

**ANNUAL REPORT
FOR
TITLE I
OF THE
WORKFORCE INNOVATION AND OPPORTUNITY
ACT OF 2014
TERRITORY OF THE VIRGIN ISLANDS
OF THE UNITED STATES**

*For the Period of
July 1, 2017 – June 30, 2018*

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**Program Year 2017 WIOA Annual Report
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Overview

The hurricanes of September 2017, Irma and Maria respectively decimated the Territory's infrastructure, as well as its economic and workforce development landscape. The immediate impact was devastating on all fronts and highlighted weaknesses in the flow of and access to workforce services and activities; however, the opportunity available to now re-determine a new direction in rebuilding the workforce system was soon recognized. Critical areas such as addressing the skills gap, creating relevant sector strategies, and engaging employers in the discussion have become the focus.

Throughout Program Year 2017, the Territory engaged in an unprecedented planning stage; planning for rebuilding, retooling and redefining itself. Planning was done for activities with existing resources and new strategically acquired ones. Planning for the short-term and planning for long-term events, those that are anticipated as well as those that are unexpected. For the workforce system, this meant work-based learning opportunities in the construction and transportation sectors, and customized training and on-the-job training in the healthcare and hospitality sectors. It also meant a renewed collaboration with agency and private partners as well as forging new relationships with economic development.

Prior to the storms, the Territory's unemployment rate sat at around 9.3%. By October 2017, the rate peaked at 18.6% due to the number of businesses impacted by damaged or destroyed structures and facilities or due to the long-lasting void in electrical and communication services. By June 2018, the Territory's electrical and communications challenges were mostly resolved and though full employment was not yet realized by those businesses most severely impacted, recovery work though temporary, was able to fill a large part of the void in the workplace. The unemployment rate was 9.8% by the end of Program Year 2017.

The road to recovery is long and on-going but the foundation is being carefully crafted with a strategic and deliberate approach that leads to a sustainable, diverse and well-rounded workforce that contributes to the economic stability of the U.S. Virgin Islands.

State's Strategic Plan Vision and Goals

The State Workforce Development Board recharged the vision and goals for the Territory's workforce system to operate in concert with the recovery and reconstruction efforts imminent in the wake of the storms of 2017.

The vision seeks to create a Workforce Delivery System that promotes a dynamic collaborative between workforce agencies and business that is responsive to the growth and stability of the

local economy. The System will connect to businesses by providing a full range of career development services that begins with building foundational and personal development goals, enhancing basic academic skills, and occupational skill proficiency that leads to the attainment of a post-secondary certificate or degree in order to find meaningful and progressive employment.

In its 2018 modification to the WIOA State Strategic Unified Plan, the Territory’s workforce system cited six broad goals:

- ✚ Enhance Business Engagement through a Sector-based approach to Workforce Training
- ✚ Align Work-Readiness and Workforce Training programs with Economic Development Strategies
- ✚ Promote diversification of post-secondary education and training opportunities
- ✚ Develop focus-driven sector strategies
- ✚ Develop a network for temp or “gig” workers
- ✚ Develop an Integrated Data System

Implementing Strategies

The aftermath of the 2017 storms proved to be the testing ground for the relevance and capacity of these goals and resulted in an expansion of the scope in several areas:

Enhance Business Engagement through a Sector-based approach to Workforce Training –

All sectors of the community were impacted by the storms. The construction sector however, became the sector that needed immediate access to a large workforce. From small projects such as temporary roofs or reinforcing damaged structures, skilled workers and helpers were in demand. As individuals were referred to these short-term projects, relationships were developed with employers to address longer termed workforce needs to include soft skills as well as occupational skills training.

Develop Focus Driven Sector Strategies –

Each sector has taken the opportunity to re-examine and re-evaluate what comes next for them as they rebuild their workforce. The options available from the workforce system, which include on-the-job training, customized training and incumbent worker training, are being presented to employers at the early stages of their redevelopment efforts to allow sufficient time for planning, training and restarting the work flow. Employers have included upgrades in the work product and enhancement of the skill levels in their new product design. Each design is driven by projected goals and desired outcomes specific to each sector.

Develop network for “temp” or “gig” workers – As employer engagement and sector work is developed, some workers choose to “do it on their own”. There has been a notable rise in the number of skilled job seekers who choose to select where and when they work. The VI Workforce System has begun to explore ways of encouraging networking among these individuals with the intent of them pooling their talent and resources to create a skilled talent pool that is flexible and can transport their uniquely designed skill set across islands or throughout the nation as the need arises, thus always having access to “work” in this new era.

Work-based Learning/Work Experience

During Program Year 2017, the Virgin Islands Department of Labor was awarded a National Dislocated Worker Grant for Disaster Recovery in the amount of \$3,000,000. The agency planned to serve 209 individuals throughout the Territory, who lost their employment as a result of the dual disasters, through temporary employment. The areas of employment included demolition, repair, renovation and reconstruction within public worksites specifically, storm impacted roadways, beaches, recreational facilities and government facilities. Participants were compensated at a rate of \$11.00-\$18.00 per hour depending on the job description and skill level. In addition to this project being a means to obtain temporary employment, it also became a work-based learning experience for those who were for the first time performing job duties outside of their skill set.

Incumbent/Customized Training/On-the-Job Training

Although there were no incumbent, customized or on-the-job training activities conducted during Program Year 2017, there was considerable engagement with the business community to educate them on the benefits of using these workforce tools as part of the planning process when rebuilding their workforce. There were sessions held with the Workforce Board to ensure that they too would not only take advantage of the opportunities, but would become an example to other businesses who had not yet decided their course of action. There were briefings with partner agencies and one-on-one meetings with employers in the hospitality and healthcare sectors; those sectors having a tremendous workforce to retrain and rehire after having been displaced by the storm, and the construction industry, most in demand in the rebuilding effort. It is expected that employers in these sectors will take advantage of one or more of the training opportunities in Program Years 2018 and 2019.

State Funded Activities

Rapid Response Activities for Program Year 2017

During Program Year 2017 nine (9) Rapid Response Sessions were held within the territory. These Rapid Responses Services were provided to seven (7) businesses. Six Hundred and Five (605) employees were affected by the lay-offs.

The Territory received a \$3,000,000 National Dislocated Worker Grant in September 2017 immediately following the dual Category 5 Hurricanes Irma and Maria, to assist individuals laid off from their permanent employment due to the damage wrought by the storms.

Many of those served by the Rapid Response activities were able to find temporary employment at the worksites offered through this grant.

Rapid Response activities and services help build relationship between the VI Workforce System and employers. The services provided are free and businesses know that their employees will be able to transition more quickly and efficiently to their next employment opportunity by participating in these workshops. Services to employees are delivered through individual or group training, reemployment services, job training and or re-training to upgrade their skillset or change careers.

In addition to providing “next steps” services to employees who are about to be laid off, the Rapid Response Unit also works with employers (pre-layoff notices being given) who are struggling financially and considering laying off some of their employees for financial or other reasons. The team provides onsite meetings with businesses and offer customized and/or incumbent worker training options to the employers to consider in lieu of a lay-off. The NDWG coordinates with Rapid Response activities and the dislocated worker program by affording these individuals job placement and in some instances, work experience at the same time.

Formula Funded Activities

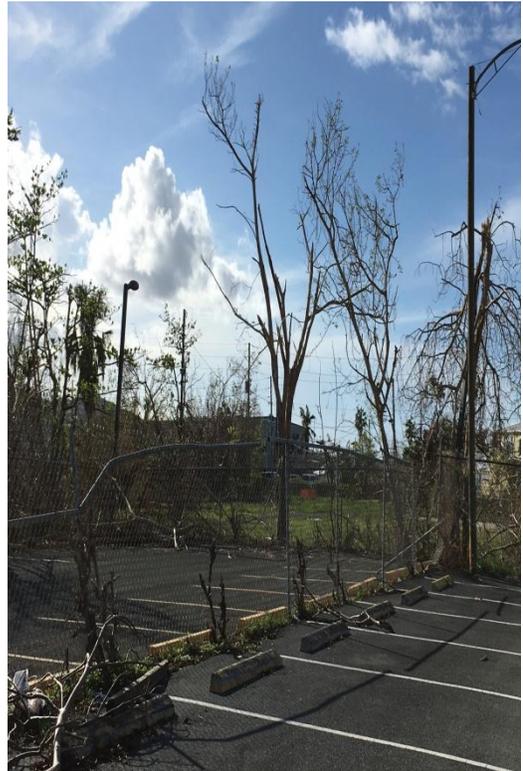
At the start of PY’17, there were approximately 152 adults and dislocated workers engaged in classroom training activities offered by six (6) separate training providers. Interrupted by the 2017 hurricanes, all training ceased and due to the long term electric and communications void, most were unable to restart until February or March 2018. Still, all ETP’s rebooted and rearranged schedules to allow for flexible times, locations and resources to continue training. By the close of the program year, two hundred and sixty-six (266) individuals had participated in training services with many of those previously disrupted now re-engaged in classroom learning activities.

Program	Total Expenditures	Total Participants	Cost per Participant
Adult	\$128,244	162	\$ 792
Dislocated Workers	\$149,265	75	\$1,990
Youth	\$48,840	29	\$1,684

There were One Thousand Five Hundred and Forty-nine (1,549) enrollments to Wagner-Peyser activities during PY’17 and twenty-three (23) enrollments for JVSG.

A LOOK BACK

From Destruction . . .



To Assistance . . .





... To Recovery



NDWG Worksites



WIOA Performance Accountability

	State Negotiated Goal PY'17	Actual Performance
WIOA ADULTS		
Employment (2 nd Quarter)	33.0%	57.8%
Employment (4 th Quarter)	37.0%	61.4%
Median Earnings	\$4,800	\$4,950.00
Credential Attainment Rate	63.0%	55.0%
Measureable Skills Gain	Baseline	35.2
Effectiveness in Serving Employers	Baseline	Baseline
WIOA DISLOCATED WORKERS		
Employment (2 nd Quarter)	54.0%	57.1%
Employment (4 th Quarter)	47.0%	55.9%
Median Earnings	\$5,500	\$5,837.00
Credential Attainment Rate	50.0%	55.6%
Measureable Skills Gain	Baseline	32.6%
Effectiveness in Serving Employers	Baseline	Baseline
WIOA YOUTH		
Employment (2 nd Quarter)	37.0%	34.4%
Employment (4 th Quarter)	40.0%	36.8%
Median Earnings	Baseline	\$2,033.00
Credential Attainment Rate	43.0%	0
Measureable Skills Gain	Baseline	48.8%
Effectiveness in Serving Employers	Baseline	Baseline
WAGNER PEYSER		
Employment (2 nd Quarter)	54.0%	42.0%
Employment (4 th Quarter)	47.0%	38.3%
Median Earnings	\$5,500	\$4,773.00
Effectiveness in Serving Employers	Baseline	Baseline