

Workforce Investment Act Program Year 2006 Annual Report

July 1, 2006 ~ June 30, 2007

*"Louisiana's
Rebuild is Moving Ahead!"*



Louisiana Department of Labor





Letter from Secretary Bennett J. Soulier

It is my pleasure to present the 2006 Workforce Investment Act (WIA) Annual Report, which includes the period July 1, 2006 to June 30, 2007. This report reflects some of the progress made toward the recovery and continued development of our Workforce from the impact of hurricanes Katrina and Rita that devastated much of the southern gulf coast region.

Workforce development continues to be a top priority in Louisiana. Our state continues to work toward the alignment of our workforce and economic development efforts in order to become more demand driven. This streamlined system, which has reduced duplication and shifted from a task-based system to a customer-focused one, has lead to a dramatic improvement of our service delivery .

The Louisiana Department of Labor's LDOLs vision is to make a significant difference in the quality of the workplace and workforce in Louisiana, and in the ability of Louisiana workers and businesses to successfully compete in the new global economy. LDOL is strongly committed to customer service and universal access of services and programs, and to working with strategic partners to deliver an efficient workforce development system that meets the needs of our customers.

We are proud of what Louisiana has accomplished so far in the building of a 21st century workforce development system. However, we will not stop in this building process until Louisiana's workforce is fully prepared to meet the needs of businesses.

Cordially,
Bennett J. Soulier

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Louisiana Comeback and Rebuilding Efforts Continue

Hurricane Katrina resulted in unprecedented devastation in much of southeastern Louisiana. In the first days following Hurricane Katrina the state requested a National Emergency Grant as part of the initial rescue process. The storm forced the evacuation of Jefferson, Orleans, St. Bernard, St. Tammany, and Plaquemine parishes. In addition, most of the area was flooded, and much of the housing, businesses and infrastructure were damaged.

The initial NEG grant was designed to provide humanitarian assistance to these displaced workers through temporary employment. As the recovery process began the state began to determine long-term training and employment needs. Hurricane Rita struck one month after Katrina resulting in similar destruction and displacement in southwest Louisiana and additional damage to the southeastern parishes.

Approximately 17,000 individuals have received temporary employment, training or assistance through this grant.

In response to the devastation created by this disaster, Governor Blanco created the Louisiana Recovery Authority (LRA) as the planning and coordinating body that will assist in implementing the Governor's vision for the recovery of Louisiana. The LRA is responsive to a Board composed of a maximum of twenty-six (26) members appointed by governor. In addition, the speaker and speaker pro tempore of the Louisiana House of Representatives and the president and president pro tempore of the Louisiana Senate are ex-officio, non-voting members.

On October 2006, the LRA announced in partnership with Governor Kathleen Babineaux Blanco and the Louisiana Workforce Commission, the Louisiana Recovery Authority (LRA) and the Office of Community Development (OCD) today launched the Recovery Workforce Training Program (RWTP), a \$38 million workforce recovery program to train workers to fill high-demand jobs in construction, healthcare, transportation, advanced manufacturing, oil and gas, and the cultural sector.

The Louisiana Workforce Commission (LWC), the agency that is administering the program, began requesting proposals for the RWTP. The LWC promoted proposals submitted by organizations that formed collaborative alliances, preferably regional alliances, led by a workforce intermediary and included key stakeholders which include, but were not limited to: employers in a specific sector, business groups and/or industry/trade associations that represented a specific sector, public and private post-secondary education institutions, Workforce Investment Boards, labor or community based organizations, and other training providers.

Many of the Workforce Investment Boards have formed collaborations with several of the grantees of the RWTP funds.

Prior to the impact of Hurricanes Katrina and Rita, Louisiana had embarked on a devised Demand Driven two-year Workforce Investment Plan. The vision was to align our workforce and economic development efforts, assisting businesses grow by providing a skilled workforce, and helping jobseekers build a bridge to economic self-sufficiency through lifelong learning is part of Louisiana's vision of how the WIA statewide workforce investment system will help the state attain its strategic goals.

With the objective to create a skill force, not just a workforce, the state is creating a *customer focused demand driven* system which (1) meets the needs of job seekers by identifying the needs of business customers for new and upgraded workers and (2) meets the needs of business by identifying their job skill requirements and ensuring that the types of education and training provided meet these needs.

We must continue to meet the needs of business by not only supplying them with skilled workforce but to assist many of the businesses in replenishing the workforce disbanded by the impact of Katrina and Rita.

The annual average for 2006 marks the lowest point in the civilian labor force series since 1996. Before the storms hit, the state registered the highest labor force and employment totals seen in the statewide series, which dates back to 1976. The annual average labor force total for 2006 was about 87,000 less than the 2005 total of 2,077,123.

Although overall the state of Louisiana has climbed back to within 3 percent of its pre-storm employment, the greater New Orleans area is still down more than 101,000 jobs as of the end of June 2007. All sectors in the greater New Orleans area have lost employment except mining and construction, which both have modest growth.

- . The hardest impacted sectors were:
- Accommodations and Food Service (down 21,000 jobs)
- Healthcare and Social Assistance (down 21,000 jobs)
- Education Services (down 16,000 jobs)

HEALTH AND HOSPITALS

In Louisiana alone, Hurricanes Katrina and Rita initially closed 30 hospitals. Seven hospitals remain closed, including five hospitals in New Orleans. The most concentrated disruption of the health care system occurred in the Greater New Orleans region, and the disruption continues today. The American Medical Association's journal *Disaster Medicine and Public Health Preparedness* reports that about one-fourth of the physicians who left the Gulf Coast after Katrina had not returned six months later.

As LDOL continues to respond to the devastation caused by Hurricanes Katrina and Rita, it is critical that we:

- ◆ Demonstrate how the workforce development system will collaborate with economic development and education to create a demand-driven system of just-in-time services that provide solutions to businesses most pressing problems in rebuilding and/or reopening in the Greater New Orleans area.
- ◆ Create a regional/local business services team and participant in business recovery centers to demonstrate a commitment and expand services to those area businesses.
- ◆ Integrate the delivery of WIA and Wagner-Peyser services for displaced workers, while developing new services through partnerships.

- ◆ Demonstrate efficiency and innovation in the delivery of training services with increased focus on training for demand occupations/jobs currently available and those that will be emerging occupation/jobs as the area rebuilds.
- ◆ Redesign job seeker services to respond to the demands of businesses so that job seekers are prepared to work in jobs that have worker and/or critical skills shortages.

Newly Enrolled in WIA Funded Training - Breakout by Major Occupational Group (PY06)

Occ. Group	Occupational Group Name	Total Number Enrolled NEG
29	Healthcare Practitioners and Tech	897
53	Transportation & Material	411
31	Healthcare Support	374
99	Non Occupational Specific / Skills Upgrade	308
43	Office & Administrative Support	241
51	Production	186
47	Construction & Extractive	179
49	Installation, Maintenance, and Repair	84
25	Education, Training, & Library Workers	67
11	Management	60
35	Food Preparation & Serving Related	48
13	Business & Financial	38
41	Sales & Related	37
39	Personal Care & Service	34
15	Computer and Mathematical	30
21	Community & Social Service	26
17	Architecture & Engineering	21
19	Life, Physical & Social Science	19
33	Protective Service Workers	19
37	Building & Grounds Cleaning, & Maintenance	18
27	Arts, Design, Entertainment, Sports & Media	13
23	Legal	3
45	Fishing & Hunting Workers	3
	TOTAL	3,116

Hurricanes Katrina/Rita National Emergency Grant

To rebuild our local economies, Louisiana Department of Labor continues to focus on a four-part approach to its rebuilding efforts:

1. Rebuilding Businesses by helping businesses to reopen doors to find qualified workers fill immediate job openings.
2. Rebuilding Communities by providing individuals with short-term training focused on the vocational skills needed to rebuild areas destroyed by the disasters.
3. Rebuild Service Delivery Systems to help displaced workers in south Louisiana to re-enter the labor market, thus meeting the short-term and long-term needs of businesses.

4. Rebuilding the Workforce by preparing new, returning and incumbent workers with skills for high demand jobs in the new emerging economy. Assist evacuees the first months following Hurricanes Katrina and Rita by providing temporary public service employment.

NEG Funded Training - Breakout by Major Occupational Group

Occ. Group	Occupational Group Name	Total Number Enrolled NEG
99	Non Occupational Specific / Skills Upgrade	1,291
29	Healthcare Practitioners and Tech	899
31	Healthcare Support	802
43	Office & Administrative Support	640
39	Personal Care & Service	593
53	Transportation & Material	578
47	Construction & Extractive	341
11	Management	332
51	Production	221
49	Installation, Maintenance, and Repair	120
17	Architecture & Engineering	100
25	Education, Training, & Library Workers	96
15	Computer and Mathematical	88
35	Food Preparation & Serving Related	77
41	Sales & Related	77
13	Business & Financial	73
21	Community & Social Service	54
27	Arts, Design, Entertainment, Sports & Media	50
33	Protective Service Workers	22
37	Building & Grounds Cleaning, & Maintenance	19
45	Fishing & Hunting Workers	13
19	Life, Physical & Social Science	10
23	Legal	3
	TOTAL	6,499

Partnerships:

J-CORE:

The Louisiana Department of Labor (LDOL) and the Local Workforce Investment Areas (LWIAs) took the lead in assisting local probation and parole clients find appropriate jobs and report the outcomes of the overall process. As a result, LDOL and the LWIA's created and implemented the **Judicial-Core Opportunity Referral to Employment (J-CORE)** process in partnership with the Department of Corrections (DOC) and the newly created Office of Youth Development (OYD).

LDOL's Virtual One-Stop (LAVOS) database tracks the J-Core referral process and monitors the outcomes of the following:

- how many clients have been referred to the LWIA;
- the type of referral (e.g. probation, parole, youth or adult);
- services that are being provided by LWIA (e.g. job placement, workforce training, pre-employment services, follow up, etc.)

This will allow LDOL to determine the appropriate mix of services needed for various client groups in order to achieve successful outcomes.

The importance of the **J-CORE process** is to provide business and industry with an underutilized work ready supply of labor. Ex-offenders have opportunities to work with the LWIA's job placement professionals who work diligently in finding appropriate career placements. As a team, this partnership strives to change the culture of this population by rewarding those who want to work.

J-CORE Highlights

Cumulative Referrals to Jobs Since Inception	1091
Cumulative Placed in Employment Since Inception	224
Cumulative Enrolled in Training Since Inception	54

Program Costs

Program	Total Participant Served	Cost per Participant
Adult Programs(Does not include Self Service Only)	108,652	\$164
Dislocated Worker Program	2,892	\$2,764
Youth Program	3,821	\$3,110

Fund Sources	Available	Expenditures as of 6/30/07	Percent Expended	Balance Remaining
Adult PY06 Funds	17,231,896.00	13,282,353.00		3,949,543.00
C/O Funds	4,571,302.00	4,571,302.00		
Total	21,803,198.00	17,853,655.00	81.9%	3,949,543.00
Dislocated Worker Funds	8,838,390.00	5,845,043.00		2,993,347.00
C/O Funds	2,398,271.00	2,398,271.00		0.00
Total	11,236,661.00	8,243,314.00	73.4%	2,993,347.00
Youth Program Funds	11,509,914.00	7,876,146.00		3,633,768.00
C/O Funds	4,008,387.00	4,008,387.00		0.00
Total	15,518,301.00	11,884,533.00	76.6%	3,633,768.00
Local Admin Funds	4,176,643.00	2,152,714.00		2,023,929.00
C/O Funds	2,316,207.00	2,316,207.00		0.00
Total	6,492,850.00	4,468,921.00	68.8%	2,023,929.00
Rapid Response Funds	2,227,018.00	519,096.00		1,707,922.00
C/O Funds	2,068,062.00	2,038,473.00		29,589.00
Total	4,295,080.00	2,557,569.00	59.5%	1,737,511.00
Statewide Activity Funds	7,761,860.00	1,136,098.00		6,625,762.00
C/O Funds	8,333,699.00	6,702,974.00		1,630,725.00
Total	16,095,559.00	7,839,072.00	48.7%	8,256,487.00
TOTALS	75,441,649.00	52,847,064.00	70.1%	22,594,585.00

3 Year Progress of Workforce Investment Act Program

Louisiana's Workforce Investment Area Program continues to strive toward continuous improvement in serving the citizens of Louisiana. The chart below illustrates Louisiana's accomplished in meeting this goal not withstanding the impact of the 2005 hurricanes.

	Program Year 2004	Program Year 2005	Program Year 2006
Adult			
Entered Employment Rate	72.8%	77.1%	67.4%
Job Retention Rate	87.6%	82.4%	83.6%
Earnings Gain	\$5144	\$5013	\$12,082
Employment Credential Rate	61.7%	66.7%	59.8%
Dislocated Workers			
Entered Employment Rate	81.0%	88.3%	78.6%
Job Retention Rate	91.2%	86.1%	85.7%
Earnings Replacement Rate/Gain	129.6%	\$2606	\$13,459
Employment Credential Rate	65.9%	68.8%	61.8%
Older Youth			
Entered Employment Rate	71.1%	79.8%	67.7%
Job Retention Rate	82.6%	84.5%	82.2%
Earning Gain	\$3668	\$3999	\$4,947
Credential Rate	39.3%	43.0	40.2%
Younger Youth			
Skill Attainment Rate	82.5%	76.5%	78.8%
Diploma/Equivalent Attainment Rate	49.8%	59.6%	54.3%
Retention Rate	62.7%	67.6%	56.9%
Overall Customer Satisfaction			
Participant Satisfaction	72.1%	80.3%	90.0%
Employer Satisfaction	74.1%	76.3%	77.0%
Youth (Common Measure)			
Placement in Employ. or Education	N/A	53.9%	64.0%
Attainment of Degree or Certificate	N/A	44.4%	52.1%
Literacy and Numeracy Gains	N/A	N/A	52.2%

Program Year 2006 Workforce Investment Act Program Performance

	Negotiated Goal	Actual Performance	% of Goal Attained
Adult			
Entered Employment Rate	82.0%	67.4%	82.2%
Job Retention Rate	84.0%	83.6%	99.5%
Average Earnings Rate	\$10,500	12082	115.1%
Employment Credential Rate	69.0%	59.8%	86.7%
Dislocated Workers			
Entered Employment Rate	89.0%	78.6%	88.3%
Job Retention Rate	87.0%	85.7%	98.5%
Average Earnings Rate	\$12,100	13459	111.2%
Employment Credential Rate	70.0%	61.8%	88.3%
Older Youth			
Entered Employment Rate	72.0%	67.7%	94.0%
Job Retention Rate	87.0%	82.2%	94.5%
Six Month Earnings Increase	\$3,150	4947	157.0%
Credential Rate	48.0%	40.2%	83.8%
Younger Youth			
Skill Attainment Rate	70.0%	78.8%	112.6%
Diploma/Equivalent Attainment Rate	51.0%	54.3%	106.5%
Retention Rate	86.0%	56.9%	66.2%
Overall Customer Satisfaction			
Participant Satisfaction	80.0%	90.0%	112.5%
Employer Satisfaction	82.0%	77.0%	93.9%
Youth Common Measures			
Placement in Education or Employment	66.0%	64.0%	97.0%
Attainment of Degree or Certificate	55.0%	52.1%	94.7%
Literacy and Numeracy Gains	42.0%	52.2%	124.3%

State Analysis of Local Performance for Program Year 2006

The State performance for Program Year 2006 demonstrated that Louisiana met or exceeded all federal negotiated performance standards, including the Common Measures.

Customer Satisfaction

While the State did not meet the minimum 70% required response rate for the participant customer satisfaction indicator, Louisiana did successfully meet the negotiated performance goal. Also, the State did not meet the 70% required employer customer satisfaction response rate. , however, again the State met the negotiated performance goal for this measure.

Adult Program

The State exceeded one of the four negotiated performance standards for the Adult Program: the Average Earnings. A contributing factor of this higher than expected average earnings wages was due to higher wage incentives in the New Orleans region in traditionally entry level minimum wage job in the Accommodation and Food Service industry sector. Annual average weekly earning in this was for 2006 was \$349.00. This represented an increase of 16.3 over the 2005 average weekly earning of \$300.00 in 2005.

Demands in the Construction sector also created many opportunities for entry level positions requiring minimal skills. At the state level construction average weekly wages increased by 16.4% over 2005...

Dislocated Worker Program

The State met or exceeded all four negotiated performance standards for the Dislocated Worker Program: Entered Employment Rate, Retention Rate, Average Earnings and Employment Credential Rate.

An annual average of 68 Extended Mass Layoff Actions were taken by employers for all of 2004 that resulted in the separation of 11,093 workers from their jobs for at least 31 days. In the third quarter of 2005, Louisiana recorded the highest number of employee separations filed due to Extended Mass Layoff Events in September 2005, the first week following Hurricane Katrina, which struck the Gulf Coast on August 29, 2005. These increases continued in the week following Hurricane Rita, which made landfall in Louisiana on September 24, 2005. During this period, Louisiana employers took 331 Extended Mass Layoff Actions that resulted in the separation of 44,614 workers from their jobs for at least 31 days. Layoff activity in the third quarter of 2006 was sharply lower than in the same period a year ago; employers reported an annual average of 47 Extended Mass Layoff Actions that resulted in 10,299 workers being separated from their jobs. Although, Louisiana recorded historic highs in the number of layoff events and separations for 2005, the overall level of layoff events and separations, to date have returned to normal activity.

Older Youth Program

The State met or exceeded the four negotiated performance standards for the Older Youth Program: the Entered Employment Rate, Job Retention Rate, Six Months Earnings Increase and Credential Rate.

Younger Youth Program

The younger youth program was severely impacted by the hurricanes. Many of the youth providers in the New Orleans were not operational. In addition, many of the secondary and post secondary schools were closed for months following Hurricane Katrina.

Summary of school status according to an August 2007 report issued by the Louisiana Recovery Authority (LRA):

Colleges and Universities

Enrollment at Louisiana's colleges and universities has been on the rise since the 2000-01 school year. Hurricanes Katrina and Rita initially displaced 84,000 college and university students. For the 2005-06 school year – the full year that included both Hurricanes Katrina and Rita – the state saw a drop of more than 37,000 college and university students statewide. In the first full school year after Katrina and Rita, 2006-07, Louisiana's higher education population was at almost 91 percent of pre-Katrina and Rita levels.

Elementary and Secondary Schools

In Louisiana, 12 school districts were highly impacted by the hurricanes, with 96,631 students initially displaced and more than 40,000 remaining displaced as of December 1, 2005. Displaced students relocated to 57 other school districts in the state and to 15 other charter or private schools. Students displaced out of Louisiana attended schools in all other states, including Alaska and Hawaii, according to the Louisiana Department of Education.

One year after the storms, Louisiana was at 95 percent of the number of public schools open before Katrina and Rita, with 1,408 public schools open statewide. In the year after the storms, 18 of the 118 public schools in New Orleans reopened and 33 additional Recovery School District (RSD) schools or RSD Charter Schools opened. Within a year of the storms, all schools in the parishes of Cameron and Calcasieu, hard hit by Hurricane Rita, had reopened.

Youth Common Measures

The State met or exceeded the Youth Common Measures: Attainment of a Degree or Certificate and Placement in Employment or Education.