

**BOB RILEY**  
GOVERNOR



**DR. TIM ALFORD**  
DIRECTOR

**STATE OF ALABAMA**

September 26, 2005

Honorable Elaine Chao  
U.S. Department of Labor  
200 Constitution Avenue  
Washington, D.C. 20310

Dear Secretary Chao:

We are pleased to submit the attached State of Alabama Program Year (PY) 2004 Workforce Investment Act (WIA) Annual Report. This Report contains the Alabama PY 2004 WIA program performance data required under USDOL Training and Guidance Letter No. 14-00, Attachment G. Additionally, this Report details other WIA activities conducted in Alabama during PY 2004.

Funding changes from Program Year 2004 to 2005 required the closing of more than 20 Career Center locations. Meanwhile, our partnering with other workforce development entities is at an all-time high.

Please direct any questions regarding the Alabama Workforce Investment Act PY 2004 Annual Report to Steve Walkley at (334) 242-5300.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Johnson".

Bill Johnson, Acting Director  
Alabama Department of Economic and Community Affairs

A handwritten signature in black ink, appearing to read "Tim Alford".

Tim Alford, Director  
Office of Workforce Development

***STATE OF ALABAMA***

***PROGRAM YEAR 2004***

***WORKFORCE INVESTMENT ACT, TITLE IB***

***ANNUAL REPORT to the SECRETARY of LABOR***

***OCTOBER 1, 2005***

**Prepared in Accordance with WIA Sections 136(d)(1), 185(d) Specifications**

# *Table of Contents*

<b>OVERVIEW .....</b>	<b>1</b>
<b>Alabama: An Economic Profile .....</b>	<b>2</b>
<b>The Workforce Investment Partnership.....</b>	<b>4</b>
<b>Workforce Investment Boards .....</b>	<b>5</b>
<b>State-Level Coordination .....</b>	<b>6</b>
<b>Alabama Career Center System.....</b>	<b>8</b>
<b>Workforce Investment Activity Resource Allocation.....</b>	<b>13</b>
<b>PY 2004 Programs .....</b>	<b>15</b>
<b>WIA Section 136(e) Process Evaluations .....</b>	<b>23</b>
<b>A Look Ahead .....</b>	<b>24</b>
<b>PY 2004 WIA Program Activity Summary .....</b>	<b>26</b>
<b>PY 2004 Customer Satisfaction, Other Required Information .....</b>	<b>31</b>
<b>PY 2004 Special Population Outcomes .....</b>	<b>32</b>
<b>PY 2004 Other Outcome Information Summary.....</b>	<b>34</b>
<b>WIA Costs Relative to Effectiveness .....</b>	<b>35</b>
<b>PY 2004 WIA Participant Characteristics .....</b>	<b>38</b>
<b>PY 2004 Cost of Program Activities.....</b>	<b>39</b>
<b>Participant Success Stories .....</b>	<b>45</b>

## *Attachments*

- A) **Local Area WIA Planning Allocations for PY 2004/ FY 2005**
- B) **Statewide Monthly Career Center Customers**
- C) **State - Level PY04 Performance Incentive Analysis (7/1/04 - 6/30/05)**

***State Workforce Investment Board***  
***(as of June 30, 2005)***

**Governor Bob Riley**

***Members of the Legislature***

**Senator Pat Lindsey**  
**Senator Hank Sanders**  
**Representative Terry Spicer**  
**Representative Elwyn Thomas**

***Organized Labor***

**D. Stewart Burkhalter, *Alabama AFL-CIO***  
**Sammy Dodson, *Operating Engineers***  
**Mike Morgan, *Retail Clerks***

***Youth - Oriented Organizations***

**Mary S. Zoghby, *Boys and Girls Club***

***Community College and Community-Based Organizations***

**Ed Castile, *Alabama Industrial Development Training***  
**Judy Merritt, *Jefferson State Community College***  
**Denny Smith, *Calhoun Community College***

***WIA Partner Representatives***

**Tim Alford, *Office of Workforce Development***  
**Bill Johnson, *Department of Economic and Community Affairs***  
**Phyllis Kennedy, *Department of Industrial Relations***  
**Joe Morton, *State Department of Education***  
**Page Walley, *Department of Human Resources***  
**Irene Collins, *Department of Senior Services***  
**Steve Shivers, *Department of Rehabilitation Services***  
**Roy Johnson, *Department of Postsecondary Education***

*Economic Development Agencies*

**Ted VonCannon, Metropolitan Development Board**  
**Neal Wade, Alabama Development Office**  
**Ed Gardner, St. Clair County Economic Development Authority**  
**Ernie Smith, Economic Development, City of Gulf Shores**

*Other Representatives, Head Agency Officials*

**Elaine Jackson, Birmingham Urban League**  
**Linwood Bragan, Alabama Banking Department**  
**Jimmy Holley, Troy University**  
**Paul Hubbert, Alabama Education Association**  
**John Harrison, Alabama Banking Department**

*Local Area Chief Local Elected Officials*

**William Ryan, District Judge, Greensboro, AL**

*Private Sector Representatives*

**Patricia Barnes, Sister Schubert's Rolls, Andalusia, AL**  
**Bill Bates, Bates Turkey, Ft. Deposit, AL**  
**Michelle Bishop, Rehab Associates, Glencoe, AL**  
**Fred Blackwell, Uniroyal-Goodrich Tire, Opelika, AL**  
**James Brooks, Phifer Wire Products, Tuscaloosa, AL**  
**Russell Brown, DP Associates. Huntsville, AL**  
**Glen Camp, HB&G Building Products, Troy, AL**  
**Bill Canary, Business Council of Alabama, Montgomery, AL**  
**Stan Chavis, Stan Chavis Insurance, Mobile, AL**  
**J. Ab Conner, Connor Brothers Construction, Opelika, AL**  
**Jim Cunningham, Mercedes-Benz US, Vance, AL**  
**Patrick Denney, Dillon Financial Services, Birmingham, AL**  
**Lacy Gibson, Alabama Hospital Association, Montgomery, AL**  
**Bob Johnson, Skilstaf, Inc., Alexander City, AL**  
**Phillip Kelly, Michelin Tire, Dothan, AL**  
**Joo-Soo Ahn, Hyundai Motor Manufacturing Alabama, Montgomery, AL**  
*(Represented by Greg Kimble)*  
**Jimmy Lee, Alabama Electric Cooperative, Andalusia, AL**  
**Charles McDonald, Alabama Retail Association, Montgomery, AL**  
*(Represented by Alison Wingate)*  
**Bill O'Connor, Consultant, Montgomery, AL**  
**Matt Parker, Dothan Area Chamber of Commerce, Dothan, AL**  
**Mike Reynolds, BroadSouth Communications, Selma, AL**  
**Jerry Cochran, Warrior, AL**

*Private Sector Representatives (cont'd)*

**Pete Ritch, *Adtran Incorporated, Huntsville, AL***  
**Gilbert Sellers, *Sellers, Inc., Troy, AL***  
**Barry Singletary, *Sony Magnetic Products, Dothan, AL***  
**Sandy Snyder, *Home Depot, Dothan, AL***  
**Sherman Suitts, *Vulcan Materials, Birmingham, AL***  
**William Taylor, *Mercedes-Benz US, Vance, AL***  
**Jim Tolbert, *Virginia College, Birmingham, AL***  
**Kenneth Tucker, *The Boeing Company, Huntsville, AL***  
**Jason Upton, *Domino's Pizza, Guntersville, AL***  
**Bruce Windham, *Drummond Company, Jasper, AL***  
**Tim Woodard, *BP, Decatur, AL***

## OVERVIEW

**W**e in Alabama continue to work toward full achievement of the Statewide, employee/employer needs-focused, streamlined workforce development delivery system which is our common goal. This Annual Report documents Alabama's record of achievement in its fifth full year under the Workforce Investment Act (WIA).

The Alabama Career Center System, through its network of forty-two Career Centers, effects Statewide delivery of comprehensive, yet seamless, workforce development services to employers and employees eligible for and in need of these services.

Each Career Center System location provides our customers with needed education, job training, employment referral, and other workforce development services. Prospective employees may obtain career counseling and individual assessment services. Those with marketable occupational and employability skills may not require Career Center services beyond direct placement assistance; individuals whose existing skills require some degree of honing to render these workers more attractive to employers will receive the training they require, where resources are available.

Our Incumbent Worker training program, which provides targeted employers with funding assistance toward the equipping of their workers with new and/or upgraded occupational skills training, continues to expand. Such employee skill upgrades are often critical to the affected employers continuing competitive viability.

A principal mission of the Alabama workforce development program is ongoing achievement of an appropriate response to the education, employment, and support needs of our citizens. For Program Year 2004, execution of this charge involved a significant departure from more conventional service delivery strategies.

Hurricane Ivan wreaked significant economic havoc through much of the Southeast, to include Alabama. The storm, and its aftermath, left many without the basic tools to fashion their daily lives. The Alabama Office of Workforce Development reacted quickly, crafting emergency relief strategies appropriate to deliver the maximum aid in the minimum time. The U.S. Department of Labor partnered in these efforts, providing some \$3,500,000 in emergency grant funding to fuel relief activities.

Impending worker displacements related to Base Realignment and Closing (BRAC) recommendations posed another significant threat to many Alabamans. Alabama is now working with a planning grant on BRAC issues.

PY 2004 additionally saw the design and development of the State Planning Council, an enhanced cross-agency planning, coordination, and action body, comprised of workforce development agency directors, and chaired by the Chancellor of Postsecondary Education, and the launching of a cross-agency Industrial Systems Technology model program. The Planning Council is charged with identification and oversight responsibility for specific workforce development functional areas, to include labor market information, job forecasting, information technology, worker certification, industrial systems technology, and marketing/communications.

Alabama's WIA Section 503 Incentive Grant, awarded for Program Year 2003 performance, has funded the Industrial Technology model program, which focuses on the development of uniform pre- / post-program skill assessment instruments especially targeted toward youth, as well as the design of associated skill attainment credentialing guidelines.

## **Alabama: An Economic Profile**

**T**he Alabama employment trend towards the services industry and away from the goods - producing industry is not unlike that seen in the rest of the nation. Spearheaded by an exceptionally strong banking/financial services industry, the services sector should account for about 85 percent of all new Alabama jobs in the coming years. About 70 percent of the "services" segment job growth is expected to be in the business, health, and education areas. The largest numbers of new jobs will be found in the health care services sector. High technology occupations will post solid growth. In particular, computer and data processing services employment is projected to increase by 108 percent in the near term.

Services and trade output are forecast to rise by 2.4 percent in 2004. Manufacturing output will increase 5.1 percent, this growth primarily traceable to motor vehicle manufacturing, with output expected to jump 28 percent or more in 2005, compared to a 2.8 percent growth in 2004. This notable automotive-related surge is expected to spark 6,000 new manufacturing jobs in 2005.

Overall, Alabama's economy is expected to grow 3.3 percent in 2005. Gross State Product, the value of total goods and services, should reach \$125.8 billion. With the exception of apparel, real output is forecast to increase for all industries.

Total Alabama nonagricultural employment is forecast to increase by more than 27,000 jobs in 2005, a growth rate of one point five (1.5) percent.

Five of the State's metro areas (Huntsville/Madison County, Birmingham/Jefferson County, Tuscaloosa/Tuscaloosa County, Mobile/Mobile County, and Dothan/Houston County) exhibited positive job growth during Program Year 2004.

Residential construction should remain strong, particularly in the State's metropolitan areas. Despite a noted weakness in apparel and accessory retail employment, there has been a steady growth in retail jobs throughout the State.

Industry job growth trends are strongly linked with the demand for the goods and services produced by those industries. Steady advances in robotics/automation, a movement largely fueled by accelerating wage costs, has sharply reduced or entirely eliminated many of the entry-level manufacturing jobs formerly characteristic of this sector.

Alabama's booming automotive industry is becoming increasingly capital intensive. Mercedes, Toyota, Honda, and Hyundai manufacturing facilities are increasingly characterized by higher levels of automation, and are therefore less labor-intensive. As a result, goods-producing activities, for example, manufacturing, continue to account for a smaller and smaller share of the total employment picture. Statistically, manufacturing employment nationwide dropped from 26 percent of the workforce in 1969 to 15 percent in 1996. Over this same time frame, employment in the less capital-intensive services/retail trade sector rose from 21 percent in 1969 to 36 percent in 1996. These observations suggest that a greater number of future employment opportunities will be found in the services sector than in the manufacturing sector.

Manufacturing facilities are likely to become even more capital-intensive. Increased levels of production will be achieved with fewer workers. The "new" technology spurs heightened levels of worker efficiency and productivity. To this extent, measured output per hour in the nonfarm business sector has increased by six percent.

Recent job growth associated with North Alabama's high-technology corridor should continue. This particular growth trend encompasses both the services and the technology/goods - producing sectors. Redstone Arsenal (Huntsville) contractors have recently announced plans to expand their facilities, which will result in an expanded number of high-skill, high-wage jobs. Services employment, particularly in Redstone Arsenal - related and support industries, should also see continued growth. The Port of Mobile, acknowledged as the finest natural harbor on the Gulf Coast, has new container construction activity. This will increase both import and export-related tonnage, and employment capacity.

East Alabama is marked by intensified economic activity. Several manufacturing and services firms, many with direct ties to Montgomery County-based Hyundai production facilities, have located in the Auburn-Opelika corridor. Plans are underway to greatly expand several West Alabama transportation arteries, enhancing the prospects for greater economic prosperity.

A good mix of businesses is at the heart of economic stability. Such a blending of larger and smaller employers, of cutting edge, high-tech employment opportunities, together with a growing number of more functional, lesser skilled jobs, works to help ensure there will be a job for all those who want to work. Information-based, high technology service industries principally drive both the Alabama and national economies.

Alabama has worked to promote our State to such industrial catalysts, and, as noted above, we have to date enjoyed considerable success. We believe the "key" to the door of economic opportunity lies in the ongoing development of a highly trained, well educated, and versatile labor force, and the effective communication of this availability to both present and potential employers.

*Source: The University of Alabama Center for Business and Economic Research*

## **The Workforce Investment Partnership**

**T**he Workforce Investment Act (WIA), Title I, prescribes methodologies for the delivery of a wide array of skill training, job placement, educational, and other workforce development services. Job seekers and employers alike access WIA workforce development services through Alabama's Career Center System. These Career Centers serve as employee/employer gateways to a broad array of workforce development services and resources. Many of these services are available at the Career Center physical location. Other services are made available through various other agencies, both directly and indirectly affiliated with the Career Center System network.

This network is principally designed to facilitate customer awareness of and access to the workforce development services they require.

Workforce Investment Act funds allotted to the State are, in turn, allocated to local areas within the State. These local areas, which are charged with administrative responsibility for Workforce Investment Act program operation, render their respective allocations available to the several Career Centers operating within their boundaries. Alabama currently has 42 Career Center System sites, including both comprehensive and satellite centers.

A Career Center Operations template issued by the State Workforce Investment Board in November, 2002, formalized operational guidance and minimum expectations for Alabama's Career Center System.

Groups targeted for WIA services include Adult (aged 22 years and over), Older Youth (aged 19 to 21 years), Younger Youth (aged 14 to 18 years), and Dislocated Workers (laid off, job lost due to plant closings, layoffs). There is greater focus on providing Adults, Older Youth, and Dislocated Workers with skills leading directly to employment. With the Younger Youth, more attention is given to achievement of long-term educational milestones than to shorter-term employment opportunities.

Specific strategies have been developed to ease the transition of Dislocated Workers from unemployment to reemployment. These measures include establishment of a Dislocated Worker Rapid Response Team, which brings information of available workforce development services directly to the affected dislocated workers, and, further, advises these workers regarding other available support services for which they may be eligible. Among these 'other' services are health insurance program information and strategies to help protect dislocated workers' pension funds.

The National Emergency Grant (NEG) program provides States an opportunity to secure additional WIA dislocated worker activity funding. National Emergency Grant funds applied for and received by the State during Program Year 2004 included funds to provide Hurricane Ivan-related relief services and funds to plan to address regional economic difficulties springing from the threat of base closures or substantial reductions-in-force.

## Workforce Investment Boards

**W**orkforce Investment Boards, as provided under Section 111 of the Workforce Investment Act, are charged with the design, implementation, and ongoing operation of state-level/substate-level workforce development programs and activities. In order to better ensure that membership on the Boards is reasonably representative of the various public and private sector principals actively engaged in local area workforce development activity, the legislation requires that the structuring of Boards correspond to fairly specific membership composition criteria. Each of Alabama's three local workforce investment areas is represented by a local workforce investment board.

Members of the State Workforce Investment Board are appointed by the Governor. Local Board members are appointed by each local area's designated chief local elected official. The Governor is the Chief Local Elected Official for the Alabama Workforce Investment Area, the sixty-five county balance-of-state local area.

The State Board, which works to achieve ongoing, cohesive, and mutually reinforcing working relationships among the several workforce development partner agency "stakeholders", is the hub of statewide interagency workforce development coordination efforts.

The breadth of workforce development knowledge and experience reflected in State Board membership helps ensure maintenance of an equally broad and encompassing perspective, and accompanying insight, regarding the State's particular workforce development system needs. Similarly, local boards' primary focus is tailored toward specific needs of their respective local workforce investment areas. State and Local Boards seek to safeguard against giving a disproportionate amount of time and attention to any one program under their purview, lest they lose an appropriate perspective on the overall State/local area system they are charged to oversee.

State and Local Workforce Investment Boards are the operational settings for much of the Workforce Investment Act - mandated coordination activities described in the following pages.



**The State Board in Plenary Session**

## State - Level Coordination

The State agencies partnering with the Office of Workforce Development's Workforce Development Division in Statewide delivery of Workforce Investment Act-sponsored services and programs include:

### Primary partners:

<b>Department of Economic &amp; Community Affairs</b>	<b>Department of Industrial Relations</b>
- State-level WIA Programs	- Unemployment Compensation
- Local Area WIA Programs	- Employment Service
- National Emergency Grants (NEGs)	- Labor Market Information
- Career Information Network System	-Trade Adjustment Assistance
- Customized Employment Program	
<b>Department of (Secondary) Education</b>	<b>Department of Postsecondary Education</b>
- Career/Technical Education	- 36 Career Link Centers (Three skills training consortia run local programs for the 65 county local area)
	- Alabama Industrial Development Training
	- Two-Year College System
.	- Adult Basic Education
<b>Department of Rehabilitation Services</b>	<b>Department of Human Resources (JOBS/Welfare)</b>

### Secondary partners:

<b>Department of Public Health</b>	<b>Alabama Development Office</b>
<b>Mental Health &amp; Retardation</b>	<b>-Industrial Recruitment</b>
<b>Department of Senior Services</b>	<b>-Aid to Existing Industries</b>
<b>-Title V of the Older Americans Act</b>	<b>Alabama Cooperative Extension Service</b>
	<b>Department of Veterans Affairs</b>

Specific interagency coordination activities include:

- A continuous exchange of customer information among: the Jefferson County, Mobile County, and Alabama (Balance-of-State) Local Workforce Investment Areas, the Workforce Development Division, the Department of Economic and Community Affairs, Trade Act Programs, Employment Service/Unemployment Compensation/Labor Market Information Divisions, Postsecondary Education, Adult Education, and the Alabama Department of Rehabilitation Services. This exchange better ensures case managers' continuing access to a broad range of locally available workforce development program and services information.
- Regular on-site monitoring/assessment of the progress achieved by Workforce Investment Act program participants, from their date of application through post program follow-up, by Workforce Development Division Program Integrity Section staff. This action helps determine both the level and quality of the workforce development services provided to these individuals.
- Each local area will undertake to ensure its service providers provide program applicants and/or participants with information regarding the full complement of available training/educational opportunities, support services, and other benefits to which they are entitled.
- The establishment by each local area of appropriate linkages, where feasible, programs operated under the following legislation:
  - the Adult Education and Literacy Act.
  - the Carl D. Perkins Vocational and Technical Education Act of 1998.
  - Title IV, part F, of the Social Security Act.
  - the Food Stamps employment program.
  - the National Apprenticeship Act.
  - the Rehabilitation Act of 1973.
  - Title II, Chapter 2, of the Trade Act of 1974.
  - the Stewart B. McKinney Homeless Assistance Act.
  - the United States Housing Act of 1957.
  - the National Literacy Act of 1991.
  - the Head Start Act.
  - the Older Americans Act.
  - the Trade Act.
  - Labor Market Information/Employment Statistics.

## Alabama's Career Center System

**A**labama's Career Center System works to consolidate the delivery of intake/assessment/ case management services, occupational/educational training referrals, labor market information/job development services, vocational rehabilitation/unemployment insurance information, veterans' programs, and other services presently offered to the eligible public through several different state agencies, into a single, localized, delivery station.

### The Montgomery Career Center



A central feature of each Career Center is the Resource Area, where workforce development service seekers may enjoy ready access to computerized databases providing detail of available educational, occupational training, supportive, and other services. This information resource may also provide employers with listings of prospective employees possessing the skills and work experience these employers seek. Internet access is available for customers at all Alabama Career Center locations.

Individual job seekers assessed to require additional occupational skills training in order to better pursue their vocational objectives may be provided with an individual training account voucher, redeemable through any of several eligible training providers.

As referenced above, a network of 42 strategically located Alabama Career Centers is the primary mechanism for delivery of Workforce Investment Act Title I Core/Intensive services to individuals and employers eligible for and in need of these services. Area employers may direct inquiries regarding the availability of appropriately skilled prospective employees to these local centers. Employers may also communicate their specific labor market skill needs to these centers.

Twenty-five of the 42 Centers are termed "comprehensive centers". These locations offer both their job seeker and employer "customers" a full array of One-Stop services, to include information regarding Employment Service, Unemployment Compensation, Vocational Rehabilitation, and other Partner Agency program services for which they are eligible. Within the twenty-five Comprehensive Centers, the several partner representatives are actually collocated. The remaining "satellite" Career Centers are not full service offices, but they do provide many of the same employment assistance services as do the Comprehensive Centers, to include job information services and available resource information.

Each comprehensive/satellite Career Center has negotiated cooperative agreements for on-site services delivery with local representatives of the several Workforce Investment Act Partner Agencies, including the local employment service and human resources agencies, Adult Education, postsecondary education (two-year colleges), and vocational rehabilitation.

Local employers are provided space to conduct employee candidate interviews at most Alabama Career Center System locations. Additionally, case managers at many Alabama Career Center System sites provide job seekers and employers alike with additional assistance, as required, in order to better satisfy their workforce development needs.

Reduced staff and reduced operational locations place a severe strain on the Career Center System's ability to coordinate fully with the employer community and to provide services needed by job seekers.



**Career Center Resource Areas Provide Job Seekers Direct Access to a Broad Range of Workforce Development Tools.**

At the local level, Career Center System staff work to greatly reduce, if not entirely eliminate, any incidence of services redundancy or overlap among workforce development partner agencies. Achievement of One-Stop services integration, rather than duplication, is the key

The Career Center Operations Template, developed by the State Workforce Board in PY 2002, established a uniform services baseline associated with all Career Center locations, including the Career Center System logo, the availability of resource areas, children's play area, and other features. The "brand recognition will help those who move from one area to another to be able to access workforce services.

Monthly career center tracking reports indicate 1,011,680 Career Center customer "hits" were recorded during the PY 2004 reference period (July 1, 2004 - June 30, 2005).

### **Alabama Comprehensive Career Centers (25):**

- |                |                |                 |
|----------------|----------------|-----------------|
| 1) Alabaster   | 10) Eufaula    | 19) Monroeville |
| 2) Albertville | 11) Fort Payne | 20) Scottboro   |
| 3) Anniston    | 12) Gadsden    | 21) Selma       |
| 4) Bay Minette | 13) Hamilton   | 22) Sheffield   |
| 5) Cullman     | 14) Huntsville | 23) Talladega   |
| 6) Decatur     | 15) Jackson    | 24) Troy        |
| 7) Demopolis   | 16) Jasper     | 25) Tuscaloosa  |
| 8) Dothan      | 17) Jefferson  |                 |
| 9) Enterprise  | 18) Mobile     |                 |

### **Alabama Satellite Career Centers (17):**

- |                          |                     |                 |
|--------------------------|---------------------|-----------------|
| 1) Alex City             | 7) Fayette          | 13) Montgomery  |
| 2) Andalusia             | 8) Foley            | 14) Opelika     |
| 3) Bessemer State        | 9) Greenville       | 15) Opp         |
| 4) Birmingham Trussville | 10) Jefferson State | 16) Phenix City |
| 5) Blountsville          | 11) Lawson State    | 17) Roanoke     |
| 6) Brewton               | 12) Luverne         |                 |

## **Alabama Career Information Network**

**T**he Alabama Career Information Network (ACIN) centralizes in a single, web-based system, user access to labor market statistics, occupational wage data, and relevant career education information. The ready availability of ACIN data to State and Substate-level Workforce Investment Act (WIA) Adult, Dislocated Worker, and Youth information users works to better achieve enhanced resource coordination and related task collaboration/cooperation. Available ACIN program funds have helped defray WIA staff training costs and WIA program participant career guidance and counseling expenses.

An additional resource delivered through ACIN is *Alabama Career Pathways*, a reference guide providing useful detail regarding various individual career options. Included in *Pathways* is advice regarding high school courses with specific vocational design application, high school diploma options, college and university curricula information, and a directory of websites linking prospective applicants to financial aid resources.

The Alabama Career Information Network is funded under a grant from the U.S. Department of Labor. Program Year 2004 ACIN grant awards totaled \$148,126. Effective July 1, 2005, this program was moved to Career and Technical Education with the State Department of Education.

## **Alabama Customized Employment (ACE) Program**

Ongoing efforts to better ensure the workforce development service options available through Alabama's Career Center System are adequately tailored to meet the special needs of the moderate to severely disabled have led to development of the Alabama Customized Employment (ACE) Program, an emerging partnership between workforce development agencies and community-based organizations. ACE is designed to facilitate provision of a range of services to individuals with disabilities

Basic workplace skills orientation, general workplace conditioning, and entrepreneurial skills training curricula are appropriately aligned to more closely match the specific learning, vocational, and occupational skill acquisition requirements of this special needs population.

Client referrals to specific agencies and services most appropriate to meeting their specific support services needs is an important facet of the ACE program. Comprehensive service delivery entails a commitment to the full range of clients' needs.

Alabama's Customized Employment program has the singular goal of achieving the more effective integration of workforce development service delivery systems appropriately structured along the requirements of special needs customers into existing Career Center System mechanisms. To this end, efforts continue to more closely involve ACE program managers in Career Center System long-range strategic planning activities.

ACE program funding is provided under annually renewable grants from the U.S. Department of Labor. Program Year 2004 ACE program grant awards totaled \$747,032.

## **Mapping Access to Program Services**

Mapping Access to Program Services, or Project MAPS, is a work incentive grant program developed to enhance One-Stop System service delivery to job seekers with disabilities. Grant funding totals \$600,000. The Office of Workforce Development has contracted with the Alabama Department of Rehabilitation Services, a One-Stop Partner Agency, to operate the MAPS program within Alabama. This contract is effective through June 30, 2006. It has produced a "Statewide Physical and Program Accessibility Review" on Alabama's Career Center System.

## **America's Service Locator/Workforce Network Toll-Free Help Line**

**A**merica's Service Locator is an Internet resource designed to provide job seekers and employers with access to occupational, resume preparation, labor market, and training information. America's Service Locator is an Internet-based "front door" for customers seeking the nearest Career Center that provides the workforce development services they require. America's Service Locator also directs system users to various other training sites.

The Toll-Free Help Line provides basic information regarding available dislocated worker services, to include unemployment insurance claims procedures, employer Worker Adjustment and Retraining Notification Act provisions, and eligible adult/youth employment and training service providers. Additionally, Toll-Free Help Line operators provide callers with Internet addresses of training providers and user assistance in accessing relevant federal and state web sites.

Toll-Free Hot Line services may be customized to accommodate immediate or emerging public needs. National Call Center staff took full advantage of this strength in the days and weeks following the September 2004 onslaught of Hurricane Ivan on Alabama shores. The National Call Center quickly adjusted the standard Hot Line caller response script to include information on local Red Cross shelters, road closings, and disaster-related unemployment assistance. Over 300 persons adversely affected by Ivan, and who otherwise may not have obtained emergency response assistance services in a timely fashion, were provided information through the Hot Line which helped them in their time of significant need.

These services, consistent with the principles of the Workforce Investment Act, help ensure that citizens have reasonably comprehensive awareness of and access to available workforce development services. Both America's Workforce Network Toll-Free Help line and America's Service Locator provide the information necessary to connect workforce development system customers to State and local providers of these services. This partnership better ensures system users' telephone or Internet access to information regarding America's Workforce Network services.

## Workforce Investment Activity Resource Allocation

**F**unds are annually provided to the State by the U.S. Department of Labor for the provision of Workforce Investment Act, Title I, Adult, Youth, and Dislocated Worker programs. Additional Workforce Investment Act program funding is available from the Federal government in the form of National Emergency Grants.

The Workforce Investment Act provides that up to fifteen percent of the total Adult, Youth, and Dislocated Worker funds annually allotted the State may be reserved for Workforce Investment Act State-level setaside activities, which include a) State-level program administration (five percent), b) providing local areas which demonstrate superior program performance with incentive grants or providing local areas needed technical assistance/capacity building services (three percent), c) activities directly and indirectly supporting the ongoing development and operation of the State's One-Stop system, d) activities supporting the compilation and statewide dissemination of listings of eligible providers of training services, e) evaluations of program development strategies which support continuous system improvement, and f) the development of a Statewide fiscal management system.

Additionally, up to twenty-five percent of Dislocated Worker funds may be reserved for the Statewide provision of mass layoff/employer dislocation rapid response services.

Of the three percent of Adult, Youth, and Dislocated Worker allotments reserved for local area incentives/capacity building, sixty-seven percent is designated for incentive awards, and thirty-three percent is withheld for statewide technical assistance/capacity building. The specific amounts of the local area's PY 2004 incentive awards/capacity building grant awards, determined by their respective PY 2003 program performance outcomes, are depicted in Attachment A.

### PY 2004/FY 2005 Federal Funding Levels

		<b>Amount</b>
<b>State-Level Workforce Investment Activities</b>		\$6,771,692
<b>Statewide Rapid Response Activities</b>		\$0 *
<b>Local Area Adult Programs</b>		\$12,019,430
<b>Local Area Youth Programs</b>		\$12,903,422
<b>Local Area Dislocated Worker Programs</b>		\$13,450,069
<b>TOTAL</b>		<b>\$45,144,613</b>

\* - PY 2004/FY 2005 Rapid Response activities funded with unexpended prior year funds.

Additional specifics regarding Alabama PY 2004/FY 2004 Workforce Investment Act program funding levels are found at Annual Report Attachment A.

State-level PY 2004 Adult, Youth, Dislocated Worker, and Customer Satisfaction performance goal vs. actual performance information is found at Annual Report Attachment C. This data indicates Alabama met or exceeded fifteen of fifteen PY 2004 program measures and two of two PY 2004 customer satisfaction measures.

Alabama PY 1996 - PY 2004 performance trend analyses contrasts Adult, Dislocated Worker, Older Youth, and Younger Youth programs along common performance measures. This analysis indicates the apparent strengths of these programs relative to one another. As might be expected, it is apparent that Dislocated Worker program completers generally exhibit collectively stronger employment and earnings performance than do their counterparts in the Adult and Older Youth programs. Additionally, posted Dislocated Worker employment credential attainment rates are consistently above similar Adult program performance measures. Younger Youth outperform Older Youth in the credential attainment category as well.

These comparisons of participant performance trends may better enable Workforce Investment Act program managers to analyze which programs are more effective for various segments of our clients.

**PY 2004 Participants / Exiters (4th quarter - cumm.)**

<b>Three Local Area Summary:</b>	<b>Total Participants Served</b>	<b>Total Exiters</b>	<b>Positive Program Exits</b>	<b>Average Wage at Placement</b>
<b>Adults</b>	10,723	7,115	4,473	\$9.06/hr.
<b>Dislocated Workers</b>	4,326	3,221	2,287	\$11.28/hr.
<b>Older Youth</b>	1,072	728	553	\$7.14/hr.
<b>Younger Youth</b>	3,985	2,739	1,186	n.a.
<b>TOTAL</b>	<b>20,106</b>	<b>13,803</b>	<b>8,499</b>	<b>\$9.61/hr.</b>

**Total Number of Youth Served: 5,057 (100.00%)**  
**Out-of-School Youth: 2,646 ( 52.32%)**  
**In-School Youth: 2,411 ( 47.68%)**

## **PY 2004 Programs**

### **Statewide Rapid Response Programs**

- The Office of Workforce Development, Workforce Development Division, designated as Alabama's Dislocated Worker Unit, is responsible for coordinating WIA Dislocated Worker program services statewide. These responsibilities include development of Dislocated Worker program policy and delivery of Rapid Response services.
- The Dislocated Worker Service Agency Network is comprised of representatives from the:
  - Office of Workforce Development
  - Workforce Development Division
  - Alabama Department of Economic and Community Affairs
  - Community Services Division
  - Communications and Information Division
  - Department of Industrial Relations
  - Alabama Development Office
  - Department of Postsecondary Education
  - Department of Human Resources
  - Alabama Department of Public Health
  - Alabama Medicaid Agency
  - Alabama Cooperative Extension Service
  - Department of Mental Health and Mental Retardation
  - Department of Senior Services
  - Alabama Department of Labor
  - Alabama Department of Rehabilitation Services
  - Alabama Department of Education (Adult Education programs)
  - AFL-CIO L.I.F.T.

Alabama's Rapid Response activities are closely coordinated with several Federal agencies, including the U.S. Department of Labor's Employment and Training Administration, Employee Benefits Security Administration, Employment Standards Administration, the U.S. Bankruptcy Court, and with small business and organized labor representatives.

The Dislocated Worker Unit Rapid Response Team is comprised of OWD Workforce Development Division Dislocated Worker Specialists, appropriate Department of Industrial Relations staff, and, in situations where Rapid Response Team activities involve unionized companies, AFL-CIO Labor Institute for Training (L.I.F.T.) representatives. The Rapid Response Team generally receives advance notification of worker dislocation events, under requirements of the federal Worker Adjustment and Retraining Notification (WARN) Act. This advance notification better enables the Team's effective coordination of the several direct assistance and agency referral services provided to both employers and workers affected by such dislocation events (i.e., substantial layoffs or plant closings). The Rapid Response Team may also provide these services to employers and workers affected by smaller scale dislocation events, i.e., those not triggering WARN notification, but which are expected to have a substantial impact on the local community.

These smaller scale dislocation events may come to the attention of Rapid Response Team staff through the news media, through contacts initiated by affected employers, through union representatives, or through various other state and local service agencies.

Activities of the Rapid Response Team facilitate dislocated workers' awareness and utilization of the broad range of programs, services, and benefits available through a variety of Federal, State, and local sources, to which they may be entitled. The Team's overriding objective is to ease the trauma associated with job loss and better enable dislocated workers' return to today's workforce. Attempts are made to maximize each individual's fullest potential.

A strong effort is made to appropriately tailor Rapid Response services to the unique circumstances and requirements associated with each individual dislocation event. On learning of an anticipated plant closing or substantial layoff, Rapid Response staff schedule on-site meetings with company management and labor representatives to discuss available assistance options. After consultation with the appropriate Dislocated Worker Network partner representatives, group employee/local service agency meetings are usually organized at the local employer's worksite. When necessary, meetings may be held at union halls or other local area community centers.



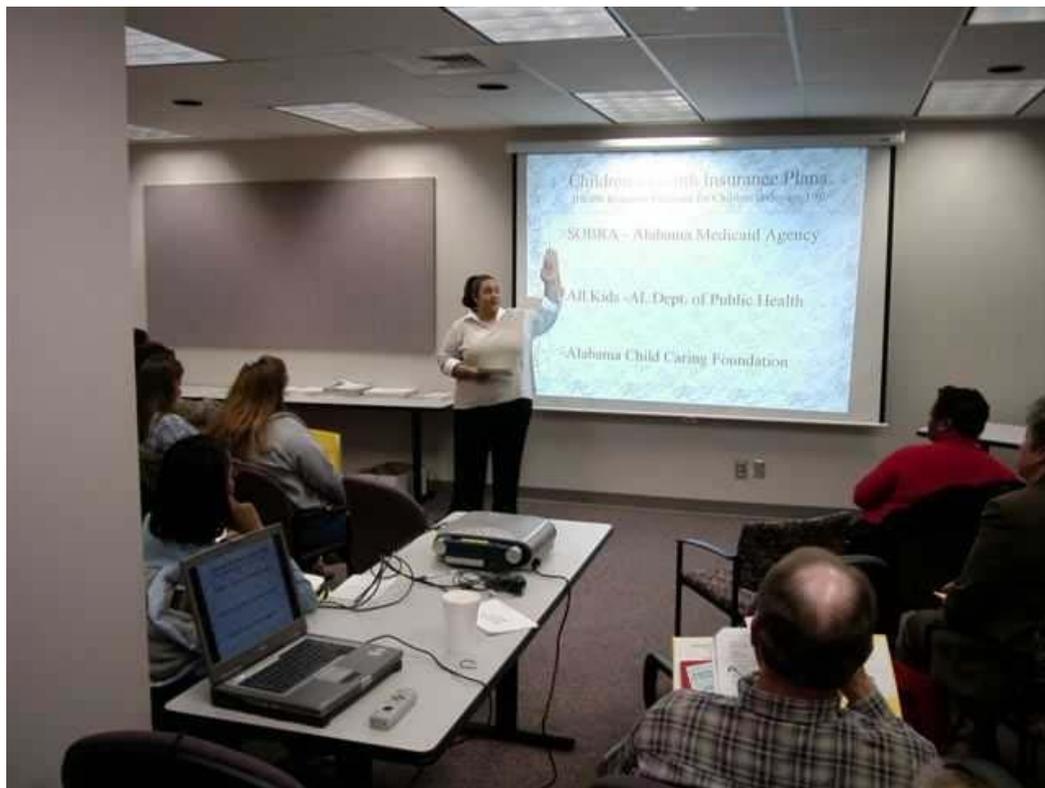
Recently laid off employees at a North Alabama apparel manufacturing facility are provided an overview of available Federal, State, and local reemployment services during a onsite Rapid Response group employee meeting.

During these meetings, affected workers are provided details regarding their eligibility for and the availability of retraining services, unemployment compensation benefits, job search and placement services, health insurance continuance, pension benefits/counseling, entrepreneurial training assistance, and more.

The following is a percentage breakout, by industry, of the number of workers affected by those plant closings and/or layoffs reported to the Rapid Response Team during PY 2004 (July 1, 2004 - June 30, 2005):

Manufacturing (Miscellaneous) .....	22%
Manufacturing (Apparel/Textile) .....	14%
Depository Institutions.....	22%
Retail Trade.....	08%
Business Services.....	20%
Other .....	14%
 Total .....	 100%

Rapid Response records indicate approximately 9,029 workers throughout the State were impacted by the 65 dislocation events serviced by the Rapid Response Team during PY 2004.



Rapid Response video presentations greatly facilitate effective information sharing.

## Eligible Training Provider List

The Workforce Development Division (WDD) uses an Internet-based system to better ensure that the customers of local Career Centers have appropriate access to the State's Eligible Training Provider List. Development and maintenance of this system requires a great deal of cooperation between the WIA Title I Career Center Partner Agencies and various training providers. Alabama Career Center staff has been trained in the use of the Eligible Training Provider List.

USDOL has provided guidance regarding methods for the certification, the gathering and reporting of performance information, initial certification of out-of-state providers, and recertification of in-state and out-of-state providers. WDD strives to keep training program information as current and up-to-date as possible. A requested waiver of WIA Section 122 (c) subsequent training provider eligibility requirements has been granted by USDOL, effective through June 30, 2005 (extension through 6/30/07 requested-awaiting approval). The added local flexibility enabled by this waiver has proven invaluable to both local area and State-level training provider procurement staff.

Presently, there are approximately 140 different training providers, covering 1,790 separate programs, have been placed on Alabama's WIA Eligible Training Provider List.

## Incumbent Worker Program

One of the allowable statewide workforce investment activities, authorized under Workforce Investment Act (WIA) Section 134(a) (3) (iv) (I), is incumbent worker training. This training may be funded from State-level fifteen (15) percent set aside funds.

Employers who have been doing business in Alabama for at least two years, and who demonstrate that their employees are in need of additional skills training in order for that employer to remain competitive and/or avoid layoffs, may apply for Incumbent Worker Training grant funds. The technical and professional skills training provided affected employees with these funds is structured to both better equip Incumbent Workers with those specific workplace skills required in the optimal performance of their existing jobs, and which may eventually enable them to broaden the scope of their workplace task responsibilities. With new or upgraded skills, workers whose jobs might otherwise be lost due to layoff and/or plant closings not only retain their employment, but frequently realize increased future earnings potential as well. Successful training completion should be coupled with employer assurances of employees' continued workplace retention (layoff avoidance) and expanded earning potential. Incumbent Worker funds must be matched by the employers on at least a dollar-for-dollar basis.

Approximately \$1,695,215 was made available for PY 2004 Incumbent Worker Training programs. 1,356 workers at 46 different businesses received training. Information about the Alabama Incumbent Worker Training Program is available through the Alabama Career Center System, or at the ADECA website ([www.adeca.state.al.us](http://www.adeca.state.al.us)).

## Incumbent Worker Training is “Hands-On”!



Incumbent Worker Training fuels a more productive workforce.  
Pictured: Worker at T & C Stamping, Inc. (Athens, Alabama)



A recent Incumbent Worker Trainee puts his new skills to work!  
Pictured: Worker at New Era Cap Company (Jackson, Alabama)



## **Adult / Dislocated Worker Program Services**

### **Individual Training Account (ITA)**

**T**he Individual Training Account (ITA), a specific agreement for the extension of educational or occupational skill training services, is the primary medium for Workforce Investment Act training services delivery. Individual Training Account services may only be provided to Workforce Investment Act participants by those training providers who have applied to and been placed on the Eligible Training Provider List.

Prospective education and/or occupational skills training providers must meet specific criteria in order to initially obtain and subsequently retain Workforce Investment Act training provider status (see Eligible Training Provider List discussion).

Postsecondary education institutions, which offer instruction leading to generally recognized certification in high-demand occupational skills, and other institutions providing similar vocational instruction services, are among the several entities which may apply for inclusion on the Eligible Training Provider List.

### **On-the-Job Training**

**U**nder the Workforce Investment Act, On-The-Job Training participants' employers may seek reimbursement of up to fifty percent of these participants' wages in compensation for the extraordinary costs in additional time and attention generally associated with the provision of such training, and in recognition of the lesser workplace productivity of these trainees. Negotiations with the employer will establish the maximum length of participants' On-The-Job Training period. The maximum length of such training, however, is not to exceed six months.

### **Focused Industry Training (FIT) Program**

**T**he Focused Industry Training (FIT) program was developed by the Alabama Industrial Development Training Agency to train workers for existing jobs that become vacant when workers leave their previous employers for new employment within Alabama's growing automotive and automotive-related industries. There were 36 FIT Program sites throughout the state during PY 2004, primarily concentrated in areas around Alabama's automotive manufacturing plants. The mission of the FIT program is to help ensure that Alabama employers enjoy ongoing proximate access to a labor pool of the well educated, highly-skilled, and driven men and women needed by Alabama's emerging service and industrial base.

## **Youth Program Services**

### **Younger Youth (14 - 18) - Total Served: 3,985**

Youth program services/activities include the following:

#### **Assessment/Employability Plan Development**

Younger youth receive individual assessment and vocational guidance services. Youth assessed to be in need of academic reinforcement, job readiness/workplace skills, world-of-work transition services, and other available services are directed to area providers of these services. Participants may be provided either intermediate or longer-term career planning services.

#### **Basic Educational Skills Achievement**

Classroom instruction aimed at reinforcing basic skills learning is provided to both in-school and out-of-school youth. Out-of-school youth receive assistance with General Equivalency Degree (GED) examination preparation; in-school youth are provided needed educational skills reinforcement, and receive encouragement to remain in school until graduation. Training sites include local two-year colleges, community centers, and/or other public or private facilities.

#### **Summer Program/Work Experience**

PY 2004 summer program/work experience program services were provided to 74 eligible youth. These programs afford participating youth with valuable learning opportunities, addressing, in part, individual work place responsibilities and employer/employee expectations.

### **Older Youth (19 - 21) - Total Served: 1,072**

#### **Academic / Basic Skills Reinforcement**

Older youth are provided supplemental academic exposure, enabling their achievement of basic learning skills, culminating in General Equivalency Degree certification.

#### **Individual Referral Services**

This is enrollment in area vocational or two-year college occupational skill training classes. Training is generally restricted to vocational/occupational fields of demonstrated local labor market demand. Program participants are provided the appropriate supportive services which may encourage them to remain in their respective training programs through completion. Participants receive job placement assistance upon receipt of occupational skills achievement certification.

## WIA Section 136(e) Process Evaluations

Alabama's Workforce Investment Act Section 136(e) **process evaluation** activities involve the development and provision of information products which may assist front-line program managers' decision-making. Central to this effort is the identification of Workforce Investment Act Adult, Dislocated Worker, and/or Youth program services which appear more effective in spurring individual participants' achievement of their respective workforce development goals. Additionally, process evaluations seek to identify which Workforce Investment Act service or services seem most cost-effective across identifiable demographic segments within the broader category of Workforce Investment Act participants - Adults, Dislocated Workers, and Youth.

A constraining factor inhibiting the timely execution of the several projected Alabama Workforce Investment Act process evaluations is the limited availability of "real time" Workforce Investment Act program data. In order for these evaluations to have the greatest relevance to existing and future Alabama Workforce Investment Act programs, the studies must utilize actual program outcome data.

State-level evaluation studies have included a longitudinal review of selected economic data series trends, aggregated at the local area and sub - local area level. This effort involved the plotting of actual and relative growth FY 1995 - FY 2004 civilian labor force, unemployment, unemployment insurance exhaustee, unemployment insurance beneficiary, and mass layoff data. These trends were plotted and analyzed at the intra-local area and inter-local area levels.

Such information may provide insight regarding any association between local, regional, or State-level economic or demographic circumstances and observed directional trends in local area-level WIA program performance outcomes. There may or may not be potential for WIA program design innovations directly resulting from this and/or other evaluation study efforts.

Absolute and proportional monthly customer traffic at all fifty-six Career Centers is tracked longitudinally in order to help identify any significant trends in the number of Career Center customer "hits". Where any such trends are indicated, further analysis may help suggest any causal factors behind such month-to-month variation. Application of such causal information may enable One-Stop Career Center managers to better serve their ever - expanding customer base.

Additionally, efforts to identify specific higher growth, high-employment industries and occupations within the State are underway. Alabama is an active participant in the Local Employment Dynamics program, which is developing systems to provide users an array of industry-specific labor market information. This industry-specific data is expected to greatly facilitate workforce development program planning and program execution efforts.

Specifics regarding this evaluation study are available upon request.

## A Look Ahead

Alabama workforce development programs have achieved real progress. State-level and local area-level Workforce Investment Act Program Year 2004 performance achievement slowed relative to that of past years, yet the State did meet or exceed eleven of fourteen associated employment and earnings performance goals. Alabama welfare rolls have declined dramatically in recent years.

Our most fundamental goal is the design and implementation of a maximally effective workforce development system which provides past, present, and future employees with education and labor skills supportive of their individual goals, and furnishes employers with the highly-skilled labor pool they require to appropriately fuel Alabama's surging economic engine. An assessment of where we are, coupled with a vision of where we can be, principally drive Alabama's growing workforce development partnerships.

Efforts are underway to further streamline the Workforce Development System through Reauthorization of the Workforce Investment Act, thereby enabling workforce development professionals to better serve their employer and employee clients, through the provision of improved and expanded workforce development services.

Nationwide implementation of the Workforce Investment Act Reauthorization is anticipated soon. Governor Bob Riley, considering impending changes to the workforce delivery system precipitated by Reauthorization, has created via Executive Order the Alabama Office of Workforce Development, which 1) consolidates the administration of federal and state workforce development activities 2) effects the more efficient and effective utilization of available workforce development and economic development resources, and 3) works to sharply reduce resource overlap and duplication of effort.

Alabama has reviewed, with great interest, key provisions of the House and Senate versions of WIA Reauthorization legislation. Pursuant to Workforce Investment Act Section 189(I)(4), has requested selected provisions of the still-current Act be waived in favor of these new, innovative measures. Several of these waiver requests have already received USDOL approval, and the affected WIA programs and policies have been modified accordingly.

The State has received USDOL indication that another of these waiver requests, involving the use of local area funds to provide local area incumbent worker services, has been approved as well.

We look forward to Program Year 2005 implementation of the balance of these Workforce Investment Act waiver requests.

**Alabama WIA Waiver Request Activity**

<b>Waiver Request</b>	<b>Action</b>	<b>Date of USDOL Action</b>
<p>Extension requested through June 30, 2007, of one approved regulatory waiver: Section 133(b) Adult – Dislocated Worker program fund transfer authority increased to one hundred percent of allocated funds. This waiver currently in effect through June 30, 2005.</p>	<p>Waiver request presented to State Board May 2005. Submitted to USDOL April 14, 2005. <b>Waiver request approved by USDOL. Adult – Dislocated Worker program funds transfer authority expanded to one hundred percent of allocated funds, effective through June 30, 2007.</b></p>	<p><b>June 30, 2005.</b></p>
<p>Waive 20 CFR 661.320(d)(2) to allow the transfer of up to fifty percent of Section 133(a)(2) Rapid Response funds to WIA Statewide Activities, ie., provide additional incumbent worker program funding.</p>	<p>Waiver request presented to State Board March 2005. Waiver request submitted to USDOL March 18, 2005.</p>	<p>Pending.</p>
<p>Extension requested through June 30, 2007 of four approved regulatory waivers: 1) WIA service providers’ period of initial eligibility, 2) Adult-Dislocated Worker fund transfer authority to fifty percent of funds, 3) Allow local area use of up to ten percent of their annual fund allocations for Statewide WIA Activities, and 4) Restructure the State Board membership composition along H.R. 1261 specifications.</p>	<p>Waiver request extension transmitted to USDOL January 26, 2005. <b>Three of four waiver requests (service providers period of initial eligibility, local areas use of 10 percent of funds for Statewide activities, and state workforce investment board composition) approved by USDOL, effective through June 30, 2007. The January 26, 2005 request to increase transfer authority to fifty percent of funds is supplanted by the April 14, 2005 request to increase Adult-Dislocated Worker transfer authority to one hundred percent (see above).</b></p>	<p><b>June 30, 2005.</b></p>
<p>.Waive Section 133(b)(4) twenty percent cap on Adult-Dislocated Worker program funds transfer authority; increase transfer cap to one hundred percent of allocated funds.</p>	<p>Waiver request transmitted to USDOL January 21, 2005. <b>Waiver request approved by USDOL. Effective through June 30, 2005, Adult-Dislocated Worker fund transfer cap raised to one hundred percent of funds.</b></p>	<p><b>March 24, 2005.</b></p>

## WIA Costs Relative to Effectiveness

Annual Report instructions provided the States by USDOL indicate that these Reports should include "...A discussion of the costs of workforce investment activities relative to the effects of the activities on the performance of the participants...."

These instructions further indicate that States "...may want to include information ... about the mix of services selected and the outcomes expected from these activities ...States may indicate actual Federal outlays for selected activities...."

This Report does indicate, at "PY 2004/FY 2005 Programs", the several State- and local area-level WIA participant programs operated during PY 2004. The Report further details, at "PY 2004 Cost of Program Activities", outlays of Federal funds made in support of these several programs. An application of Cost/Effect analytical constructs to these "mismatched" data fields would not seem entirely appropriate.

A limited, independent examination of PY 2004 WIA expenditures relative to fund availability, utilizing allocation and expenditure data provided within this Report, may however, be relevant.

### PY/FY 2004/05 Cumulative WIA Fund Usage (as of June 30, 2005)

	PY/FY2004/05 Available (Program) Funds	PY/FY2004/05 Expenditures (Program Funds)	Usage Ratio
<b>State Rapid Response</b>	\$0	\$0	00.00%
<b>Local Area Adults</b>	\$ 19,888,899	\$17,171,539	86.34%
<b>Local Area Youth</b>	\$11,613,081	\$10,418,561	89.71%
<b>Local Area Dislocated Workers</b>	\$4,021,230	\$2,541,753	63.21%

### PY/FY 2003/04 Cumulative WIA Fund Usage (as of June 30, 2005)

	PY/FY2003/04 Available (Program) Funds	PY/FY2003/04 Expenditures (Program Funds)	Usage Ratio
<b>State Rapid Response</b>	\$2,947,265	\$2,486,462	84.37%
<b>Local Area Adults</b>	\$18,906,392	\$18,906,392	100.00%
<b>Local Area Youth</b>	\$12,894,177	\$12,894,177	100.00%
<b>Local Area Dislocated Workers</b>	\$6,157,445	\$6,157,445	100.00%

The highest PY/FY 2004/05 WIA fund Usage Ratio, as indicated above, is in the Youth program. The increased rate of PY 2004 Youth program fund usage reflect accelerated PY 2004 Youth program participant outreach and Youth program management efforts.

States have three years in which to expend allotted WIA funds. Note that PY/FY 2003/2004 WIA funds are virtually entirely expended at the close of PY 2004/FY 2005, the second full year of these funds' availability.

Workforce Investment Act program "costs" and these costs' attendant "effectiveness" must be viewed separately. Under the existing Workforce Investment Act information gathering structure, the State 15% Activity, Rapid Response, Adult, Dislocated Worker, and Youth costs included in both Workforce Investment Act Quarterly Reports and in this Annual Report are "real time". That is, these are the costs actually incurred over the reference period, i.e., July 1, 2004 - June 30, 2005. However, WIA participants' program outcomes, the most tangible measures of WIA "effects", are based upon lagged U.I. Wage record data. The participant program outcomes associated with a given Program/Fiscal Year do not "line up" with corresponding cost figures.

We therefore suggest that any program performance-related inference made or conclusions drawn from comparing available WIA cost information with WIA participant/program performance information may not be entirely valid.

PY 2004 Adult, Dislocated Worker, and Youth program 7/1/04-6/30/05 expenditure data may be further analyzed by contrasting this data against the associated number of 7/1/04-6/30/05 Adult and Dislocated Worker participants entering employment, and the number of Youth program exiters achieving employment, skill attainment, or high school diplomas. This participant placement data is not gleaned from U.I. Wage data, but rather from Alabama Career Center System management information system records.

Such "real time" participant outcome data is presented on the following page, along with a cursory Return on Investment model. Allowing that this model may be of questionable validity with regard to attendant parametric implications, as noted above, the positive ROI trend across State of Alabama WIA participant programs is indicative of steady improvements in their respective levels of performance.

## WIA Costs Relative to Effectiveness

### 1) Cost Efficiency by WIA Program

Fund Source	7/1/04 - 6/30/05 Local Area Aggregate Expenditures (Program Costs)	PY2004 Program Participants	Expenditures per Participant
<b>Local Area Adults</b>	\$25,257,778	10,723	\$2,355.48
<b>State / Local Area Youth</b>	\$12,643,053	5,057	\$2,500.11
<b>Local Area Dislocated Workers</b>	\$6,907,845	4,326	\$1,596.82
<b>Total</b>	<b>\$44,808,676</b>	<b>20,106</b>	<b>\$2,228.62</b>

This expanded analysis suggests that PY 2004 WIA Adult and Dislocated Worker programs achieved a cost efficiency record superior to that of the PY 2004 Youth programs. Not here reflected, however, are costs incurred for the many WIA Youth participants who failed to achieve program objectives and realize positive program exit during PY 2004.

### 2) Return (Participant Earnings Change) on Investment (Federal Spending) Models

Program	PY 2001	PY 2002	PY 2003	PY 2004	PY2001- PY2004 Percentage Growth
<b>Adults</b>	\$0.20:\$1	\$0.83:\$1	\$0.41:\$1	\$0.54:\$1	<b>270.33%</b>
<b>Dislocated Workers</b>	\$0.49:\$1	\$0.50:\$1	\$0.45:\$1	\$1.30:\$1	<b>265.47%</b>
<b>Youth</b>	\$0.46:\$1	\$0.49:\$1	\$1.16:\$1	\$1.22:\$1	<b>266.14%</b>
	<b>\$0.35:\$1</b>	<b>\$0.57:\$1</b>	<b>\$.67:\$1</b>	<b>\$.85:\$1</b>	<b>240.93%</b>

As indicated above, the Alabama WIA program Return on Investment (ROI) has increased dramatically over the past four Program Years.

Considering that the Investment, or WIA outlays associated with a given Program Year, is generally one-time in nature, whereas the attendant Return, that is, WIA program participants' enhanced potential for greater employment and earnings opportunities, may actually grow over time, in relative perpetuity, the above ROI numbers may in fact understate the long-term economic impact of WIA programs.

## Participant Demographic Profile

CHARACTERISTICS	ADULTS	DISLOC. WORKERS	YOUTH		
			In School	Out of School	
<b>Female</b>	64.86%	56.86%	56.00%	55.54%	
<b>Male</b>	35.14%	43.32%	44.00%	44.46%	
<b>White</b>	40.62%	71.06%	46.65%	21.42%	
<b>Black</b>	57.31%	26.75%	51.87%	75.72%	
<b>Hispanic</b>	.55%	.46%	.51%	1.43%	
<b>Other</b>	1.52%	1.73%	.98%	1.43%	
<b>14 – 18</b>	2.15%	.18%	56.27%	96.35%	
<b>19 – 21</b>	11.63%	2.42%	43.73%	3.65%	
<b>22 – 54</b>	83.64%	88.31%	0	0	
<b>55 and Over</b>	2.59%	9.09%	0	0	
<b>Veterans</b>	2.10%	3.47%	.10%	.08%	
<b>Welfare Recipient</b>	4.61%	.12%	1.36%	.45%	
<b>Offender</b>	.04%	.02%	.31	0	
<b>Displaced Homemaker</b>	.08%	.39%	.03%	0	
<b>High School Graduate</b>	68.72%	77.51%	31.45%	.74%	
<b>PY 2004 Participants</b>	10,723	4,326	2,411	2,646	<b>20,106</b>
<b>PY 2004 Exiters</b>	7,115	3,221	1,803	1,664	<b>13,803</b>

## Success Stories

- WIA basic skills and GED preparation training, together with her determination to fashion a better life for herself and her young son, provided a single parent with a jump start on a new and promising career, and greatly expanded life opportunities for her and her three children.

The challenges she faced, the hardships she bore, were not insignificant. Her WIA case manager provided educational and vocational guidance, and WIA resources provided the funds to enable her to undertake the needed education and occupational training. She, however, provided the drive, the energy, to “put the pieces of the puzzle together.”

Her evident love of children and deep concern for their health care needs triggered her initial placement with a local youth services organization, with the particular mission of counseling area youth on a wide range of personal health and enrichment behaviors. She and WIA together leveraged this opportunity to enable achievement of her longer-term goals. She enrolled at a local university to pursue the academic credentials required to achieve certification as a health educator.

Upon obtaining her degree, she won a full-time position as a health educator with Crittendon Youth Services Center, and her career took off. She today not only provides her charges with valuable life skills and other counseling services, but further provides training in counseling techniques to her co-workers at the Center, and has written a book on the benefits of counseling.

- An individual traveled to Texas from Mobile in pursuit of a better job opportunity, only to lose his new job due to a plant closing. He was directed to new employment, and a new future, through the Mobile LWIA industrial work On-the-Job Training Program.

Although he was interested in the industrial position, he still had some concerns about starting all over again. He had no past work experience relevant to the position, nor did he possess the required technical skills. Active counseling with his Case Manager, however, did indicate this dislocated worker had extensive work experience in the printing industry. An on-the-job training contract was negotiated on his behalf with a local commercial engraving and printing company.

The printing company’s president, who interviewed this Dislocated Worker prior to contract finalization, was so impressed with his professionalism and expertise that he not only awarded him the on-the-job contract, but amended the agreement to provide him the opportunity for management training.

Upon completion of his on-the-job training contract, this former Dislocated Worker won permanent hire by the printing company as the binder supervisor. His own words best articulate his WIA experience: “I didn’t think that I would be able to find a position like this in Mobile - it’s the reason I went away in the first place. But, I was proved wrong because there are good jobs in Mobile and the Mobile Works program can help you get one, too.”

- The effective combination of a severely handicapped youth's fierce determination to succeed despite his physical limitations, coupled with WIA youth development and internship learning opportunities, opened new career doors for this very special person.

Working within the WIA Youth Development program, he was motivated to complete his high school degree. His case manager helped him land a job with an area supermarket, where his job responsibilities include greeting customers, bagging groceries, and working in the stockroom.

His spirit and enthusiasm are an inspiration to co-workers and store customers alike. His job performance, his attitude toward today, and his outlook on tomorrow reflect a bright optimism.

- For this third generation teen-aged welfare mother saddled with the imposing task of supporting two children and an aging mother, future prospects looked bleak. A once promising college career had been derailed. She was determined to successfully fashion her future. Part-time work wasn't the answer. She really felt that she needed to go back to school, to sharpen both her academic and occupational skills. But it seemed that her own health and family responsibilities had closed this door.

As a last ditch effort, she visited the Birmingham Career Center, and from that day, her life began to turn around..

Her case worker placed her in the Center's Training & Employment program. She was able to reenroll at Lawson State Community College, entering the college's Office Administration Program. She volunteered her services to the Lawson State Career Center program while still a student. Her dedication to these volunteer tasks so impressed administrators that, upon her graduation, she was offered a full-time staff position with the college.

Her personal testimony speaks volumes: "WIA opened a whole new world for me. Without it, I would still be at home babysitting kids".

- A young woman's focused determination to succeed and clarity of vision helped her overcome the dual handicap of debilitating health problems and the lack of a high school degree.

The weight of her medical treatments alone, which include periodic transfusions and chemotherapy treatments, might deter many youth from the vigorous pursuit of success, but not this young lady. She knew that without a high school degree, very few career paths would be open to her. However, her efforts at achieving high school credentials through home schooling went astray. A friend recommended she investigate Workforce Investment Act program-sponsored learning opportunities, and this "tip" proved to be the start of something big.

Career Center staff enrolled her in a General Equivalency Degree skills, basic computer skills, and job readiness skills learning program. Displaying a level of energy and enthusiasm that belied any obstacles presented by her physical barriers, she completed the requirements for her General Equivalency Degree in record time, posting a score of 2,680 out of a possible 3,000 points of the qualifying examination. With this credential in hand, she was further awarded a full financial scholarship to pursue a Business Information Systems degree program at an area college. She is reported to be doing very well in her studies.

## *Attachments*

- A) Local Area WIA Planning Allocation for PY 2004/ FY 2005*
- B) Statewide Monthly One-Stop Customers*
- C) State - Level PY2004 Performance Incentive Analysis (7/1/04 - 6/30/05)*

**LOCAL AREA PLANNING ALLOCATION**  
**FOR PROGRAM YEAR 2004**  
**(July 1, 2004-June 30, 2005)**

	PY 2004 Allotment	FY 2005 Allotment	Full PY Allotment
<b>1. SEC. 133(b)(2)(A) ADULT PROGRAMS</b>	<b>\$2,958,</b>	<b>\$11,181,767</b>	<b>\$14,140,506</b>
<b>a. GOVERNOR 's 15% SET ASIDES:</b>	<b>\$443,811</b>	<b>\$1,677,265</b>	<b>\$2,121,076</b>
Administration (5%)	\$147,937	\$559,088	\$707,025
Other WIA Activities (7%)	\$207,112	\$782,724	\$989,836
Incent/Cap. Bldng. (3%)	\$88,762	\$335,453	\$424,215
Local Area Grants (67%)	\$59,471	\$224,754	\$284,225
State-level (33%)	\$29,291	\$110,699	\$139,990
<b>b. LOCAL AREA ADULT PROGRAMS (85%)</b>	<b>\$2,514,928</b>	<b>\$9,504,502</b>	<b>\$12,019,430</b>
AWIA	\$1,956,344	\$7,393,481	\$9,349,825
Jefferson	\$174,436	\$659,235	\$833,671
Mobile	\$384,148	\$1,451,786	\$1,835,934
<b>2. SEC. 128(b)(2) YOUTH ALLOTMENT</b>	<b>\$15,180,497</b>	<b>\$0</b>	<b>\$15,180,497</b>
<b>a. GOVERNOR 's 15% SET ASIDES:</b>	<b>\$2,277,075</b>	<b>\$0</b>	<b>\$2,277,075</b>
Administration (5%)	\$759,024	\$0	\$759,024
Other WIA Activities (7%)	\$1,062,636	\$0	\$1,062,636
Incent/Cap. Bldng. (3%)	\$455,415	\$0	\$455,415
Local Area Grants (67%)	\$305,128	\$0	\$305,128
State-level (33%)	\$150,287	\$0	\$150,287
<b>b. LOCAL AREA YOUTH PROGRAMS (85%)</b>	<b>\$12,903,422</b>	<b>\$0</b>	<b>\$12,903,422</b>
AWIA	\$10,084,179	\$0	\$10,084,179
Jefferson	\$860,753	\$0	\$860,753
Mobile	\$1,958,490	\$0	\$1,958,490

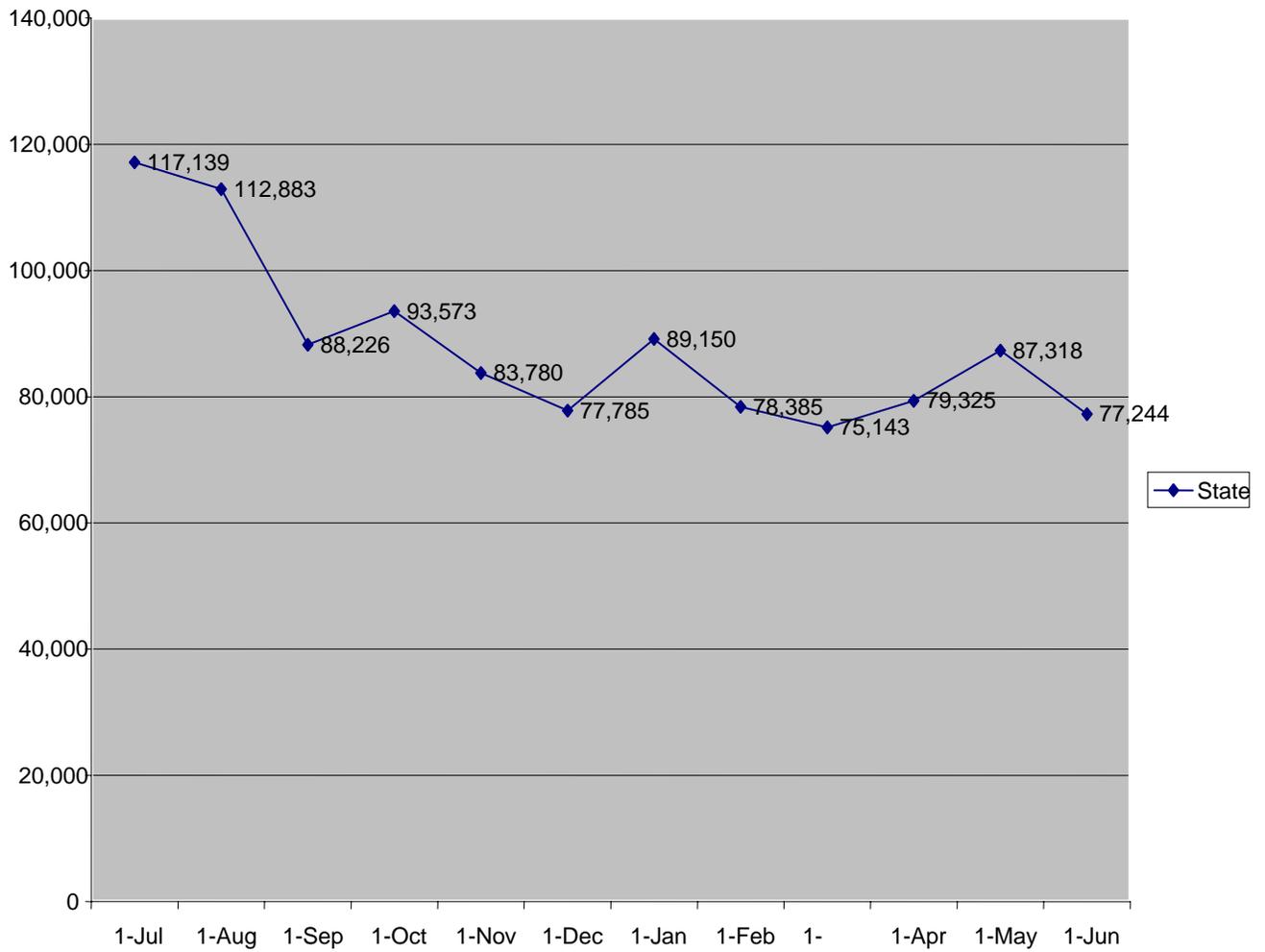
**ATTACHMENT A  
(con't.)**

	<b>PY 2004 Allotment</b>	<b>FY 2005 Allotment</b>	<b>Full PY/FY Allotment</b>
<b>3. SEC. 133(b)(2)(B) DISLOCATED WORKERS</b>	<b>\$4,460,302</b>	<b>\$11,363,308</b>	<b>\$15,823,610</b>
<b>a. RAPID RESPONSE PROGRAMS (0%)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>b. GOVERNOR 's 15% SET ASIDES:</b>	<b>\$669,045</b>	<b>\$1,704,496</b>	<b>\$2,373,541</b>
Administration (5%)	\$223,015	\$568,165	\$791,180
Other WIA Activities (7%)	\$312,221	\$795,432	\$1,107,653
Incent/Cap. Bldng. (3%)	\$133,809	\$340,899	\$474,708
Local Area Grants (67%)	\$89,652	\$228,402	\$318,054
State-level (33%)	\$44,157	\$112,497	\$156,654
<b>c. LOCAL AREA PROGRAMS (85%)</b>	<b>\$3,791,257</b>	<b>\$9,658,812</b>	<b>\$13,450,069</b>
AWIA	\$3,146,346	\$8,015,802	\$11,162,148
Jefferson	\$321,023	\$817,856	\$1,138,879
Mobile	\$323,888	\$825,154	\$1,149,042
<b>4. TOTAL PROGRAM YEAR 2004 ALLOTMENT</b>	<b>\$22,599,538</b>	<b>\$22,545,075</b>	<b>\$45,144,613</b>
<b>5. POOLED SET ASIDES</b>			
<b>Rapid Response (0%)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Administration (5%)	\$1,129,976	\$1,127,253	\$2,257,229
Other WIA Activities (7%)	\$1,581,969	\$1,578,156	\$3,160,125
Incentive Awards/Capacity Building (3%)	\$677,986	\$676,352	\$1,354,338
Local Area grants (67%)	\$454,251	\$453,156	\$907,407
AWIA	\$338,765	\$351,949	\$690,714
Jefferson	\$40,093	\$38,760	\$78,853
Mobile	\$75,393	\$62,447	\$137,840
State-level activities (33%)	\$223,735	\$223,196	\$446,931

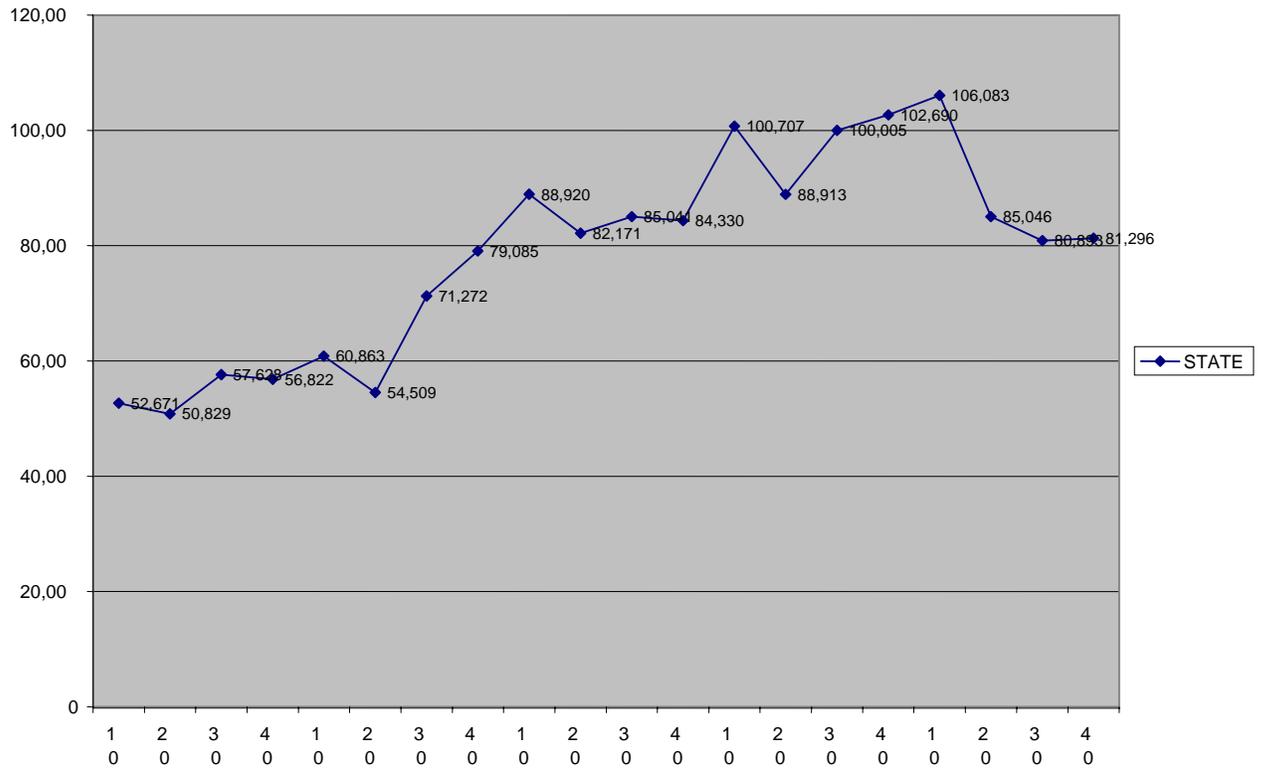
6. PY 04 / FY 05 Local Area Incentive Awards by CFDA / Funding Category

	PY 2004	FY 2005	Total
<b>AWIA</b>			
<b>Fund Source</b>			
<b>Adult</b>	\$43,643	\$164,939	\$208,582
<b>Youth</b>	\$221,717	\$0	\$221,717
<b>Disc. Wkr.</b>	<u>\$73,405</u>	<u>\$187,010</u>	<u>\$260,415</u>
	<u>\$338,765</u>	<u>\$351,949</u>	<u>\$690,714</u>
<b>Jefferson</b>			
<b>Fund Source</b>			
<b>Adult</b>	\$4,684	\$17,702	\$22,386
<b>Youth</b>	\$27,143	\$0	\$27,143
<b>Disc. Wkr.</b>	<u>\$8,266</u>	<u>\$21,058</u>	<u>\$29,324</u>
	<u>\$40,093</u>	<u>\$38,760</u>	<u>\$78,853</u>
<b>Mobile</b>			
<b>Fund Source</b>			
<b>Adult</b>	\$11,144	\$42,113	\$53,257
<b>Youth</b>	\$56,268	\$0	\$56,268
<b>Disc. Wkr.</b>	<u>\$7,981</u>	<u>\$20,334</u>	<u>\$28,315</u>
	<u>\$75,393</u>	<u>\$62,447</u>	<u>\$137,840</u>
<b>State</b>			
<b>Fund Source</b>			
<b>Adult</b>	\$59,471	\$224,754	\$284,225
<b>Youth</b>	\$305,128	\$0	\$305,128
<b>Disc. Wkr.</b>	<u>\$89,652</u>	<u>\$228,402</u>	<u>\$318,054</u>
	<u>\$454,251</u>	<u>\$453,156</u>	<u>\$907,407</u>

### PY 2004 Monthly Career Center Customers



### Career Center Customers by Quarter: Long-Term Trends



## STATE-LEVEL PROGRAM YEAR 04 PERFORMANCE ANALYSIS (7/1/04-6/30/05)

<u>MEASURES</u>	NEGOTIATED GOAL	ACTUAL PRFRMCE		Num/Denom	ACHVMNT INDEX
					(Actual/Goal)
<b>ADULTS:</b>					
Entered Employment Rate	69.03%	68.58%		2327/3393	99.36%
Employment Retention Rate	80.71%	84.34%	*	1470/1743	104.50%
Earnings Chng in Six Months	\$2,667.23	\$5,031.91	*	\$8,725,333/1734	188.66%
Employment/Credential Rate	48.41%	41.40%		1644/3971	85.52%
					<b>119.51%</b>
<b>DISLOCATED WORKERS:</b>					
Entered Employment Rate	79.70%	78.43%		1967/2508	98.41%
Employment Retention Rate	82.44%	90.45%	*	1231/1361	109.72%
Earnings Replacement Rate	96.98%	140.22%	*	\$15,499,422/11,053,718	144.59%
Employment/Credential Rate	46.37%	56.77%	*	1514/2667	122.43%
					<b>118.79%</b>
<b>YOUTH (19-21)</b>					
Entered Employment Rate	66.58%	64.46%		185/287	96.82%
Employment Retention Rate	72.13%	83.11%	*	123/148	115.22%
Earnings Chng in Six Months	\$2,239.67	\$3,945.01	*	\$548,356/139	176.14%
Credential Rate	38.59%	34.27%		316/922	88.82%
<b>YOUTH (14-18)</b>					
Skill Attainment Rate	77.58%	82.81%	*	3165/3822	106.75%
Dip./Equiv. Att. Rate	47.58%	46.05%		373/810	96.79%
Retention Rate	51.42%	64.06%	*	1057/1650	124.59%
					<b>115.02%</b>
<b>CUSTOMER SATISFACTION</b>				<b>Respondents</b>	
Participants	75.56	79.29	*	564	104.94%
Employers	72.44	86.23	*	1079	119.04%
					<b>111.99%</b>
<b>OVERALL AVERAGE</b>					<b>116.61%</b>