



Employment Security Commission of North Carolina

Michael F. Easley
Governor

March 25, 2003

Harry E. Payne, Jr.
Chairman

FAX Transmission Cover Sheet

12 PAGES (Including Cover)

TO: ETA National Office

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COMMENTS:

Transmitting in PDF format, the approved annual plan narrative of the North Carolina's
Workforce Information Core Products and Services grant for Program Year 2002. (period of
performance from July 1, 2002 through June 30, 2003.



APPLICATION FOR FEDERAL ASSISTANCE

2. DATE SUBMITTED February 24, 2003	Applicant Identifier
3. DATE RECEIVED BY STATE	State Application Identifier
4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

1. TYPE OF SUBMISSION:

Application
 Construction
 Non-Construction

Preapplication
 Construction
 Non-Construction

5. APPLICANT INFORMATION

Legal Name: Employment Security Commission of N.C.	Organizational Unit: Labor Market Information Division
Address (give city, county, state, and zip code): Post Office Box 25903 Raleigh, North Carolina 27611 County: Wake	Name and telephone number of the person to be contracted on matters involving this application (give area code) J. Michael McGuffey Director, Finance and Budget (919) 733-5207

6. EMPLOYER IDENTIFICATION NUMBER (EIN): 56 - 6001389	7. TYPE OF APPLICANT: (Enter appropriate letter in box) <input checked="" type="checkbox"/> A
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8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letters (s) in Box (es): A. Increase Award <input type="checkbox"/> B. Decrease Award <input type="checkbox"/> C. Increase Duration D. Decrease Duration Other (specify):	A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District H. Independent School Dist. I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N. Other (Specify) _____
	9. NAME OF FEDERAL AGENCY: U. S. Department of Labor - ETA

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER 17.207 TITLE: Wagner-Peyser 7(d) Cost Reimbursable Grant	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECTS: Workforce Information Core Products and Services
12. AREA AFFECTED BY PROJECT (cities, counties, states, etc.): North Carolina	

13. PROPOSED PROJECT: Start Date: 7/1/2002 Ending Date: 6/30/2003	14. CONGRESSIONAL DISTRICTS OF: a. Applicant: NC-4 b. Project: Statewide Districts No. 1-11
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15. ESTIMATED FUNDING	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Federal \$898,050	a. YES THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE _____
b. Applicant \$	b. NO <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372
c. State \$	<input checked="" type="checkbox"/> or program has not been selected by state for review
d. Local \$	
e. Other \$	
f. Program Income \$	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? Yes <input type="checkbox"/> If "Yes" attach an explanation <input checked="" type="checkbox"/> No
g. TOTAL \$898,050	

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED

a Typed Name of Authorized Representative Harry E. Payne, Jr.	b Title Chairman	c Telephone Number (919) 733-7546
d Signature of Authorized Representative <i>Harry E. Payne Jr</i>		e Date Signed February 24, 2003

Program Year 2002 One-Stop LMI Grant

Employment Security Commission of North Carolina Labor Market Information Division

Statement of Work:

The Workforce Investment Act (WIA) recognizes the crucial role of labor market information and employment statistics in the planning, operation and evaluation of the employment, training and related activities defined in this act. In support of this role, the Labor Market Information Division (LMID) of the North Carolina Employment Security Commission has been designated as the lead employment statistical agency for the state.

The LMID is responsible for developing and maintaining a comprehensive system of labor market data for North Carolina. Included in the information gathered by the division are: labor force estimates, unemployment rates, wages by industry and by occupation, staffing patterns, industrial and occupational projections, as well as data on fringe benefits and other items.

In accord with the Secretary of Labor's efforts to provide funding to States to produce products and services that will serve as an integral part of the statewide employment statistics system and support the State's overall plan for workforce investment, the North Carolina LMID shall develop and/or enhance the products described in the work statement.

The products, systems and services outlined in this grant proposal are directed towards providing quality information for informed choices to all customers of the Workforce Information System. Primary One-Stop LMI customer groups to be served under this grant include:

- local workforce investment boards
- workforce development professionals
- workforce information customers
- the business community
- individuals engaged in job search and career exploration
- job and career counselors
- researchers
- government officials
- education and training providers
- economic developers
- planners and policy makers at the local, state and national levels
- other stake holders

This statement of work was prepared in consultation with staff of the State Workforce Development Board and the activities and planned customer outcomes are as defined in the State's WIA/Wagner-Peyser Five Year Strategic Plan. A draft of this plan was distributed to the One-Stop partners, including the state and local workforce development board directors, community college presidents, local economic development partnership directors and various state agencies who have an interest in labor market information for review and comment. Participants and stake-holders were surveyed to obtain their input and direction. Requests for products and service were incorporated into the plan as deemed feasible.

Priority Core Products and Services

1) Continue to populate the ALMIS Database with state data and provide an employer name and address list that can be accessed by the public (Approximately \$51,000)

North Carolina will continue to serve as the lead state for America's Labor Market Information System (ALMIS) Database Maintenance/ Employer Database Consortium. The Consortium regularly requests feedback from customers regarding the current structure and recommended future database additions or enhancements. Customers are invited to share comments on both the Utah technical and LMI Institute informational websites. Both written and e-mail input are accepted. Feedback from Consortium-led training sessions and national forums has proven valuable, as well. Customer input is formally solicited as new versions of the database are designed and implemented. The Consortium will continue to enhance the database structure to accommodate evolving customer requirements, changes to existing sources files and the availability of new data elements (e.g., 2000 Census, LEHD, etc.). In addition, the consortium will continue to actively promote the utilization of the database structure across the country and provide support and training for the ongoing development, maintenance and population efforts associated with the ALMIS database initiative. It is anticipated that four ALMIS Database consortium meetings will be held during PY 2002.

In addition to these national activities, North Carolina will continue to populate and update existing tables in the ALMIS Database, including the core element tables and associated look-up and crosswalk tables, as defined in the ETA One-Stop Agreement and by the ALMIS Database Consortium. Customer feedback will direct and prioritize the population of other tables in the database and the creation of state-specific tables. This feedback will be solicited through a variety of methods including one-on-one meetings with local customers, participation in state and local workforce activities, as well as formal and informal surveys and focus groups. This input is shared with the ALMIS Database Maintenance Consortium where such feedback can inform the work of that group in the continued development of the national structure. Other tables required for state-specific, internet-based applications such as the State and Area Research and Analysis System (WebSARAS), the North Carolina Profile and the North Carolina State Training Accountability and Reporting System (NC STARS) will be populated, as well. During the program year, staff will continue to update the North Carolina ALMIS Database as data are received.

Licensure data for the required tables (license.dbf, licauth.dbf and lichist.dbf) will be populated in the North Carolina database and supplied to the National Crosswalk Service Center (NCSC) by the ALMIS Database Administrator. Licensed occupations will be coded to the O*Net SOC occupational structure.

North Carolina is licensed to use the ALMIS Employer Database currently provided by InfoUSA to deliver employer name, address information and related to individuals engaged in job search and career

exploration and other approved purposes. North Carolina has integrated the ALMIS Employer Database into the ALMIS Database in accordance with ALMIS Database Consortium guidelines. Staff will continue to update the appropriate tables at six month intervals as the data are received from the vendor. Public access will be provided as described under the delivery systems component of the statement of work. Customer input will be provided to the Consortium in support of the award of a new ALMIS Employer Database vendor agreement.

Initial updates will be incorporated into the existing database structure, but will be converted to the ALMIS 2.2 structure after modification of our display applications is complete. Maintenance of the ALMIS Database will be ongoing throughout the program year.

2) Produce and disseminate long-term, industry and occupational projections (approximately \$120,000)

Subject to availability of the required national data sets provided by the Bureau of Labor Statistics (BLS), the Statewide and sub-state Occupational Employment Statistics (OES) data and up-to-date industry and occupational projections software sponsored by the Projection Consortium, staff will complete the projections for Statewide and Workforce Investment Board (WIB) Areas in PY 2002. North Carolina will also research options to develop NAICS-based historical industry employment series for the state and sub-state areas. Subject to research results and available tools for conversion (such as 10-year NAICS-based data converted by BLS), North Carolina will produce the NAICS-based historical series for Statewide and Work Force Development Areas.

Projections (2000-2010) data produced will be used to populate the ALMIS Database and the Statewide total all industry occupational projections will be submitted for public dissemination following procedures established by the Projections Consortium and the Projections Managing Partnership.

Long-term projections are used by businesses, workforce development professionals, local workforce investment boards, economic developers, curriculum planners, career counselors, government officials, researchers, policy makers (at local, state and national levels) and the general public. They are essential to workforce development planning, program/budget planning, public policy planning and career exploration. The development of a NAICS-based industry employment series is essential in the production of statistical sound industry projections. This will be the foundation for development of the next projection series.

The North Carolina LMID will consult with the user community in a variety of methods (one-on-one meetings with local customers, participation in state and local workforce board activities, as well as formal and informal surveys and focus groups) in order to continue to collect information on customer's needs for projections information. Recent feedback from customers, including members of the workforce

development system, indicates that occupational projections provide vital information for planning (program, budget, career and others). Seventy-one percent of the North Carolina One-Stop stakeholders answering a recent survey found projections of above average usefulness and importance. Staff will continue to participate in the Projections Consortium and provide gathered customer feedback to the Consortium for incorporation into projects.

The North Carolina LMID will combine collected user feedback along with demand information for the projections products in order to form plans for system improvements.

Statewide projections will be completed first, followed by the WIB areas. It is anticipated that Statewide occupational projections will be completed by the end of 4th quarter, 2002 and the WIB areas by the end of 2nd quarter, 2003. The NAICS based industry employment series development will take approximately a quarter after all necessary program data are available from BLS.

3) Produce and disseminate short-term, industry and occupational employment forecasts (approximately \$40,000)

Information on occupational employment trends in the near future has been identified as a critical need by North Carolina's Workforce Information Customers, including business, workforce development partners, economic development entities and training providers. North Carolina will continue to explore ways to address these needs. Specifically, staff will research options to develop NAICS-based historical industry employment series for the State. Subject to research results and available tools for conversion (such as 10-year NAICS-based data converted by BLS), North Carolina will produce the NAICS-based historical series for Statewide. Staff will prepare plans for test and evaluate the converted NAICS-based employment series with the short-term projections models. Subject to availability of the required national data sets provided by the Bureau of Labor Statistics (BLS), the Statewide Occupational Employment Statistics (OES) data and up-to-date industry and occupational projections software sponsored by the Projection Consortium, staff will also complete the projections for Statewide.

Short-term estimates produced will be used to populate the ALMIS Database and these data will be submitted for public dissemination following procedures established by the Projections Consortium and the Projections Managing Partnership to the extent permissible under State statute.

The development of a NAICS-based industry employment series is essential in the production of statistically sound industry and occupational projections. This will be the foundation for continued development of short-term estimates. Short-term projections are used by businesses, workforce development professionals, local workforce investment boards, economic developers, government officials, researchers, policy makers (at local, state and national levels) and the general public. These

data are important to workforce development planning, program/budget planning and public policy planning.

North Carolina LMID will consult with the user community in a variety of methods (one-on-one meetings with local customers, participation in state and local workforce board activities, as well as formal and informal surveys and focus groups) in order to continue to collect information on customer's needs for projections. Recent and past feedback from customers, including members of the workforce development system, indicates that occupational projections provide vital information for planning (i.e. program, budget, career and others). Eighty-five percent of the North Carolina One-Stop stakeholders answering a recent survey indicated that short-term projections are above average in usefulness and importance. Staff will continue to participate in the Projections Consortium and provide gathered customer feedback for incorporation into the Consortium research projects.

North Carolina LMID staff will combine user feedback collected through the variety of methods previously mentioned. This, along with demand information for the projections products, will play a vital role in planned program and system improvements.

Development of short-term occupational projections will be completed by the end of 4th quarter, 2002. Research will be conducted and a plan developed in order to produce and test the necessary industry employment historical series by the end of 2nd quarter, 2003.

4) Provide occupational and career information products for public use (approximately \$135,000)

North Carolina LMID will continue to improve and disseminate customer focused occupational and career information products. Activities undertaken in PY 2002 will concentrate on supporting production of licensure information and supply/demand analysis products.

Occupational licensure information at the O*NET-SOC level will be collected during PY 2002. These data will include licensure requirements for occupations regulated by North Carolina statutes and the number of individuals holding current licenses. It is anticipated publication of survey results will take place in PY 2003.

The collection of the licensure information will fill a critical data gap essential to individuals engaged in or assisting with job search/career exploration activities. This information is also vital to entities involved in such activities as training resource allocation and the identification of available labor force capability. These entities include employers, economic developers, training providers and workforce development organizations.

Analysis of short and long-term labor supply/demand is critical for informed decision-making with respect to job/career planning and to resource investment allocation in workforce development systems. Currently, data gaps inhibit this type of analysis for local areas in North Carolina. Staff will develop methodologies based on investigation of available sources, data gaps analyses and plans for new data collection. These methodologies will be used in pilot projects focused on examining and testing the feasibility of developing local area supply and/or demand analysis products.

North Carolina LMID will explore and plan development of pilot supply/demand projects. These projects will be designed to provide reliable information regarding occupational labor supply and demand trends. Methodologies and tools developed will focus on the analysis and subsequent synthesis of new and existing data in order to provide reliable localized supply/demand information. LMI staff will investigate analytical techniques in order to develop labor supply estimates. Staff will explore use of information from various sources including Decennial Census, registered applicant records, new hires, and the Longitudinal Employer-Household Dynamics (LEHD) program in order to describe labor supply characteristics.

In addition, staff will investigate integrating data from various sources to better understand statewide and sub-state short-term labor demand. Potential data sources for this analysis include: Employment Service job orders, LEHD job creation and destruction statistics, Employment & Wages (ES-202) time series, Current Employment Statistics (CES), Occupational Employment Projections and Occupational Employment Statistics (OES). Staff will examine methods available to collect statewide and sub-state job vacancy data and develop an implementation plan.

5) Provide an employer name and address list that can be accessed by the public. This core deliverable is addressed with # 1.

6) Provide information and support to Workforce Investment Boards (WIBs) and produce other state information products and services (approximately \$89,050)

Educating workforce development staff regarding LMID products and services is an on-going process. At the core of the LMID's efforts to establish and maintain strong links between the workforce community and the Division is LMI's Outreach and Training Team. Members of the team serve all twenty-four local boards in North Carolina. LMID staff regularly attend board meetings; provide information for grant writing and strategic planning; and keep local board members and their staff updated on available products and services.

While the initial connection with the local boards has been very successful, plans are for Outreach and Training team members to further develop these relationships, to better identify local needs and likewise,

for boards to be more cognizant of available LMID resources. During this program year, members of the team will work with JobLink Career Center (North Carolina One Stop Centers) staff to determine their informational needs and discuss available products and services. Feedback from local customers will be used in the development of customer-focused products and services.

In collaboration with the boards, staff will develop compilations of key economic information tailored to the individual board areas. This information will be provided to local boards on a regular basis and, where possible, lead to the development or refinement of on-line products. In cooperation with the Department of Employment and Training, the Workforce Development Board Directors' Association and JobLink Managers, LMID staff will participate in the development of a 'career needs' tool that will aid in career counseling, job exploration and training. In addition, LMID staff will participate in the development, enhancement, implementation and training on products described elsewhere in this document.

Data on layoffs and plant closings in specific industries and geographical areas are requested on a regular basis by the local boards and WIA providers, employers, economic developers, educational personnel, trainers and researchers. Such data are used for establishing training courses, assessing occupational skills available in an area for employer needs and, in some cases, locating physical facilities for economic development purposes. The LMID will monitor Unemployment Insurance claims, reporting all unemployed workers, the industry and geographic location of layoff activities and the reasons for the layoffs. All data will include demographic information. Plans are underway for the inclusion of these data on the Internet.

These data will be used to assess the economic impact of mass layoffs and plant closings on local communities. Studies on the 'ripple effects' of layoffs in a larger industry or employer on smaller industries and establishments is most useful in measuring the impact on the community, dislocated worker services provided and the outcome of the individuals involved. These data would also provide a starting point for longitudinal analyses measuring the outcomes of those involved in a layoff or closing. Outcome analysis would be accomplished by linking the individuals with wage records and training information stored in the Common Follow-Up System, a North Carolina developed tracking system. This comparison will help determine the outcomes of laid-off workers who received specific dislocated worker services to those who did not.

The LMID staff will also monitor newspaper reports from across the state on a daily basis, reporting all layoffs and business closings. Reports will be prepared on a monthly basis, detailing such findings by industry, geographic location and the number of workers involved. These reports will be made available on the Internet.

LMID staff will also participate in state and national conferences which afford opportunities to interact with local workforce development professionals. The staff will survey workforce professionals and partner agencies to obtain input and feedback concerning products and services. The information

obtained from feedback and customer demand will be reviewed and evaluated to better align products and services with customer demand.

7) Support the development of State-based workforce information delivery systems development (approximately \$420,000)

A. Support for Current Internet Delivery Systems

North Carolina will continue delivery of workforce information via the Internet through WebSARAS, NC Profile, ESC's website and other associated applications. Data content will be updated and enhanced to provide the most accurate and up-to-date information for local customers. Enhancements will be made to the Consumer Guide display and analysis module, and Geographic Information System (GIS) technology will be employed, in 4th quarter PY 2002, to improve spatial analysis. The application interfaces for these products will be enhanced to improve functionality and ease of use. Development is underway to revise the ESC web portal. This revision will be continuous throughout PY 2002 and will provide enhanced availability of local economic and demographic data through the LMI portal.

North Carolina will continue to provide tools to allow individuals, local workforce development boards, planners, economic developers and other workforce partners easy access to the employer name and address information from the ALMIS Employer Database. WebSARAS, NC Profile and the Consumer Guide all currently incorporate the ALMIS Employer Database into job search, career exploration and research functions.

These applications will be further enhanced to include mapping capabilities aimed at making information readily available to customers. The Consumer Guide's display and analysis module will be enhanced to display two years of employment and earnings data for educational institutions by program. Delivery of this functionality is anticipated in 2nd quarter, PY 2002. In 3rd quarter, PY 2002, other workforce agencies will be included.

North Carolina will begin exploring options for data sharing with other states to maximize access and dissemination of workforce information.

B. Publications and Reports

LMID produces several periodic publications and reports that provide data summaries and analysis of key labor market topics and trends. In PY 2002, LMID will explore e publishing of selected periodic reports in order to broaden availability, expedite and simplify access and provide an electronic archive for these publications. Implementation of e-publishing will entail substantial redesign of both the publications and the processes used to develop these periodic reports. It is anticipated that this project would reduce the paper, printing and mailing costs associated with distribution of these reports. A limited number of paper versions would continue to be produced to serve customers whose needs are not met via

electronic distribution. Results from the review will be available 4th quarter, 2002 and will be used to develop an implementation plan for e-publishing.

C. Evaluation of Electronic Information Delivery Systems

LMID has developed a number of electronic information delivery systems that differ in terms of interface design and the types, variety and level of detail of information available. In PY 2002, LMID plans to evaluate the currently implemented systems in order to determine which customer groups employ each system, how customers are using these systems, and how well the systems satisfy the needs of the user groups. This information would be used to determine allocation of resources to system development and support, identify enhancements to currently operating systems, and identify gaps in service delivery and training needs. This will be an on-going activity throughout the program.

D. Alternative Customer Interfaces for the Delivery of Labor Market Information

The customer feedback gained in 7. C. will be employed to help develop the initial design for a customer-driven LMI application system that will provide quick and easy access to users via the Internet. At a conceptual level, such a system might incorporate some or all of the following functionality:

- A customizable interface designed to support the delivery of labor market information specifically targeted to the varied informational needs of different customer groups
- System tuning to allow access personalization within customer groups
- Assistance in using and interpreting data by the inclusion of contextualizing information, such as historical and comparison data points and access to narrative descriptions and analyses
- Seamless access to the latest available data and information and
- Functioning as a gateway to more in-depth sources of data and information regarding labor market conditions.

Proposed system designs will be finalized in partnership with primary stakeholders and with input from other customers. Data regarding usage of the system would be collected and feedback from users regarding usability, features, and content would be solicited on a periodic basis. It is anticipated that the initial design requirements will be completed by the end of 4th quarter PY 2002.

8) Support state workforce information training activities (approximately \$43,000)

To enhance and improve understanding of available workforce information, customer training sessions will be conducted by staff of the LMID's Outreach and Training Team. Sessions will be tailored to the needs of the specific audience. Training participants include staff of the JobLink Career Centers, Employment Security Commission (ESC) local offices, planning and economic development offices, community colleges, education and training providers, Vocational Rehabilitation, Department of Social Services, other WIA partner agencies and local workforce development boards. The LMID's Outreach and Training Team members in collaboration with the Division of Employment and Training staff,

representatives from the JobLink Career Centers and Workforce Development Boards will develop training curriculum to meet the needs of the target audience. Training will include a brief overview of LMI data, collection methods and on-line products and services. Sessions will focus on ways available information can be used to assist the job seeker with career choices, training options and job opportunities. Sessions can range from two hours to day-long sessions where hands-on workshops in computer labs can be arranged. A minimum of six LMI overview sessions will be conducted during the period. Each session will include a mix of direct instructional time with case studies being used to help emphasize the practical applications of available resources.

In addition, customized sessions will be conducted for board directors and staff as part of workforce board meetings or as individual hands-on sessions for staff and partners. Presentations and workshops will be conducted at state and local conferences for workforce development professionals and WIA partner agencies to highlight specific products and services designed to meet the needs of the targeted group. LMID staff will also consult regularly with state and local economic developers, members of the business community, educators, policy makers and planners. Presentations will be made to these groups to familiarize them with available data, frequency of release, collection methods and to discuss its use for policy making, strategic planning, and business recruitment. Input from the user community will be collected in a variety of methods (one-on-one meetings with local customers, participation in state and local board activities, as well as formal and informal surveys and focus groups) as part of these activities and will serve as key input for the development of products and services vital to an effective employment statistics and workforce information system.

The LMID will support continuous capacity building for Division staff to promote improved internal and external customer service. Staff will participate in training offered by the LMI Institute and other training facilities. Members of the Outreach and Training Team will coordinate internal staff development sessions in which key economic data collected and analyzed by the division will be discussed. A minimum of three such sessions will be held during the period. Staff development will be provided to improve knowledge and expertise in such areas as statistics, economics, computer technology and other related areas. Cross training of division staff will continue to be conducted on an ongoing basis to ensure that division staff is informed of LMID products and services.

LMID will acquire computer hardware and software necessary for the implementation of the training and information-sharing sessions described in the plan. LMID staff will be trained in the use of software to required for in-depth analysis of data produced by the division and related agencies.