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WIA ANNUAL REPORT

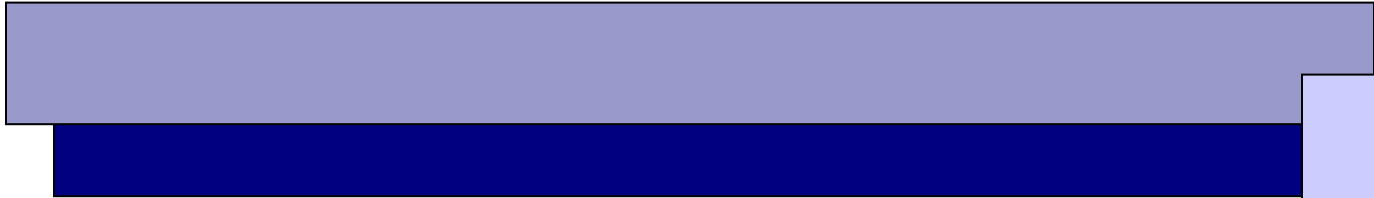
PROGRAM YEAR 2006

The Iowa Workforce Development Board

October 1, 2007

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Kimberline Ingram – Des Moines

Julie A. Lord – Sioux City

Norma Schmoker – Fort Dodge

EMPLOYEE REPRESENTATIVES

Jerome Amos, Jr. – Waterloo

Vicki Duchene – Newton*

Roger Grobstich – Cedar Rapids

David Owen – Des Moines

Ken Sagar – Des Moines

NON-PROFIT WORKFORCE DEVELOPMENT ORGANIZATION REPRESENTATIVE

Jean Logan – Sioux City

EX-OFFICIO NON-VOTING REPRESENTATIVES

Senator Bill Dotzler – State Legislature

Dr. Tahira K. Hira – Regents Institutions*

Representative Willard Jenkins – State Legislature*

Representative Dave Jacoby – State Legislature

Greg Lewis - AFSCME

Lisa Moody – AFSCME*

Steve Ovel – Community Colleges



Christy Twait – Regents Institutions

Senator Petricia Ward – State Legislature

Representative Tami J. Wiencek – State Legislature

Nancy Williams – Private Colleges and Universities

* Served on the Board in Program Year 2006, but are no longer members



VISION:

A prosperous, healthy and productive Iowa

Our vision is of a prosperous, healthy and productive Iowa, well equipped to thrive in an increasingly competitive global economy. More than ever before, the primary prerequisite for prosperity is a well educated, skilled and productive workforce employed in safe and healthy high performance workplaces.

- State Workforce Development Board

I. The Economic Environment

In 2006, the total employment and nonfarm employment reached record levels. Growth occurred across most sectors with the largest single gains in education and health services. Even though there was a 15% drop in homebuilding last year, 2006 was among the top five years for homebuilding in Iowa. This, in turn, elevated the construction industry's level of employment to 74,800, with the specialty segment the fastest growing.

The three major economic indicators for the state increased in 2006. The labor force increased last year to 1,663,700. Total employment averaged 1,603,100 which represents all working Iowans including those in border states. The third indicator, payroll jobs, reached a record of 1,502,500. This has continued the steady increase in payroll jobs from 2004 to 2006.

The annual average unemployment rate declined in all fifteen Workforce regions. The State average was 3.7% with four regions well below the statewide jobless rate. Region 16 had the highest unemployment rate at 5.2%. The region experienced a steady stream of business closings and layoffs over the past few years. The number of unemployed persons dipped to just below 20% with 61,800 individuals unemployed.

Iowa is the leading producer of ethanol and biodiesel fuels in the United States with 32% of the production coming from Iowa. By the end of 2006, there were 26 operational ethanol plants with five expanding production and 15 new plants under construction. During the production process, \$2.8 billion is spent on raw materials, other inputs and goods and services. For example, these industries must purchase utilities, labor, industrial chemicals and services such as insurance and maintenance. In addition, the construction portion of the industry growth results in spending for a wide range of goods and services.

Despite a low unemployment rate, the average weekly wage declined to \$601.73, a decrease of 5% from the previous year. The average weekly wage ranged from a high of \$771 in a metropolitan area with a low of \$509 for a rural area. As in previous years, finance and insurance provide the highest weekly wages due to their concentration in the Des Moines metropolitan area.

II. Iowa Workforce Development Board Activities

The Iowa Workforce Development (IWD) Board was involved in a number of activities during Program Year 2006 with a continued emphasis on the role of workforce development and economic development. The Board believes strengthening the relationship between these two groups will help to build a stronger workforce development system and a labor force that will drive ongoing economic growth in the state. Iowa's workforce and economic development efforts are coordinated to reinforce each other, and a review of the Board's activities in the last year reveals that coordination. The state's business and job seeker customers were the focus of these activities.

The Board expanded its knowledge and impact in a number of crucial business initiatives as demonstrated:

- ✓ **Economic Development and Workforce Development** – The IWD Board conducted a joint meeting with the Iowa Department of Economic Development Board in August 2006 and June 2007. This was the third meeting of the two boards to discuss issues of mutual concern. Governor Culver attended the June joint meeting to share his vision for advancing workforce development and economic development initiatives in Iowa.
- ✓ **Targeted Industry Clusters** – The Board continues to support the work of identifying and supporting targeted industry clusters. Industry cluster analysis allows businesses, economic developers, researchers, and others to identify industries that are geographically concentrated, of a similar nature, and make use of related buyers, suppliers, infrastructure, and workforce. The focus is to connect targeted industry and industry clusters to occupations, skill-sets, and community college course work within geographic regions.
- ✓ **Economic Trends and Labor Market Information** – Current economic information is vital to the Board's decision-making process. Regular updates occur so that the Board can make informed decisions about building a skilled labor force in Iowa.
- ✓ **Statewide Employer Benefit Profile and Vacancy Survey** – The Board continued to co-sponsor a statewide Employer Benefit Profile survey in PY 2006 with the State Employers' Council of Iowa that was sent to more than 9,000

employers to gather information on the types of benefits that are currently being offered by Iowa employers. The Board also co-sponsored a Job Vacancy Survey conducted by IWD.

- ✓ **Iowa Public Television and Emerging Jobs** – As a follow-up to a 2004 Board meeting held at the Iowa Public Television (IPTV) studio, IWD staff met with IPTV personnel to continue the process of making IPTV programming available in IWD resource rooms and on the web. This information will discuss career opportunities and new and emerging jobs. The project will be completed in August 2007.

The Board learned about an on-going project to study Iowa's competitive stance and the use of new technology for labor exchange and lifelong learning. The proposal would enhance Iowa's homegrown workforce by developing a personal, comprehensive, interactive, internet-based education and career development tool for all Iowans and Iowa businesses. This residents-only system would be similar to electronic career portfolio systems, (often called "ePortfolios").

The system is currently offered in Minnesota, Indiana, Wisconsin, and under study in other states and in Canada and in use in many of the world's industrialized nations. Iowa's system would be custom-made for this state's unique education and career environment and would bring Iowa in parity with or surpass its regional, national and international workforce competition.

More importantly, all secondary and postsecondary students and workers at all levels of education and professional development would be given 21st Century tools and resources to explore, plan, find, and manage a satisfying career in Iowa.

This collaborative effort would allow businesses, educational institutions, and government planners the ability to unite their workforce support into a central repository to meet the needs of Iowa's students, parents, educators, businesses and labor pool.

The Board in its role as the Board of Directors for IWD continued to lend support to the building an Iowa Workers' Monument to honor all working men and women in Iowa. The Monument is scheduled to be completed in April 2008.

State Board members participated in a “Duties and Responsibilities” training held for board members and local elected officials in August 2006. Part of the training included a discussion on the WIA program.

The Board has reviewed the current office structure in Iowa for the delivery of employment and training services on a statewide basis. This process is continuing and the Board will be receiving updates in Program Year 2007.

III. Supporting Economic Development

A. Employers Councils of Iowa

Employers’ Councils of Iowa (ECIs) are located throughout the state and are composed of groups of employers who work in partnership with IWD staff to meet the workforce needs of employers. ECIs have been active in Iowa since the early 1980’s. ECIs provide an employer’s perspective in advising IWD and other policy makers on the full range of workforce issues and topics of concern to employers.

Currently 19 local councils support the mission of ECI by conducting regular meetings, lunch and learn events, seminars, conferences, job fairs, legislative sessions and other programs that assist employers. Some of the ECIs have broadened their mission to include scholarship awards, computer purchases, and other items needed by job seekers. Membership in ECI is free and open to all Iowa employers. In Program Year 2006, two new ECIs were established.

The special role of the State ECI is to help gather and disseminate information about the activities of the local councils. In Program Year 2004, the State ECI adopted a three-year strategy and work plan, which outlines the principles of success for the organization and the core services for the local ECIs. The strategic plan has continued to be implemented during Program Year 2006. Some of the recent topics that have been addressed by ECIs include:

- ✓ Employment Law
- ✓ Diversity in the Workplace
- ✓ Laborsheds and Employee Availability
- ✓ Employee Wellness
- ✓ Intergenerational Workplaces

- ✓ Services for Veterans
- ✓ Child Labor Laws
- ✓ Wage Garnishment
- ✓ Customer Service Seminar
- ✓ Civil Rights and Workplace Harassment
- ✓ Learning About the Unemployment System
- ✓ Legislative Networking Meetings

The State ECI co-sponsored with IWD two all-day “train-the-trainer” workshops on the *Youth @ Work: Talking Safety* program. The workshop curriculum contained training materials for teaching youth and others basic job health and safety knowledge and skills, including youth with developmental and learning disabilities.

The free training was given by staff from the National Young Worker Safety Resource Center at the University of California, Berkeley. Over 80 participants attended the workshops representing staff from WIA, IWD, Jobs for America’s Graduates, secondary education, vocational rehabilitation, business, and non-profit organizations.

Those trained at the workshops will now be able to provide similar training to businesses, educators, youth, associations, community-based organizations, workforce professionals, Employers’ Council of Iowa members, board members and others interested in promoting youth safety on the job. Also, Iowa has two “master” trainers who will be able to provide continued support to local trainers.

B. Laborsheds

Iowa is continuing their use of the laborshed studies to assist in the economic growth of the State. The laborshed study looks at a specific area or region of the State from which an employment center would draw its commuting workers regardless of natural or political boundaries. This study gives the communities the ability to document and illustrate the characteristics of the labor force, which is an effective tool for retraining, expanding existing business and attracting new business into the area.

During 2006, laborshed data was used in the Coralville area to retain an existing business. GEICO, a business in Coralville, was considering relocating their

current operations. The laborshed information helped them make the decision to remain in the area. Laborshed studies also assisted Coles Quality Foods in North Liberty in targeting their advertising to acquire the appropriate applicant for their open positions. Siemens recently relocated to Ft Madison area based on the information from the laborshed studies about the existing skilled labor force and illustrating how far people are willing to commute for employment.

Iowa laborshed studies are recognized nationally as a detailed tool for economic development purposes giving Iowa an edge over other states when businesses are looking to relocate, expand or remain in the State.

IV. Workforce Initiatives

The Workforce Development Board supports all job seekers in the state, but is particularly focused on special populations. Activities and initiatives in PY06 are especially notable for three of these populations: New Iowans, Youth, and Individuals with Disabilities.

A. New Iowan Centers

The focus of the New Iowan Centers is to help anyone new to Iowa, whether from another state or another nation, feel welcome. Unskilled, semi-skilled and skilled workers are employed in all sectors of a community and add to the community's assets. These jobs are essential to keeping the state's economy growing and communities strong. In addition, newcomers bring their education and experience to be utilized by our state. The focus of the New Iowan program has changed from giving services to newcomers to Iowa to a broader range of economic development and the incorporation of newcomers into their communities.

In July of 2005, the NIC program applied for and received a three-year DOL demonstration grant, which is being used to expand services delivery. In addition to the New Iowan Centers originally established in Muscatine, Sioux City and Ottumwa, new full service New Iowan Centers are also operating in Council Bluffs, Des Moines, Mt. Pleasant and Marshalltown. Additional outreach locations are in Perry, Storm Lake, and Iowa City. In the fall of 2007, we plan to open outreach locations in Orange City and Denison.

VISTA positions were granted for the New Iowan Center program in PY 2006 and again in PY 2007. These volunteer positions were assigned to develop infrastructure and service delivery coordination for people dislocated due to disaster, specifically Hurricane Katrina and Rita, in Des Moines and Cedar Rapids. For the second grant, our focus is the broad service of needs encountered by all individuals dislocated due to an emergency, which encompasses refugees and evacuees. In addition, the VISTA volunteers in Des Moines and Muscatine will be providing presentations to targeted audiences about the services of the New Iowan Centers and IWD.

Activity in the Centers continues at a high rate. For example, in PY 2007, over 14,000 customers were served with 38,930 services delivered statewide. During the same period, over 10,257 training opportunities were provided to the community, business and customers. These included Rosetta Stone instruction (ESL), Citizenship and Money Smart classes, special employer requested trainings, diversity presentations, translations, interpretations, immigration updates and presentations, marketing and staffing assistance.

Services offered by the Centers include:

- ✓ Economic and community development of strategic initiatives
- ✓ Workforce development programming
- ✓ Cultural and multicultural event planning
- ✓ Cross-cultural diversity training
- ✓ Networking to create and identify cross-cultural market opportunities
- ✓ Entrepreneurial, businesses development consultation
- ✓ Translation/Interpretation assistance and referral
- ✓ ESL software, citizenship and basic computer classes
- ✓ Immigration information assistance and referral
- ✓ Financial classes
- ✓ Housing Information and programming
- ✓ Migrant and Seasonal Farm worker outreach services

B. Individuals with Disabilities

Iowa's One-Stop Workforce Center System maintained efforts fully include Iowans with disabilities in the workforce in PY06. Iowa Workforce Development continued joint efforts with Iowa Vocational Rehabilitation Services, Iowa

Department for the Blind, Iowa Division of Persons with Disabilities, Iowa Governor's Developmental Disabilities Council, Iowa Department of Human Services, and Iowa Department of Education to position employment services to be a stronger resource to our citizens with disabilities.

Iowa's Navigator program completed the fourth year of operation in this state, and continues to facilitate local multi-agency focus on the inclusion of Iowans with disabilities in our workforce. Iowa's collaboration of agencies has supported this role in partnership with regional Workforce Investment Boards. In past years, this program has supported 16 navigators, placing one in each of Iowa's 16 regions. During this program year, the number of navigators has been reduced to ten, in light of diminished funding available to this state in supporting this program. It is important to note, however, that there has been sustainable impact in the employment services system through Iowa's collaborative investment, as other resources have been enhanced to strengthen Iowa's focus in this area.

The state agency collaboration has applied for and been awarded the role of implementing the Social Security Administration's Work Incentive, Planning and Assistance (WIPA) initiative in this state. This effort has been integrated into the operation of the workforce center services statewide to support SSA disability beneficiaries in making full use of available SSA work incentives in meeting their own personal career objectives. Two of Iowa's navigators have become Community Work Incentive Coordinators through this initiative, and, with contracted SSA benefits, planners (through a partnership with Iowa's Medicaid Infrastructure Grant) are now assisting SSA beneficiaries served in One-Stop workforce centers statewide.

Another development during PY06 has been in IWD's application for recognition as an Employment Network through SSA's Ticket to Work Program. This effort is also in partnership with the state agency collaboration, and "tickets" may be assigned to IWD from SSA beneficiaries on behalf of Regional Workforce Investment Boards across the state of Iowa. Iowa One-Stops are already "employment networks" literally, but this recognition through SSA will enhance their focus on outcomes for beneficiaries they are already serving, and improve their recognition as a resource to beneficiaries that haven't seen them as a resource yet.

The transition of youth with disabilities from schools to work and employment service has been a concern nationally. In Iowa, our state agency collaboration has received a grant from the Office of Disability Employment Policy to develop transition prototypes in three Iowa communities. These prototypes have been based on the development of community resource mapping strategies. All prototypes will continue to operate when the federal funding in completing during PY07, and there is some replication supported in other Iowa communities. One of these prototypes was recognized in June at the International Association of Workforce Professionals International Conference in Boise, Idaho in the Specialized Services Group Award – First Place. Iowa’s collaborative state agency partnership has made two applications for Rehabilitation Services Administration funding to continue to build on what we are learning together through this initiative.

A state partnership team of representatives has reviewed feedback from local offices regarding local flexibility and how agencies can share customers, resources and information to improve customer service. The plan is for agency representatives to visit two regions each year to generate additional comments and responses to aid us in strengthening our support to them in this area. Five visits have been completed so far, with the sixth scheduled in early PY07.

As we have continued to look for means to replicate earlier grant efforts to recognize hidden disabilities among TANF recipients served in One-Stops, an opportunity has presented itself to create eight positions statewide during PY06 that focus on this population. These positions utilize the same networks developed and utilized by Iowan navigators and other partner agencies to achieve stronger employment outcomes for job seekers with disabilities.

The Iowa state agency collaborative, with IWD’s full participation, has built upon lessons learned through multi-agency grant initiatives from DOL, SSA and RSA. The use of navigators to facilitate this focus in Iowa’s One-Stops has been one of many tools this team has developed to strengthen outcomes for Iowa’s job seekers with disabilities. As we have learned more about barriers and challenges that these Iowans face, more tools have been developed and continue to be added.

V. Cost Effectiveness of the WIA Programs

The State of Iowa has been put into a position of needing to work with individuals with multiple barriers and harder to serve. Given the low unemployment rate and the growing need for workers by business, we will need to utilize any individual that we can in order to meet business needs. Many of the individuals that we will be targeting for outreach are those that have not been in the workforce. Again, this is partly because of the state being at full employment as well as the fact that a rather significant part of the regions incentive awards will be based on the percentage of individuals enrolled that have multiple barriers (defined as two or more). Since many of these individuals will not have been in the workforce, we anticipate the return on investment ratio to increase for the adult and youth populations. We feel that with the States willingness to maintain or increase the performance goals, even though we are dealing with harder to serve individuals, is a clear indicator that the State of Iowa is promoting continuous improvement.

The following is a brief description of the States return on investment posted in the PY 2006 annual report.

The State evaluates the cost effectiveness of its WIA programs by comparing the average cost of providing services (Average Cost per Participant) to the average increase in wages earned after WIA services were completed (Average 12 Month Earnings Change). This comparison is made for each of the three funding streams of Adult, Youth, and Dislocated Worker.

The chart below provides information on total expenditures in each funding stream as well as the number of participants. From this information, an Average Cost per Participant is calculated. The Average Cost per Participant is then compared to the Average Earnings Change in 12 Months to calculate a cost effectiveness ratio. The Average Earnings Change in 12 Months is a calculation of the average increase in Unemployment Insurance (UI) reported wages for the 4th and 5th quarters after exit over those reported for the 2nd and 3rd quarters prior to registration. The wage record information represents all data that was available for participants who exited from the Adult, Dislocated Worker, and Youth programs.

Program	Expenditures	Number Participants Served	Avg. Cost/ Participant	Avg. 12 mos. Earnings Change	C-E Ration
Adult	\$2,326,996	1150	\$2,023	\$4,723	1:2.34
Youth	\$1,277,207	1188	\$1,075	\$3,803	1:3.54
Dislocated Worker	\$3,343,336	1923	\$1,739	\$4,876	1:2.80
<p align="center">** Since the national goal for Wage Replacement for Dislocated Workers is 90%, the Earnings Change for Dislocated Workers was calculated based on 90% of pre-program earnings.</p>					

For the adults exiting the program wage record data indicated that for each \$1.00 of WIA Adult resources spent there was an increase of \$2.34 in participant earnings 12 months after the completion of services. For Youth, wage record data indicate that for each \$1.00 of WIA Youth resources resulted in an increase of \$3.54 in participant earnings. For Dislocated Workers wage records indicated that for each \$1.00 of WIA Dislocated Worker resources spent resulted in an increase of \$2.80 in participant earnings 12 months after the completion of services. For the dislocated worker population, maintaining wage levels is an acceptable outcome since these participants are working prior to enrollment and a primary program goal is re-employment at comparable wages.

This method provides a point-in-time comparison and does not involve cumulative increased earnings, potential reductions in public assistance payments and/or benefits, or increased federal and state tax revenues from personal income and sales tax. Therefore, the overall cost effectiveness of the programs can be assumed to be considerably higher than this point-in-time, conservative measurement.

Impact on Customer Satisfaction

The State of Iowa anticipates that assisting business with filling their employee needs with this underutilized population should have a positive impact on customer satisfaction with employers. As stated previously, the state is virtually

at full employment and employers are in need of this and any other underutilized populations to fill their needs.

The State has also seen that many of the most positive responses to the customer satisfaction survey have come from those individuals that receive the most in depth counseling, intensive services and training. Many within the population will be in need of one and possibly all three of these services. The State anticipates that this will lead to an increase in the positive response rate from our participants.

VI. Program Results

A. Adult Program

The Adult program provides employment and training assistance to adults (age 18 and older) to increase their employment, earnings, occupational skill attainment, and job retention. Three levels of service are available to adults: core services, intensive services, and training services. Adults must first receive core services before they can move on to intensive services, and must receive intensive services before they can move on to training services. Because Adult program funds are limited, priority in the provision of intensive and training services must be given to adults who are low-income or welfare recipients.

A group of adult and dislocated worker field staff met during program year 2006 to discuss Adult and Dislocated Worker program issues. This group meets twice annually and has representation from all 15 of Iowa's workforce regions. Their purpose is to identify ways to improve services in their respective regions. This is accomplished through discussions about performance changes, best practices, use and design of forms, and problem resolution.

During Program Year 2006, the WIA Adult program served 1,150 participants at a cost of \$2,326,996 or \$2,023 per participant. Adult participants achieving employment after program participation earned an average of \$4,723 more per quarter than they earned prior to participation. All four of the performance measures for the adult program were achieved at the Department of Labor required performance levels.

B. Youth Program

The Iowa WIA Youth Program continues to implement the Employment and Training Administration's New Strategic Youth Vision to more effectively serve out-of-school and at-risk youth through the workforce system. The new strategic vision focuses on four major areas: 1) high quality alternative education; 2) skills for jobs and career pathways in high-growth, high-demand industries; 3) the neediest youth (those in foster care or aging out of foster care, youth offenders, disabled youth, etc.); and 4) the common measures, or a performance-based Youth program focused on outcomes.

The common measures for youth programs include placement in employment or education; attainment of a degree or certificate; and literacy and numeric gains. The literacy and numeric gains measure for out-of-school youth was implemented on July 1, 2006. While the other common measures for youth were tracked throughout PY06, performance indicators in the Youth Program remain the seven statutory youth measures.

The Youth Advocacy Committee (YAC), a group of Youth field staff, met in PY2006 to discuss WIA Youth Program issues. This group meets twice annually and has representation from all 15 of Iowa's regions. The purpose of the group is to identify ways to improve services in their respective regions. This is accomplished through discussions about performance changes, best practices, use and design of forms and problem resolution. The YAC also serves as an informal network for WIA Youth specialists throughout the State. In PY06, the group shared best practices on improving summer activities for Youth, which resulted in an increase in these activities across the state.

Many regions throughout the state are striving to engage more out-of-school youth in providing support and services that will lead the youth to gainful employment on a long-term basis if necessary. It is important that youth are employed in a field that not only interests them, but one in which they have the potential to acquire the skills to be successful.

During Program Year 2006, 466 Older Youth (age 19 to 21) participated in the program. During Program Year 2006, 723 Younger Youth (age 14 to 18) participated in the program. Total costs for the Youth program were \$1,277,207,

or \$1,075 per participant. All Older Youth and Younger Youth performance standards were achieved at or above the level required by DOL.

C. Dislocated Worker Program

1. Formula Dislocated Worker Funds

During Program Year 2006, the WIA Dislocated Worker Formula program served 1,923 participants at a cost of \$3,343,336, or a cost of \$1,739 per participant. After leaving the program, about 88.5% of participants became employed, and 97.4% retained their jobs for at least six months. The Dislocated Worker program achieved all four of the program performance measures at the Department of Labor required performance levels.

2. Rapid Response Program for Dislocated Workers

The Rapid Response program reacts as quickly as possible to announcements of mass layoffs or dislocations in Iowa. If a business that employs one hundred or more individuals is closing or experiencing a permanent layoff of fifty or more individuals, the Worker Adjustment and Retraining Notification (WARN) Act is in effect. The State Dislocated Worker Unit receives the WARN notice, which often triggers a Rapid Response. The Rapid Response coordinator contacts the business, the local Workforce Investment Act service provider, IWD provider, and other service providers to arrange a Rapid Response meeting. At the Rapid Response meeting, information will be shared about all of the available programs and a schedule of Employee Information meetings will be established to disseminate this information to the workers. Usually multiple Employee Information meetings are planned to accommodate worker and production schedules. The past program year has seen an increase in coordination with Trade programs and Economic Development. The Rapid Response Coordinator has the responsibility of arranging this meeting and also serves as the facilitator.

During Program Year 2006, forty-three WARN notices impacting more than 4,900 workers were received by the State Dislocated Worker Unit. From these notices, the State Dislocated Worker Unit identified those dislocations involving significant numbers of workers and conducted 15

Rapid Response meetings. Of the WARN notices nine were amendments or additions to previously issued WARN notices, and fifteen WARN events were addressed with locally sponsored Rapid Response meetings. WARN notices issued by three businesses were negated by the businesses remaining in operation. One WARN notice impacted only one employee, and Rapid Response was not conducted. This employee was contacted directly by the local service provider. In addition to Rapid Response, Employee Information meetings were conducted for every WARN event.

3. Early Intervention Grants

Early Intervention Grants are funded through the Governor's 15% Rapid Response funds. The grants are awarded to regions that experience a business closure or permanent reduction within a business resulting in the displacement of 30 or more employees. The regions use these funds over a 120-day calendar period to provide services such as recruitment, initial assessment, core services, staff-assisted core services, intensive services, and training to help the displaced workers transition back to employment.

The Grants are presently awarded to the WIA Region Contract provider at the rate of \$100 per displaced individual and range from a minimum of \$3,000 (30 employees) to a \$30,000 maximum (300 or more employees).

During Program Year 2006, Early Intervention Grants transitioned in from the previous Program Year \$ were zero due to a change in policy to not carry-over allocations from Rapid Response Funds into the new Program Year. Twenty (20) additional Early Intervention Grants were awarded during Program Year 2006 totaling \$226,135 in regional funding and serving 2,881 participants.

4. Special Intervention Funds

In PY02, the Special Intervention Funds (SIF) program was created to assist regions with expenses associated with workers displaced because of foreign competition. It is similar in nature to Early Intervention Funds but provides a higher rate per individual (\$200 vs. \$100), lasts for six months (vs. 120 days), and is directed to specific target groups. The program continues to function and has proven to be very beneficial to both the participants and the contractor.

Special Intervention Funds (SIF) are used to assist those regions impacted by closings and permanent mass layoffs where a National Emergency Grant (NEG) would, initially, not be appropriate due to pending certification of Trade Adjustment Assistance (TAA). If a region has expended or obligated its Dislocated Worker funds and a NEG, initially, would not be appropriate, SIF may be requested to provide immediate assistance to eligible workers to initiate case management, provide assessment and career counseling, and develop an Individual Employment Plan (IEP). These funds are intended to fund staff, staff-related expenses, and assessment costs. The funds may also be used in conjunction with Early Intervention (E.I.) funds, which can be used to defray the costs of workshops. It should be noted that during Program Year 2004 that the Department of Labor, Employment and Training Administration, started allowing Trade Dual Enrollment NEG's to be written to provide "wrap around services" to TAA-eligible participants. These "wrap around services" would include childcare, transportation allowances for non-TAA covered mileage, and other services not covered by TAA.

During Program Year 2006, there were no Special Intervention Funds awarded. This was primarily due to eligible dislocations occurring early in the Program Year when the local regions had not spent and/or obligated all of their Dislocated Worker funds. Further, a region's access to both Early Intervention Funds and a fast response on eligibility for Trade dramatically reduced the necessity for Special Intervention Funds (SIF).

5. National Emergency Grants

National Emergency Grants (NEG) are awarded by the Department of Labor to the State of Iowa based upon applications submitted on behalf of dislocated workers from businesses that experience a closure or permanent reduction in staff. In January 2004 the Training and Employment Guidance Letter (TEGL) number 16-03 was issued, which established new guidelines for eligibility of National Emergency Grants. Highlights of the changes include: displacement of 50 or more employees requires a minimum enrollment of 50 participants into a NEG; with limited exceptions there will be no "bundling" of companies; dislocations

that occur more than four months prior to an application for a NEG will be denied, with few exceptions; an expenditure rate of 70% or more of formula dollar funds for dislocated workers based upon the previous program year will have to be proven in the application - for regions as well as the state; if the dislocation raised the unemployment rate by 1% or more over the previous six months a provision for community impact can be used to determine eligibility; and industry-wide layoffs from companies in the same industry, as determined by the three-digit code level in the North American Industrial Classification System (NAIC), can be used to establish eligibility. In addition, the new regulations required that Early Intervention Funds be used to establish a basis for development of a National Emergency Grant request. Further, as previously mentioned under Special Intervention Funds (SIF) above, during Program Year 2004 the Department of Labor, Employment and Training Administration, started allowing Trade Dual Enrollment NEG's to be written to provide "wrap around services" to TAA-eligible participants.

These new rules made it far more difficult for rural states like Iowa, which frequently have smaller employers closing or permanently laying off employees and who had previously "bundled" companies into a single NEG, to apply for and receive a National Emergency Grant.

In addition, on April 27, 2007, the Department of Labor (DOL) announced an additional change in National Emergency Grants (NEG) in TEGL No. 16-03, Change 5. Under the Community Impact provision for eligibility, DOL announced the use of NEG funds for "Regional Innovation Grants," to be known as RIG. RIG funds are to be used to initiate comprehensive, sustainable, and integrated regional planning using the "Workforce Innovation in Regional Economic Development (WIRED)" conceptual framework and principles. The activities from these grants will result in a strategic and transformative regional plan that, when implemented, will counteract the effects of events resulting from an economic shock in a region and will prepare workers and businesses to compete and succeed in a global economy. Region 16 started developing a RIG proposal during June of Program Year 2006; however, it was not submitted until August of Program Year 2007. There are two other regions currently looking at submitting RIG requests during Program Year 2007. We hope to be able

to include positive results of the RIG applications in next year's Annual Report.

Once a NEG application is approved, the state subcontracts the grant to the WIA regional service provider. The money from these grants is used in addition to Formula Dislocated Worker funds to provide recruitment, initial assessment, core services, staff-assisted services, intensive services, and training to assist the displaced workers in their return to the workforce. These funds have a "life span" maximum of three years.

Four National Emergency Grants were transitioned into the Program Year 2006. These grants provided \$1,229,773 to assist up to 331 participants. During the course of the year, four additional NEG's were awarded to provide services to 425 participants at a cost of \$2,818,294. Of these four, there was one Trade Dual Enrollment NEG.

6. Special State Funded Projects

In Program Year 2006, Special State Funded Projects (referred to as State Emergency Grants [SEG]) transitioned in from the previous Program Year \$ were zero due to a change in policy to not carry-over allocations from Rapid Response Funds into the new Program Year. As reported for Program Year 2004, these Special State Funded Projects are either denied, or appeared they would be denied, for a National Emergency Grant (NEG) based on the rule changes previously noted above.

Additionally, in Program Year 2006, there were six new projects funded through Rapid Response Funds for Special State Funded Projects that did not meet eligibility for a NEG under the new rule changes. These six grants provided \$293,851 to provide services to 211 participants during the 24-month time limit of the grants. Two of these grants expired on June 30, 2007.

D. Wagner-Peyser

Iowa Workforce Development is responsible for the delivery of federally funded employment and labor exchange services offered using Wagner-Peyser funding. Services are delivered through 15 regional one-stop centers and 56 local offices. Progressive levels of reduced funding for workforce services forced IWD to close 14 offices throughout the state during Program Year 2006.

The regional one-stop centers and offices provide a variety of services to meet the workforce and workplace needs of job seekers, dislocated workers, unemployed persons and Iowa businesses. They provide job counseling, job placement and assistance to special needs populations, as well a variety of employment related services to businesses.

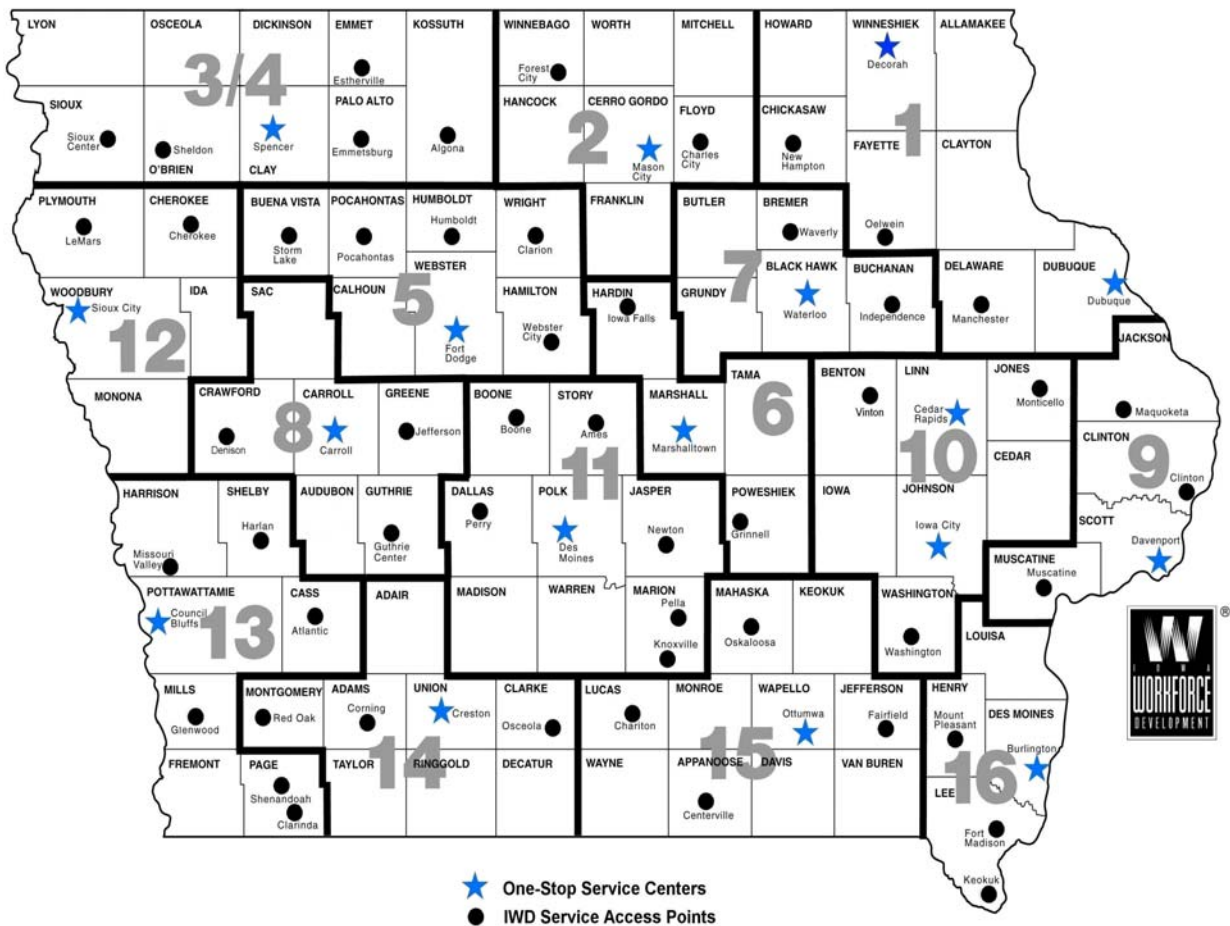
During Program Year 2006, 206,286 job seekers were registered and available for services. Of these 15,748 were military veterans or others eligible for veteran services. There were 180,092 job seekers referred to employment.

7,810 employers listed 92,376 job openings during the program. There were 82,700 job seekers provided services who found new or different employment during the period.

VII. Regional Reports

Each of the WIA service providers provided information specific for their regions regarding the activities conducted there during PY 2006. The map below indicates the grouping of Iowa's counties into the 16 Regions.

Iowa Workforce Development Delivery System



Iowa Workforce REGIONS

Region 1 – Dubuque/Postville

Region 1 continues to stress excellence in programming, effective partnerships, and a focus on high wage/high demand occupations as the cornerstone to its philosophy for preparing the local workforce to meet the needs of area businesses, now, and in the future.

The need for services to Dislocated Workers continued to be strong again this year and was once more a major focus of WIA resources. On top of the over \$500,000 in WIA formula funds earmarked for Dislocated Workers, several state and national grants were also obtained to provide services to additional Dislocated Workers affected by mass layoffs and plant closings. A National Emergency Grant (NEG) was secured to provide services to workers idled by the closing of the Regency Thermographers plant and has provided services to 67 workers to date. State Emergency Grants (SEGs) and State Early Intervention grants were also obtained to provide services to workers affected by mass layoffs at DURA, and Accument Global Tech. A third SEG was received to assist the former employees of LandsEnd. To date, services have been provided to 60 workers through these state grants.

While the majority of WIA participants who were served in Region 1 last program year were Dislocated Workers, services were also provided to a significant number Adult and Youth clients. Occupational training for high demand/high wage jobs was the major emphasis of the Adult program. Almost 90% of Adults exiting the program last year were employed and were earning an average of \$16,842 per year more than they earned before enrolling in the program. Job training and employment were also emphasized for Older Youth. Over 85% of Older Youth exiting the program last year were employed and were earning an average of \$12,480 per year more than they earned before enrolling in the program. High school completion and improvement of basic skills was a major focus of the Younger Youth Program. More than 81% completed high school or its equivalent before exiting the program and over 83% improved in the area of basic skill development.

As a result of our emphasis on program excellence and partnership, Region 1 received an incentive award of \$109,993 from the State of Iowa for meeting all federally mandated performance measures for the Workforce Investment Act programs. These measures require program operators to meet minimum

standards in 17 areas including number of clients placed in jobs, wages of these jobs, and customer satisfaction.

Region 2 – Mason City

Regional economic development remains the number one priority in the Region 2 Customer Service Plan. Working with our economic development partners, efforts are being targeted at new and expanding businesses that provide good wages and benefits, with Workforce Development Partnership services offered as part of the recruitment/expansion package. The Regional Business Accelerator Grant position funded through the Iowa Department of Economic Development continues to provide current businesses with the opportunity for assistance where maintaining existing jobs and possible expansion is a priority. A business incubator location for new and emerging entrepreneurs is also under construction on the North Iowa Area Community College (NIACC) campus. NIACC has also begun to make awards from a \$99,000 grant it received from the United States Department of Agriculture to establish a revolving loan fund to support the growth of small businesses in Region 2. The Workforce Development Partnership will continue to pursue ways to contribute to the region's economic development efforts.

Few things are more important for the quality of life in North Iowa than progressive economic development. To improve our chances of attracting, keeping and growing businesses in North Iowa, North Iowa Area Community College (NIACC) and IWD continue to form and build partnerships with local and regional economic groups to conduct important regional initiatives and studies. Updates to the North Central Iowa Regional Laborshed Study (first completed in 2005) are scheduled to be completed by September 2007. This study helps to identify the area's industry labor skills and employment numbers, which allow businesses, economic developers, researchers and others to capitalize on development and recruitment efforts.

At the request of area manufacturers, NIACC is beginning the third year of offering a one-month evening training program designed to prepare workers for entry-level positions in manufacturing companies (originally developed by Eastern Iowa Community College). It is delivered four times per year, with the Workforce Center providing the on-site orientation and making referrals to the program.

WIA staff has been involved with Rapid Response employee meetings with IMI Cornelius, which will be laying-off most of their employees soon. IMI was approved for TAA benefits and WIA staff will be helping coordinate those services and will supplement with WIA assistance when necessary, especially for assessment for those considering retraining. WIA staff is still a part of the NIACC adult services committee and assists with special adult services and recruitment efforts.

Region 3 and 4 – Spencer/Sheldon

Challenges:

During program year 2006, Regions 3 and 4 were merged into one region. Northwest Iowa Planning and Development Commission was appointed the service provider for PY 2007. NWIPDC and IWD staff have completed the reorganization tasks of merging performance and client databases, combining budgets and related reports for one region.

State of the Regional Economy:

PY 2006 saw the economy of Northwest Iowa take a sharp upturn as the result of local, aided by state and federal funding, efforts to increase the job opportunities available to residents and to attract new residents to attempt the turn around of a declining population. As always, the trend continues to be growth in certain areas, mainly cities, while the more rural and unincorporated areas continue to struggle.

Although there is still room for improving the economy, it is hoped that things are at a turning point as rural economies fight to diversify and recover from the downturn of the 1980s. Many of the efforts over the past few years in Northwest Iowa have been the result of the creation of a network of outstanding local developers and development groups. The long-term affect of these efforts will take years to determine, but it is possible to see that in a given year, like PY 2006, successes have occurred.

During PY 2006, there were no large business closings although the local Eaton Corporation plant in Spencer did announce that positions were being moved to plants in Mexico. This was not a complete closing, but was large enough to generate a Federal WARN notice. Since this was a Trade Adjustment Act related

incident, TAA assistance for the displaced workers was secured by IWD staff. The local IWD and WIA staff met with the affected employees and some are co-enrolled in WIA and the TAA program.

In this program year, there was a large increase in overall project amounts. Total projects were \$60,375,949, of which there was an increase in public assistance to \$7,501,715 of local and \$1,643,000 of state/federal participation, while the private investments increased to \$51,231,234. In addition, it is estimated that these projects created or retained 297 jobs. The bottom line is that although there were many development projects accomplished in certain parts of the region, there is still the need to address the long range problems facing the rural population and that groundwork has begun in Northwest Iowa and will be shown in future reports.

Unique Programming:

By its very nature, the youth job training programs in Northwest Iowa have been unique. This effort continued during PY 2006.

Although the once popular Federal School to Work efforts have gone by the wayside, one NWIPDC WIA youth specialist continued, and continues, to provide these services to interested area school districts.

During PY 2006, the SDR 3 and 4 StW program consisted of nine school districts continuing to contract with NWIPDC for StW services. This consortium received Carl Perkins funding and the Carl Perkins funds were utilized by the school districts to do vocational programming for grades 7-12. The NWIPDC coordination consisted of oversight for all vocational programs within the districts as well as fiscal oversight of the Carl Perkins funds. In addition, NWIPDC staff operated a summer work experience program called the Supervised Career Preparation Program. This program was available to all high school youth 16 years of age and older. The program offered youth an opportunity to work in an area of career interest. Youth were eligible for high school and college credit after successfully completing the program. All of these school districts were located in the part of the region that was the former SDR 3.

At the same time, another program was continuing on the Western side of the region in the old SDR 4 area. NWIPDC youth staff continued to serve on the West Sioux Consortium for Improving Transition Outcomes (CITO). This group

was formed to assist students with disabilities, who were, and are, served in West Sioux High School's Resource Room, in making empowered and well-informed career choices so that they would ultimately attain a successful occupation. With this goal in mind, the CITO partners combined efforts to develop a transition service model named Careers and Self Exploration (CASE). The key to the CASE project continues to be that the student can engage in and direct his/her career search making use of community resources, and identify a well informed, and personally satisfying vocational career goal.

Region 5 – Fort Dodge

The Region 5 WIA located within the IWD One Stop and its partners on Iowa Central Community College in Fort Dodge, Iowa. The Region 5 WIA program is a one-of-a-kind as IWD is the service provider in contrast to the organization of all other regions and all WIA staff are IWD employees. The on-campus location provides greater one-stop accessibility for students and staff of ICCC as well as the entire community. With the proximity to ICCC, IWD will assist the college in coordinating Job Fairs, at which IWD/WIA staff provide resume critiquing services, and in developing student placements upon completion of their education. Besides the One-Stop regional office in Fort Dodge, services continue to be provided throughout the entire Region 5 area. Seven (7) counties are included in Region 5. They are Buena Vista, Pocahontas, Calhoun, Humboldt, Webster, Wright, and Hamilton. There are five offices within the region located in Storm Lake, Pocahontas, Dakota City/Humboldt, Fort Dodge, and Webster City.

Region 5's Board has directed WIA staff to focus on Institutional Skills Training rather than a "work-first" strategy to address the needs of employers and job seekers in the region. With no growth in the WIA budget and increasing costs, the RWIB and CEO boards are becoming increasingly involved in budget matters. This increased involvement will help insure that we provide the best possible service our ever-limited assets will allow. Reflecting the efforts of WIA staff in meeting performance measures, the boards accepted an incentive award of \$82,948 in PY 06.

WIA youth and adult programs continued their partnership with Promise Jobs, allowing both programs to successfully target those clients most in need of assistance. Relationships include referrals, joint programming, assessment, and shared clients. The partnerships continue to be an effective means of insuring

the non-duplication of services and the maximization of resources leading to increased enrollments.

Region 5 has continued to experience a period of economic growth. WIA staff have assisted with those who were affected by any permanent layoffs or business closings. IWD has helped in the hiring process for many new manufacturing/alternative energy businesses, including ethanol plants, biodiesel, and wind farms. In addition, most of the current major manufacturing companies have remained steady or are expanding their business and number of employees. The transportation business continues to grow in Region 5, and WIA continues to assist some of their program participants in the Iowa Central Community College truck-driving course. Students completing this course have an excellent placement rate. All of the counties in Region 5 have experienced a stable unemployment rate of 3.6%, slightly lower than the statewide average of 3.7%.

A large manufacturing facility in Webster City did announce that they would be laying off up to 700 employees towards the end of 2007 or in 2008, with those jobs being moved to Mexico. To this point, we have not seen this happen and the company is not commenting. Currently the RWIB board, WIA, ICCC, and IWD are working with community leaders in Webster City and the surrounding area on how to best assist the employees who will be affected. In addition, we are assisting the communities with labor market information and other services as requested for economic development efforts in order to bring in new business. The goal is to help lessen the impact when these employees lose their jobs by being able to offer them other employment opportunities, as well as any training needs that they may have in order to be qualified for those jobs.

The region continues to assist those with employment barriers by referring them to partners and services that may be able to help. These partners include but are not limited to WIA, IVRS, Veterans Employment Services, Disability Navigator, and New Iowans Center. In addition, staff continues to be a part of the Rockwell City Correctional Facility training by explaining programs and the services of IWD, and offering them job search assistance skills. Iowa Advantage Workshops are also being offered monthly to offer assistance with a wide variety of job search assistance topics.

Region 6 – Marshalltown

The economic condition in Region 6 continues to improve. Our region's unemployment rate declined and the average hourly wage increased for Program Year 2006. Specifically, our unemployment rate for the last 6 months of 2006 lingered at 3.8% a fraction above the state average of 3.7%; however, the first six months of 2007 saw our regional unemployment rate drop below the state's average.

Job openings increased in the region; and whenever feasible, WIA funds were combined with other state and federal training funds to deliver training to individuals who lacked the skills necessary for the job openings. Unfortunately, our region still had jobs going unfilled because there was not enough money to train those who lack the necessary skills. The improving economic condition continues to reduce the amount of WIA formula funds available for training or retraining; and without the necessary training dollars, the new jobs available may continue to go unfilled.

Because of the limited dollars available for training in SDR 6, it was more important than ever for the region's One Stop System to work together cohesively. Partners within the system continued to meet quarterly to review the employment and training needs of the region. All partners strived to deliver high quality services. Program changes were made whenever necessary and feasible. The WIA program, in particular, made a significant change in how Post-Program Services were delivered. WIA hired a counselor to perform post program services. The primary role of this new position was to maintain regular contact with all those who exited the program; and to stay current with their needs as they navigated through the job seeking process. Assistance in maintaining a job was provided when necessary. This added effort made a positive impact on Region 6 WIA Performance Measures. Preliminary figures show Region 6 to be meeting all measures and exceeding in several measures.

This new position also had the responsibility of facilitating the quarterly Interagency Council meetings in Tama and Poweshiek counties. This facilitation allowed for network/relationship building; and the on going sharing of employment information, agency updates and economic development news. The position also served as the Council's contact for questions related to

employment and training issues. This position helped the One Stop System stay connected in counties where system partners did not have staff available.

Iowa Valley Community College District, a partner of our One Stop System, continued to be an excellent resource for our One Stop System. The college not only provided training to job seekers and employers, it also served as the fiscal agent for several programs with minimal reimbursement from the state. This assistance is priceless in a One Stop System that has high expectations and limited funding.

Even though Region 6's employment and training funding may be shrinking, the staffs' dedication is bursting at the seams. The region exceeded its goal in customer service and employer satisfaction. System staffs are going the extra mile and it is showing. Iowa Workforce Development saw its highest numbers ever of people using the system. It appears both the job seekers and employers of Region 6 liked the services they received through our One Stop System; and are returning when they need additional services.

Region 7 – Waterloo

The unemployment rate for Black Hawk, Bremer, and Buchanan Counties remained unchanged from Program Year 05 through Program Year 06. These percentages were 3.6, 2.8, and 3.6 respectively. The Region's other two counties, Butler and Grundy, experienced a slight increase from 3.6% to 3.7% and from 2.8% to 3.2%. There were no major business closings or substantial employee lay-offs in Region 7 during Program Year 06, so rapid response and employee informational meetings were not required.

A major employer moved to Waterloo and opened for business on June 30, 2007. The Capri, a Vegas-style casino, will bring over new 800 jobs to the Cedar Valley. In addition to the casino - which has slots/video games, table games, and a poker room - the Isle also includes a buffet, a steakhouse, spa, and a hotel with 194 rooms and 27 suites.

The sixth annual Discovered Resources Job Fair was held on Wednesday, October 4, 2006 at the Five Sullivan Brothers Convention Center in Waterloo. The WIA Partners and the Greater Cedar Valley Alliance are responsible for creating and organizing this successful event. This year, over 60 companies with

various job openings connected with the 1,100 attendees who were actively looking for employment.

In January, the Department for the Blind office moved from Cedar Falls to the Workforce Development Center at 3420 University Avenue in Waterloo. They joined Hawkeye Community College Iow@ Work and Iowa Vocational Rehabilitation Services in providing services at this One-Stop Center.

There are two Workforce Development Centers located in Waterloo. Hawkeye Community College Iow@ Work and IWD have been making plans for many years to co-locate to one Workforce Center. This year was the monumental year - IWD was actually able to sign a lease with North Star Community Services, the landlord of the University Avenue Workforce Center. Remodeling of the new IWD office began at the end of June and it is anticipated that they will move around the 1st of December. Moving with IWD will be Job Corps, which will result in five WIA Partner offices being located in a single building.

Region 8 – Carroll

The overall economic conditions for Region 8 have not changed significantly in the past several years, despite several small-scale business closings. The six-county region remains driven by the agricultural and manufacturing sectors; wage levels are still below state and national averages; and the population continues to age, but appears to have stabilized. Population projections predict slight losses in population for most of the region save Guthrie County, which should grow slightly due mostly to its proximity to the Des Moines metropolitan area. The critical issue for the region is availability of a workforce. Long-term low unemployment rates are stifling business growth and making attraction and retention difficult.

The region has sustained several smaller layoffs, none of which had a great effect on the communities or counties in which they were located. The region continues to be a center for renewable fuels in Iowa. There are currently two biodiesel facilities with one under construction, two ethanol plants with two more under construction or consideration, and three wind farms with more planned. WIA staff (WIA Director) are intricately involved with the region's cooperative marketing initiative Western Iowa Advantage, which has now grown to include a host of regional economic development efforts.

During PY2006, the WIA program continued to foster active, productive partnerships, creating seamless referrals between partners' programs. The Partner's Group for Region 8 meets quarterly to share information on the workforce and programs. This group still enjoys strong attendance and interest from many workforce partners not in the One-Stop Center. Participating partners include IWD, Region XII COG, IVRS, West Central Development Corporation, DHS, Iowa Department of the Blind, Elderbridge Agency on Aging, and DMACC, ICCC, WITCC, Job Corps, Proteus, and Experience Works.

Region 9 – Davenport

Region 9 includes Scott, Clinton, Jackson, and Muscatine counties in Eastern Iowa. The Regional Workforce Board is active and representative of our communities. Local Elected Officials support our workforce efforts. Workforce partners routinely work together, share information, and work together to provide businesses and job seekers with needed workforce and training services.

The Workforce Investment Act provider in Region 9, *Iow@Work*, is a division of Eastern Iowa Community College District (EICCD). *Iow@Work* reports through the economic development department. The workforce system benefits from community college resources such as economic development connections, new jobs training funds, business and industry connections, and more. Workforce Investment Act programs in Region 9 received \$1,235,000 in FY funding for the adult, youth, and dislocated worker programs and served 354 (with an additional 191 in post program services) between July 2006 and June 2007. Closings/layoffs with large manufacturers have slowed down, but unfortunately, our Rapid Response team continues to work with many smaller closings.

Region 9 met all performance goals for the year, with excellent first quarter after exit placement rates of 90% adult, 90% dislocated workers, and 92% older youth. However, meeting performance goals becomes more challenging with ever-increasing targets from the Department of Labor and our region has some challenges, especially where there are pockets of poverty.

In Central Davenport 39% of residents are living in poverty, nearly double the poverty in 1970. Only 37% of adults living in this area have a HS diploma. The unemployment rate in central Davenport is 10.3% compared to 4.1% citywide. Fifty-nine (59%) of the central city property is rental. Davenport public schools

in this neighborhood are plagued by annual student turnover in excess of 50%. Even city wide, half the students attending Davenport schools qualify for free or reduced lunches. The school district is ranked fourth in the state for low graduation with a 2005-06 dropout rate of 26.8% and a 55.6% dropout rate for African Americans. This compares to a state dropout rate of 9.22%. This is just one example of the pockets of poverty that exist in our region. Most do not have access to technology, internet, or funds to pay for college. These are the individuals we are focusing on our outreach efforts, train in WIA, and place in jobs.

IWD and WIA share responsibility for the Promise Jobs caseload with average active cases of 2,050 (481 Clinton, 109 Jackson, 251 Muscatine, and 1209 Scott counties). In Promise Jobs, we are making a difference. Every person applying for welfare assistance develops and must follow through on an employment plan. The challenge is the very low skill levels individuals come with. We estimate less than half have a High School/GED diploma. Yet these individuals represent a huge pool of talent.

Predicted skill shortages are appearing in health care, as well as other fields. Manufacturing is demanding more workers. Staff at the Blong Technology Center could place 400 more welders in businesses such as McLaughlin, Deere, and the railroad. EICCD's skills 2010 survey showed a need for soft skills such as teamwork/communication/problem solving and basic education as well as technical skills.

It is clear that Federal resources are dwindling at a time of great workforce change. Our region simply does not have enough training funds to assist workers who are unemployed or underemployed and simply cannot afford even the lowest cost training. Much of this work preparation training does not qualify for PELL funding. Iowa must work toward a better response in training for current and upcoming shortages so that businesses and manufacturing in particular do not move out of the state. WIA funding to the region for FY 08 dropped over 27% (almost \$400,000 less) and training slots are quickly filled early in the fiscal year. We are thankful that Promise Jobs still supports up to 24 months of vocational training.

We are focusing on increasing training funds and our regional team has had some success. A two state partnership (workforce and community colleges)

resulted in application and award of a \$700,000 Dept of Labor grant to develop logistic training. Iow@Work/EICCD/community groups submitted a Youthbuild application as well. Awards have not yet been announced. EICCD has provided \$100,000 in "Gap" tuition funding for short-term training (<6 months) when no other resources are available to pay tuition and fees.

Region 10 – Cedar Rapids

Region 10 Workforce Investment Act programs assist to prepare the local workforce to meet the needs of area businesses. The workforce partnerships in the region focus on streamlined services, customer choices, universal access, increased accountability, active regional boards, and service provision. The Workforce Development System of Region 10 provides services to Linn, Johnson, Cedar, Iowa, Washington, Benton and Jones Counties.

The Regional Workforce Investment Board (RWIB) and the Chief Elected Officials (CEO) Board of Region 10 work in partnership with the One-Stop system partners, business and industry, economic development organizations and education to provide direction and support to the workforce strategies for the region. These Boards concentrated on the following projects:

- The Region 10 Workforce Center System received the One-Stop Award of the Year by the International Association of Workforce Professionals.
- The RWIB toured the Plumber and Pipefitters Local 125 Training Center to learn about apprenticeship training programs and WIA partnerships with these programs.
- The RWIB and CEO Boards also conducted training in the areas of board responsibilities and roles and fiduciary responsibility.
- The Boards approved adding an Audit Committee to the Boards structure.
- The Boards opened the WIA Resource Room located at the Kirkwood Resource Center to provide job search, service, and assistance to WIA participants.

Workforce Investment Act Program performance for the region was strong, serving 582 participants. Adult program performance has improved now meeting the Earnings Change performance measure. The Youth program maintained its focus on out-of-school youth and had excellent results from marketing and recruitment efforts, enrolling over 80 participants during PY06.

Region 11 – Des Moines

The theme for Region 11 this past year has been about building partnerships and increasing accountability and transparency. Amidst change and turmoil, the Regional Workforce Investment Board (RWIB) and the Regional Workforce Investment Alliance (RWIA) have brought life to this theme through the selection of Des Moines Area Community College (DMACC) as the new fiscal agent and service provider, strengthening their relationship with IWD and other local service providers, and creating reporting processes that provides more objective information to the Boards and general public.

In September 2006, DMACC was selected as the fiscal agent and service provider for the WIA Adult and Dislocated Worker programs with the new name of Iowa Employment Solutions and the commitment to increase the number of persons served and minimize cost. This was achieved by nearly doubling the number of persons served and significantly increasing the funds available to clients for tuition, transportation, childcare, and other support services.

The ICHS WIA Youth Program continues to work collaboratively with many agencies, schools and local elected officials to ensure that all counties within Region 11 are being served adequately. ICHS Case Managers have done an exceptional job in their recruitment efforts in our smaller counties to increase their numbers. Enrollments in the Youth Program exceeded the projected 135 again this year, adding 52 new participants. High school diplomas and GEDs continue to be the largest barrier of the youth served in Region 11. ICHS has placed a Case Manager within the One-Stop Center in Des Moines to improve its youth friendliness and to be able to expand services to WIA participants.

The RWIB and RWIA recognize that Iowa, and specifically central Iowa, is at a cross road; job growth in information technology, financial services and insurance, construction, health care and several other industries is growing faster than the available trained labor pool can supply, while many higher paying manufacturing jobs are disappearing. The Board took the opportunity to re-write their Regional Customer Service Plan and emphasize strategies focused on regional economic development:

1. Align strategies with area chambers of commerce and economic developers.
2. Create a strong base of employer and business services.

3. Develop clear industry-specific workforce development efforts that address the needs of employers and jobseekers.
4. Create a network of local service providers and encourage specialization and collaboration. This is based on the premise that no one entity can begin to address all of the workforce development services for a community. Through partnerships and collaboration, the system can make better use of all available resources.
5. Develop system tracking and accountability measures. It is the intention of the workforce partners to develop a means of collecting key data elements about our respective clients and use that information to evaluate the effectiveness of the workforce system.

In response to these strategies, IES @ DMACC and IWD have:

1. Developed a collaborative with the Greater Des Moines Partnership and the Annie Casey Foundation to develop Career Pathways for high growth/high demand industries.
2. Created a Memorandum of Understanding in the Regional Customer Service Plan with 19 area service providers (and growing) for the coordination of workforce services in Region 11.
3. Created an interagency Business Services team.
4. In the process of implementing a central database for tracking workforce development services.
5. Made a commitment to extend our outreach and resource center services to the Making Connections Neighbor through a partnership with Creative Visions.
6. With the assistance of IWD, secured over \$300,000 in federal grants to serve workers dislocated from Maytag/Whirlpool.
7. Co-located IWD workforce development services at the DMACC Newton campus to better serve Maytag workers and others.
8. Created an interagency team focused on service delivery to youth.
9. Created a "Re-entry Round Table" collaborative with partners interested in the issues facing ex-offenders.

Region 12 – Sioux City

Service Delivery Area¹² is comprised of Cherokee, Ida, Monona, Plymouth, and Woodbury Counties. The total 2006 annual available labor force in this Region was 84,140 individuals, which is a decrease of 3.8% from Annual 2004. Along with this decrease in the labor force, Region 12 saw its total employment decline by 3% or 2,550 jobs in the past two years. This resulted in a total employment of 80,670 workers in Annual 2006 for an annual unemployment rate of 4.1% compared to 2004's rate of 4.9%.

A county-by-county analysis, however, reveals that this decrease in employment is due solely to Woodbury County. Cherokee, Ida, Monona, and Plymouth County annual employment numbers, combined in this two year period, increased from 26,820 in 2004 to 28,550 in 2006 (6%). These numbers decreased in Woodbury County from 56,400 in 2004 to 52,120 in 2006 (-8%).

Within this environment, WIA, with its partner agencies, continues its efforts to create a seamless delivery of services. The workforce system benefits from community college involvement and resources such as economic development connections, use of facilities, grant development, business and industry connections, focus group experts, program advisory groups of regional employers, financial aid, tutoring and developmental need experts, staff development and more. The Regional Workforce Investment Board and Chief Elected Officials provide leadership through an updated local Customer Service Plan. The Coordinating Service Providers in Region 12 are made up of the IWD One-Stop Center, Proteus, Community Action Agency of Siouxland, Experience Works, Goodwill Industries, Western Iowa Tech Community College, Vocational Rehabilitation, and Job Training Partners. This group works to coordinate the delivery of workforce development services and implement an integrated delivery system.

Unfortunately, layoffs in Northwestern Iowa have continued. Job Training Partners worked together with our many workforce partners for a rapid response, seeking funds and the necessary resources to provide the necessary workforce services to these layoffs. WIA and IWD staff worked closely to ease the stress of transition for employees, many of whom were long-term and needed assistance with new career preparation.

The largest layoff in the region occurred when Verizon/MCI closed its Sergeant Bluff Call Center on June 30, 2006. On this date, 569 Verizon workers lost their jobs. Local Verizon management staff was very cooperative and as a result, Job Training Partners was able to obtain a National Emergency Grant (NEG) for \$1.4 million. This NEG has allowed Job Training Partners to provide the services necessary to readily return workers seeking employment to the workforce and to train other workers desiring a change in employment for other jobs.

Region 13 – Council Bluffs

During PY06, Iowa Western Workforce Development (IWWD) continued to emphasize services to youth. Although funding for the Improving Transition Outcomes Grant through Iowa Vocational Rehabilitation Services was drastically reduced this year, the E-mentoring project was sustained through the commitment of the partners, which included IWWD, the Area 13 Education Agency, local school districts and other community agencies. This project assisted youth with disabilities to transition from high school into adult life. The primary activity was electronic mentoring where approximately fifty students were paired with mentors from the business community with whom they communicated regularly. Mentors offered guidance on the importance of staying in school, how to look for and retain employment, as well as serving as caring adult role models for the students. Some students also took part in company tours and job shadowed at businesses in Council Bluffs and Omaha. As a result of the project, participating students demonstrated improved computer skills, improved written communication skills and lower school drop out rates. The project has been so well received that the Council Bluffs Community Schools and the Iowa School for the Deaf intend to sustain the project without grant funding. It is also being replicated in two schools in Page County and in the Papillon-LaVista School District in Nebraska. Five youth were also enrolled in the Summer Youth Component this year. They were each provided a worksite where they worked 20-40 hours a week for 7-8 weeks. In addition, each student was involved in thirty hours of academic enrichment activities. The mornings were spent at the Iowa Western Community College (IWCC) Adult Learning Center working on math and reading skills. Afternoon activities included a presentation on IWD services; a Q&A session about employers and how to deal with work situations such as disgruntled customers, how to ask for time off, calling in when you are going to be late, etc.; a session on phone etiquette, email etiquette, interviewing tips, application tips,

and paychecks and withholding taxes; a presentation by a local bank on identity theft, and the types of available checking and savings accounts; a presentation on workplace safety; and a tour of the Union Pacific Railroad Museum.

In order to address identified literacy training and skill development needs, the region wrote for and received a Literacy Grant to establish a pilot project called Success in Steps (SIS). The grant has enabled participants to obtain their General Educational Development (GED) credential and gain the skills necessary to compete in the workplace. Unlike a normal GED class, which is drop-in and self-paced, the new class is structured with specific goals and objectives to be accomplished each day. Attendance is required, and bonuses are paid for achieving specific benchmarks. More camaraderie has occurred among students and between the instructor and students because of the daily contact. The classroom setting also allows for the introduction of additional workplace and soft skills training. Outside speakers, employer panels, and field trips to businesses and industry have also been incorporated into the class day. In addition, two short-term training programs, which prepare students for employment in the hospitality and medical career fields, have been created. These two fields were chosen because Labor Market Information indicated that the region had a shortage of skilled workers in these career areas. These training programs are offered at the Adult Learning Center and at IWCC as a potential next step for those SIS participants who successfully complete their GED studies. Participants who do not wish to pursue either of these career fields are assisted by the GED instructor to take the next step toward employment or post-secondary education. This includes additional help with job search activities, and resume' and interviewing preparation for those wanting to seek employment. For those wanting to pursue post-secondary education, this includes additional assessment, and assistance with application and financial aid processes.

The economic outlook in Region 13 remained strong throughout PY06. There were a few smaller business closings in the region, but Featherlite Trailers, Inc. with 100 employees was the only major closing that the region sustained this past year. In Shelby County, work continued on the Mastercraft Door Manufacturing facility, which will eventually employ 200 workers. Natural Milk, a six thousand cow milking facility, completed its first phase of construction and began milking 1,800 head in March. The facility is scheduled to be at full capacity with nearly 60 employees by the end of 2007. A new ethanol

plant, which employs approximately 30 workers, was constructed near Shenandoah and became operable in July. In Council Bluffs, construction continues on an ethanol plant that will employ 50 workers upon completion. Mid American Energy also completed construction of Iowa's largest coal-fueled electrical power generating facility. More than 1,000 workers were employed during the construction phase, and seventy operations employees now work at the plant. Construction also continues on two new retail shopping centers. Possibly the biggest economic news of the year came when Google announced that it would be locating a 200-employee data center in Council Bluffs.

Region 14 – Creston

Region 14 has completed an active program year serving area individuals in the Dislocated Worker, Adult and Youth programs.

- **Dislocated Workers:** In 2006, we worked with many individuals affected by plant closings and layoffs. Romech, the 5th largest employer in region 14, in Red Oak continued the process of closing, affecting a total of 500-600 workers. In April, O'Bryan Brothers in Leon permanently laid off 12 workers. The Region 14 team, including our partners in IWD, SWCC, and Trade Act (where appropriate) as well as agencies such as Social Security, Department of Human Services and Department of Vocational Rehabilitation Services provided Rapid Response to the workers of the O'Bryan Brothers facility. Region 14 Employment Specialists provided core services to the O'Bryan's and Romech workers to guide them through finding information and options about their futures. Romech and O'Bryan's workers were approved for Trade Act assistance, and the WIA Employment Specialists assisted the workers in researching and justifying their training plans to submit to TRADE for approval. WIA provides continuing support to those participants who choose to co-enroll in WIA while TRADE pays for the costs of their training. Eighty-two (82) dislocated workers were assisted with WIA services during PY06.
- **Adults:** 40 region 14 adults were assisted in PY06. The eight rural county Family Development Centers, Vocational Rehabilitation counselors and the IWD associates in this region actively assist us by providing referrals to our program. Southwestern Community College (SWCC) is also actively involved in sending us referrals and is a valued partner in

providing training to upgrade workers skills, which boosts their ability to find reemployment at wages of self-sufficiency. WIA has enrolled a number of nursing students this year, which will help fill the many vacancies in the health care field, and provide wages well above self-sufficiency for these participants. Region 14 employers remain actively involved with WIA by providing tours of their facilities, and enthusiastic support of our various activities.

- Region 14 conducted the first Customized Training Class ever held in the 10 state region served by the Trade Act. A local steel detailing employer approached WIA for assistance in training workers after he was unable to grow his business due to a short supply of steel detailers in this area. WIA employment specialists worked with this employer to set up a 25-week training class that successfully trained five adults and dislocated workers in steel detailing. WIA provided academic skills assessment, personality assessment, career interest assessment, labor market research, and spatial skills assessment to locate workers who fit a profile chosen by the employer. The candidates then had one-on-one interviews with the employer who chose all of the candidates who successfully passed the WIA assessment process. Five (5) participants successfully completed the Customized Training and were hired by the employer at \$12/hour to start and with medical and retirement benefits. SWCC provided the facilities; software and equipment needed to facilitate this training and IWD assisted WIA in locating potential candidates. The employer provided the instructor's for this class. Partners who provided referrals and financial support for these students include Trade Act, WIA, and Voc. Rehab. At the end of the training program, we invited other area employers to a luncheon hosted by SWCC and several of the employers who attended expressed their desire to set up their own customized training class. WIA will follow up on this in the coming program year as WIA continues to strive to fill the employment needs of our region's employers.
- Youth: 40 Youth were served in Region 14 in PY06. Schools and TAP Coordinators throughout the region, IJAG, Promise Jobs and the Department of Vocational Rehabilitation Services created a very active stream of referrals this year. WIA is assisting these youths with the completion of their particular training goals which include: tutoring to complete high school or GED, on-the-job training, CNA training, college

training or college prep courses under the WIA program as we work to improve the career possibilities for Region 14 youth.

Region 15 – Ottumwa

Region 15 has been fortunate not to be affected with the high unemployment rate and the numerous plant closings that other areas in the State have had to experience, but that changed Wednesday, June 14, 2006. On that day the workers of the Newell-Rubbermaid Plant saw their worst fears realized when the announcement was made that the plant would be closing its doors. Agencies such as IWD, City of Centerville, Southern Iowa Economic Development Association, Iowa Department of Human Services, U.S. Small Business Administration, Indian Hills Community College and Indian Hills Workforce Development went to work immediately informing affected workers of the different array of services that were available to them. Agencies held numerous meetings at the plant site to answer Newell-Rubbermaid employee's questions and concerns. Early Intervention funds were successfully accessed for the 563 workers affected by the closing. Several individuals identified with the Early Intervention funds were enrolled in training. An \$857,000 National Emergency Grant was awarded October 1, 2006 to assist the dislocated workers with further training opportunities.

Region 15 challenges continue to be serving our customers with quality services and training on limited budgets to reach the goal of self-sufficiency. We continue to work closely with all our One-Stop System partners to provide the needed services to accomplish our goal as demonstrated by the Newell-Rubbermaid Plant closing.

Region 16 - Burlington

Southeast Iowa, the Great River Region, continues to build its regional economic development efforts strengthening the region's attractiveness to business and building its workforce.

Region 16 WIA staff served over 650 Youth, Adults and Dislocated Workers during the program year.

- Of the youth, 52% were ex offenders and 43% were teen parents.
- 140 Dislocated Workers earned a college degree or industry certification.
- 49 WIA participants earned a GED.

Region 16 WIA staff made presentations at the Heartland Conference, the Minnesota Youth Forum and the Association of Iowa Workforce Partners Conference reviewing our practices in youth services and the dual enrollment of TAA and WIA participants.

WIA, working with partners, uses an array of resources to help build the region's workforce, help individual job seekers, and promote services for business.

Among the **programs and services** are the following:

- WIA provided over **500 workshops** throughout the year. Key topics include resume writing, interview skills, job search success, and financial budgeting.
- The region's seventh annual regional **job fair**, with over 700 people attending, was held in Mt. Pleasant.
- Region 16 continues to **dual enroll** individuals entitled to Trade Adjustment Act benefits in the WIA program to provide local case management and to expand services available to individuals, enhancing chances for success. Over 200 people were able to utilize this dual enrollment during the year.
- Two major speakers presented sessions to help business attract and retain employees.
- Expanded services to youthful offenders provided living skills training and relapse prevention support.
- A literacy program provides one-on-one tutoring for people trying to improve reading and math skills.

Our customers express gratitude for WIA:

- "You made it possible for me to earn a bachelor's degree in nursing & I am so very appreciative."
- "If it weren't for the WIA program I would not have been able to go back to school and become a registered nurse; my life-long dream."
- "I don't think I would have made it through if you hadn't helped me the way you did. I talked to [another dislocated worker] and he told me about everything that you did for him too."
- "I really appreciate everything TAA and WIA have done for me . . . I am the Physical Disabilities Chairperson for XXX. Yes, things are falling into place nicely, thanks to you and your team."
- "I also wanted you to know that because of the constant support you gave me during my training this advancement was possible for me. Many



thanks to you for all you have done for me. You did so much to make my new life a reality and I'll never forget it."

VIII. Performance Reports

The following reports provide Performance Measure results for Program Year 2006. Reports are available as follows:

- A. Customer Satisfaction
- B. Adult
- C. Dislocated Worker
- D. Older Youth
- E. Younger Youth