information gained from the employer on-site initial meeting.

3. How does the State ensure a seamless transition between Rapid Response services and One-Stop activities for affected workers?

Kentucky makes certain that there is a seamless transition between Rapid Response services and the one-stop activities for affected workers by immediately directing the affected workers at Rapid Response to the local one-stop system for supportive transitioning services. The description of one-stop services is provided to both employees and employers, during their respective informational meetings. Employees and employers are registered with an area one-stop system at Rapid Response prior to layoff for a faultless transition.

4. Describe how Rapid Response functions as a business service? Include whether Rapid Response partners with economic development agencies to connect employees from companies undergoing layoffs to similar companies that are growing and need skilled workers? How does Rapid Response promote the full range of services available to help companies in all stages of the economic cycle, not just those available during layoffs? How does the State promote Rapid Response as a positive, proactive, business-friendly service, not only a negative, reactive service?

Kentucky's state Rapid Response unit functions as a service for business within the Office for Employment and Training and partners. Economic Development refers to Rapid Response as a last resort after layoff aversion strategies have been

exhausted for employers facing a layoff. Rapid Response's positive, proactive business–friendly service is promoted when Rapid Response can provide labor pool data to Economic Development. The data is used to verify an existing skilled workforce in a particular area for employers wishing to relocate to the area or to expand and/or upgrade operations.

5. What other partnerships does Rapid Response engage in to expand the range and quality of services available to companies and affected workers and to develop an effective early layoff warning network?

   Rapid Response engages in several partnerships to expand the range and quality of the services available to companies and affected workers and to develop an effective early layoff-warning network. Partnerships have been established with Economic Development, the Labor Market Information programs of the Office for Employment and Training, local boards and chief elected officials, for an effective early layoff-warning network and a collaborative effort to meet the needs of the employer and employee.

6. What systems does the Rapid Response team use to track its activities? Does the State have a comprehensive, integrated Management Information System that includes Rapid Response, Trade Act programs, National Emergency Grants, and One-Stop activities?

   The Rapid Response team uses an intra program access database to track its activities. Kentucky's comprehensive integrated management information system is the Employ Kentucky Operating System (EKOS). Rapid Response, Trade Act programs, National Emergency Grants, and one-stop activities are tracked in this system.

7. Are Rapid Response funds used for other activities not described above (e.g., the provision of additional assistance to local areas that experience increased workers or unemployed individuals due to dislocation events in case of unusually large layoff events)?

   Rapid Response Additional Assistance funds are used to provide funds to local workforce investment areas that experience increased numbers of unemployed individuals due to dislocation events. These funds provide for direct services to participants such as intensive training and other services, if there are not adequate local funds to assist the dislocated workers.

E. Youth. ETA's strategic vision identifies youth most in need, such as out of school youth, (and those at risk) youth in foster care, youth aging out of foster care, youth offenders, children of incarcerated parents, homeless youth, and migrant and seasonal farmworker youth as those most in need of service. State programs and services should take a comprehensive approach to serving these youth, including 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. (§112(b)(18).)

1. Describe your State's strategy for providing comprehensive, integrated services to eligible youth, including those most in need as described above. Include any State requirements and activities to assist youth who have special needs or barriers to employment, including those who are pregnant, parenting, or have disabilities. Include how the State will coordinate across State agencies responsible for workforce investment, foster care, education, human services, juvenile justice, and other relevant resources as part of the strategy. (§112(b)(18).)

   The state delegates responsibility to each local area to develop youth programs and services to assist youth access services that will enhance and/or expand their education, employment skills and opportunities for a demand driven workforce. The Office of Employment and Training will continue to provide guidance, technical assistance, and support to the local areas.

   A tool currently utilized to provide information and best practices to the LWIAs is the OET Youth Extranet Site. This site provides current and on-going information regarding best practices, grant opportunities, publications and reports, and links to other helpful websites. This site is reviewed and critiqued continually to improve its effectiveness.

   There are several exemplary programs and pilot programs throughout the Commonwealth that address the varied needs of youth. Examples include career cluster pilots, attaching out-of-school youth to higher education opportunities and careers, serving youth through the one-stop system, and targeting specific populations. As demonstrated in several LWIAs, a greater focus has been placed on services to out-of-school youth to re-connect them to educational opportunities and self-sufficient employment.

   To meet the needs of youth, each local area links with appropriate partners and service agencies to provide a full array of opportunities. Each LWIA has a referral system in place to ensure youth with specific barriers are aware of services tailored to meet their needs, such as pregnant and parenting youth and youth with disabilities.

   In November 2004 the federal team of agencies provided a preview of the New Strategic Vision to states across the country. Staff represented Kentucky from the Department of Education, Kentucky Adult Education-Council on Postsecondary Education, Kentucky Technical Education, Cabinet for Health and Family Services, Department for Juvenile Justice, and Department for Workforce Investment. States were encouraged to develop a strategic vision to meet the needs of targeted youth. As the vision develops, other appropriate agencies and partners will be added to the team.

   Initial recommended goals are:
   - Develop a network of inter-agency communication and professional development to coordinate, streamline and deliver youth services.
   - Build a comprehensive data and referral system of all youth services.

- Provide a wide spectrum of programs to educate youth in preparation for the demand-driven workforce.
- Evaluate continuously the effectiveness of youth services.

To ensure all youth receive needed services to become productive citizens in this global economy, Kentucky will strive to incorporate this plan to assist local community and workforce investment areas to collaborate and coordinate with all available youth service agencies.

2. Describe how coordination with Job Corps and other youth programs will occur. (§112(b)(18)(C).)

   Job Corps is a visible partner in several one-stop centers and serves on a number of local workforce investment boards and youth councils. Job Corps programs are utilized in the referral process for youth who may benefit from their programs and services. Kentucky will continue to assist local areas make the connection with Job Corps.
3. How does the State Plan to utilize the funds reserved for Statewide activities to support the State's vision for serving youth? Examples of activities that would be appropriate investments of these funds include:
   a. utilizing the funds to promote cross agency collaboration;
   b. demonstration of cross-cutting models of service delivery;
   c. development of new models of alternative education leading to employment; or
   d. development of demand-driven models with business and industry working collaboratively with the workforce investment system and education partners to develop strategies for bringing these youth successful into the workforce pipeline with the right skills.

   Funds reserved for statewide activities to support the state's vision for serving youth may be used to promote cross-agency collaboration while encouraging workforce investment system and education partners to bring youth into the workforce pipeline with appropriate skill sets. Proposals for possible funding may continue to be reviewed to assist neediest youth in attaining education and training skills to compete in the job market.

   e. Describe how your State will, in general, meet the Act's provisions regarding youth program design. (§§112(b)(18) and 129(c).)

   Kentucky supports the local areas in designing youth programs tailored to the needs of youth and business in local communities. Monitoring and technical assistance will continue to be provided to ensure that local area policies and procedures meet requirements of the WIA youth program design.

F. Business Services. (§§112 (a) and 112(b)(2).) Provide a description of the state's strategies to improve the services to employers, including a description of how the State intends to:
   1. Determine the employer needs in the local areas and on a Statewide basis.

One strategy is to shift the local area's focus to meeting the needs of business and industry rather than job seekers as their primary customer. Another strategy is to provide businesses with a single point of contact for accessing business services through the one-stop (workforce) system.

2. Integrate business services, including Wagner-Peyser Act services, to employers through the One-Stop system.

   As stated in (1.), providing business and industry with a single point of access to business services through the one-stop (workforce) system makes it easier for business to understand how to interact with the system and allows business services staff to develop close relationships with the businesses they serve.

3. Streamline administration of Federal tax credit programs within the One-Stop system to maximize employer participation? (20 CFR part 652.3(b), §112(b)(17)(A)(i).)
   Administration of the Work Opportunities Tax Credit (WOTC) and Unemployment Tax Credit (UTC) is prescribed by federal regulation and is accomplished by a centralized unit within the Office of Employment and Training. While increased efforts to promote the tax credit program to the employer community through the one-stop system is anticipated, no changes in administration are planned or necessary.

G. Innovative Service Delivery Strategies (§112(b)(17)(A).)

1. Describe innovative service delivery strategies the State has or is planning to undertake to maximize resources, increase service levels, improve service quality, achieve better integration or meet other key State goals. Include in the description the initiative's general design, anticipated outcomes, partners involved and funds leveraged (e.g., Title I formula, Statewide reserve, employer contributions, education funds, non-WIA State funds).

   Governor Fletcher has outlined a number of new initiatives to address economic development within the state, with a specific emphasis on the need for high-demand, high-growth and high technological occupations. His Kentucky Energy Opportunities for our Future strategy has brought together representatives from Kentucky's Commerce Cabinet, Kentucky Community Technical College System, and local Workforce Investment Areas to address a shortage in the coal-mining workforce. This partnership represents leveraging state general dollar funds, private funds as well WIA formula funds.

   In addition internal restructuring of state agencies has maximized resources, increased service levels and improved service quality to achieve better integration in meeting state goals.

2. If your States participating in the ETA Personal Re-employment Account (PRA) demonstration, describe your vision for integrating PRAs as a service delivery alternative as part of the State's overall strategy for workforce investment.

The Commonwealth of Kentucky does not participate in the ETA Personal Re-employment Account (PRA) demonstration.

H. Strategies for Faith-based and Community Organizations (§112(b)(17)(i).) – Reaching those most in need is a fundamental element of the demand-driven system's goal to increase the pipeline of needed workers while meeting the training and employment needs of those most at risk. Faith-based and community organizations provide unique opportunities for the workforce investment system to access this pool of workers and meet the needs of business and industry. Describe those activities to be undertaken to: (1) increase the opportunities for participation of faith-based and community organizations as committed and active partners in the One-Stop delivery system; and (2) expand the access of faith-based and community-based organizations' clients and customers to the services offered by the One-Stops in the State. Outline those action steps designed to strengthen State collaboration efforts with local workforce investment areas in conducting outreach campaigns to educate faith-based and community organizations about the attributes and objectives of the demand-driven workforce investment system. Indicate how these resources can be strategically and effectively leveraged in the State's workforce investment areas to help meet the objectives of the Workforce Investment Act.

Connecting faith-based and community organizations (FBCO) to the one-stop system continues to be a goal and for all individuals to have access to all available services within their communities. There are many effective connections between faith-based and community organizations and the workforce investment system. These existing connections will serve as the foundation for encouraging participation and leveraging of resources.

This can be accomplished through a more streamlined referral process between service agencies, to include faith-based and community organizations. To strengthen the referral process, each must be educated regarding available services, eligibility requirements, and target populations. This will allow a more effective referral process for the client.

To prepare workforce investment staff in this coordination effort, staff has attended several conferences and workshops to develop skills for collaborating and coordinating with FBCOs. On a state level, staff will be a resource for information sharing on available grant opportunities, grant-writing, and best practices in connecting local workforce investment areas to FBCOs. This may be in the form of workshops on grant writing, how to search the web for grant opportunities, and best practices on effective collaboration and coordination efforts.

The Education Cabinet may strengthen state collaboration efforts between FBCOs, state agencies and local workforce investment areas by:

- promotion and encouragement by cabinet and department administration;
- being comprehensive and aggressive in responding to the new federal guidance in the collaboration and outreach opportunities with FBCOs;
- designate trained staff to provide technical assistance to include federal and/or state guidelines and best practices. Forums may include workshops and/or

educational opportunities on resource sharing, grant-writing, and strategic planning. Staff will also respond to constituent inquires for dissemination of information; and

- Web-based information available to consumers with tools and information regarding workforce and FBCO collaboration efforts.

X. State Administration

A. What technology infrastructure and/or management information systems does the State have in place to support the State and local workforce investment activities such as a One-Stop operating system designed to facilitate case management and service delivery across programs, a State job matching system, web-based self service tools for customers, fiscal management systems, etc.? (§§111(d)(2), 112(b)(1) and 112(b)(8)(B).)

Several innovative projects are currently underway to improve the state's technology infrastructure. Kentucky has implemented the Employ Kentucky Operating System (EKOS), which is known nationally as America's One-Stop Operating System (AOSOS). EKOS is multi-agency system and will allow services to be provided and shared by different state and local programs and agencies. Staff from all entities using EKOS can make electronic interagency referrals to facilitate case management and service delivery across programs. A new version of Kentucky's Self-Registration Module will enable customers to register with EKOS from any Internet-connected computer. The customer will be able to perform on-line job searches and use a job-scout to receive notification of job openings on a scheduled basis, create a resume and a cover letter to post on the AJB Internet and apply for employment and training services provided by Kentucky's one-stop centers. Customers filing an unemployment insurance claim on-line are automatically registered for work in EKOS.

All job orders entered into America's Job Bank (AJB) by Kentucky employers, as well as employers from surrounding states, will be imported into EKOS. An on-line Internet Job Order Form will be available for employers to enter job openings that are automatically emailed to a one-stop center for entry into EKOS. All job orders entered into EKOS will be exported into AJB. Providing job seekers with a greater number of job opportunities when conducting their job search will greatly assist Kentucky employers in their recruitment efforts. America's Job Bank will be available in all one-stop centers and employers will be encouraged to utilize these electronic linkages.

Kentucky Database Repository, a repository and database, will manage test results, certificates, and licensing data gleaned from various one-stop partners and outside entities. When integrated with EKOS, this aggregate data will create snapshots of Kentucky's certified and licensed workforce for employers and economic developers. Employers will then have the ability to search for potential employees who meet their specific job criteria.

Improvements in technology have brought improvements in the ability of staff to deliver services. Staff capacity building has been intensified to bring greater

understanding of the available technology to all partner-agency staff. Training on the proper reporting of activities and services is included.

B. Describe the State's plan for use of the funds reserved for Statewide activities under WIA §128 (a)(1).

Use of Kentucky's WIA Statewide Set Aside funds are determined each year by policy and budget representatives of the Education Cabinet with the Governor's approval. Major categories include performance and evaluation enhancements for technology infrastructure, support of innovative programs and demonstration programs, incentives regarding achievement of performance and for technical assistance, training and research and evaluation projects.

C. Describe how any waivers or workflex authority (both existing and planned) will assist the State in developing its workforce investment system. (§§189(i)(1), 189 (i)(4)(A), and 192).)

KENTUCKY WAIVER REQUESTS
For Program Year 2005 and 2006

1. Request continuance of previously approved waivers:

   A. Waive 20 CFR 664.510 to permit the use of ITA for older youth participants
      a. Statutory or Regulatory Requirement to be waived: 20 CFR 664.510
      b. Justification/Goals: To increase efficiency and customer choice for older youth. One-stop operators would have a full array of services to offer older youth that can benefit from these services without having to register in both youth and adult programs. Enhance efficiency and ease in tracking of funds for each funding stream. Using the ITA/ETPL process with older youth offers case managers the opportunity to discuss the process of decision-making (training provider, finances, etc.) and the results that ensue.
      c. State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
      d. Individuals impacted by the waiver: enhance services to older youth

   B. Waive the Title I 20 percent transfer authority at WIA Section 133 (b)(4) between adult and dislocated workers to allow transfer of up to 100 percent of a program year allocation between the Adult and Dislocated Worker programs to eliminate the limitation of transferring WIA Funds between Adult and Dislocated Worker programs.
      a. Statutory or Regulatory Requirement to be waived: Section 133(b)(4) and 20 CFR 667.140
      b. Justification/Goals: To increase flexibility for local areas in allocating and expending adult and dislocated worker funds. Such flexibility will enable local workforce investment areas to better serve the needs of their customers and will heighten their ability to respond to changes in

the local labor market. This increased flexibility will also allow greater responsiveness to deal with massive worker dislocations.

c. State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
d. Individuals impacted by the waiver: better meet the needs of dislocated workers and adults

C. Waive Subsequent Eligible Training Provider (EDP) requirements, 18-month subsequent eligibility requirement.
   a. Statutory or Regulatory Requirement to be waived: WIA Section 122(c)(5) and 20 CFR 663.530
   b. Justification/Goals: To allow WIA customers to continue to choose their training providers and access training services in their local areas with the highest degree of informed customer choice possible, while the performance data issues in Subsequent Eligibility are being addressed. Provide time to offer technical assistance to training providers that are trying to comply with the data collection requirements.
   c. State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
   d. Individuals impacted by the waiver: all WIA customers to enhance their training services

2. Request waiver of federal percentage expenditure mandates on out-of-school and in-school youth allowing for state local decision on funding needs.
   1. Statutory or Regulatory Requirements to be Waived: WIA Section 129(c)(4)(A); 20 CFR 664.320, 667.160
   2. Justification/Goals: allows local workforce investment areas to appropriately determine the need for WIA authorized services for out-of-school and in-school youth and not to be limited by the federal mandate. Provides local workforce investment areas with greater flexibility for responding to changes in their local youth populations as well as ensuring that WIA funds allocated to each local area are being expended in a manner to maximize youth services.
   3. State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
   4. Individuals impacted by the waiver: both in school and out of school youth.

3. Allow up to 10 percent of local adult and dislocated worker funds as described by WIA Section 133 (b)(2) to be expended on incumbent worker training activities pursuant to the rules adherent to statewide activities described by WIA Section 134 (a) (3). Additionally, Kentucky requests necessary waiver approval to allow up to 20 percent of its state-level rapid response funds as described by WIA Section 133 (a) (2) to be shifted to local workforce investment areas for the purpose of providing incumbent worker training as part of the state's incumbent worker initiative.
   a. Statutory or Regulatory Requirements to be Waived: Should the above request related to incumbent worker training funds be deemed to be not in

accord with any provision of WIA Section 134 or WIA federal regulations at 20 CFR 667.160, 663 or 665, Kentucky requests waiver of the federal regulations

b. Justification/Goals: Promotes maximum investment of these limited funds as well as increases levels of service, focuses on employer and workers competitiveness through skills upgrade training therefore strengthening regional economies, promotes flexibility of local workforce investment areas to further expand incumbent worker activities.
c. State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
d. Individuals impacted by the waiver: all WIA customers

4. Request a waiver from being required to meet the dislocated worker performance measures negotiated for PY 05 and PY 06 as result of integrating the Trade program and the WIA Dislocated Worker program; maintaining eligibility of incentive awards. Measures will be tracked and reported to obtain base line data for future negotiations.
    a. Statutory or Regulatory Requirements to be Waived: WIA Section 136(b)(3)(a)(iii)
    b. Justification/Goals: Kentucky has had significant Trade activity and it has aggressively moved to co-enroll Trade clients in WIA. Kentucky has transferred the training and case management component to the local WIA level. Local workforce investment areas have assumed the responsibility of the design of training strategies along with the customer.
    c. State or Local Statutory of Regulatory Barriers: There is no state or local statutory or regulatory barrier.
    d. Individuals impacted by the waiver: dislocated workers

D. Performance Management and Accountability. Improved performance and accountability for customer-focused results are central features of WIA. To improve, states need not only systems in place to collect data and track performance, but also systems to analyze the information and modify strategies to improve performance. (See Training and Employment Guidance Letter (TEGL) 15-03, Common Measures Policy, December 10, 2003.) In this section, describe how the State measures the success of its strategies in achieving its goals, and how the Statuses this data to continuously improve the system.

1. Describe the State's performance accountability system, including any state-system measures and the state's performance goals established with local areas. Identify the performance indicators and goals the State has established to track its progress toward meeting its strategic goals and implementing its vision for the workforce investment system. For each of the core indicators, explain how the State worked with local boards to determine the level of the performance goals. Include a discussion of how the levels compare with the State's previous outcomes as well as with the State-adjusted levels of performance established for other States (if available), taking into account differences in economic conditions, the characteristics of participants when they entered the program and the services to be provided. Include a description of how the levels will help the State

achieve continuous improvement over the two years of the Plan. (§§112(b)(3) and 136(b)(3).)

As part of America's One-Stop Operating System (AOSOS) consortium governance structure, the Employ Kentucky Operating System (EKOS) is the state's performance accountability system. Other members of the consortium include Hawaii, Nevada, New Jersey, New York, Rhode Island, and the Virgin Islands. Kentucky leads the consortium in proposed, ranked, and implemented development requests and in effective marketing, testing, and user training. Kentucky has also demonstrated leadership with in-state partnering and in quality and innovative technical support. Kentucky mirrored the national structure through implementation, then streamlined to include Project Management, EKOS Continuous Improvement Team, and Key involvement of business-side and field staff.

EKOS has the capability and capacity to collect and report WIA, Wagner-Peyser, Trade, and related programs' performance outcomes. The system can collect, track, and report the services provided in a One-Stop Center. Kentucky is currently tracking and reporting by Workforce Investment Area, by office site, by partner/agency, and by staff. Additionally, EKOS measures the one-stop traffic count which gives a comprehensive picture of how Kentucky is providing services as a One-Stop System to customers, employers, and partners.

EKOS is a comprehensive system that provides:

- Universal Registration
- Case Management
- Multi-Agency Capabilities
- Inter-Agency Referrals
- Quick Assessment
- Comprehensive Assessment
- Employment Plans
- Service Delivery Tracking and Outcomes
- WIA Eligibility Determination
- Individual Participant Accounts
- Appointment Scheduling
- Follow-up and Monitoring
- Interfaces with America's Job Bank
- Interfaces with Unemployment Insurance
- Counselor Notes
- Open APIs
- Placement Activities
- Performance Measures
- One-Stop Customer Surveys
- Provider Management and Tracking
- Employer Relations
- Job Order Management
- Notification and Correspondence

- Reporting
- Office Administration
- Security Management
- Funding Module
- Inter-Active Voice Response Capabilities

Through EKOS, additional performance accountability is evident with the implementation of a state WIA reporting system for quarterly and annual reports. In March, 2004, Kentucky began the process of developing a program to create the commonwealth's WIA annual and quarterly reports reporting system and file creation for Mathematica in order to run validations through Mathematica software. Kentucky successfully utilized the new system for the PY03 annual report and continues to produce quarterly reports, all validated through US DOL approved Mathematica software.

Local Workforce Investment Areas have access to the reporting system, allowing them to review the current status of their performance. The system allows users to drill down to the participants who make up the numbers behind the performance outcomes.

2. Describe any targeted applicant groups under WIA title 1, the Wagner-Peyser Act or title 38 chapters 41 and 42 (Veterans Employment and Training Programs) that the State tracks. (§§111(d)(2), 112(b)(3) and 136(b)(2)(C).)

   The state of Kentucky tracks all veteran sub-groups that are required for the ETA-9002 and VETS-200 reports. These include veterans and eligible persons, campaign badge veterans, transitioning service members, disabled veterans, special disabled veterans, newly separated veterans and female veterans.

   Services provided to MSFWs are tracked using the Migrant Indicators of Compliance (MIC) report and services to Trade Act-affected customers are tracked using the Trade Act Participant Report (TAPR).

   All other targeted groups such as minorities, females, welfare recipients and members of various ethnic groups are tracked using management reports from EKOS produced on the Crystal LaunchPad platform.

3. Identify any performance outcomes or measures in addition to those prescribed by WIA and what process is the State using to track and report them?

   Kentucky uses the Employ Kentucky Operating System (EKOS) to track and report all performance measure outcomes prescribed by WIA as well as other programs that require tracking and reporting of performance outcomes.

   Veterans Program:

   The performance goals for Public Labor Exchange for Veterans are tracked as is performance goals for grant-based activities. These measures are reported on the 9002 and VETS200 federal reports.

Veterans Performance Goals for Public Labor Exchange:

Veterans Entered Employment Rate following Staff-Assisted Services
Veterans Employment Retention Rate
Disabled Veteran Entered Employment Rate
Disabled Veteran Entered Employment Rate following Staff-Assisted Services
Disabled Veteran Employment Retention Rate

Performance Goals for Grant Based Activities:

LVER Veteran Entered Employment Rate
LVER Veteran Entered Employment Rate following Staff-Assisted Services
LVER Veteran Employment Retention Rate
DVOP Veteran Entered Employment Rate
DVOP Veteran Entered Employment Rate following Staff-Assisted Services
DVOP Veteran Employment Retention Rate
DVOP Veteran Entered Employment Rate following receipt of Case Management

Migrant Indicators of Compliance (MIC)

Applicants identified as eligible for migrant status are tracked and reported on the federal Migrant Indicators of Compliance Report (MIC). The categories include:

- Migrant Farm Worker
- Migrant Food Processor
- Migrant Tech Worker
- Seasonal Farm Worker

The MIC Report compares services provided to migrant farm workers, seasonal farm workers, and migrant food processing workers (MSFW) to services for all non-MSFW job applicants. Report statistics measure the equality of service for migrant and non-migrant applicants.

Trade Act Programs:

Trade Act Programs are federal programs that provide aid to customers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports. Trade Act Programs offer a variety of reemployment services to assist unemployed customers to prepare for and obtain suitable employment. Participants of the program are tracked and reported on the Trade Act Participant Report (TAPR).

The TAPR tracks program performance and participant outcomes for the Trade Act Programs. The report consists of records for Trade Act participants who have exited the program during a particular quarter. The performance goals as outlined by DOL are Wage Replacement, Re-employment Rate and Retention Rate. *Note:* Following is a chart of FY2004 goals:

Performance Goals for FY 2004

Measure	Goal
Wage Replacement	90%
Reemployment Rate	70%
Retention Rate	88%

Kentucky Works Program:

Kentucky created the Kentucky Works Program (KWP) to help K-TAP (TANF) recipients gain employment and self-sufficiency. KWP works to transition recipients from welfare to self-sufficiency through multi-faceted approaches designed to lead to gainful employment. The goal of the program is economic stability for the individual and their family.

KWP is administered by the Cabinet for Health and Family Services, Department for Community Based Services (DCBS). All adults receiving K-TAP are subject to KWP participation unless specific exemption criteria are met. DCBS staff makes electronic referrals for job search, job readiness and subsidized employment on a daily basis to Office of Employment and Training staff designated to work with KWP participants. Records relating to approvals, referrals, tracking, discontinuance and other eligibility information are maintained by DCBS staff.

4. Describe the State's common data system and reporting processes in place to track progress. Describe what data will be collected from the various One-Stop partners (beyond that required by DOL), use of quarterly wage records (including how your State accesses wage records), and how the Statewide system will have access to the information needed to continuously improve. (§112(b)(8)(B).)

Kentucky's Employ Kentucky Operating System provides the power and capacity to collect, track, and report the services provided in a one-stop center. EKOS has the capability and capacity to collect and report WIA, Wagner-Peyser, Trade, and related programs' performance outcomes. Its dynamic functionality allows interagency referrals, inter-active voice response (IVR), the ability to produce correspondence and mail merge, along with interfacing with the Unemployment Insurance System, and the national database, America's Job Bank. Kentucky is currently tracking and reporting by Workforce Investment Area, by office site, by partner/agency and by staff. Additionally, EKOS measures the one-stop traffic count which gives a comprehensive picture of how Kentucky is providing services as a one-stop system to customers, employers, and partners.

EKOS is a comprehensive system that provides:

- Universal Registration
- Case Management
- Multi-Agency Capabilities
- Inter-Agency Referrals
- Quick Assessment
- Comprehensive Assessment
- Employment Plans

- Service Delivery Tracking and Outcomes
- WIA Eligibility Determination
- Individual Participant Accounts
- Appointment Scheduling
- Follow-up and Monitoring
- Interfaces with America's Job Bank
- Interfaces with Unemployment Insurance
- Counselor Notes
- Open APIs
- Placement Activities
- Performance Measures
- One-Stop Customer Surveys
- Provider Management and Tracking
- Employer Relations
- Job Order Management
- Notification and Correspondence
- Reporting
- Office Administration
- Security Management
- Funding Module
- Inter-Active Voice Response Capabilities

The Employ Kentucky Operating System (EKOS) interfaces with the Unemployment Insurance Wage Records. Wage data is brought into EKOS and stored in the data warehouse to use for reporting the Entered Employment Rate, Employment Retention Rate at six months and Wage Gains as required for WIA and Wagner-Peyser reporting. On a quarterly basis Kentucky sends a file of customer's social security numbers to request wages for those customers that are employed out-of-state. Wage data obtained through WRIS is also loaded into EKOS for use in reporting purposes. Because wage data is stored in EKOS, Kentucky will be able to utilize this information to track performance outcomes for all federal programs as well as other state and regional programs specific to Kentucky.

Kentucky uses EKOS as a common data tracking system to track all one-stop activity, capturing inter-agency referrals, activities that are specific to each WIA, and services to employers in addition to all the federal reporting requirements. Kentucky will use this information to analyze and evaluate the effectiveness of the services to our customers and employers, as well as how well our one-stop partners interact and provide services collaboratively. Through a series of reports designed specifically to utilize this data Kentucky will have the ability to identify statewide and regional trends to make changes and improve its service delivery system.

5. Describe any actions the Governor and State Board will take to ensure collaboration with key partners and continuous improvement of the statewide workforce investment system. (§§111(d)(2) and 112(b)(1).)

The state board works collaboratively with key stakeholders on all areas of workforce development. Supporting the development of a demand-driven workforce system, business leaders who represent the multi-faceted diversity of industries in the Commonwealth are active members on the state board. The state board's standing committees are dedicated to the continuous improvement of the workforce system and are comprised of business leaders and state agencies, all striving towards the improvement of Kentucky's workforce system.

6. How do the State and local boards evaluate performance? What corrective actions (including sanctions and technical assistance) will the State take if performance falls short of expectations? How will the Boards use the review process to reinforce the strategic direction of the system? (§§111(d)(2), 112(b)(1), and 112(b)(3).)

   The Office of Employment and Training (OET) will review local area performance outcomes in order to determine exceeds, meets, or fails established performance measures. The OET technical assistance/monitoring team will review WIA quarterly reports in an effort to reduce the possibility of failure in any one measure and to monitor progress or decline. Local areas that have failed a measure or with preliminary reports that indicate failure will be provided intense and comprehensive technical assistance. If a local area fails a measure for two consecutive years, OET will require a corrective action plan.

   Sanctions will be considered according to Federal Register §666.420.

   From the state board perspective, performance evaluation is reviewed at each State board meeting through a standing committee. Recommendations are made through this committee to the full board for review and consideration.

7. What steps, if any, has the State taken to prepare for implementation of new reporting requirements against the common performance measures as described in Training and Employment Guidance Letter (TEGL), 15-03, December 10, 2003, Common Measures Policy. NOTE: ETA will issue additional guidance on reporting requirements for common measures.

   The America's One-Stop Operating System (AOSOS) Consortium states have established a Common Measures Workgroup in which Kentucky participates. The Workgroup has evaluated the capacity and capability of AOSOS to meet the requirements of Common Measures and the new reporting system EMILE. All member states will provide technical and programmatic staff to work along side the AOSOS software developers and programmers to add logic and functionality to capture all data elements required for new reporting and Common Measures.

   Over the past year Kentucky has been aggressive in identifying those agencies that fall under the Common Measures mandate and a concerted effort has been made to develop partnerships and promote the use of the Employ Kentucky Operating System (EKOS). Having many of the agencies that are impacted by Common Measures use the same integrated data system will allow Kentucky to

coordinate service tracking more efficiently and allow programs to share accountability for performance reporting.

On April 1, 2004, the concept of using EKOS as the one-stop common data tracking system was implemented. State specific services were added in EKOS to allow tracking of all one-stop center activity as well as any special programs administered by an agency or local WIA.

In addition to the agencies utilizing EKOS as their primary information system for performance and reporting, there are agencies that use EKOS for one-stop tracking of customer traffic and services, referral to job openings and electronic inter-agency referrals.

- Office of Employment and Training
- Labor Exchange
- Disabled Veterans' Outreach Program
- Local Veterans' Employment Representatives
- Trade Program
- Workforce Investment Areas
- Kentucky Adult Education – Council on Postsecondary Education (KYAE)
- Office of Vocational Rehabilitation
- Office of the Blind
- Kentucky Farmworker Program
- Department of Community Based Services
- Community Action Agency
- Job Corps
- Experience Works (formerly Green Thumb)
- Headstart and Childcare Program
- Housing Program
- Homeless Program
- Heat and Weatherization Program
- Spouse Abuse Center

Kentucky Database Repository Project is a multi-phased approach that leverages resources and enhances existing technology to address the common collection, storage and sharing needs for testing, certification, and licensure data. The Database Repository is interfaced with Kentucky's One-Stop Operating System (EKOS) – the Commonwealth's version of America's One-Stop Operation System (AOSOS). The repository will function as a database that updates EKOS registrants' data and resumes to include their most recent testing and certification status, including Commonwealth-specific achievements such as the Kentucky's Employability Certificate and the Kentucky Manufacturing Skill Standards certificate. Subsequently, Work Keys, GED, and TABE score results will be added to the database, and other testing providers may begin participation with interface development.

All One-Stop partner agency staff using EKOS will have access to this certificate and educational attainment data. This information will assist them in making better decisions for their customers by being able to identify those customers with problems or deficits in certain educational areas.

The Database Repository will allow Kentucky to track the attainment of degrees and/or certificates. It will provide a method for continuous evaluation and allow Kentucky to measure increases in skills and educational levels of individuals and students.

The Database Repository will also be a resource for economic development and Kentucky employers. KY-ExCeL will provide aggregate snapshots of the certified workforce for economic developers. Employers will have access to the repository's aggregate data in a variety of geographic and demographic presentations. Not only will this tool help businesses assess the available workforce, but it also will provide critical information for business expansion planning.

Kentucky Database Repository seeks to build workforce solutions through a broad partnership among programs for education, employment, and economic development, as well as representatives from business to ensure that these solutions meet employer needs.

8. Include a proposal level for each performance measure for each of the two program years covered by the Plan. While the plan is under review, the state will negotiate with the respective ETA Regional Administrator to set the appropriate levels for the next two years. States must identify the performance indicators required under section 136, and, for each indicator, the State must develop an objective and quantifiable performance goal for two program years. States are encouraged to address how the performance goals for local workforce investment areas and training provides will help them attain their Statewide performance goals. (§§112(b)(3) and 136.)

PERFORMANCE MEASURES

	Actual		Negotiated		
	PY 02	PY 03	PY 04	PY 05	PY 06
Adult Measures					
Entered employment rate	77	78	72	74	75
*Employment retention rate	88	90	82	78	79
*Six month earnings change	$4,600	$5,200	$3,200	$3,400	$3,500
Employment and credential rate	66	59	57	58	59
Dislocated Worker Measures					
Entered employment rate	83	81	78	80	81
*Employment retention rate	91	92	86	85	86
*Six month wage replacement	88	92	84	($1,300)	($1,300)
Employment and credential rate	60	58	55	56	57
Older Youth Measures					
Entered employment rate	69	78	65	67	68
Employment retention rate	81	87	78	79	80
Six month earnings change	$3,200	$3,500	$2,800	$2,900	$3,000
Credential rate	36	44	37	40	41
Younger Youth Measures					
Skill attainment rate	78	88	75	78	79
Diploma or equivalent attainment rate	67	74	57	63	64
Retention rate	59	66	50	60	61
Customer Satisfaction					
Participant	83	85	72		
Employer	76	76	68	70	71

*Common Measures methodology applied for PY 05 & PY 06.

E. Administrative Provisions

1. Provide a description of the appeals process referred to in §116(a)(5)(m).

   A unit of local government (including a combination of such units) or grant recipient that requests, but is not granted designation of an area under paragraph (2) or (3), may appeal to the State Board under an appeal process established in the State Plan.

2. Describe the steps taken by the State to ensure compliance with the non-discrimination requirements outlined in §188.

   See Attachment F.

X. State Administration, Section E.1 (Additional information)

The board may prescribe forms and applicable time frames, appeals shall be conducted pursuant to the administrative hearing requirements in Chapter 13B of the Kentucky Revised Statutes.

A unit of general local government or grant recipient that is dissatisfied with the decision of the KWIB may request a review by the USDOL Secretary pursuant to Section 116, paragraph (a) of the Act.

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 US code. The State assures that it will comply with the veterans priority established in the Jobs for Veterans Act. (38 USC 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)
    •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 part 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 part 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 part 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 ADMINISTRATORS

January 2005

REGION 1 – BOSTON/NEW YORK
Douglas Small
Regional Administrator
U.S. Department of Labor/ETA
JFK Federal Building
Room E-350
Boston, Massachusetts 02203
(617) 788-0170
FAX: 617-788-0101
Small.Douglas@dol.gov

REGION 2 – PHILADELPHIA
Lenita Jacobs-Simmons
Regional Administrator
U.S. Department of Labor/ETA
The Curtis Center
170 South Independence Mall West
Suite 825 East
Philadelphia, Pennsylvania 19106-3315
(215) 861-5205
FAX: 215-861-5260
Jacobs-simmons.lenita@dol.gov

REGION 3 – ATLANTA
Helen Parker
Regional Administrator
U.S. Department of Labor/ETA
Atlanta Federal Center Rm. 6M12
61 Forsyth Street, S.W.
Atlanta, Georgia 30303
(404) 562- 2092
FAX: 404-562-2149
parker.helen@dol.gov

REGION 4 - DALLAS/DENVER
Joseph C. Juarez
Regional Administrator
U.S. Department of Labor/ETA
Federal Building, Rm. 317
525 Griffin Street
Dallas, Texas 75202
(214) 767-8263
FAX: 214-767-5113
Juarez.joseph@dol.gov

REGION 5 - CHICAGO/KANSAS CITY
Byron Zuidema
Regional Administrator
U.S. Department of Labor/ETA
230 S. Dearborn Street, Rm. 628
Chicago, Illinois 60604
(312) 596-5400
FAX: 312-596-5401
Zuidema.byron@dol.gov

REGION 6 -SANFANCISCO/SEATTLE
Richard Trigg
Regional Administrator
U.S. Department of Labor/ETA
71 Stevenson Street, Rm. 830
San Francisco, California 94119-3767
(415) 975-4610
FAX: 415-975-4612
trigg.richard@dol.gov

Name of WIA Title I Grant Recipient Agency:

ATTACHMENT B
PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

Name of WIA Title I Grant Recipient Agency: Kentucky Education Cabinet
Address: 500 Mero Street, Capitol Plaza Tower, 3rd floor
Frankfort, Kentucky 40601
Telephone Number: (502) 564-0372
Facsimile Number: (502) 564-5959
E-mail Address: Laura.Owens@ky.gov

Name of State WIA Title I Administrative Agency (if different from the Grant Recipient):
Office of Employment and Training
Address: 275 East Main Street, CHR Building, 2nd floor, Mailstop 2CA
Frankfort, Kentucky 40601
Telephone Number: (502)564-5331, ext. 4119
Facsimile Number: (502)564-7452
E-mail Address: PennyR.Armstrong@ky.gov

Name of WIA Title I Signatory Official: Laura Owens, Commissioner
Address: 500 Mero Street, Capitol Plaza Tower, 3rd floor
Frankfort, Kentucky 40601
Telephone Number: (502)564-0372
Facsimile Number: (502)564-5959
E-mail Address: Laura.Owens@ky.gov

Name of WIA Title I Liaison: Susan Craft, Director, Division of Workforce Services
Address: 275 East Main Street, CHR Building, 2nd floor
Frankfort, Kentucky 40621
Telephone Number: (502)564-5360, ext. 4249
Facsimile Number: (502)564-8974
E-mail Address: Susan.Craft@ky.gov

Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:
Office of Employment and Training, Division of Field Services
Address: 275 East Main Street, CHR Building, 2nd floor
Frankfort, Kentucky 40621
Telephone Number: (502)564-5331, ext. 4119
Facsimile Number: (502)564-7452
E-mail Address: PennyR.Armstrong@ky.gov

THE KENTUCKY STATE PLAN (July 1, 2005 – June 30, 2007)

Name and title of State Employment Security Administrator (Signatory Official):
Laura Owens, Commissioner, Department for Workforce Investment
Address: 500 Mero Street, Capital Plaza Tower, 3rd Floor
Frankfort, Kentucky 40621
Telephone Number: (502)564-0372
Facsimile Number: (502)564-5959
E-mail Address: Laura.Owens@ky.gov

As the Governor, I certify that for the Commonwealth of Kentucky, the agencies and officials designated above have been duly designated to represent the Commonwealth 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 programs in accordance with this Plan and the assurances herein.

Typed Name of Governor Ernie Fletcher

Signature of Governor Ernie Fletcher Date May 26, 2005

ATTACHMENT C
OPTIONAL TABLE FOR STATE PERFORMANCE INDICATORS AND GOALS[1]

WIA requirement at section 136(b)	Corresponding performance indicator(s)	Previous year performance	Performance goals out-years		
			1	2	3
Adults: Entry into Unsubsidized Employment 6-Months Retention in Unsubsidized Employment 6-Months Earnings received in Unsubsidized Employment Attainment of Educational or Occupational Skills Credential Dislocated Workers: Entry into Unsubsidized Employment 6-Months Retention in Unsubsidized Employment 6-Months Earnings received in Unsubsidized Employment Attainment of Educational or Occupational Skills Credential Youth Aged 19-21: Entry into Unsubsidized Employment 6-Months Retention in Unsubsidized Employment 6-Months Earnings received in Unsubsidized Employment Attainment of Educational or Occupational Skills Credential Youth 14-18: Attainment of Basic, Work Readiness and/or Occupational Skills Attainment of Secondary School Diplomas/Equivalents Placement and Retention in Post-Secondary Education/Training, or Placement in Military, Employment,					

Apprenticeships Participant Customer Satisfaction Employer Customer Satisfaction Additional State-Established Measures					

[1] Further guidance, including definitions of specific indicators, will be provided separately.

ATTACHMENT D
LOCAL PLANNING GUIDANCE FOR SINGLE WORFORCE INVESTMENT AREA STATES

I. Local Plan Submission

Section 118 of the Workforce Investment Act requires that the Board of each local workforce investment area, in partnership with the appropriate chief elected official, develop and submit a comprehensive Local Plan for activities under Title I of WIA to the Governor for his or her approval. In States where there is only one local workforce investment area, the Governor serves as both the State and local Chief Elected Official. In this case, the State must submit both the State and Local Plans to the Department of Labor for review and approval. States may (1) submit their Local Plan as an attachment to the State Plan or (2) include these elements within their State Plan, and reference them in an attachment.

The State Planning Guidance on plan modifications and the plan approval process applies to a single workforce investment area State/Local Plan, with one addition: The Department will approve a Local Plan within ninety days of submission, unless it is inconsistent with the Act and its implementing regulations, or deficiencies in activities carried out under the Act have been identified and the State has not made acceptable progress in implementing corrective measures. (§ 112(c).)

II. Plan Content

In the case of single workforce investment area States, much of the Local Plan information required by section 118 of WIA will be contained in the State Plan. At a minimum, single workforce investment area State/Local Plans shall contain the additional information described below, and any other information that the Governor may require. For each of the questions, if the answers vary in different areas of the State, please describe those differences.

A. Plan Development Process

1. Describe the process for developing the Local Plan. Describe the process and timeline used to provide an opportunity for public comment, including how local Chief Elected Officials, representatives of businesses and labor organizations, and other appropriate partners provided input into the development of the Local Plan, prior to the submission of the Plan. (§118(b)(7).)
2. Include with the local Plan any comments that represent disagreement with the Plan. (§118(c)(3).)

B. Services

1. Describe the One-Stop system(s) that will be established in the State. Describe how the system(s) will ensure the continuous improvement of eligible providers of services and ensure that such providers meet the employment and training needs of employers, workers and job seekers throughout the State. Describe the process for the selection of One-Stop operator(s), including the competitive process used or the consortium partners. (§ 118(b)(2)(A).)

2. Describe and assess the type and availability of youth activities, including an identification of successful providers of such activities. (§118(b)(6).)

C. System Infrastructure

1. Identify the entity responsible for the disbursal of grant funds, as determined by the Governor. Describe how funding for areas within the State will occur. Provide a description of the relationship between the State and within-State areas regarding the sharing of costs where co-location occurs. (§ 118(b)(8).)
2. Describe the competitive process to be used to award the grants and contracts in the State for WIA Title I activities. (§ 118(b)(9).)

ATTACHMENT E
Kentucky Grievance Procedures

Mailed 10/25/00 kh

William H. Gaunce
Executive Director

Office of Training and ReEmployment
Cabinet for Workforce Development

Allen D. Rose
Secretary

WIA GUIDANCE MEMO #34

TO: LWIA Directors

FROM: William H. Gaunce, Executive Director

DATE: October 19, 2000

SUBJECT: Equal Opportunity Discrimination Complaint Process

Attached is the process to be used for EO grievances and appeals based on complaints of discrimination for applicants, participants, or employees of any WIA, Title I-funded entity, and applicants for WIA funding.

In consultation with the Workforce Development Cabinet, Office of General Counsel, the OTR-513 (revised and issued under Guidance Memo #32) is the only form required to be placed in each participant file at this time. There is no longer a need to use the "Additional Facts" sheet, since most of this information is based on JTPA regulations, instead of the regulations implemented in 29 CFR Part 37.

If you have any questions, please contact Carla Combs at (502) 564-5360.

275 East Main Street – Third Floor, West – Frankfort, KY 40621
(502) 564-5360 – FAX (502) 564-8974
Cabinet for Workforce Development – Equal Education and Employment Opportunities M\F\D

Grievances and Appeals based on Complaints of Discrimination:

1. This section applies to applicants for WIA participation or employment, participants or employees of any WIA, Title I-funded entity, and applicants for WIA funding.

2. Definitions. The following definitions apply to grievances and appeals filed under this section:

   (a) "Beneficiary" means an individual intended by the United States Congress to receive aid, benefits, services, or training from a recipient.

   (b) "Director" means the director of the Civil Rights Center, U.S. Department of Labor, Room N-4123, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

   (c) "Recipient" means an entity that receives financial assistance under WIA Title I, either directly from the United States Department of Labor or through the Commonwealth of Kentucky or another recipient. "Recipient" includes, but is not limited to:

      (i) State agencies that administer, or are financed in whole or in part with, WIA Title I funds;
      (ii) The Department for Employment Services;
      (iii) The Kentucky Workforce Investment Board;
      (iv) Local Workforce Investment Boards;
      (v) Local workforce investment area grant recipients;
      (vi) One-stop operators;
      (vii) Service providers, including eligible training providers;
      (viii) On-the-job training employers;
      (ix) Job Corps contractors and center operators, excluding the operators of federally-operated Job Corps centers;
      (x) Outreach and admissions agencies, including Job Corps contractors that perform these functions; and
      (xi) One-stop partners, as defined in WIA section 121(b), to the extent that the one-stop partner participates in the one-stop delivery system.

3. (a) A person who believes that he or she or any specific class of individuals has been or is being subjected to discrimination prohibited under WIA on the basis of age, disability, sex, race, color, national origin, religion, or political affiliation or belief may file a written complaint with the recipient or with the Civil Rights Center, U.S. Department of Labor, Room N-4123, 200 Constitution Avenue, N.W., Washington, D.C. 20210 within 180 days of the alleged discrimination. The complaint may be filed by a representative. The Director of the Civil Rights Center may extend the filing date for good cause shown.

   (b) A beneficiary who believes that he or she has been denied participation in programs or activities financially assisted in whole or in part under WIA

Title I on the basis of citizenship may file a written complaint with the recipient or with the Civil Rights Center, U.S. Department of Labor, Room N-4123, 200 Constitution Avenue, N.W., Washington, D.C. 20210 within 180 days of the alleged discrimination. The complaint may be filed by a representative. Only the Director of the Civil Rights Center may extend the filing date for good cause shown.

4. A complaint shall contain the following information:

   (a) The full name, address and telephone number (or message number) of the person making the complaint (the complainant);

   (b) The full name and address of the entity or individual against whom the complaint is made (respondent);

   (c) A description of the complainant's allegations in sufficient detail to allow determinations to be made regarding jurisdiction, timeliness, and apparent merit (whether the allegations, if true, would violate any nondiscrimination and equal opportunity provisions under WIA);

   (d) The complaint shall be signed and dated by the complainant or the complainant's authorized representative.

5. The recipient shall forward a copy of a complaint filed with the recipient to the EO officer of the state agency. If the complaint is filed with the Civil Rights Center (CRC), the complainant may complete and submit the CRC's Complaint Information and Privacy Act Consent Form, which may be obtained from the recipient's EO Officer, or from the Civil Rights Center at the U.S. Department of Labor, Room N-4123, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

6. The local workforce investment area shall designate an EO officer who is responsible for receiving, investigating, and offering resolutions of complaints, and for assuring all WIA Title I applicants are advised of their rights. Service providers shall follow the procedures established within the local workforce investment area. The local workforce investment area grievance procedures shall contain the following minimum requirements:

   (a) Upon receipt of a complaint, the recipient shall provide written acknowledgment to the complainant that the recipient has received the complaint, and shall notify the complainant of the right to be represented in the complaint process.

   (b) The recipient shall thereafter provide a written statement of the issue(s) to the complainant, that includes the following:

      (i) A list of the issues raised in the complaint; and
      (ii) For each such issue, a statement whether the recipient accepts the issue for investigation or rejects the issue, and the reasons for each rejection.

(c) A period for fact-finding or investigation of the circumstances underlying all complaints.

(d) A period during which the recipient attempts to resolve the complaint. The methods available to resolve the complaint shall include an alternative dispute resolution (ADR) method. The complainant shall be given the choice whether to use ADR. If the recipient breaches an agreement reached under ADR, the complainant may file a discrimination complaint with the CRC Director. If the parties cannot reach agreement under ADR, the complainant may file a discrimination complaint with the CRC Director.

(e) A written Notice of Final Action shall be provided to the complainant within ninety days of the date on which the complaint was filed. The Notice of Final Action shall include, for each issue raised in the complaint, a statement of either (i) the recipient's decision on the issue and an explanation of the reasons underlying the decision, or (ii) a description of the way the parties resolved the issue. The Notice of Final Action shall include notice that the complainant has a right to file a complaint with CRC within thirty days of the date on which the Notice of Final Action is issued if he or she is dissatisfied with the recipient's final action on the complaint.

(f) The EO officer shall notify the complainant in writing immediately if it is determined that the local workforce area does not have jurisdiction over a complaint. The notification shall include the basis for the determination as well as a statement of the complainant's right to file a written complaint with the Civil Rights Center within thirty days of the notification.

(g) The complainant shall be notified of the right to file a complaint with the Civil Rights Center if the local workforce investment area representative has not completed processing the complaint or if no resolution has been offered within ninety days following receipt of the complaint. The complainant may file a complaint with the Civil Rights Center within thirty days of the expiration of the ninety-day period.

7. The recipient shall maintain records of complaints for at least three years from the date of resolution of the complaint.

ATTACHMENT F
Kentucky Nondiscrimination Statement

Mailed 9-13-00 kh

William H. Gaunce
Executive Director

Office of Training and ReEmployment
Cabinet for Workforce Development

Allen D. Rose
Secretary

WIA GUIDANCE MEMO #32

TO: LWIA Directors

FROM: William H. Gaunce, Director

DATE: September 8, 2000

SUBJECT: Equal Opportunity Is The Law

Attached is the revised **OTR-513** form that must be made available to each participant, and made a part of each participant's file. This form contains the specific wording provided in 29 CFR Part 37—Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Investment Act of 1998 (specifically 37.30).

The required language specified in these regulations must be **posted** prominently, in reasonable numbers and places (such as local area offices, one-stop centers, websites, etc.). Such notice must also be provided in alternative formats for the visually impaired.

The shorter message that is to appear on all publications, recruitment brochures, broadcasts, and other material regarding WIA Title I-financially assisted programs or activities is: "_____is an equal opportunity employer with equal opportunity programs"; and "auxiliary aids and services are available upon request to individuals with disabilities."

The EO provisions at 29 CFR Part 37.35 describes a recipient's responsibility to provide services and information in languages other than English (only if a significant number of this eligible population exist in your area).

Training will be provided to all designated local area EO officers in the very near future. If you have questions, please contact Carla Combs at (502) 564-5360.

209 St. Clair Street, 4th Floor, Frankfort, KY 40601
(502) 564-5360 – FAX (502) 564-8974

EDUCATION PAYS

EQUAL OPPORTUNITY IS THE LAW

It is against the law for this recipient of Federal financial assistance to discriminate on the following bases:

- Against any individual in the United States, on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief; and
- Against any beneficiary of programs financially assisted under Title I of the Workforce Investment Act of 1998 (WIA), on the basis of the beneficiary's citizenship/status as a lawfully admitted immigrant authorized to work in the United States, or his or her participation in any WIA Title I-financially assisted program or activity.

The recipient must not discriminate in any of the following areas:

- Deciding who will be admitted, or have access, to any WIA Title I-financially assisted program or activity;
- Providing opportunities in, or treating any person with regard to, such a program or activity; or
- Making employment decisions in the administration of, or in connection with, such a program or activity.

What to Do If You Believe You Have Experienced Discrimination:

If you think that you have been subjected to discrimination under a WIA Title I-financially assisted program or activity, you may file a complaint within 180 days from the date of the alleged violation with either:

- The recipient's Equal Opportunity Officer (or the person whom the recipient has designated for this purpose); or
- The Director, Civil Rights Center (CRC), U.S. Department of Labor, 200 Constitution Avenue NW, Room N-4123, Washington, DC 20210.

If you file your complaint with the recipient, you must wait either until the recipient issues a written Notice of Final Action, or until 90 days have passed (whichever is sooner), before filing with the Civil Rights Center (see address above).

If the recipient does not give you a written Notice of Final Action within 90 days of the day on which you filed your complaint, you do not have to wait for the recipient to issue that Notice before filing a complaint with CRC. However, you must file your CRC complaint within 30 days of the 90-day deadline (in other words, within 120 days after the day on which you filed your complaint with the recipient).

If the recipient does give you a written Notice of Final Action on your complaint, but you are dissatisfied with the decision or resolution, you may file a complaint with CRC. You must file your CRC complaint within 30 days of the date on which you received the Notice of Final Action.

CERTIFICATE OF NOTICE

I certify that I have been furnished a copy of this Equal Opportunity Is The Law Notice, and that the Notice has been discussed with me.

_____ _____
Applicant/Participant/Employee **Date**

Original - to file
Copy - to customer