

OFFICE OF THE GOVERNOR

DON SIEGELMAN
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

NORMAN B. DAVIS, JR.
DIRECTOR

November 29, 2001

Ms. Anna Goddard, Regional Administrator
Employment and Training Administration
U.S. Department of Labor
61 Forsyth Street, Room 6M12
Atlanta, GA 30303

Dear Madam Secretary:

We are pleased to submit the attached State of Alabama PY 2000 Workforce Investment Act (WIA) Annual Report. This Report contains both the PY 2000 WIA program activity and program performance tabular information required under USDOL Training and Guidance Letter No. 14-00, Attachment G, and additional narrative description of several Alabama WIA activities launched during PY 2000.

We have experienced software-related delays in fully capturing WIA performance data. As a result, certain Annual Report table information is incomplete. We will make every effort to provide your office the appropriate revisions to affected Annual Report submissions in a timely manner.

Please direct any questions regarding the Alabama Workforce Investment Act PY 2000 Annual Report to Ray Clenney at (334) 242 - 5300.

Sincerely,

A handwritten signature in black ink, appearing to read "Norman B. Davis, Jr.", written over a light blue horizontal line.

Norman B. Davis, Jr.
Director

STATE OF ALABAMA

PROGRAM YEAR 2000

WORKFORCE INVESTMENT ACT

ANNUAL REPORT to the SECRETARY of LABOR

NOVEMBER 29, 2001

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

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State Workforce Investment Board
(as of June 30, 2001)

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Members of the Legislature

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Senator Jimmy Holley
Representative Lucy Baker
Representative George Perdue
Representative Terry Spicer
Representative Elwyn Thomas

Organized Labor

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Sammy Dodson
Danny Price
Homer Wilson

Youth - Oriented Organizations

Pam Baker
Mickey Humphries

Education Representatives

Richard Carpenter
Mary Jane Caylor
Ed Castile
Sara Dennis
Millie Dorman
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Tom Meredith
Judy Merritt
Howell Register
Ed Richardson

WIA Partner Representatives

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Bill Fuller
Fred Gainous
Melissa Galvin
Alice McKinney
Ed Richardson
Steve Shivers

Economic Development Representatives

Tim Alford
John Hansen
Robert Montjoy
Matt Parker
Ted Von Cannon

Local Area Chief Elected Officials

Samuel Jones
Quitman Mitchell

Community-Based Organizations

Elaine Jackson

Private Sector Representatives

William Barber
Fred Blackwell
James Brooks
Russell Brown
Stan Chavis
J. Ab Conner
Gary Cooper
Bobby Dees
Roy Drinkard
Bob Gaines
Don Heath
C. Dwight Jennings
Billy Jones
Jimmy Junkins
Bobby Irons
Phyllis Kennedy
James Lee
E. J. Lowery
Charles McDonald
Morris Meadow
William O'Connor
Don Pfeiffer
Sandra Ray
Mike Reynolds

Private Sector Representatives (con't)

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Pete Ritch
Tucson Roberts
Rickey Robinson
Barry Singletary
Craig Smith
Paul Souza
Sherman Suitts
William Swinford
William Taylor
Kenneth J. Tucker
Pete Turnham
Roland Vaughan
Charley Warren
Bruce Windham

Other Representatives

David Bronner
Barbara Crozier
Jim Hayes
Paul Hubbert

OVERVIEW

The Workforce Investment Act (WIA) in Alabama is in its infancy. The several State agencies actively partnering in WIA collectively achieved advances through joint resource coordination, activity planning, and general collaboration under the WIA “umbrella”.

The marshaling of workforce development service delivery through Alabama’s Career Center System, a Statewide network of One-Stop Centers, enables individuals and employers alike in need of such services to obtain assistance through a single, convenient service outlet. A resulting spirit of interagency coordination emanating from this network benefits the Centers’ customers by rendering various human resource services more readily available.

The Workforce Investment Act challenges the Alabama workforce development system with new ways of providing services to customers and new requirements for coordination. During Program Year 2000, new youth councils had to be appointed and new youth programs developed. These requirements slowed youth activities tremendously. Similarly, Adult program development was slowed by the necessary transition to Individual Training Accounts as the primary participant training vehicle.

PY 2000 Dislocated Worker programs proceeded at full speed, due in part to accelerated lay offs in a number of industries across the State.

This Annual Report documents Alabama’s record of achievement in its first year under WIA. The expanded focus WIA brings to the development of innovative youth programs reflects the due emphasis placed upon effectively equipping tomorrow’s work force to reach an even higher level of economic success.

The Workforce Investment Boards and their relationships with the various workforce development partners are still in a process of settling in. Board members and staff, at this point, are unsure about what those relationships should be.

Any questions concerning the information contained in this Report should be directed to Ray Clenney, ADECA Workforce Development Division, at (334) 242-5300.

Alabama: Where We Are, What We Have Done, Where We Can Go

Alabama's economic growth has slowed, for the moment.

The University of Alabama's Center for Business and Economic Research reports that, although our State boasted over 14,000 new jobs during 2000 - 2001, some 9,400 jobs across the State were lost over the same period, resulting in a net job growth of 4,600 jobs. This total does not favorably compare to the 37,700 new Alabama jobs created during 1999 - 2000.

The 4,600 net job growth may also be broken down by economic sector. Over 2000 - 2001, services - producing industries across the State generated 13,600 new jobs. The services sector remains the fastest growing sector of the State's economy. During 2000 - 2001, goods - producing sectors of the State's economy, including manufacturing, mining, and construction, lost 9,000 jobs. The manufacturing sector is expected to remain weak in the immediate future because of falling manufactured goods demand in both the national and international markets.

This 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. The "services" area should account for about 85 percent of all new jobs within Alabama in the coming years. About 70 percent of the "services" segment job growth is expected to be within the business, health, and education areas. The largest numbers of new jobs will be found in the health care services sector. The fastest job growth segment within business services will be high technology fields. In particular, computer and data processing services employment is projected to increase by 108 percent.

A majority of the 14,000 new Alabama jobs came from just five of the State's eleven metropolitan areas. Correspondingly, the bulk of the 9,400 lost jobs were traceable to the State's remaining six metropolitan areas and the non-metro counties. Analysis suggests some 6,000 of these lost jobs were in the six metropolitan areas, and 3,400 were in the non-metro counties.

It therefore appears that several areas of the State, i.e., the five positive job growth metro areas, currently enjoy a considerably healthier economy than do other areas of the State, i.e., the six non- positive job growth metro areas and the non-metro areas. Among the challenges facing Alabama workforce developers is to first identify the various elements which collectively fuel this referenced positive job growth, and secondly, to develop strategies conducive to promoting further economic advance in the growth areas, while simultaneously halting and reversing job loss trends in the State's remaining six metro areas and the State's non-metro areas.

Consumer spending has been strong during the last two years, despite a recent decline. Consistent with this emerging strength, there has been a steady growth in retail jobs throughout the State, despite a noted weakness in apparel and accessory stores.

Industry job growth trends are generally strongly linked with the associated demand for goods and services produced by those industries; however, steady advances in automation, a movement which itself stems from advancing wage costs, has sharply reduced or entirely eliminated many of the “entry-level” manufacturing jobs formerly characteristic on this sector.

Despite the recent emergence and anticipated future growth of automobile production employment opportunities at the Mercedes and Honda manufacturing facilities, these industries are increasingly becoming more capital - intensive, and thereby less labor - intensive. As a result, goods producing activities, e.g., 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.

Manufacturing facilities will progressively become even more capital-intensive, i.e., marked by increased production but with fewer workers. “New” technology drives “new” industry and heightened levels of worker efficiency, and such “new” technology has been in abundance. To this extent, measured output per hour in the nonfarm business sector has increased by six percent.

North Alabama’s “high-technology” corridor seems poised to continue positive job growth trends into the future. This growth would encompass both the services and the technology/goods - producing sectors. Redstone Arsenal contractors have recently announced plans to expand their facilities. This action will result in more high - paying jobs for skilled Alabama workers. Services worker levels, particularly in related and support industries, should also experience continued job opportunity growth. The Port of Mobile has recently announced plans for new construction activity.

East Alabama has witnessed intensified economic activity. Several manufacturers and services firms have relocated to the Auburn - Opelika East Alabama corridor. Plans are underway to greatly expand key West Alabama transportation arteries, opening the door for this underdeveloped region to experience higher levels of economic prosperity.

A good mix of businesses is the heart of economic stability. Such a blending of larger and smaller employers, of cutting edge, high tech and more functional, lesser skilled job opportunities, helps ensure that there will be sufficient labor market demand to suitably employ the full spectrum of labor force applicants.

Information-based, high technology service industries are pulling the Alabama economy, and that of the nation, into the next century. Perhaps the single most effective measure States may take to improve their prospects of attracting these new employers is the development of a highly trained, versatile work force, and effectively communicating that availability to potential employers and employees alike.

Clearly, Alabama today has the potential for a better tomorrow.

The Workforce Investment Partnership

Initial development of the Alabama Strategic Five-Year Workforce Investment Plan, precipitated by Congressional passage of the Workforce Investment Act (WIA) of 1998, began in November of 1998. The Governor designated the Alabama Department of Economic and Community Affairs' Workforce Development Division (ADECA/WDD) as principal inter-agency facilitator, charged with initial development of the organizational and administrative strategies required for fluid Statewide implementation of the WIA.

ADECA/WDD staff efforts to functionally integrate several employment and training, educational assistance, and career development, and other Federally-assisted programs under a single operational umbrella has had mixed results. Some progress has been achieved, yet much remains to be done. The organizational structures contained within the existing workforce development community are diverse.

The effective functional melding of several disparate agencies and their respective staffs into a uniformly-directed, cohesive umbrella organization is not a simple task, certainly not one that can be effected at the stroke of a pen. A necessary underpinning for success in such a venture is extensive inter-agency joint workforce development activity planning, workforce development activity development, and communications.

WIA Title I establishes guidelines for the provision of educational, job placement, skill training, and other workforce development resources to job seekers and employers alike through a network of "One-Stop" human resource centers. These "One-Stops" are to serve as gateways to a broad array of workforce development services and resources. Many of these services will be available at the "One-Stop" physical location. Greater convenience for the job seeker and employer "One-Stop" customers is the goal; that is, with the "One-Stop" system, job seekers and employers no longer must "run all over town" in order to obtain services.

WIA funds are allocated to "local areas" within the State; the "local areas", charged with administrative responsibility for the successful operation of WIA programs, in turn makes these funds available to local area "One-Stops."

Alabama currently has some 61 One-Stop Career Centers, including both comprehensive and satellite centers.

The State periodically evaluates "One-Stop" WIA program performance along specific WIA performance standards, provides WIA fund control services, and offers "One Stops" any appropriate technical assistance. Performance oversight may trigger the awarding of State incentive monies for outstanding achievement, or it may result in performance sanctions for a less exemplary showing.

The range of available WIA services is tailored to Adult (aged 22 years and over), Older Youth (aged 19 to 21 years), Younger Youth (aged 14 to 18 years), and Dislocated Worker (laid off, job lost due to plant closings) populations. There is greater focus on providing Adults, Older Youth, and Dislocated Workers with skills leading directly to employment. More attention is given to ensuring Younger Youth achievement of long - term educational milestones than to shorter - term employment opportunities.

Additional efforts are made to ease the transition of Dislocated Workers from unemployment to reemployment. These efforts include establishment of a Dislocated Worker “Rapid Response Team” which brings needed workforce development services directly to the affected dislocated workers, and further, advises these workers regarding other available workforce development services, insurance programs, and pension concerns.

Moreover, supplemental USDOL National Reserve Grant funding is regularly available to assist affected States in appropriately addressing specific worker dislocation events.

Workforce Investment Boards

Under the Workforce Investment Act, Workforce Investment Boards are responsible for the design, implementation, and ongoing operation of both state and substate WIA-funded workforce development programs and activities. The enabling legislation requires these Boards to satisfy fairly specific composition requirements, to the end that Board membership be reasonably representative of the various public and private sector principals actively engaged in local area workforce development.

Members of the State Board are appointed by the Governor; Local Board members are appointed by each local area's designated chief local elected official.

The State Board should be the hub of interagency workforce development coordination activities, seeking to promote the ongoing refinement of a cohesive, mutually reinforcing working relationship among the several workforce development partner agency "stakeholders". The State Board should look at the entire Statewide Workforce Development System from a broad policy point of view.

Local boards are to focus on the entire workforce development system within the local workforce investment area. When they spend more time and attention on one program, such as WIA title I, they may lose sight of the overall system they are charged to oversee.

State and Local Workforce Investment Boards provide the working forum for much of the Workforce Investment Act - mandated coordination described below.

State - Level Coordination

State-led efforts to coordinate Worker Investment Act (WIA) program activities with those of other State and human resource-related local organizations are traceable to a Memorandum of Understanding (MOU), Resource Sharing Agreements (RSAs), and specific joint service cooperative networks. The parties to these agreements are listed below. These agreements additionally provide for the periodic exchange of relevant information between these agencies, the Workforce Development Division, and other workforce development system “stakeholders”.

Industrial Relations	Alabama Development Office
- Unemployment Compensation	Mental Health & Retardation
- Employment Service	Commission on Aging
- Research and Statistics	Public Health
Alabama Department of Economic & Community Affairs	Alabama Dept. of Education (Secondary)
- Community Planning & Economic Development	- Vocational Education
Ala. Dept. of Veterans' Affairs	- Basic Education
USDOL Alabama Veterans' Office	Ala. Dept. of Rehab. Services
Human Resources (JOBS/Welfare)	Postsecondary Education
Alabama Cooperative Extension Service	- Three Regional Skill Centers and Career Link Centers
	- Instructional & Student Services (2-year colleges)

These agreements are structured according to “coordination criteria”, standards which assess whether appropriate steps have been taken to promote the desired level of communication and cooperation among the several entities involved in workforce development and related activities. The responsibility for ensuring that these systems work to achieve this desired coordination is jointly assumed by the above listed parties to these agreements.

The interagency activity coordination activities these agreements are expected to help achieve are:

- A continuous exchange of customer information among the following entities: the Jefferson County LWIA, the Mobile County LWIA, the Alabama LWIA, the Workforce Development Division, Employment Service/Unemployment Compensation/Labor Market Information Division workforce development system staff, Postsecondary Education, Adult Education, and the Alabama Department of Rehabilitation Services. This action ensures that participants' case managers will have the information they need in order to make the appropriate participant referrals to other available workforce development or other agency program services.

- Scheduled monitoring by Workforce Development Division staff of the progress of Workforce Investment Act program participants from their date of application through post program follow-up. This helps determine both the level and quality of the workforce development services provided to these individuals.
- Each Local area will take measures to ensure its service providers have resources adequate to ensure their ability to provide WIA program applicants and/or participants with information regarding the full complement of appropriate and available training, education, support, and other services to which they are entitled.
- Each Local Area shall establish appropriate linkages, where feasible, with programs operated under the following legislation.
 - the Adult Education Act.
 - the Carl D. Perkins Vocational and Applied Technology Education Act.
 - 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.

Alabama Career Center System

The primary medium for delivery of WIA Core/Intensive services to individuals eligible for and in need of these services is a comprehensive network of Alabama Career (One-Stop) Centers. These Centers are strategically located throughout the State. Local employers may direct inquiries to local centers regarding the availability of prospective workers/ Employers may also communicate to these centers their needs for workers with specific labor market skills.

The Career Center (One-Stop) network is comprised of thirty comprehensive centers, offering local area individuals and employers full One-Stop services, and thirty-one satellite one-stops. Employment service, unemployment compensation, vocational rehabilitation and other providers are actually collocated within twenty of the thirty comprehensive One-Stops. Where these providers are not collocated, they are either in close physical proximity and / or are linked electronically. The satellite One-Stops are not full service offices, but they have all employment services, job information, and services information found in the comprehensive One-Stop centers.

This network encompasses each of the State's three WIA local workforce investment areas.

Each of the comprehensive and satellite Career Centers has negotiated cooperative / resource sharing agreements for onsite service delivery with local WIA "stakeholder" agencies. Specifically, these "stakeholders" include the local employment service, human resources (TANF) agencies, Adult Education representatives, postsecondary education (two-year colleges), and vocational rehabilitation services.

The Alabama Career Center system (ACC) makes every effort to consolidate the delivery of intake, assessment, case management, occupational/educational training referrals, labor market information, job development, vocational rehabilitation, unemployment insurance information, veterans' programs, and other services presently offered the eligible public through various state agencies, into a single, localized, point of service delivery. Where such physical consolidation of local service delivery has not been possible, efforts are being made to expand interagency electronic participant/program data linkage services.

A central feature of Alabama Career Centers is the Resource Room, where job seekers and other Center users may enjoy ready access to computerized databases detailing locally available educational, occupational training, supportive services, and other potential assets. This information resource may also provide local employers detail regarding an available pool of prospective employees from which they may readily draw.

Individual job seekers may request Center referral to training services (individual training accounts), thereby gaining the opportunity to acquire specific occupational skills and abilities which, in turn, may facilitate their entry into their target career field. Employers, through the job orders they place, may identify to One Stop / Career Center staff the job skills they require both of their present employees and of potential new hires.

At most of the Alabama Career Centers, area employers are provided space where they may conduct interviews of potential employees.

Career Center case managers are available to provide whatever additional assistance job seekers and employers may require in order to better satisfy their workforce development needs.

ACC partner agencies' shared goal is furthering individual citizens' ability to directly access a wider variety of human resource\workforce development services assistance by "knocking on a single door". People should no longer have "to run all over town" to receive needed workforce development services.

Area employers, with growing confidence in the quality of the ACC output, i.e., trained, competent workers, will likely channel more and more of their recruitment activities through the ACC network, thereby providing WIA program exiters with a heightened breadth of employment opportunities.

The strategic location of ACCs throughout the State helps ensure broadened access of the general public to needed human resource services. The local governance of each ACC expedites the unique tailoring of local ACC service offerings to specific local workforce development needs. Further, the majority presence of private sector interests on local governance "workforce investment boards" enables human resource/workforce development service providers to "flavor" these offerings with the specific skills and abilities local employers perceive as most desirable in their prospective employees.

Ongoing development of the local ACC network should help further minimize services duplication/overlap among workforce development agency, in turn yielding a more efficient utilization of available federal, state, and local resources. Further, the ACC, through its comprehensive workforce development service delivery efforts and the broadened individual eligibility to receive those services, will be an ongoing, self-replenishing source of both proven and potential human resource talent.

The ACC, though smaller in size and staff than the several disparate agencies it succeeds, may well achieve delivery of human resource/workforce development services to a greater number of system users than did its predecessors, largely thanks to the synergy engendered through collocation. Monthly tracking reports indicate over **653,851** ACC / ACC Resource Room customer "hits" were recorded during the PY 2000 / FY 2001 reference period (July 1, 2000 - June 30, 2001).

School-to-Career Program

Since 1998, the School-to-Career (StC) program has grown to 29 working partnerships, providing program services to students in all sixty-seven Alabama counties. As of April, 2001, over \$17.9 million of StC activity initiation and development grant funds have been awarded to local StC partnerships.

StC seeks to facilitate the transition of graduating high school seniors into good-paying jobs, into vocational training, and / or into four-year colleges. Additionally StC seeks to broaden the StC services “umbrella” to address the job placement and skills training needs of high school dropouts and out-of-school youth.

As a result, students graduating from high school have a greatly expanded awareness of available career options and are therefore in a much better position to establish and ultimately realize their individual career goals. Parents have noted a marked improvement in their children ‘s attitudes toward work, in particular, and life, in general. Business leaders are encountering better trained job applicants - men and women ready to hit the ground running.

One of the several program expansion goals adopted by School-to-Career planners is achievement of progressively closer functional alignment between the twenty-nine School-to-Career services delivery network partners and the Workforce Investment Act One-Stop Career System.

The Alabama Career Information Network (ACIN) serves as both learning resource guide and “job bank” for the StC program. ACIN provides occupation and career information to youth, adults, planners, training programs, and economic development personnel. Additionally, the ACIN works to improve communication / coordination among system users, i.e., the several State workforce development agencies.

Passage of the Alabama School-to-Work Opportunity Act of 1994 facilitated the development of a statewide Youth Development System, designed to help provide youth emerging from Alabama’s secondary and postsecondary education system with the basic job skills demanded by employers across the State.

America's Service Locator/Toll-Free Help Line

The Department of Labor has developed a tool that citizens can use to obtain employment and labor market information. This initiative is called the America's Service Locator/Toll-Free Help Line (ASL/TFHL). State residents who have Internet access can readily learn where to obtain the work force development services they seek. State residents who do not have Internet access can obtain this services information through the America's Workforce Network Toll-Free Help Line.

The America's Service Locator (ASL) is a tool with the America's Career Kit (ACK). The ASL database is a wealth of information. ASL is an Internet resource designed to provide job seekers and employers with access to job, resume preparation, labor market, and training information. ASL is an Internet based "front door" for customers seeking service information about the nearest physical site (service provider) that delivers needed workforce development services. ASL also directs system users to proximate training sites; eventually, public transportation site access information will also be provided.

The Toll-Free Help Line provides basic information regarding available dislocated worker services, to include unemployment insurance claims procedures, employer WARN provisions, and local or regional adult / youth employment and training service providers. Additionally, Toll-Free Help Line operators provide callers with training providers' Internet addresses and needed assistance in accessing relevant federal and state web sites.

These services help ensure citizens have comprehensive awareness of available services, consistent with the principles of the Workforce Investment Act. Both AWN Toll-Free Help line and ASL will provide the necessary information to connect workforce development system customers to State and local services. This partnership affords users a reliable telephone or Internet connection to America's Workforce Network services information.

Workforce Investment Activity Resource Allocation

The State received \$40,094,934 in Federal WIA funds for the PY 2000 Program Year.

WIA Section 128(a)(1) authorizes the Governor to set aside up to 15 percent of available Youth, Adult, and Dislocated Worker WIA funds for the conduct of “Statewide Workforce Investment Activities”, which include a) State-level program administration, b) activities directly and indirectly supporting ongoing development and operation of the State’s “One-Stop” system, c) activities supporting the compilation and statewide dissemination of listings of eligible providers of WIA training services, d) evaluations of program development strategies which support continuous system improvement, e) the development of a Statewide fiscal management system, f) providing incentive grants to local areas which demonstrate superior program performance, and g) providing technical assistance to local areas which exhibit sub standard program performance.

Additionally, WIA Section 133(a)(2) authorizes the Governor to set aside up to twenty-five percent of the State’s Dislocated Worker program allotment for the conduct of Statewide Rapid Response services.

The State-level WIA Administration set aside is **five percent** of the Youth, Adult, and Dislocated Worker annual State allotments.

WIA funds set aside for other PY 2000 state-level activities are **seven percent** of WIA Adult, Youth, and Dislocated Worker allotments to the State. These “Other WIA Activities” may include, but are not limited to, One-Stop Coordination/Service Provider Support activities, State Programs (e.g., Incumbent Worker programs, Nontraditional Employment for Women programs), Individual Training Accounts funding, and Program Evaluations/Fiscal Management activities.

WIA funds set aside for Local Area Incentives and capacity building is, for PY 2000 programs, **three percent** of WIA Youth, Adult, and Dislocated Worker allotments to the State.

The Workforce Development Division withholds thirty-three percent of Youth/Adult/Dislocated Worker incentive funds for the provision of statewide capacity building activities and any required Local Area technical assistance.

The remainder is distributed to Local Areas as incentive awards. The amounts of these PY 2000 incentive awards were determined from local area final PY99 **Job Training Partnership Act** program performance.

The maximum allowable **twenty-five percent** of the State’s WIA Dislocated Worker allotment was set aside for the conduct of PY 2000 Rapid Response activities.

With the exception of **five percent** State-Level Administration, the funding percentages assigned Workforce Investment Activities are subject to annual review and adjustment.

PY 2000 WIA performance data indicates Alabama handily exceeded **thirteen** of fifteen PY 2000 program measures and **two** of two PY 2000 customer satisfaction measures. Specific PY 2000 WIA Adult, Dislocated Worker, Youth, and Customer Satisfaction performance goal vs. actual performance information is found in the Attachment A to this Annual Report.

Alabama PY 1996 - PY 2000 performance trend analysis charts, which are found in Annual Report Attachment B, depicts many PY 2000 WIA performance indicators exhibiting a generally upward turn, suggesting the measured effectiveness of the several Alabama Workforce Investment Act programs.

PY 2000 / FY 2001 Programs

Statewide Rapid Response Programs

- The ADECA Workforce Development Division serves as Alabama's Dislocated Worker Unit, the entity responsible for coordinating statewide WIA Dislocated Worker program services, to include the development of program policy and delivery of Rapid Response services.
- The Dislocated Worker Service Coordinating Agency Information Network is comprised of representatives from the:

- ADECA Workforce Development Division
- ADECA Community and Economic Development Division
- Department of Industrial Relations
- Alabama Development Office
- Department of Postsecondary Education
- Department of Human Resources
- Alabama Department of Public Health
- 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.

Network activities are closely coordinated with several Federal agencies, to include the U.S Department of Labor Employment and Training Administration, Pensions & Welfare Benefits Administration, Employment Standards Administration, the U.S. Bankruptcy Court, and with small business and organized labor representatives.

The Dislocated Worker Unit Rapid Response Team, consisting of ADECA/ Workforce Development Division and Department of Industrial Relations Dislocated Worker Specialists coordinates assistance to employers and workers affected by a dislocation event (i.e., substantial layoffs or plant closings). The Rapid Response Team is generally made aware of dislocation events through 60 day advance notifications submitted to the State Dislocated Worker Unit under requirements of the federal Worker Adjustment and Retraining Notification (WARN) Act. The Rapid Response Team may also provide assistance to employers and workers affected by dislocation events for which WARN notifications are not required, but which are expected to have a substantial impact on the local community. These dislocation events may come to the attention of Rapid Response Team staff through reports identified in the news media, contacts initiated by affected employers, union representatives, employees, various state and local service agencies, etc. Rapid Response Team efforts are closely coordinated with the activities of a wide network of agencies providing a variety of programs, services, and benefits of interest to dislocated workers.

During PY 2000, the State Dislocated Worker Unit Rapid Response Team worked numerous dislocation events. These actions were precipitated both by WARN Notice receipt and by notification of dislocation events through other independent sources.

- The mission of Rapid Response services is to encourage and facilitate the dislocated workers' awareness and utilization of a broad range of services and information available through a variety of Federal, State, and local sources. The primary objective is to ease the dislocated workers' transition from the trauma of job loss to a successful re-entry into today's workforce, maximizing each individual's potential.

Delivery of Rapid Response services is tailored to the unique circumstances of each individual dislocation event. On learning of an anticipated plant closing or substantial layoff, Rapid Response Team staff schedule on-site meetings with company management and labor representatives to discuss available assistance options. After consultation with staff representing one or more Dislocated Worker Service Agency Network partners, joint employee - local service agency meetings are usually organized at the local employer's worksite. Where necessary, meetings may be held at union halls or other local area community centers.

During these meetings, affected workers are provided a detailed orientation concerning such issues as availability of subsidized retraining options, unemployment compensation benefits, job search and placement services, interviewing techniques, health insurance continuance, pension benefits, credit counseling, and entrepreneurial assistance.

Employers of workers receiving Rapid Response services benefit from increased employee retention and improved employee morale. Workers benefit by receiving timely information enabling them to make more informed choices regarding their personal strategies for handling job loss and the necessary preparations for new careers.

- The following is a percentage breakout, by industry, of the number of workers affected at plant closings and/or layoffs where the Rapid Response Team provided assistance during PY 2000 / FY 2001:

Manufacturing (Apparel/Textile)	14%
Manufacturing (Other)	41%
Services	16%
Other	29%
 Total	 100%

- Rapid Response records indicate approximately 14,778 workers throughout the State were reportedly impacted by plant closings and/or mass layoffs worked by the Rapid Response Team during PY 2000 / FY 2001.

Eligible Training Provider Listing

In order to ensure that local one-stops had access to a computerized Eligible Training Provider Listing at the start of the initial implementation of WIA, the Workforce Development Division (WDD) utilized an existing system already being maintained by another state agency. The existing system had been developed by a computer consulting firm under a contract with the Alabama Department of Industrial Relations (DIR), a participating agency in the one-stop system. The system was initially developed to gather labor market information. The WDD worked with DIR and the contractor to adapt the system so that it could also provide information about eligible training providers within the WIA system. Although many problems have been overcome since the initial implementation of the system, some problems are still being addressed. WDD is seeking guidance from the Department of Labor how to deal with several issues, including the certification of four-year colleges, gathering and reporting of performance information, re-certification of providers, and certification of out-of-state providers. Alabama Career Center staff have been trained in the use of the Eligible Training Provider listing.

Incumbent Worker Program

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

Incumbent workers are currently-employed workers whose employers have determined that the workers require training in order to help keep their business competitive and the subject workers employed, avoid layoffs, upgrade workers' skills, increase wages earned by employees, and/or keep workers' skills competitive. This training must support further job retention and career development for improved economic self-sufficiency for employed workers, especially those most vulnerable to job loss, and increase the capability of the employing business to access and retain skilled workers.

The WDD implemented a statewide incumbent worker program in January 2001. So far this year, more than \$200,000 in incumbent worker funding has been allocated for various employer training programs. The program has enjoyed moderate success. Information on the Incumbent Worker Training Program, including an employer application to express interest in the program, is available through the Alabama Career Centers. WDD plans to become more aggressive in marketing this program to employers in the coming months.

Jobs for Alabama Graduates

The Jobs for Alabama Graduates (JAG) program provides WIA - eligible high school seniors with in-school vocational awareness exposure, occupational / vocational training, job readiness skills, basic educational skill reinforcement, and life planning learning opportunities. The JAG experience greatly eases the some times difficult transition into the world of work.

Adult / Dislocated Worker Program Services

The Individual Training Account (ITA).

The Individual Training Account (ITA) is a primary WIA training services delivery medium. ITAs, issued to WIA - eligible Adults and/or Dislocated Workers who have already received WIA Core and Intensive services without attaining employment, are specific contracts with WIA-approved training services providers for the extension of educational or occupational skill learning services to the designated WIA participant.

Education and/or occupational training service providers must apply for and meet specific performance criteria in order to initially attain and subsequently retain WIA training provider status (see Eligible Training Service Provider List discussion).

Postsecondary institutions offering instruction leading to generally recognized certification in high-demand occupational skill areas, and other similar institutions providing vocational instruction, are among the training institutions which may apply for inclusion of the State List of eligible ITA service providers.

On-the-Job Training

These are contracts for the partially-subsidized hiring of WIA participants by area employers. Up to fifty percent of the costs of these participants' wages is reimbursed the hiring employers as compensation for the extraordinary costs to employers of additional time and attention given to the training of the subsidized employees, and in recognition of the generally lower levels of productivity of these workers. A training period is negotiated with the employer.

Incumbent Worker Training

Specialized skills training provided in order to upgrade existing employee skills or provide these employees entirely new occupational skills. The employer pays at least fifty percent of these training costs. Further, the employer agrees to retain and promote or raise the pay of the customized training participants upon successful completion of training.

Stand - Alone Classroom Training (offered in sparsely populated areas only)

Classroom instruction in areas such as truck driving, computer technology, automobile mechanics, welding, and child care provided WIA - eligible adults / dislocated workers residing in sparsely - populated area of the State, i.e., areas characterized by limited availability of appropriate ITA service providers.

Youth Program Services

Younger Youth (14 - 18)

PY 2000 Younger Youth program offerings were consistent with Section 129(c)(2) requirements.

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 these services. Participants are provided intermediate- to longer-term career planning services.

Basic Educational Skills Reinforcement

Class room instruction provided to both in - school and out - of - school youth aimed at reinforcing basic skills learning. Out - of - school youth provided Graduation Equivalency Degree (GED) examination preparation; in - school youth educational assistance is provided to encourage them 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

A PY 2000 summer program / work experience program for younger youth was conducted. These experiences often afford valuable learning experiences regarding individual work place responsibilities and employer expectations.

Older Youth (19 - 21)

Academic / Basic Skills Reinforcement

Older youth are provided supplemental academic exposure needed to foster their achievement of basic academic skills, up to and including provision of learning skills leading to G.E.D. certification.

Individual Referral Services

Enrollment in area vocational or two - year college occupational skill training classes. Training is generally restricted to vocational / occupational fields with strong local labor market demand. Individual Referral training participants provided necessary supportive services to encourage their remaining in training program, and receive job placement assistance upon completion of training / occupational skills certification.

WIA Section 136(e) Process Evaluations

Alabama is currently laying the groundwork for an ongoing, systematic approach to WIA process evaluation, the central goal of this effort is initially to identify which WIA Adult, Dislocated Worker, and / or Youth program services are most effective in spurring individual participant achievement of his or her workforce development goals.

Further, these evaluations will seek to identify which WIA service or services seems most effective for the several identifiable demographic segments within each broader category of WIA participants - Adult, Dislocated Workers, and Youth.

Statistical methods employed to identify significant differences in positive program outcomes for the several WIA client segments served, and by distinct service providers, include Chi-Square tests for statistical independence and t-tests or analyses of variance for differences of means, although additional evaluation methods may also be employed.

A constraining factor inhibiting the timely execution of the several projected Alabama WIA process evaluations is the limited availability of actual, or real time, WIA program data. In order for these Evaluations to have the greatest relevance to existing and future Alabama WIA programs, it is felt the studies must utilize actual WIA program outcome data, rather than available, but not wholly comparable, similar JTPA numbers.

We therefore outline below the design of projected Alabama WIA process evaluations, including potential program design inferences which may be drawn from evaluation findings. The actual study results will be available for review upon request at a later date.

- Independent examinations of the respective placement (retention) efficiency of PY 2000 WIA Adult and Dislocated Worker programs. Both the proportion of Adult or Dislocated Worker “Core/Intensive Services” participants who are employed at the first (third) quarter following exit and the proportion of Adult or Dislocated Worker “Training Services” participants who are employed at the first (third) quarter following exit are contrasted against the proportion of all Adult or Dislocated Worker participants who are employed at the first (third) quarter following program exit.

Chi-square tests are applied to evaluation data in order to establish whether any apparent divergence between the placement (retention) performance of WIA Adult and Dislocated Worker “Core/Intensive Services” participants or “Training Services” participants and the pooled placement (retention) performance of both the Adult and the Dislocated Worker programs should be considered statistically significant.

An indication of *significantly* greater Adult / Dislocated Worker “Core/Intensive Services ” or “Training Services” placement (retention) efficiency may trigger further investigation into any causal factors potentially driving these differences. Where appropriate, apparent strengths specific to one program may be more broadly applied.

Similar Evaluation studies will be applied to PY 2000 WIA Older Youth programs.

- Independent examinations of the respective placement (retention) efficiency of the specific modes of service delivery within PY 2000 WIA Adult and Dislocated Worker training programs. The proportion of Adult / Dislocated Worker participants exiting from individual training account (ITA), on-the-job training / customized training (OJT/CT), and overall training services who are employed at the first (third) quarter following exit is contrasted against the proportion of the **combined** Adult and Dislocated Worker participants exiting from individual training account (ITA), on-the-job training / customized training (OJT/CT), and overall training services who are employed at the first (third) quarter following program exit.

Again, chi-square tests are applied to evaluation table data to establish whether any apparent divergence between the WIA participant placement (retention) performance of a particular Adult or Dislocated Worker program training services delivery mode and the overall placement (retention) efficiency of that Adult or Dislocated Worker training services program should be considered statistically significant.

An indication of *significant* differences between Adult / Dislocated Worker “ITA ” or “OJT/CT” program placement (retention) efficiency and overall Adult / Dislocated Worker program placement (retention) efficiency may trigger further investigation into any causal factors potentially driving these differences. Where such differences are found to exist, it is useful to attempt to identify any underlying factors behind these differences, and to further determine whether such factors may be applied to the design and implementation of other WIA training services programs.

State-level evaluation studies already conducted include 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 2000 civilian labor force, unemployment, unemployment insurance exhaustees, unemployment insurance beneficiaries, and mass layoff data, and contrasting these plotted trends at the sub - local area and inter - local area level.

An objective of this exercise was the potential triggering of efforts to hypothesize regarding local, regional, or State-level economic or demographic circumstances which might help explain any directional trend in local area - level or sub - local area - level economic indicators. There may or may not be potential for WIA program design innovations directly resulting from this and other evaluation study efforts.

Specifics regarding this evaluation study are available upon request.

Outlook

Alabama has achieved some progress in meeting the basic goal workforce development goals of empowering our citizens to further their individual employment and earnings potential. The State Employment Service has received national honors for its high job placement rates, the WIA local areas / JTPA service delivery areas have consistently exceeded their respective employment and earnings performance standards, and the State's welfare rolls have declined dramatically in recent years. The effects of recent events are yet to be fully realized.

While unemployment rates in the State are very low, the incidence of **underemployment**, as suggested by earnings below the regional average for many of our citizens, is likely unacceptably high. There are jobs, but the future earnings and promotional potential of too many of these jobs is limited. The State's illiteracy rate is astounding - by some estimates, on the order of twenty-five percent. Too many of our citizens still live in poverty, and have little real hope of ever rising far above their economic circumstance.

There is clearly a need to better educate our people, to provide reasonably comprehensive basic skill learning opportunities, to encourage high school completion, and to provide solid post - high school vocational training opportunities. The building of a better educated and more highly-skilled Alabama work force will encourage more employers to set up business within the State, providing more and better individual employment / earning opportunities.

The task before us is formidable, but Alabama has the tools to get the job done.

The emerging Alabama Career Center network, and actively participating State employers, provide a fertile learning ground for those who seek job skills, useful direction for those prospective workers who only require minimal help to successfully enter the workforce, and direct placement assistance for those who are "job ready".

The fundamental goal of WIA is to better enable individuals to maximize their individual employment and earning opportunities. Successful Statewide WIA implementation will help boost Alabama toward achievement of this goal.

PY 2000 WIA Program Performance Summary

Adults Program

	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	63.27%	66.12%	810
			1225
Employment Retention Rate	81.59%	78.91%	857
			1086
Earnings Change in Six Months	\$2,593.48	\$3,391.25	\$2,974,124.09
			877
Employment and Credential Rate	45.00%	72.33%	460
			636

Dislocated Workers Program

	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	62.00%	71.79%	883
			1230
Employment Retention Rate	80.00%	87.76%	989
			1127
Earnings Replacement in Six Months	103.98%	111.13%	\$9,225,181.59
			\$8,290,297.23
Employment and Credential Rate	45.00%	56.05%	584
			1042

Older Youth Program

	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	66.05%	70.65%	219
			310
Employment Retention Rate	76.88%	75.27%	210
			279
Earnings Change in Six Months	\$2,000.45	\$2,940.65	\$617,536.10
			210
Credential Rate	37.78%	58.06%	180
			310

Younger Youth Programs

	Negotiated Performance Level	Actual Performance Level	
Skill Attainment Rate	60.01%	72.98%	659
			903
Diploma or Equivalent Attainment Rate	40.00%	60.64%	114
			190
Retention Rate	47.78%	53.40%	228
			427

Local Area Performance Summary:	Total Participants Served	Adults	2880
		Dislocated Workers	3612
Older Youth		303	
Younger Youth		1247	
Alabama Workforce Investment Area	Total Exitters	Adults	904
ETA Assigned Number:		Dislocated Workers	829
		Older Youth	53
		Younger Youth	154
		01015	
			Negotiated Performance Level
Customer Satisfaction	Program Participants	68	76.85
	Employers	66	92.04
Entered Employment Rate	Adults	64.20%	66.46%
	Dislocated Workers	63.12%	72.47%
	Older Youth	67.53%	69.75%
Retention Rate	Adults	81.38%	79.26%
	Dislocated Workers	78.85%	86.62%
	Older Youth	78.41%	76.38%
	Younger Youth	57.43%	60.70%
Earnings Change/Replacement in Six Months	Adults	\$2,525.30	\$3,362.04
	Dislocated Workers	113.22%	114.78%
	Older Youth	\$2,108.95	\$2,962.63
Credential/Diploma Rate	Adults	45.00%	71.14%
	Dislocated Workers	45.00%	55.85%
	Older Youth	33.89%	58.72%
	Younger Youth	40.00%	79.72%
Skill Attainment Rate	Younger Youth	55.78%	72.62%
Overall Status of Local Performance		Not Met	Met
			Exceeded
			X

Local Area Performance Summary:	Total Participants Served	Adults	117	
		Dislocated Workers	72	
Older Youth		14		
Younger Youth		14		
Jefferson County Workforce Investment Area	Total Exitters	Adults	11	
ETA Assigned Number:		Dislocated Workers	10	
01005		Older Youth	2	
		Younger Youth	0	
		Negotiated Performance Level	Actual Performance Level	
Customer Satisfaction	Program Participants		68	93.33
	Employers		66	70.24
Entered Employment Rate	Adults		71.11%	70.67%
	Dislocated Workers		69.28%	81.67%
	Older Youth		58.57%	80.00%
Retention Rate	Adults		90.20%	83.82%
	Dislocated Workers		88.14%	89.83%
	Older Youth		72.60%	25.00%
	Younger Youth		5.00%	38.73%
Earnings Change/Replacement in Six Months	Adults		\$3,396.84	\$3,710.42
	Dislocated Workers		98.56%	136.97%
	Older Youth		\$1,928.87	\$7,959.64
Credential/Diploma Rate	Adults		45.00%	85.71%
	Dislocated Workers		45.00%	44.64%
	Older Youth		37.40%	40.00%
	Younger Youth		40.00%	
Skill Attainment Rate	Younger Youth		71.48%	100.00%
Overall Status of Local Performance		Not Met	Met	Exceeded
			X	

Local Area Performance Summary:	Total Participants Served	Adults	125	
		Dislocated Workers	173	
Older Youth		39		
Younger Youth		282		
Mobile County Workforce Investment Area	Total Exitters	Adults	5	
ETA Assigned Number:		Dislocated Workers	4	
01010		Older Youth	10	
		Younger Youth	41	
		Negotiated Performance Level	Actual Performance Level	
Customer Satisfaction	Program Participants		68	79.26
	Employers		66	90.48
Entered Employment Rate	Adults		52.97%	62.36%
	Dislocated Workers		58.36%	70.18%
	Older Youth		61.50%	79.17%
Retention Rate	Adults		75.85%	74.05%
	Dislocated Workers		76.53%	92.50%
	Older Youth		68.33%	71.43%
	Younger Youth		45.79%	
Earnings Change/Replacement in Six Months	Adults		\$2,407.13	\$3,407.48
	Dislocated Workers		93.86%	176.74%
	Older Youth		\$1,227.24	\$2,321.80
Credential/Diploma Rate	Adults		45.00%	78.87%
	Dislocated Workers		45.00%	61.40%
	Older Youth		76.50%	54.17%
	Younger Youth		40.00%	0.00%
Skill Attainment Rate	Younger Youth		67.33%	73.29%
Overall Status of Local Performance		Not Met	Met	Exceeded
				X

Three Local Area Summary:	Total Participants Served	Total Exiters
Adults	3,122	920
Dislocated Workers	3,857	843
Older Youth	356	65
Younger Youth	1,543	195

PY 2000 WIA Customer Satisfaction (4th quarter - cumm.)

Customer Satisfaction	Negotiated Performance Level	Actual Performance Level (ACSI)	Number of Customers Surveyed	Number of Completed Surveys	Number of Customers Eligible for the Survey
Program Participants	68	77.21	931	340	1,259
Employers	66	89.38	291	250	291

PY 2000 Other Required Information

	12 Month Employment Retention Rate		12 Month Earnings Change / Replacement		Placements in Nontraditional Employment		Wages at Entry into Employment		Training Services-Related Placement Rate	
	INA	NUM DEN	INA	NUM DEN						
Adults	INA	NUM	INA	NUM	16.8%	94		NUM	43.1%	349
		DEN		DEN		560		DEN		810
Dislocated Workers	INA	NUM	INA	NUM	17.0%	74	\$18,676	\$11,168,066	43.1%	261
		DEN		DEN		436		598		605
Older Youth	INA	NUM	INA	NUM	17.0%	26		NUM	43.4%	95
		DEN		DEN		153		DEN		219

PY 2000 Special Populations Outcomes Summary

Adults Program

	Public Assistance Recipients		Veterans		Individuals with Disabilities		Older Individuals	
Entered Employment Rate	76.09%	35	66.04%	35	INA	NUM	INA	NUM
		46		53		DEN		DEN
Employment Retention Rate	80.55%	29	82.69%	43	INA	NUM	INA	NUM
		36		52		DEN		DEN
Earnings Change in Six Months	\$2,373	\$64,066.31	\$4,079	\$175,421.86	INA	NUM	INA	NUM
		27		43		DEN		DEN
Employment and Credential Rate	100.0%	14	100.0%	26	INA	NUM	INA	NUM
		14		26		DEN		DEN

Dislocated Workers

Reported Information	Displaced Homemakers		Veterans		Individuals With Disabilities		Older Individuals	
Entered Employment Rate	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN
Employment Retention Rate	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN
Earnings Replacement Rate	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN
Employment and Credential Rate	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN

Older Youth Program

Reported Information	Public Assistance Recipients		Veterans		Individuals With Disabilities		Out-of-School Youth	
Entered Employment Rate	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN
Employment Retention Rate	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN
Earnings Change in Six Months	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN
Credential Rate	INA	NUM	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN		DEN

Younger Youth Programs

Reported Information	Public Assistance Recipients		Individuals With Disabilities		Out-of-School Youth	
Skill Attainment Rate	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN
Diploma or Equivalent Attainment Rate	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN
Retention Rate	INA	NUM	INA	NUM	INA	NUM
		DEN		DEN		DEN

PY 2000 WIA Other Outcome Information Summary

Adults Program

Reported Information	Individuals Who Receive Training Services		Individuals Who Receive Only Core and Intensive Services	
Entered Employment Rate	INA	NUM	INA	NUM
		DEN		DEN
Employment Retention Rate	INA	NUM	INA	NUM
		DEN		DEN
Earnings Change in Six Months	INA	NUM	INA	NUM
		DEN		DEN
Employment and Credential Rate	INA	NUM	INA	NUM
		DEN		DEN

Dislocated Workers Program

Reported Information	Individuals Who Receive Training Services		Individuals Who Receive Only Core and Intensive Services	
Entered Employment Rate	INA	NUM	INA	NUM
		DEN		DEN
Employment Retention Rate	INA	NUM	INA	NUM
		DEN		DEN
Earnings Replacement Rate	INA	NUM	INA	NUM
		DEN		DEN
Employment and Credential Rate	INA	NUM	INA	NUM
		DEN		DEN

WIA Costs Relative to Effectiveness

PY 2000 WIA 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...."

WIA "costs" and their attendant WIA "effectiveness" must be viewed separately. Under the existing WIA information gathering structure, the State 15% Activity, Rapid Response, Adult, Dislocated Worker, and Youth "costs" included both in WIA Quarterly Reports and in this Annual Report are "real time" - those **actually incurred** over the reference period, i.e., July 1, 2000 - June 30, 2001. On the other hand, the most tangible measures of WIA "effects", participant outcomes, are based upon lagged U.I. Wage record data, and are therefore do not "line up" with corresponding cost figures.

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

This Report does indicate, at "PY 2000/FY 2001 Programs", the several State- and local area-level WIA participant programs operated during PY 2000. The Report further details, at "PY 2000 Cost of Program Activities", outlays of Federal funds made in support of these several programs. The application of Cost/Effect analytical constructs to these "mismatched" data fields would not be appropriate.

A limited, independent examination of PY 2000 WIA expenditures relative to fund availability, utilizing allocation and expenditure data provided within this Report, may however, be relevant.

PY/FY 2000/01 WIA Fund Usage

	PY/FY2000/01 Allocation	PY/FY2000/01 Expenditures	Usage Ratio
State Rapid Response	\$3,084,449	\$2,132,427	69.13%
Local Area Dislocated Worker	\$7,402,676	\$6,499,397	87.80%
Local Area Adult	\$11,560,711	\$8,013,414	69.32%
Local Area Youth	\$11,956,358	\$4,251,192	35.56%

The highest PY/FY 2000/01 WIA fund Usage Ratio, as indicated above, is in the Dislocated Worker category. The lowest Usage Ratio is in the Youth category.

These findings are consistent with the general PY/FY 2000/01 WIA program experience in Alabama. Our State, along with much of the nation, continues to be plagued by mass layoffs and plant closures. All available Dislocated Worker dollars, along with Rapid Response funds, are directly applied to the provision of needed WIA services for those affected by these lay offs.

The Alabama Dislocated Worker program continues to spearhead WIA programs and activities conducted within our State.

The above WIA Fund Usage table correctly depicts a low fund usage rate for PY/FY 2000/01 Youth programs, reflecting the difficulties experienced Statewide in connection with PY 2000 Youth program start-up.

The legislation prescribes that the majority of local area WIA Youth activity planning and execution is to emanate from local Youth Councils; however, one or more of these Councils were not entirely functional until late in the Program Year. After appointment, the Youth Councils solicited proposals, prescribed response times, then received and rated proposals. After this, selections were made and the contracting process began. This process covered an extended period of time. Consequently, fewer local area WIA Youth programs were operated during PY 2000 than might otherwise have been the case. This situation of fewer available programs, in turn triggering lower program expenditure rates, was more prevalent with regard to 14-18 year old Younger Youth activities.

These particular hindrances to WIA Youth activity program planning and execution have largely been resolved for PY 2001 programs. Youth Councils have been established for each of Alabama's three WIA local areas.

Additionally, the above PY/FY 2000/01 expenditures by Adult, Dislocated Worker, and Youth categories may be contrasted against the "real time" number of Adult and Dislocated Worker participants entering employment and Youth program exiters achieving employment, skill attainment, or high school diplomas. This participant placement data is not gleaned from U.I. Wage records, but rather from Alabama Career Center participant case worker reports.

	PY/FY2001/00/99/98 Expenditures	PY/FY2001/00 Positive Program Exits	Expenditures per Positive Program Exit
Local Area Adult	\$9,318,439	953	\$9,778
Local Area Dislocated Worker	\$7,530,784	862	\$8,736
State / Local Area Youth	\$4,484,982 *	859 *	\$5,221
Total	\$21,334,205	2,674	\$7,978

* - Includes State-Level Youth Program Expenditures / Youth Program Participants

This expanded analysis suggests that PY 2000 WIA Youth programs, despite their start-up difficulties, achieved a cost efficiency record superior to that of the PY 2000 Adult and Dislocated Worker 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 2000.

Participant Characteristics

CHARACTERISTICS	ADULTS	DISLOC. WORKERS	YOUTH		TOTAL
			14 - 18	19 - 21	
Female	2,159	2,777	1,074	248	6,258
Male	963	1,080	469	108	2,620
White	1,495	2,777	658	152	5,082
Black	1,600	1,036	871	203	3,710
Hispanic	14	15	10	1	40
Other	13	29	4	0	46
14 - 18	0	0	1,543	0	1,543
19 - 21	0	96	0	356	356
22 - 54	3,040	3,462	0	0	6,502
55 and Over	82	299	0	0	381
Welfare Recipient	177	68	90	21	356
U.I. Claimant	339	2,040	32	8	2,419
Disabled	406	162	88	20	676
Offender	559	319	151	34	1,063
Basic Skills Deficient	2,359	2,468	1,255	289	6,371
Veteran	200	205	5	0	410
Displaced Homemaker	5	13	0	0	18
Dropout	944	519	801	185	2,449
High School Graduate	1,676	2,549	573	132	4,930
Total Participants	3,122	3,857	1,543	356	8,878
Total Exiters	920	843	195	65	2,023

FY 2001 Cost of Program Activities

Program Activity	Total Federal Spending	
Local Adults	\$5,871,110	
Local Dislocated Workers	\$4,239,690	
Local Youth	\$0	
Local Administration	\$441,172	
Rapid Response (up to 25%) Sec. 134(a)(2)(A)	\$1,798,952	
Statewide Required Activities (up to 15%) Sec. 134 (a)(2)(B)	\$922,484	
Statewide Allowable Activities Sec. 134(a)(3)		
	State Administration	\$0
	Statewide Capacity Building	\$120,255
	Local Area Incentive Awards	\$36,903
	Assessment/Case Mangement	\$372,189
	Supportive Services	\$145,495
	In-House Staff Program Costs	\$247,642
Total of All Federal Spending Listed Above	\$13,273,408	

PY 2000 Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		\$2,142,304
Local Dislocated Workers		\$2,259,707
Local Youth		\$4,251,192
Local Administration		\$1,563,536
Rapid Response (up to 25%) Sec. 134(a)(2)(A)		\$333,475
Statewide Required Activities (up to 15%) Sec. 134 (a)(2)(B)		\$1,995,161
Statewide Allowable Activities Sec. 134(a)(3)		
	State Administration	\$885,769
	Statewide Capacity Building	\$128,444
	Local Area Incentive Awards	\$87,808
	Jobs for Alabama Graduates Pgrm.	\$233,790
	Ind. Training Accounts - Disc. Wkrs.	\$338,995
	Supportive Services	\$166,470
	In-House Staff Program Cost	\$82,371
	Miscellaneous	\$71,514
Total of All Federal Spending Listed Above		\$12,545,375

PY 1999 Cost of Program Activities

Program Activity	Total Federal Spending	
Local Adults	\$1,278,685	
Local Dislocated Workers	\$1,031,387	
Local Youth	\$0	
Local Administration	\$464,194	
Rapid Response (up to 25%) Sec. 134(a)(2)(A)	\$0	
Statewide Required Activities (up to 15%) Sec. 134 (a)(2)(B)	\$387,283	
Statewide Allowable Activities Sec. 134(a)(3)		
	State Administration	\$0
	Statewide Capacity Building	\$0
	Local Area Incentive Awards	\$376,221
	Miscellaneous	\$11,062
Total of All Federal Spending Listed Above	\$3,161,549	

PY 1998 Cost of Program Activities

Program Activity	Total Federal Spending	
Local Adults	\$26,340	
Local Dislocated Workers	\$0	
Local Youth	\$0	
Local Administration	\$2,927	
Rapid Response (up to 25%) Sec. 134(a)(2)(A)	\$0	
Statewide Required Activities (up to 15%) Sec. 134 (a)(2)(B)	\$0	
Statewide Allowable Activities Sec. 134(a)(3)		
	State Administration	\$0
	Statewide Capacity Building	\$0
	Local Area Incentive Awards	\$0
Total of All Federal Spending Listed Above	\$29,267	

Success Stories

- A Birmingham man turned his life around with the vocational counseling and job search assistance he obtained through enrollment in a Jefferson County WIA direct placement program closely aligned with the Jefferson County Employment Service.

The principle barrier to Christopher's finding a new career had been low self confidence. He felt he just wasn't qualified to do anything worth while. He had never held a job for more than a few months at a time. He felt he was a failure.

WIA staff provided Christopher training which equipped him with the knowledge and skills to obtain stable, long - term employment at a solid wage, and with the opportunity for future advancement. Today, he is employed as a packager with a manufacturing firm. His supervisors speak well of Christopher, commending his punctuality, productivity, and attitude.

- A single mother of two successfully overcame numerous obstacles in launching her path to a better life. Realizing the vocational limitations that accompanied having neither a high school diploma nor a GED, she contacted a Jefferson County WIA case manager, who referred her to WIA pre-employment training classes for training to sharpen her job readiness skills.

Having expressed interest to her case manager in clerical training, she was directed to Windows/Office Skills training upon mastering her pre-employment skills. She successfully completed this additional training, and found employment as a Patient Accounts Representative with a local hospital. Today she enjoys greater security, individual confidence, and self esteem. She now knows that she can do the job, and do it well.

- A welfare mother with experience in the housekeeping, child care, and food preparation industries sought a new and better career opportunity for herself and for her children. The realization of her dream was sparked by a job readiness / job search workshop conducted by the Mobile Welfare-to-Work program. She enrolled in this workshop, armed only with the determination to find employment enabling her to better provide for herself and her family.

Her determination paid off. She won employment as a Steward with an up-scale downtown Mobile hotel. She reports to her former job shop classmates that she loves her new position and her new financial independence. Not only does she no longer draw a TANF check, but is now eligible for corporate benefits - including membership in her new company's health insurance plan.

- For this third generation welfare mother teen age mother and former high school drop out, with no high school credentials and with no meaningful work history, future prospects seemed bleak indeed. She had little interest in seeking better living conditions for herself or for her children.

Despite this reputed indifference, her case worker saw in her unrealized potential. She was placed in an OJT slot and matched with a Job Coach. After experiencing initial learning difficulties, she was counseled by the case worker regarding proper job and job performance attitudes, as well as provided self help strategies designed to minimize her perceived learning difficulties.

The combination of case worker involvement and the welfare mother's emerging determination paid off. She was brought on as a regular employee following expiration of the OJT, and she has since done well. Today, this former welfare mother is becoming increasingly self reliant and productive. She has shown herself and her children there is much more to life than continued "welfare" dependence.

- A learning disabled mother of four found her job search efforts complicated by the growing stresses of her everyday life. Lack of dependable transportation, inadequate available child care, limited job skills, and abuse suffered at the hands of her former husband further muddled her prospects for a better life.

Rather than 'throw in the towel', she enrolled in the Department of Human Resources' JOBS (Job Opportunities and Basic Skills) job preparatory program. She successfully completed each assigned learning phase, with primary focus on acquiring Clerical Aide skills. Her hard work was rewarded with a Montgomery County DHR office temporary Clerical Aide posting; her subsequent job performance was more than sufficient to earn her permanent employee status.

Her career programming efforts are not yet done. She is attending Social Work certification classes during the evenings to broaden her future employment prospects, and is looking into the used car market to help ensure these prospects are not impeded by transportation constraints.

Attachments

- A) Local Area WIA Planning Allocation for PY 2000/ FY 2001*
- B) State - Level PY00 Performance Incentive Analysis (7/1/00 - 6/30/01)*
- C) State - Level Adult, Dislocated Worker, Youth Program Performance Trends:
PY96 - PY00 Performance Indicator Line Charts*

ATTACHMENT 1

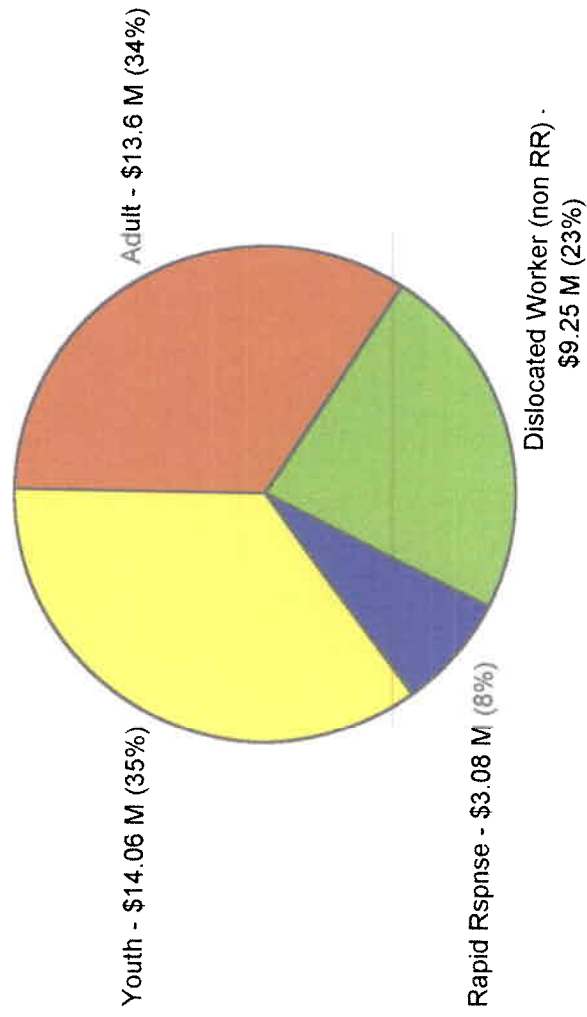
**A) LOCAL AREA PLANNING ALLOCATION
FOR PROGRAM YEAR 2000
(July 1, 2000-June 30, 2001)**

	PY 2000 Allotment	FY 2001 Allotment	Full PY Allotment
1 SEC. 133(b)(2)(A) ADULT PROGRAMS			
a. GOVERNOR'S 15% SET ASIDES:			
Administration (5%)	\$170,368	\$509,674	\$680,042
Other WIA Activities (7%)	\$238,516	\$713,543	\$952,059
Incentives (3%)	\$102,221	\$305,804	\$408,025
Local Area awards (67%)	\$68,488	\$204,889	\$273,377
Capacity Building/T.A. (33%)	\$33,733	\$100,915	\$134,648
b. LOCAL AREA ADULT PROGRAMS (85%)	\$2,896,263	\$8,664,448	\$11,560,711
AWIA			
Jefferson	\$2,376,695	\$7,110,111	\$9,486,806
Mobile	\$182,999	\$547,459	\$730,458
	\$336,569	\$1,006,878	\$1,343,447
2 SEC. 128(b)(2) YOUTH ALLOTMENT			
a. GOVERNOR'S 15% SET ASIDES:			
Administration (5%)	\$703,315	\$0	\$703,315
Other WIA Activities (7%)	\$984,641	\$0	\$984,641
Incentives (3%)	\$421,989	\$0	\$421,989
Local Area awards (67%)	\$282,733	\$0	\$282,733
Capacity Building/T.A. (33%)	\$139,256	\$0	\$139,256
b. LOCAL AREA YOUTH PROGRAMS (85%)	\$11,956,358	\$0	\$11,956,358
AWIA			
Jefferson	\$9,811,719	\$0	\$9,811,719
Mobile	\$755,457	\$0	\$755,457
	\$1,389,182	\$0	\$1,389,182

ATTACHMENT 1 (con't.)

	PY 2000 Allotment	FY 2001 Allotment	Full PY/FY Allotment
3 SEC. 133(b)(2)(B) DISLOCATED WORKER PROGRAMS	\$4,095,905	\$8,241,889	\$12,337,794
a. RAPID RESPONSE PROGRAMS	\$1,023,976	\$2,060,473	\$3,084,449
b. GOVERNOR'S 15% SET ASIDES:	\$614,386	\$1,236,283	\$1,850,669
Administration (5%)	\$204,795	\$412,094	\$616,889
Other WIA Activities (7%)	\$286,714	\$576,932	\$863,646
Incentives (3%)	\$122,877	\$247,257	\$370,134
Local Area awards (67%)	\$82,328	\$165,662	\$247,990
Capacity Building/T.A. (33%)	\$40,549	\$81,595	\$122,144
c. LOCAL AREA PROGRAMS (60%)	\$2,457,543	\$4,945,133	\$7,402,676
AWIA	\$2,168,519	\$4,363,552	\$6,532,071
Jefferson	\$156,754	\$315,424	\$472,178
Mobile	\$132,270	\$266,157	\$398,427
4 TOTAL PROGRAM YEAR 2000 ALLOTMENT	\$21,569,576	\$18,435,358	\$40,004,934
5 POOLED SET ASIDES			
Rapid Response (25%)	\$1,023,976	\$2,060,473	\$3,084,449
Administration (5%)	\$1,078,478	\$921,767	\$2,000,245
Other WIA Activities (7%)	\$1,509,871	\$1,290,475	\$2,800,346
Incentive Funds (3%)	\$647,087	\$553,061	\$1,200,148
Local Area awards (67%)	\$433,548	\$370,551	\$804,099
AWIA	\$289,120	\$247,108	\$536,228
Jefferson	\$72,798	\$62,221	\$135,019
Mobile	\$71,630	\$61,222	\$132,852
Capacity Building/T.A. (33%)	\$213,539	\$182,510	\$396,049

PY 2000 / FY 2001 WIA Planning Allocations



B) WORKFORCE INVESTMENT ACT

STATE - LEVEL PY00 PERFORMANCE INCENTIVE ANALYSIS (7/01/00 - 6/30/01) - Preliminary Final

<u>MEASURES</u>	<u>NEGOTIATED GOAL</u>	<u>ACTUAL PRFRMCE</u>	<u>Num/Denom</u>	<u>ACHVMNT INDEX</u>
ADULTS:				
Entered Employment Rate	63.27%	66.12%	810 / 1225	104.51%
Employment Retention Rate	81.59%	78.91%	857 / 1086	96.72%
Earnings Change in Six Months	\$2,593.48	\$3,391.25	\$2,974,124 / 877	130.76%
Employment and Credential Rate	45.00%	72.33%	460 / 636	160.73%
				123.18%
DISLOCATED WORKERS:				
Entered Employment Rate	62.00%	71.79%	883 / 1230	115.78%
Employment Retention Rate	80.00%	87.76%	989 / 1127	109.70%
Earnings Replacement Rate	103.98%	111.13%	\$9,225,181 / \$8,290,297	106.87%
Employment and Credential Rate	45.00%	56.05%	584 / 1042	124.55%
				114.23%
YOUTH (19-21)				
Entered Employment Rate	66.05%	70.65%	219 / 310	106.96%
Employment Retention Rate	76.88%	75.27%	210 / 279	97.91%
Earnings Change in Six Months	\$2,000.45	\$2,940.65	\$617,536 / 210	147.00%
Credential Rate	37.78%	58.06%	180 / 310	153.70%
YOUTH (14-18)				
Skill Attainment Rate	60.01%	72.98%	659 / 903	121.61%
Diploma or Equiv. Attainment Rate	40.00%	60.64%	114 / 190	151.60%
Retention Rate	47.78%	53.40%	228 / 427	111.75%
			Respondents	127.22%
CUSTOMER SATISFACTION				
Participants	68.00	77.21	340	113.54%
Employers	66.00	89.38	250	135.42%
				124.48%
OVERALL AVERAGE				
				122.89%

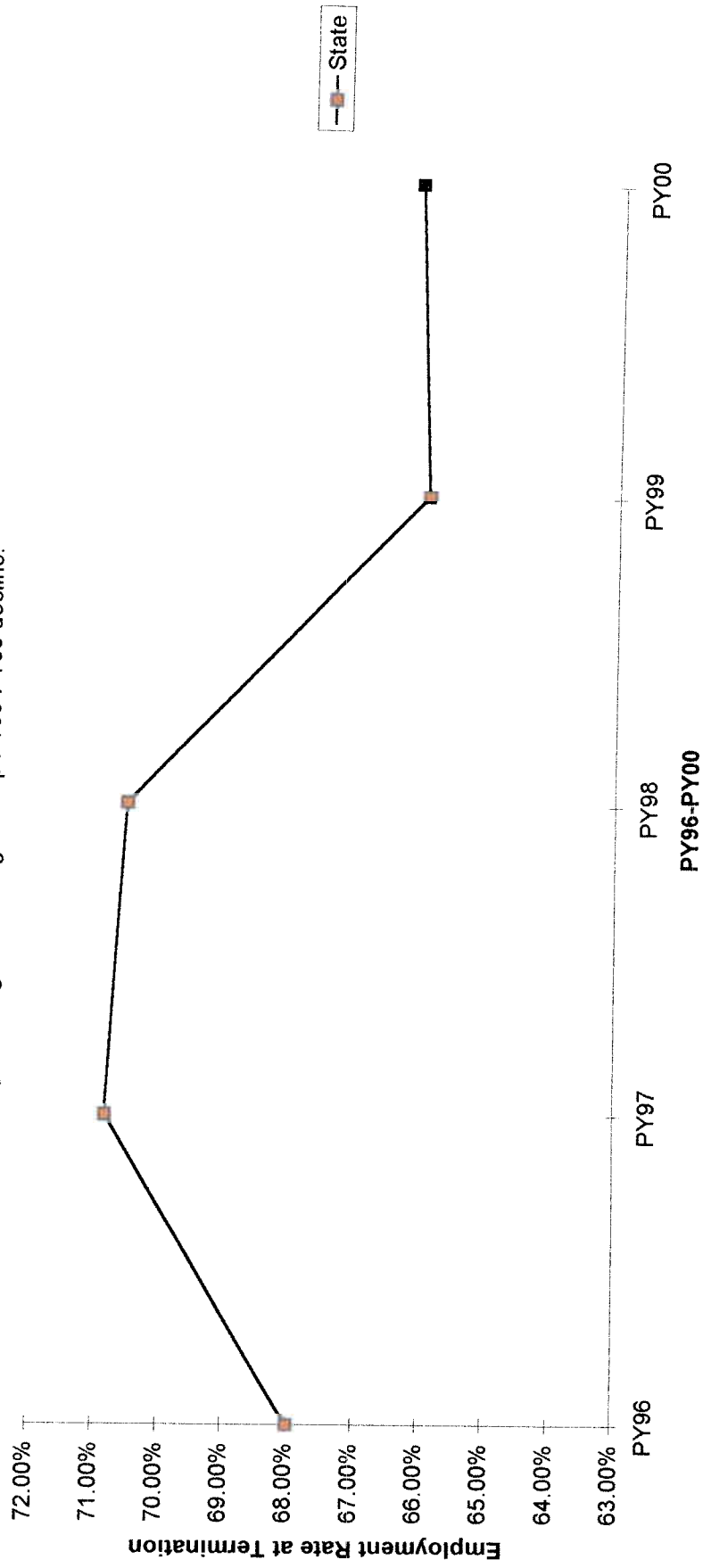
C) ***State-Level Adult, Dislocated Worker, Youth Program Performance Trends:
PY96-PY00 Performance Indicator Line Charts***

The following fifteen line charts depict Alabama workforce development program performance trends over the reference period, PY 1996 through PY 2000, and provide a degree of longitudinal perspective on the progress these programs have achieved.

This analysis platform has the potential of aiding workforce development professionals better identify both the strengths and weaknesses of their respective programs, as measured by program output.

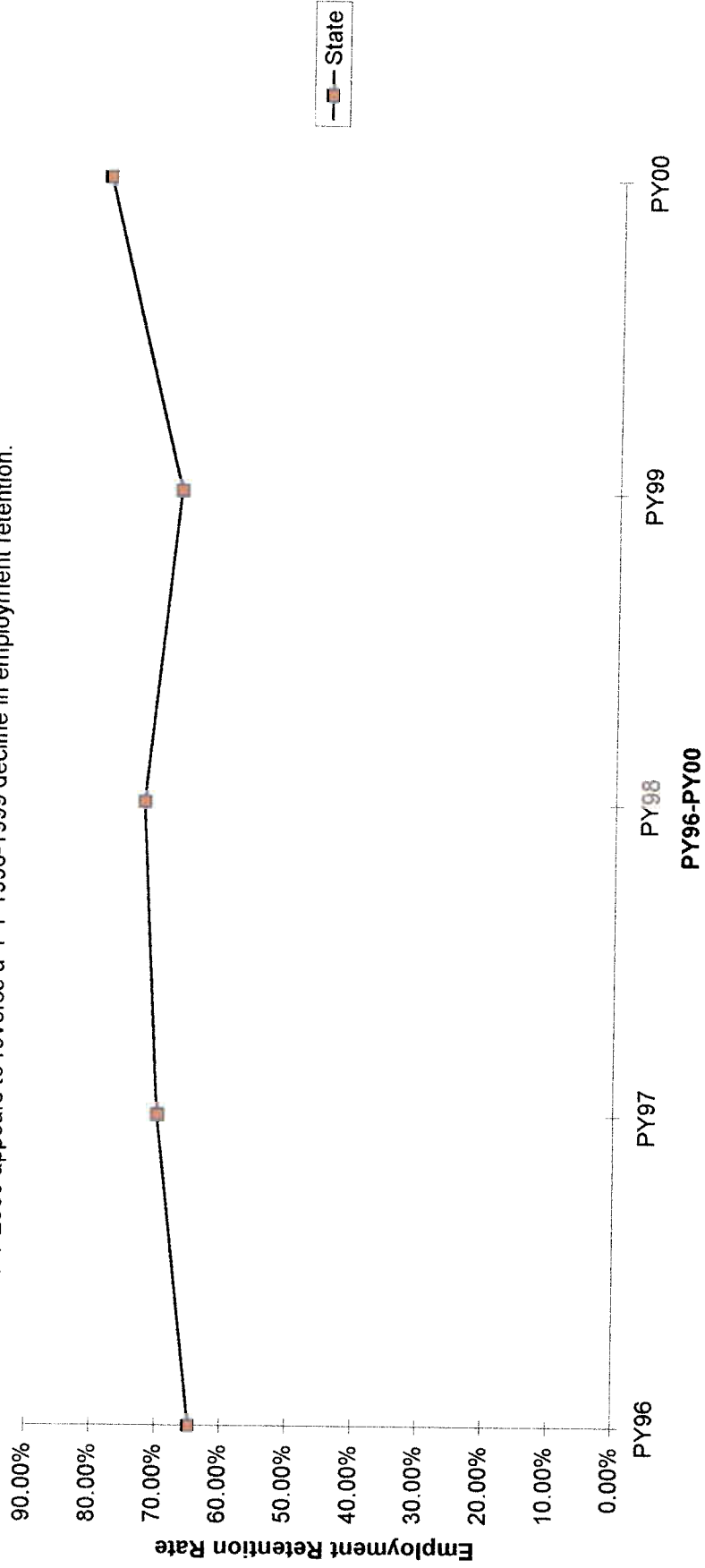
Adult Program - Employment Rate at Termination

PY00 performance was relatively unchanged following a sharp PY98-PY99 decline.



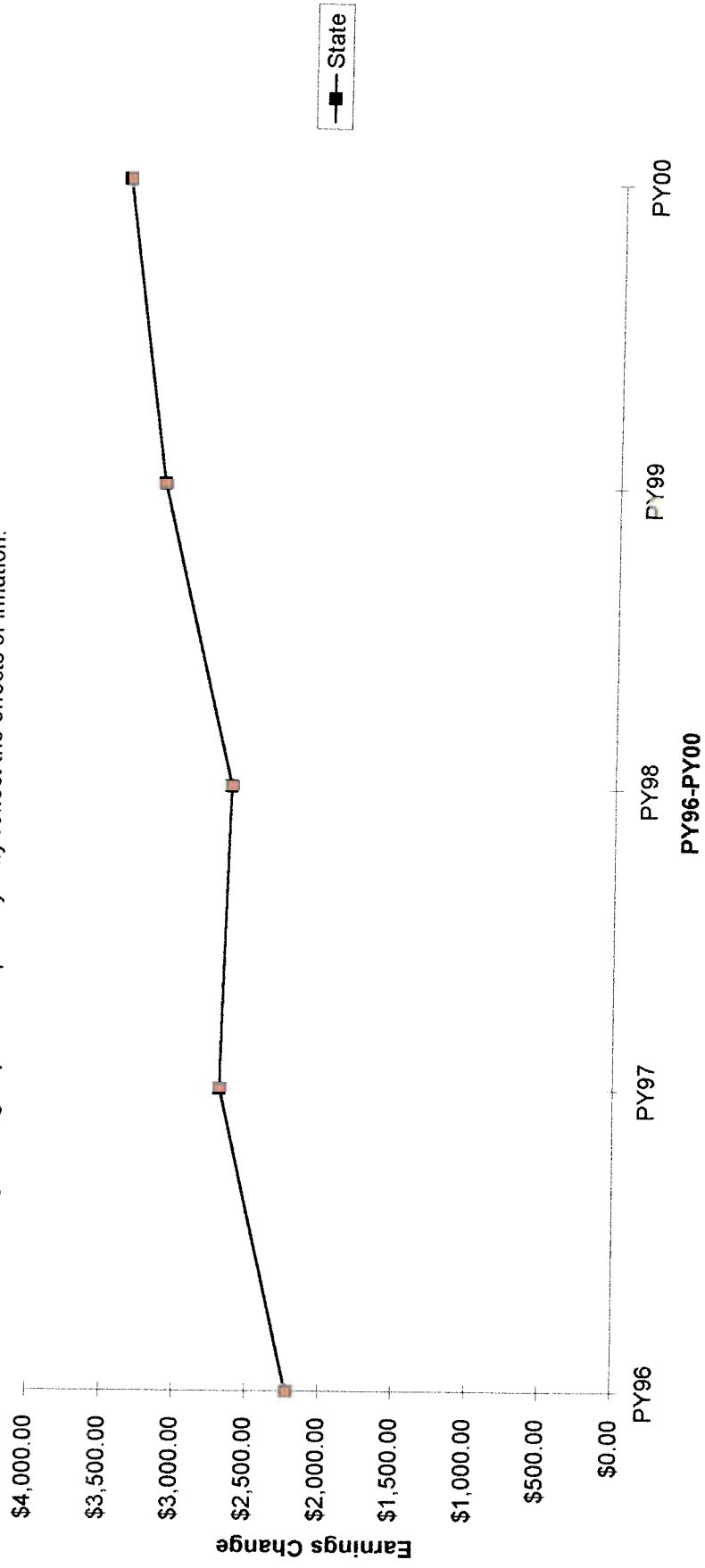
Adult Program - Employment Retention Rate

PY 2000 appears to reverse a PY 1998-1999 decline in employment retention.



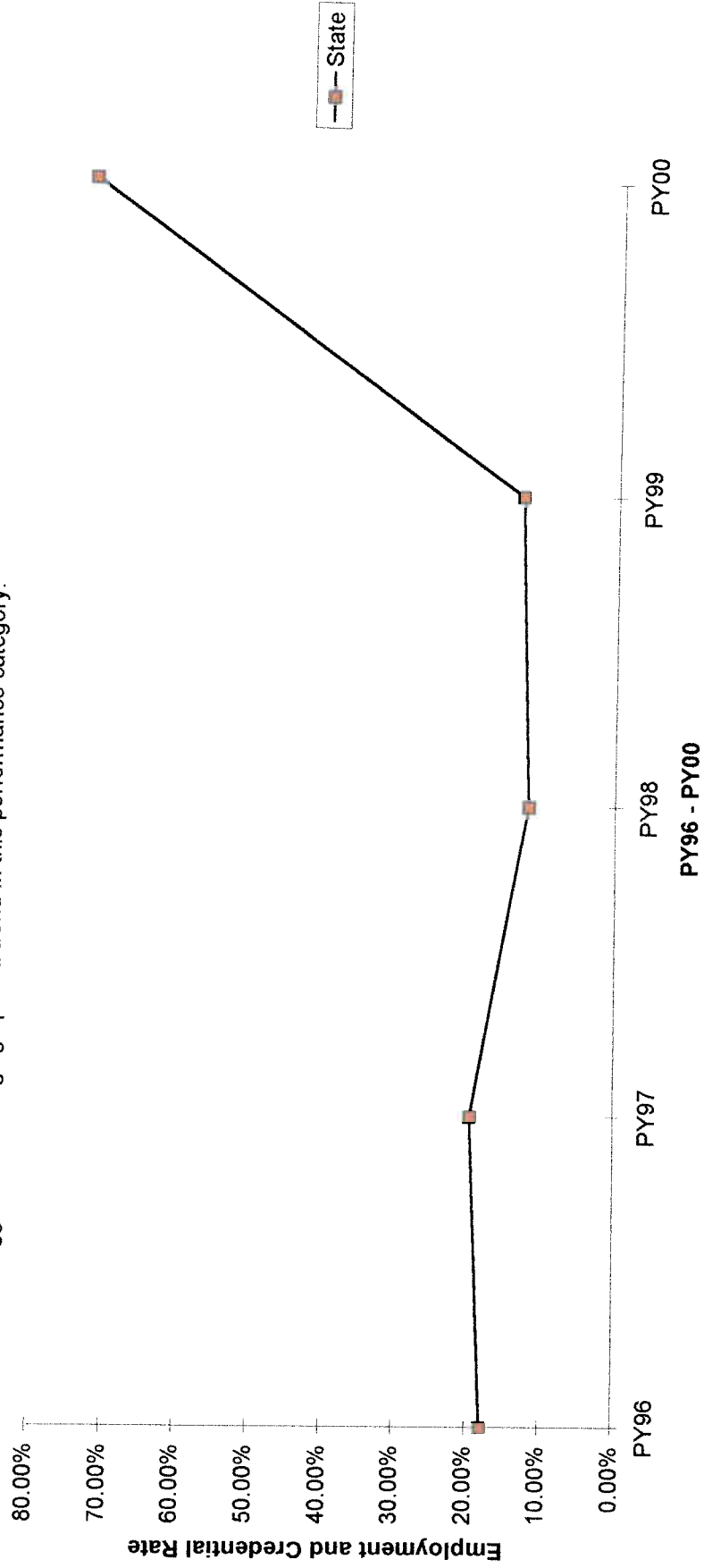
Adult Program - Earnings Change in Six Months

The gradual earnings change upward slope may only reflect the effects of inflation.



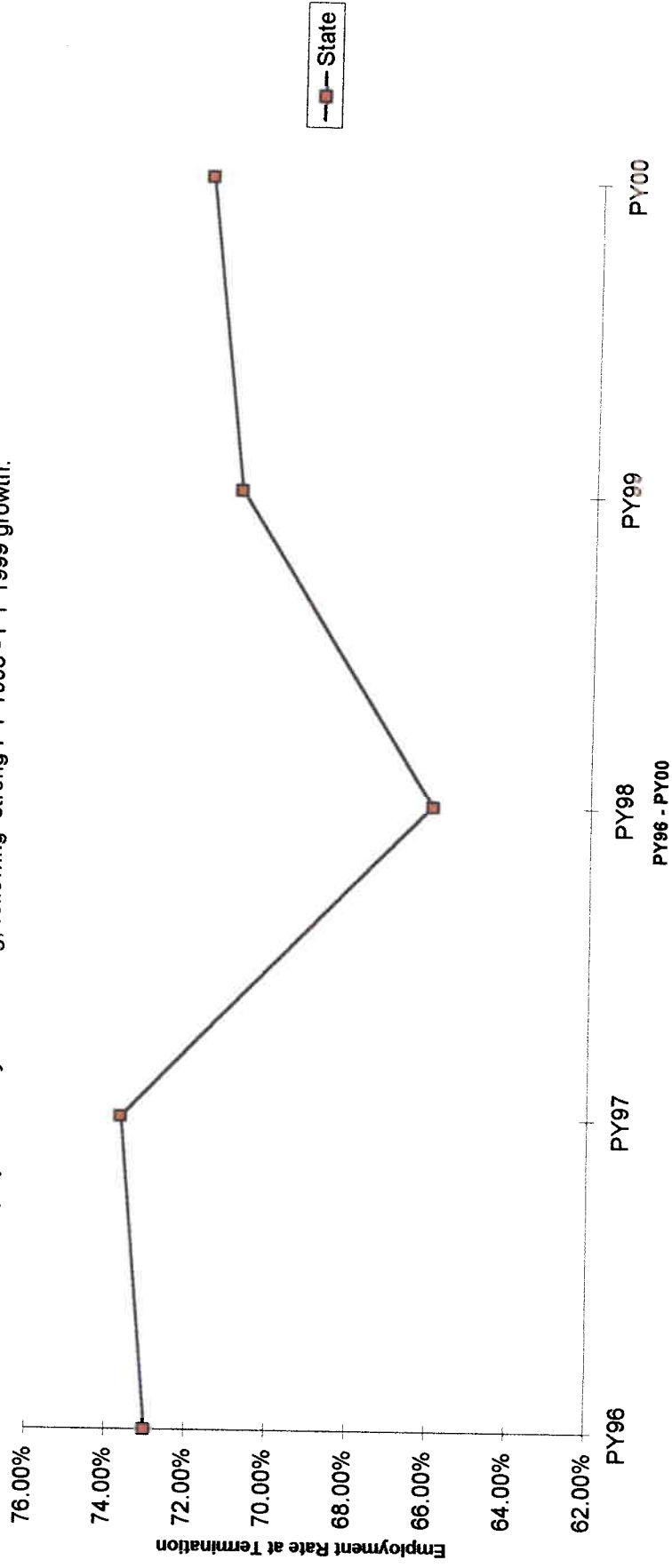
Adult Program - Employment and Credential Rate

PY 2000 data suggests an emerging upward trend in this performance category.



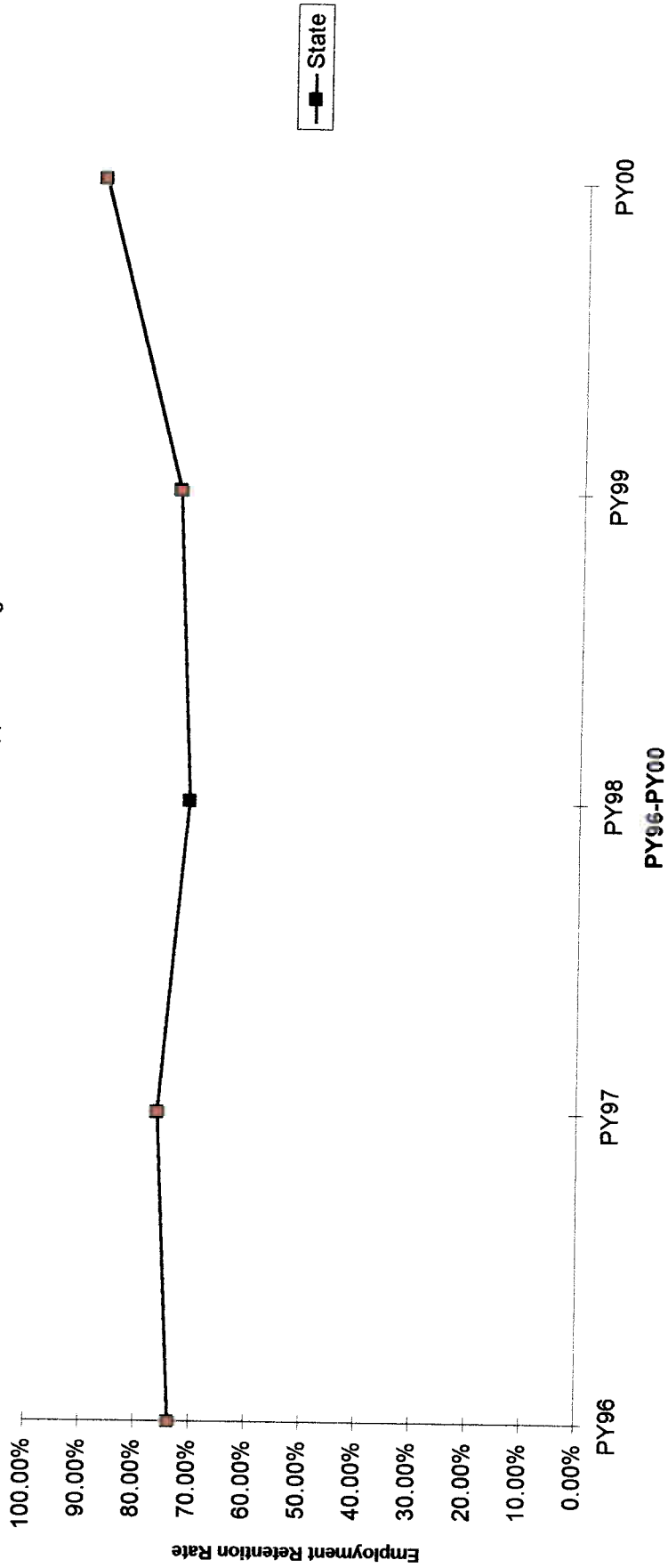
Dislocated Worker Program - Employment Rate at Termination

PY 2000 Entered Employment may be leveling, following strong PY 1998 - PY 1999 growth.



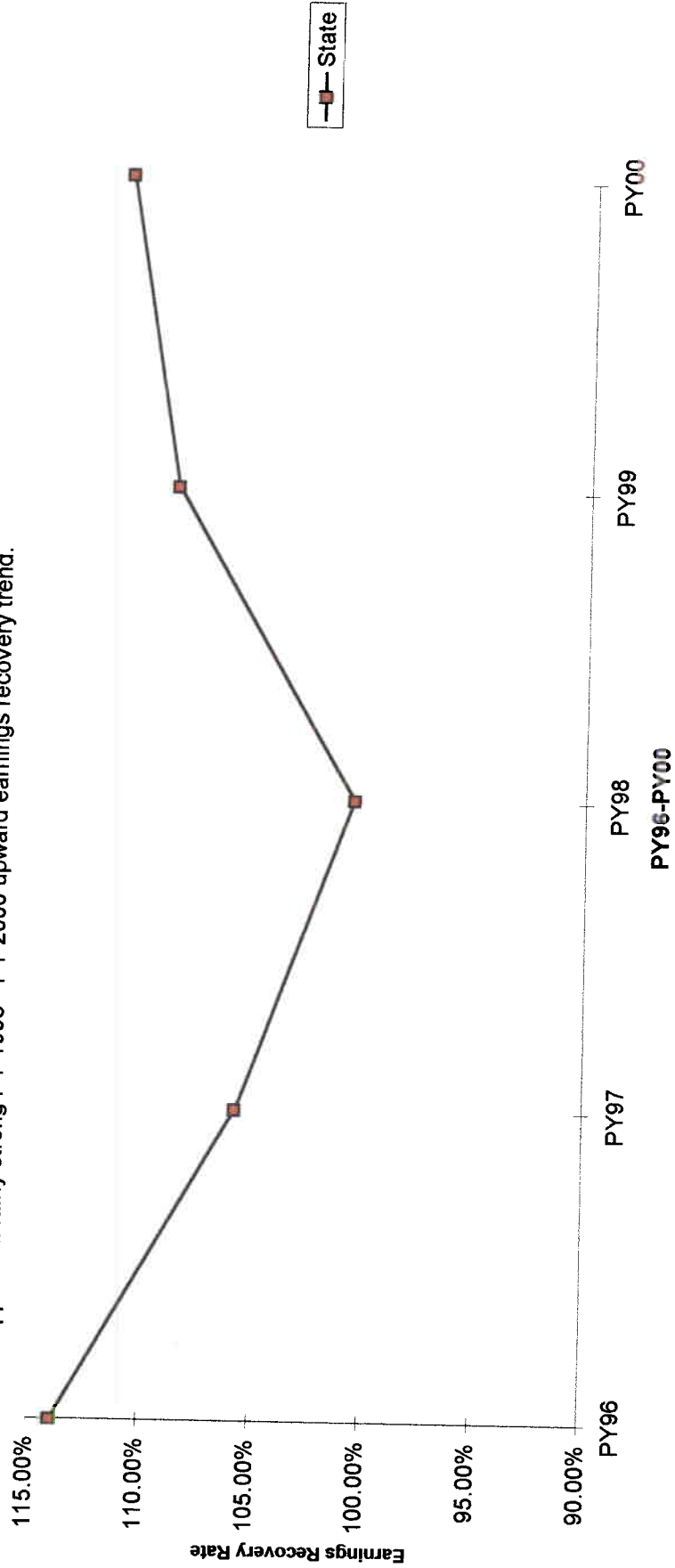
Dislocated Worker Program - Employment Retention Rate

After a relatively flat PY 1996-PY 1999, retention performance appears stronger.



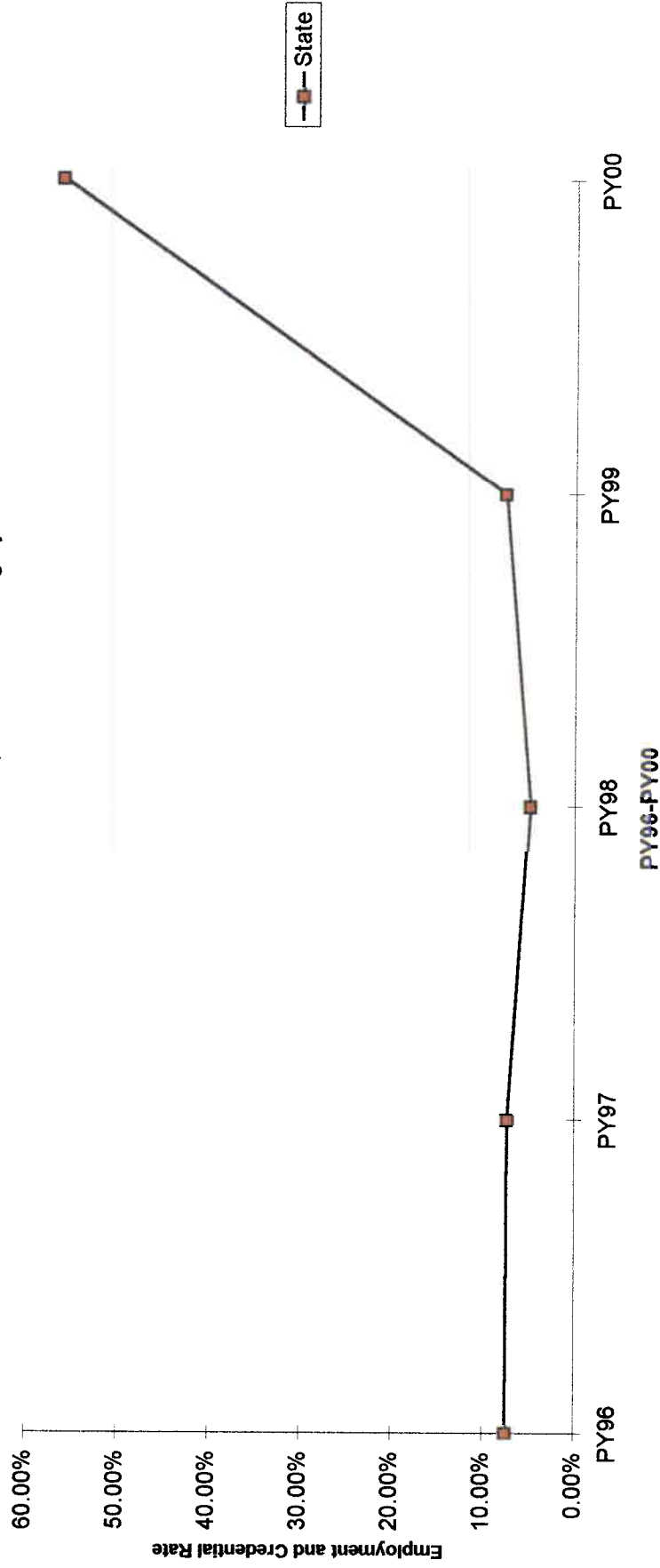
Dislocated Worker Program - Earnings Recovery Rate at Six Months

There appears a fairly strong PY 1998 - PY 2000 upward earnings recovery trend.



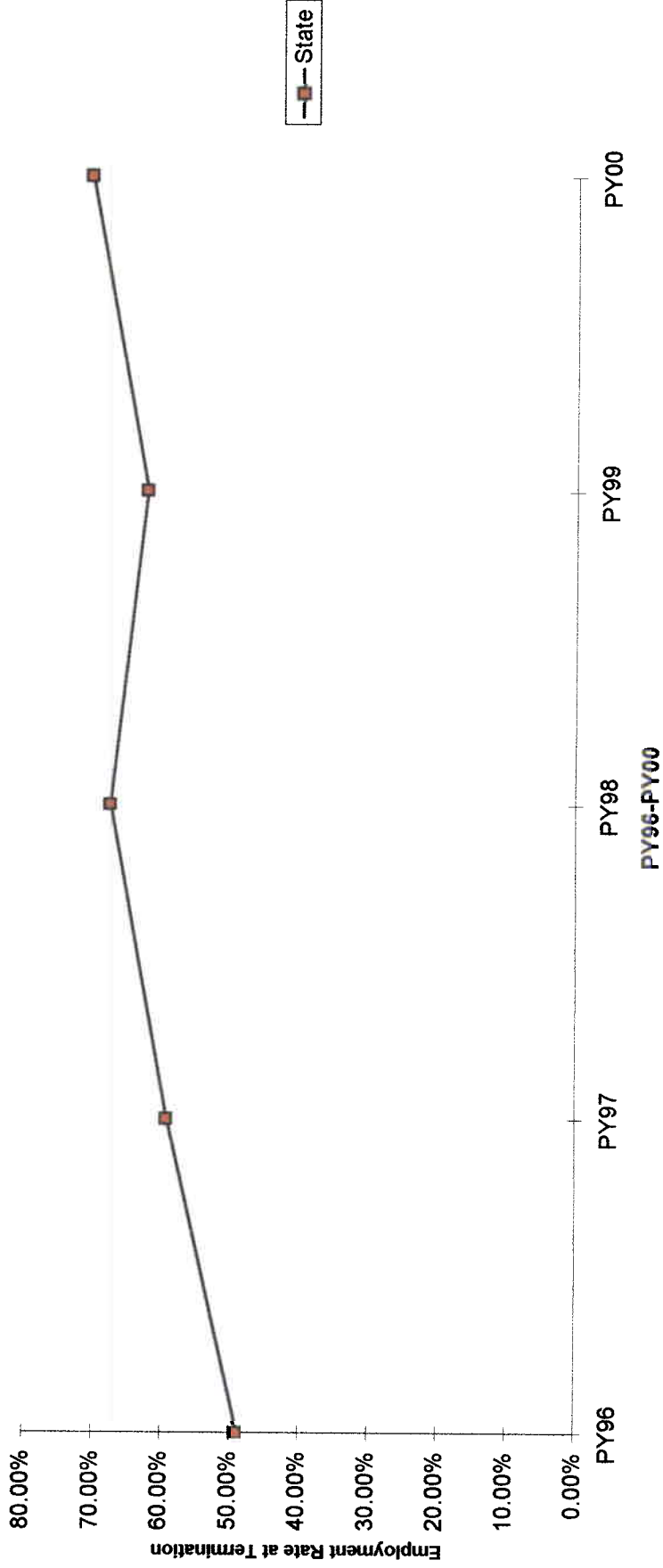
Dislocated Worker Program - Employment and Credential Rate

As in the Adult program, PY 2000 marked a sharp upturn in this performance category.



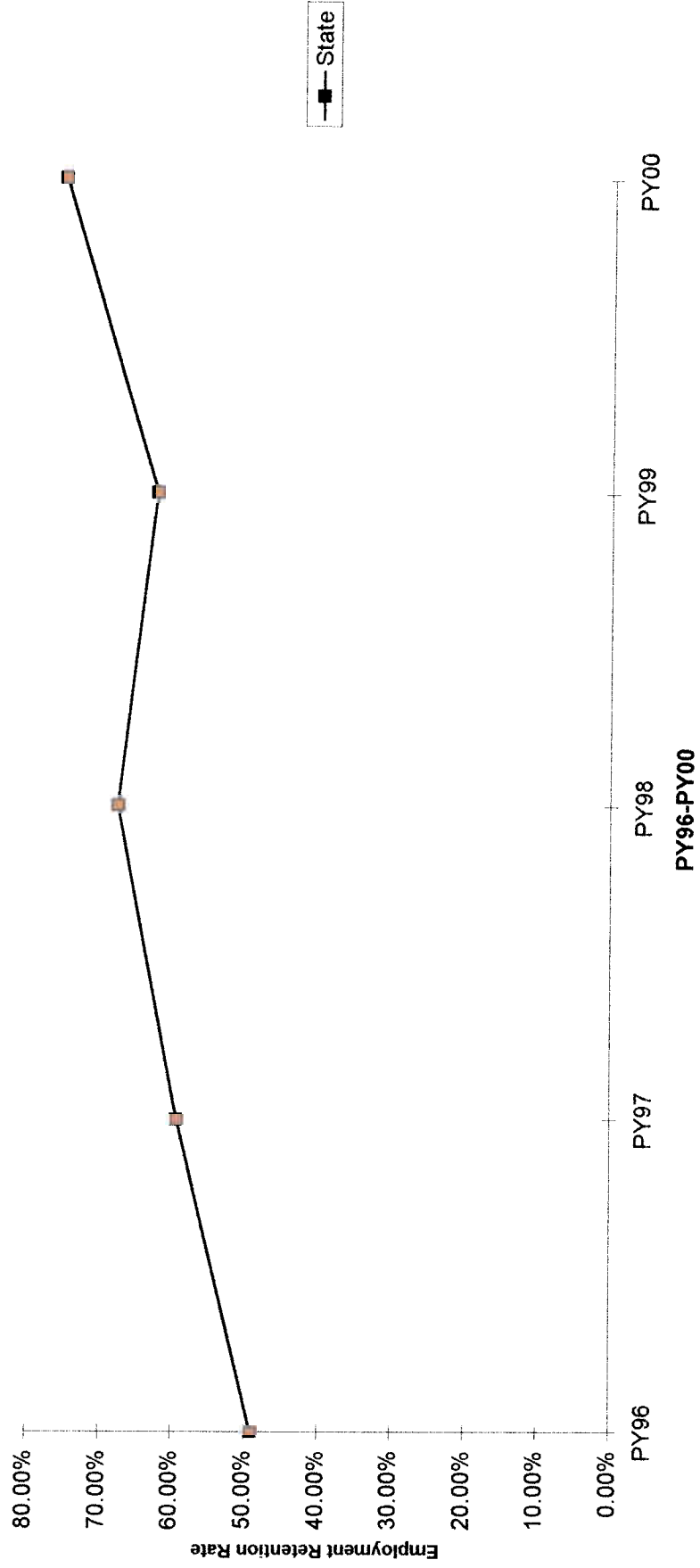
Older Youth Program - Employment Rate at Termination

Entered employment performance appears fairly leveled.



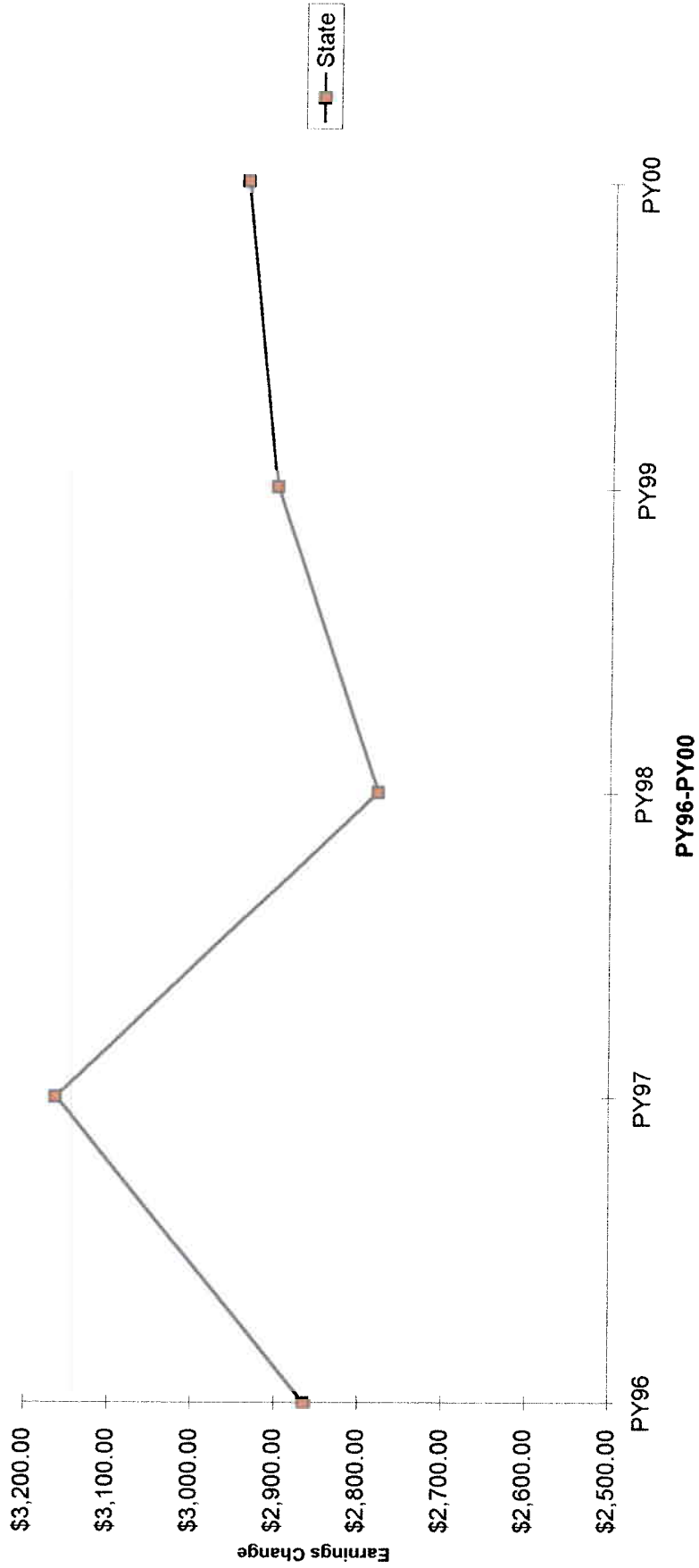
Older Youth Program - Employment Retention Rate

Performance seems to be on a PY 1996-PY1998 improvement track, after a PY1999 decline.



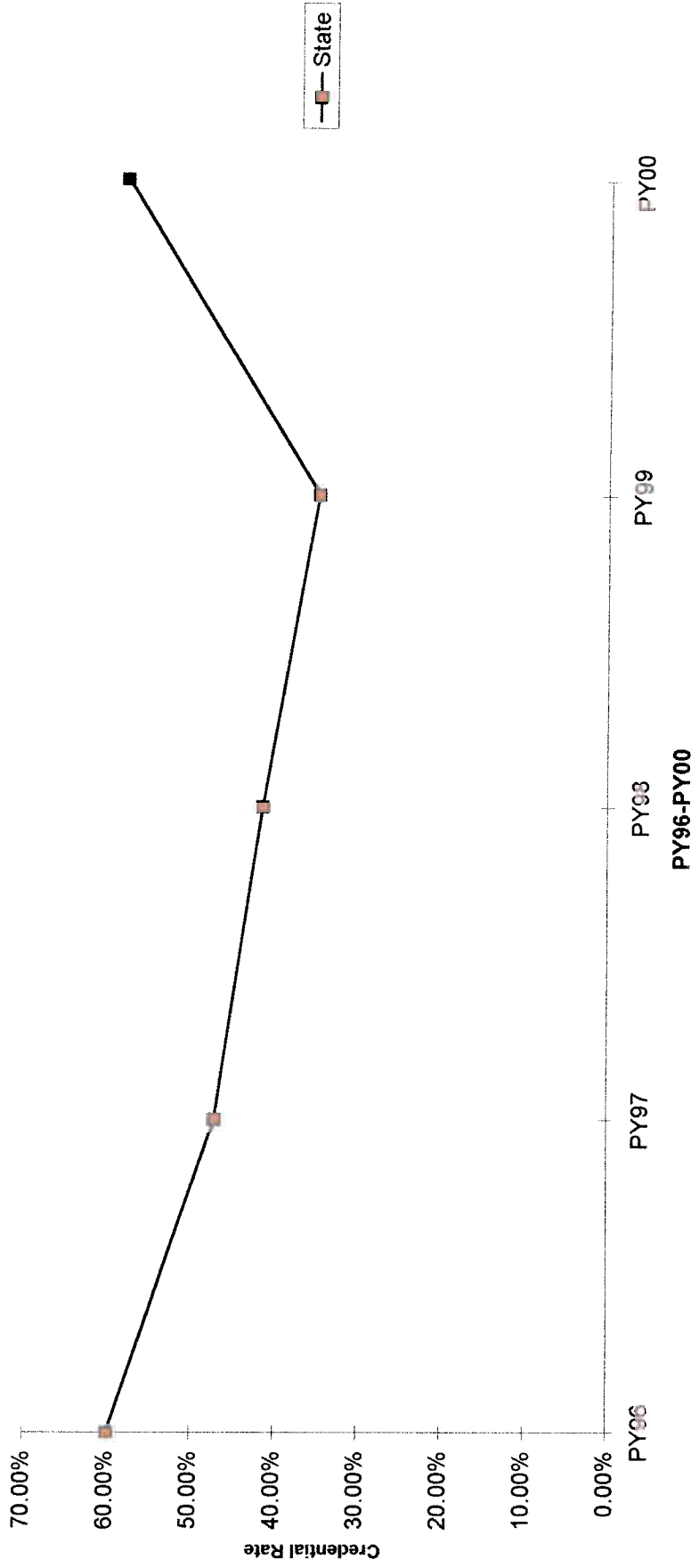
Older Youth Program - Earnings Change in Six Months

Although improved from PY 1998, performance here has remained fairly flat.



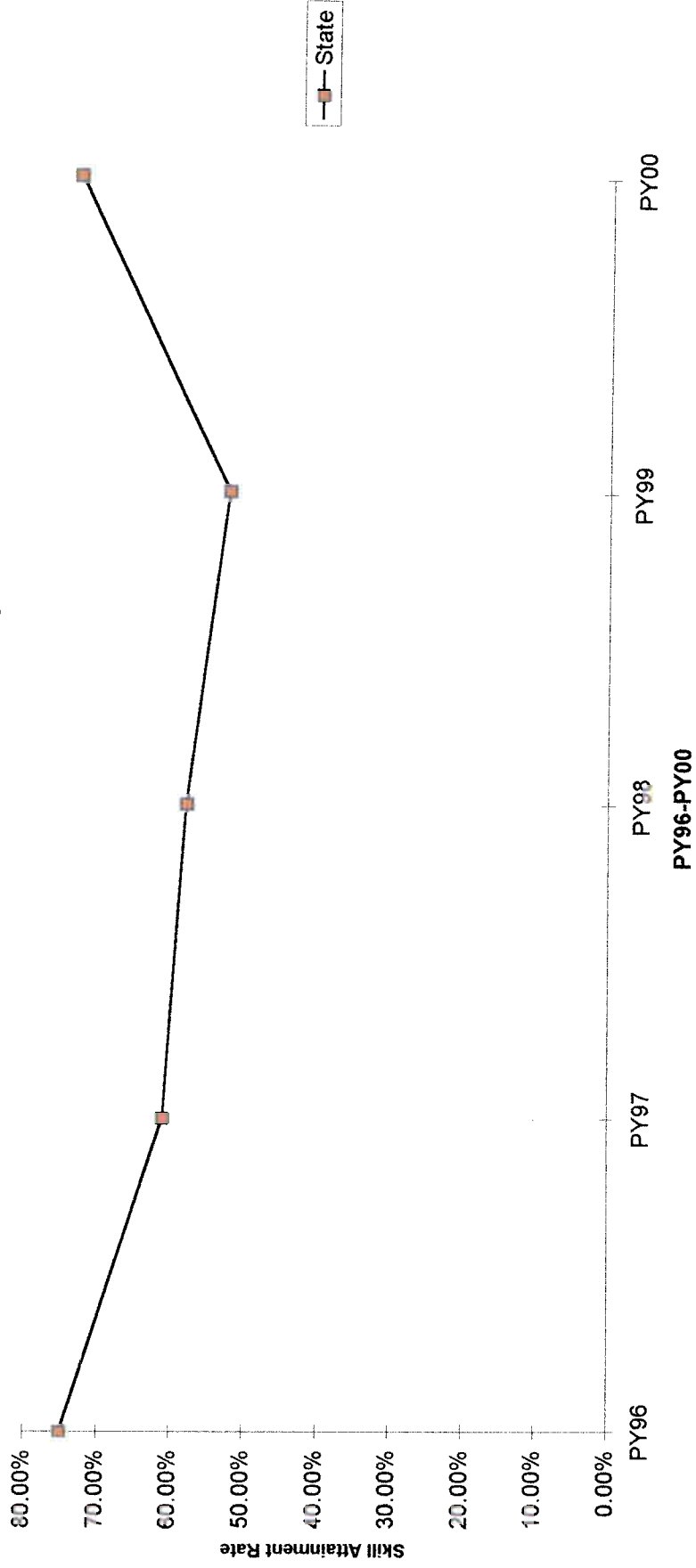
Older Youth Program - Credential Rate

PY 2000 performance apparently arrested a PY 1996-PY1999 decline.



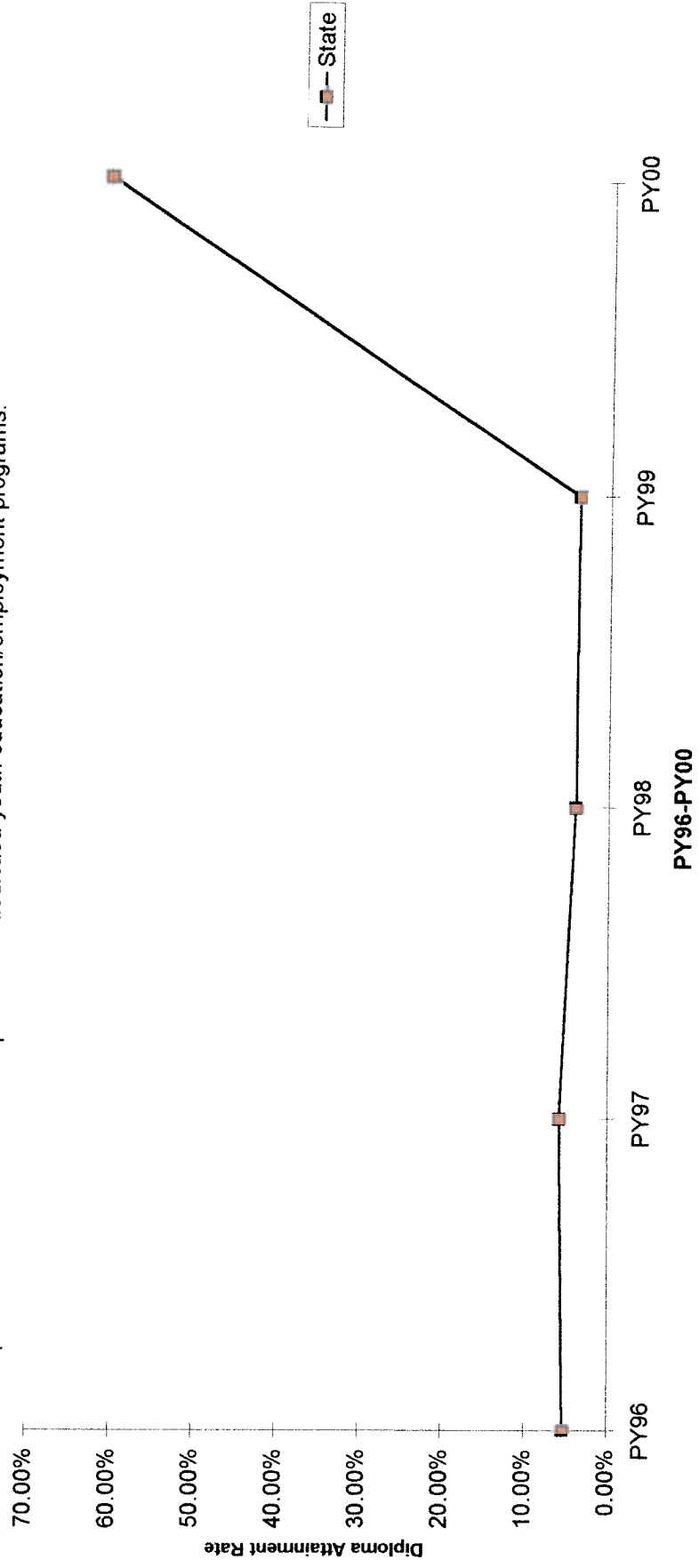
Younger Youth Program - Skill Attainment Rate

Again, PY 2000 performance apparently reverses a PY1996-PY1999 declining trend.



Younger Youth Program - H.S. Diploma / Equivalency Attainment Rate

PY 2000 performance reflects the incorporation of dedicated youth education/employment programs.



Younger Youth Program - Retention Rate

PY 2000 performance indicates the reversal of a PY 1998-PY1999 decline.

