

## ***Excerpted from (General Accounting Office) GAO Report***

### **Workforce Investment Act: Better Guidance Needed To Address Concerns Over New Requirements October, 2001 - GAO-02-72**

#### **Conclusions**

The workforce development system WIA sought to create represents a sea of change for workforce development, not only because it attempted to significantly change how employment and training services are provided, but also because it provided significant latitude to those implementing WIA at the state and local level. Given the early stage of this process, and the new and additional partners involved in the process, it is not surprising that implementation has been affected by concerns over the new requirements. Unless these concerns are addressed in some fashion, there is a risk that the flexibility provided to states and local areas under WIA, instead of fostering innovation, will continue to lead to confusion, unnecessary burden, and resistance to change. Moreover, although states and localities will continue to participate as required by WIA, the vision for One-Stops – full integration – may not be achieved. In effect, complying with WIA could result in additional requirements rather than the replacement of traditional service delivery structures. The opportunity for the federal government to foster fundamental change in the workforce development system of the future could be lost.

While state and local implementers agreed that these concerns needed to be addressed, there was no consensus on a single course of agency or congressional action that would be most effective in addressing these concerns. Moreover, some of the concerns may stem from confusion about what states and localities can already do to embrace WIA's requirements. As a result, states and localities need more time to fully understand and embrace these new ways of operating in conjunction with appropriate guidance and technical assistance. Guidance from all responsible agencies can go a long way towards addressing concerns; it will also help identify issues that may require action beyond guidance. First, the vision of a seamless system of employment and training services depends upon states and localities having better information about the benefits of integrating their services at One-Stops. Second, states and localities need better information on cost-effective methods for training provider data collection and reporting. They need tools to address the burden associated with conflicting program requirements and clarification about the confusion surrounding the allowed use of SSNs under FERPA and related policy guidance to meet data collection requirements. Also, training providers need another year of initial eligibility exempt from the data collection requirements while they work with state and local implementers to explore ways to resolve data collection difficulties. Unless these issues are resolved, dropping training providers from consideration or having them withdraw their services when the initial eligibility period ends would be at odds with WIA's goal of providing job seekers with better training options.

Third, unless action is taken to ensure that the states and localities understand and can implement ways to achieve effective workforce investment board operations consistent with private sector needs, WIA's requirement of private sector leadership for this new workforce system may be at risk. Moreover, the private sector has the necessary labor market knowledge to create a strategic workforce investment system, without which the new system may be adversely affected.