Chapter Two
MARYLAND CASE STUDY

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Section I. Background Information and Issues

A. System Overview

Maryland has 12 local workforce investment areas under the federal Workforce Investment Act (WIA), which are shown on a map in Appendix A. In each area, a local Workforce Investment Board (WIB) is responsible for developing the five-year local workforce investment plan, for overseeing service delivery to job seekers and to employers through a One-Stop delivery system, for leveraging community resources to meet overall workforce development goals, and for appointing a youth council.[2] The Governor's Workforce Investment Board (GWIB) sets state policy for the provision of workforce development services and develops the state's strategic five-year plan. GWIB's vision, as outlined in the Maryland Governor's Workforce Investment Board Annual Reports, is to achieve "a Maryland where every person maximizes his or her career potential, and all employers have the human resources they need to grow and prosper." To this end, GWIB's mission is "for Maryland State Government, under the leadership of the Governor's Workforce Investment Board, to build a world-class workforce development system that drives the state's economy."[3]

The Office of Employment Training administers WIA at the state level. The office is part of the Division of Employment and Training within Maryland's Department of Labor, Licensing, and Regulation (DLLR). The Office of Employment Training:

- Oversees the implementation of WIA by interpreting the act and providing technical assistance to local WIBs for planning and implementation.

- Provides guidance to local boards through local liaisons and by publishing Workforce Investment Field Instructions.

- Allocates discretionary WIA funds to local WIBs and enforces state and federal policies for WIA-related activities.

- Negotiates performance standards with the U.S. Department of Labor (U.S. DOL) and negotiates standards for local areas.

The Office of Employment Training also administers other workforce investment programs such as Welfare-to-Work, Trade Adjustment Assistance (TAA Services), and MetroTech (a federally funded information technology initiative). Other offices within the Division of Employment and Training oversee other workforce programs: the Office of Unemployment Insurance; the Office of Labor Market Analysis and Information (OLMAI); and the Office of Employment Services, Maryland's Job Service, which administers the Wagner-Peyser Act, veterans' services, and management information systems. Appendix B contains an organizational chart for the Division of Employment and Training.

The Maryland Department of Business and Economic Development oversees the Maryland Industrial Training Program, which provides incentive grants for the development, retention, and training of employees in companies locating or expanding their workforce in Maryland. In 2001, 174 businesses participated in this program and the department awarded 27 grants.[4] The Department of Business and Economic Development also administers the Partnership for Workforce Quality. This partnership provides 50/50 matching grant funds to businesses, and it targets small to mid-sized manufacturing and technology companies that employ fewer than 500 employees. Businesses threatened by increased foreign or domestic competition are also eligible for grant consideration. In fiscal year (FY) 2001, 320 businesses participated in the program.[5]

The Maryland State Department of Education administers four workforce development programs: Rehabilitation Services; Career and Technology Education (vocational education); Correctional Vocational Program; and Adult Education and Literacy Services. In FY 2001, the department served 14,359 persons with disabilities under Rehabilitation Services. Career and Technology Education provides leadership, coordination, and technical assistance to local school systems and community colleges. In FY 2001, over 90,000 secondary school students were enrolled in a Career and Technology Education Program. Finally, the department funds local programs for adult education and literacy services, including GED instruction, external diploma programs, workplace literacy services, and English literacy programs. In FY 2000, over 36,000 adults received adult education and literacy services.[6]

Maryland's Department of Human Resources administers Food Stamp Employment and Training and Able Bodied Adults Without Dependent Children (ABAWD), the state's general assistance program. In addition, the department administers Temporary Assistance for Needy Families (TANF).[7] The Department of Juvenile Justice administers the Job Corps and Comcast Cable of Maryland program, an initiative that installs educational cable television in all of its facilities for students and Internet services for the teacher and recreational programs.[8] Another agency, the Maryland Higher Education Commission, provides two programs related to workforce development: a scholarship program to attract students to high demand occupations and aid to community colleges to help cover the operating costs of credit and non-credit programs.[9] It is also the lead state agency in certifying eligible providers for WIA

programs. Finally, Maryland's Department of Aging provides a Senior Employment Program that offers subsidized training and employment for a period of up to two years.[10]

Under WIA, state partners in the workforce development system are the Department of Aging; Department of Human Resources; Department of Juvenile Justice; DDLR; and the Maryland State Department of Education, which includes the Divisions of Rehabilitation Services and Career Technology and Adult Learning. These agencies are partners in the Five-Year State Unified Plan for Workforce Development.   No partners, including those with programs administered through One-Stop Career Centers, are required to provide funds for operation of the One-Stop Career Centers.

Local WIBs establish at least one physical One-Stop Career Center in each WIA area. The particular services located at One-Stop Career Centers and offered within the region vary. In addition, Maryland offers customized and mobile services for professional, technical, and managerial workers through the Professional Outplacement Assistance Center (POAC). More information on POAC is included in the text box below.

The Professional Outplacement Assistance Center

One innovative feature of the Maryland workforce system is the Maryland Job's Service's Professional Outplacement Assistance Center (POAC). POAC was created in 1993 in response to substantial corporate downsizing and restructuring. POAC provides job search assistance to people in professional, technical, and managerial occupations. Based in Columbia, Maryland, POAC provides a computer lab, written publications, resource materials, individualized career guidance, an audio-visual library, as well as free faxing, copying, and telephone services. The center aims to provide a level of support on par with the best private outplacement services. POAC staff travel to provide services as needed to individuals throughout the state. Since POAC was formed in 1993, it has provided career management assistance for over 35,000 professional, technical, and managerial people. POAC recently introduced a new program titled Re-Engineering Success. The Re-Engineering Success program is a three-day collaborative training program for job seekers. The program is participatory and designed to provide the customer with "hands-on" understanding.

B. Emergence of the Workforce Development System in Maryland

Maryland's workforce development system has gradually evolved over the past decade. Maryland received a One-Stop Career Center early implementation grant from the U.S. DOL in FY 1995. In partnership with the Maryland Job Service, local boards, and community colleges, the CareerNet initiative established 40 CareerNet One-Stop Career Centers across the state. With the establishment of One-Stop Career Centers as the formal service delivery mechanism under WIA, Maryland was well positioned to continue this initiative as part of the state's overall One-Stop service delivery strategy.

Eleven of the state's 12 local boards grandfathered their Private Industry Councils (PICs) established under the Job Training Partnership Act (JTPA). The workforce system has evolved incrementally since the passage of WIA, but has not fundamentally shifted to the extent encouraged by the legislation. For the past eight years, workforce issues remained a low priority for former Governor Glendening and many members of the legislature. Consequently, WIA mandatory partners have received little feedback from the governor's office that it is essential for them to collaborate. In the absence of strong guidance, One-Stop delivery system partners have remained largely independent and focused within their own silo-type funding streams. The degree of collaboration varies by region, and depends largely on local priorities. With the recent election of Governor Ehrlich, some officials we interviewed suggested that collaboration may increase, particularly with economic development entities.

In the early 1990s, workforce programs were housed under the economic development umbrella, the Department of Employment and Economic Development. However, some officials that we interviewed indicated that Governor Glendening wanted to increase the stature of the labor department, so WIA was placed in DLLR along with the employment service, labor market information, and unemployment insurance (UI) programs. Initially, this shared history allowed the agencies responsible for economic development and workforce programs to work closely together, but the effects have probably diminished over the eight years they have been separate. At a strategic planning level, the state's economic development priorities are a part of the Five-Year State Unified Plan under WIA. At an operational level, Maryland continues to include local economic development officials on rapid response teams, which assist the workers of companies that are downsizing or closing.

C. Impact of WIA

As noted above, Maryland's system has changed relatively little despite the passage of WIA. A system of One-Stop Career Centers has been extended to the entire state, and there is perhaps a greater acknowledgment among agency staff of the need to collaborate across agencies to build an effective workforce system. However, at the state level, Maryland's workforce services remain somewhat fragmented, and at the local level the extent of true collaboration among One-Stop delivery system partners varies greatly. Maryland has more than two dozen workforce development related state and federally funded programs spread across seven different state agencies. Maryland's strong local system maintains a close and amicable relationship with DLLR.

There is widespread agreement in Maryland that the performance standards reporting requirements have discouraged many training providers from offering WIA services. This problem is particularly severe in a few local areas. Three of Maryland's 24 counties have no available service providers or programs within the county, though services are available in neighboring counties.[11] Seven counties have fewer than ten programs available. Both local boards we interviewed believe that the number of training options for job seekers has declined since the implementation of WIA.

At the local level, the sequencing requirements of WIA and WIA's universal service focus have significantly changed how workforce services are offered; in particular local One-Stop Career Center employees cited fewer opportunities for training and more of a "work first" philosophy than was present under JTPA.

D. System Orientation: Work First versus Human Capital Development

Both state and local officials asserted that, in the early stages of WIA implementation, Maryland staff had generally interpreted the WIA language as encouraging a "work first" philosophy, under which training was to be reserved for individuals unable to obtain employment with core and intensive services. At the local level, we were told that local areas have the flexibility to extend human capital development services to many job seeker customers, despite funding limitations. However, the fact that some regions have established very low training caps, for example $1,500 per trainee, and that some areas have very few training providers indicates that local implementation of WIA in Maryland sometimes puts greater emphasis on "work first" than on human capital development.

Section II. Leadership and Governance

A. Leadership

1. Leadership in Workforce Development in State Government

The Glendening Administration (1993-2002), which was in office during the early years of WIA, did not place a high priority on making basic changes to the workforce delivery system required for WIA's full implementation. As a result, DLLR and local areas have been granted a great deal of discretion and flexibility to innovate locally. The most successful examples of collaboration in the state have arisen locally, due to local buy-in for the need to partner rather than due to any overarching state vision for cooperation. There was widespread agreement among the state and local officials we interviewed that the lack of attention from the governor's office weakened the ability of the GWIB to garner meaningful systemwide buy-in, particularly from partner agencies. Absent any strong guidance from the governor that collaboration was essential, and with partners separated into discrete silo funding streams, the GWIB had little leverage to convince One-Stop delivery system partners to become interdependent. The strong local system and examples of successful local innovation may have resulted from the lack of guidance from the governor's office.

The Republican candidate Bob Ehrlich was elected Maryland's governor in 2002. As Ehrlich is the first Republican Maryland governor elected since the 1960s, there was a heightened sense of uncertainty regarding how the workforce system will change under his leadership.

One former legislator remained very active in workforce issues and led several efforts to introduce innovative workforce programs. This state senator pushed for the

passage of a bill to fund a new pilot program, the Skills-Based Training for Employment Promotion (STEP). The Maryland legislature established the STEP program during the 2001 Maryland legislative session. The STEP program is administered through the DLLR and GWIB, and it is described in more detail in a text box (see Section VI.A.). As part of the legislation, the legislature provided $1 million in competitive grant money for local areas. The program targets working, or recently unemployed, low-income parents.

Maryland's GWIB has a legislative subcommittee that works for the passage of workforce related programs. Since FY 2001, the subcommittee has testified in the Maryland Senate and House of Delegates and has written letters in support of a number of initiatives, including bills to increase funding for adult literacy services, education and training for released inmates, the STEP program, and for consolidation of Maryland's financial aid programs.

Maryland's Department of Legislative Services, the central professional staff agency for Maryland's General Assembly, recently recommended that the Maryland Legislature cut GWIB's allocation by $361,641; this would reduce the GWIB's budget by 40 percent. According to an official at DLLR, the reason these cuts were recommended is that the GWIB is overstaffed given its authority under WIA and Executive Orders. Given the current state budget crisis, DLLR officials expect more cuts in this area.

2. Leadership in Workforce Development in the Local Workforce Investment Boards

WIA has encouraged local board members to focus more on the business customer and on the need for partnering with economic development to create an effective workforce system. Due to the strongly decentralized nature of WIA in Maryland, the dedication and leadership of a few key board members in a local area can prove to be the key difference between a collaborative One-Stop delivery system and one where the presence of required partners is minimal. For example, in the early phases of WIA implementation, the Frederick WIB achieved little collaboration because different factions within the board could not agree on the direction the board should take. Only when a new WIB chair assumed leadership, mended rifts between board members, and made substantial efforts to include the WIA mandated partners in shaping the One-Stop delivery system design did true collaboration begin to emerge. In addition, Frederick secured much of the funding necessary to provide a facility for a physical One-Stop Career Center that supports substantial co-location of WIA partners through the efforts and personal connections of the Frederick board chair.

WIB chairs also exercise leadership through their participation in the Maryland Workforce Development Association (MWDA). MWDA is an association of the local WIB directors and top administrators in the workforce development system and is a major player in workforce development in the state. On a number of occasions, the 12 WIB directors have negotiated a unanimously supported position with both DLLR and GWIB and have swayed the state leadership to adopt the local leaders' preferred policy. For example, when it became known that the first round of performance data was

inaccurate, MWDA unanimously argued that GWIB and DLLR should not use the data to award incentive grants or levy sanctions, even though some local areas stood to gain by allowing the data to be used. MWDA attempts to protect the local focus, flexibility, and relative autonomy of Maryland's implementation of WIA. Finally, MWDA has formed a professional alliance, an individual membership organization for workforce development professionals, that unites employees within the workforce development field. Membership allows workforce development professionals to access training, networking opportunities, resources, and certifications.

Frederick County's One-Stop Delivery System

      The Frederick WIB oversees services in Frederick County, Maryland, which has emerged as one of the leading new growth areas in Maryland and comprises 3.6 percent of the state's population (1998). Frederick County's expansion is particularly significant because much of the new growth has been driven by high-wage employers. According to the Maryland High Technology Update, high-tech employment in the county grew 10.8 percent between 1997 and 1998, though this rate of expansion has since declined to approximately 4 percent. However, the most common growth occupations in Frederick include retail salespersons, waiters/waitresses, cashiers, and food preparation workers. Teachers, registered nurses, painters, carpenters, general managers, systems analysts, and loan officers are also in demand. Only 5.8 percent of Frederick County's population lives in poverty. The entire county is served by a single One-Stop Career Center. Most WIA job seekers in Frederick are displaced workers.

      The Frederick workforce system is unusual in that it employs an old, and now rarely used, organizational structure. The county agency, the Frederick County Job Training Agency (JTA), runs the One-Stop Career Center, so WIA is staffed by county employees. In addition, the workforce system receives approximately 40 percent of its funding from local general funds allocated by the County Commissioners. Because 40 percent of the WIB's funds do not face WIA restrictions, the board is able to extend services more flexibly to individuals who might not qualify for WIA training. In Frederick, JTA is co-located with the Employment Service, but the two agencies maintain distinct staff to provide different services within the One-Stop Career Center. Over 60 percent of Frederick's board is comprised of business leaders. Finally, Frederick's workforce system is unique in that JTA uses local general funds to engage in entrepreneurial work, providing customized training or fee for service activities by trained county employees.

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3. Relationship Between the State and the Federal Government

      State officials commented that U.S. DOL did not initially provide sufficient timely guidance to have a significant impact on early WIA implementation. In addition, state officials believe that the performance standards negotiated for Maryland as part of Region 2 are substantially more difficult to attain than standards set in other U.S. DOL regions.

Federal guidance related to unified planning, performance standards, and cost allocation procedures (to name a few) were all untimely and, according to a DLLR official, of "fair" quality in terms of understanding and applying guidance to state/local operations. In addition, U.S. DOL issued this guidance in final form only after Maryland began implementing WIA. DLLR officials noted that they felt that state and local comments on draft guidance were not accepted by the national office, particularly in the area of performance standards.

Maryland state officials have a very close relationship with U.S. DOL representatives in the Philadelphia Regional Office. DLLR officials note that they respect regional input and trust their advice.

B. Governance and Decentralization

Because the state faces performance standards under WIA, state and local interests have become more closely aligned than they were under JTPA. As a result, DLLR officials and local boards enjoy a primarily collaborative relationship. Local boards rely on the guidance that DLLR provides through its Workforce Investment Field Instructions. Maryland's local WIBs are relatively decentralized and autonomous; as long as they comply with WIA's requirements, state officials do not intervene in local decision making. Despite this freedom, local boards maintain a close working relationship with DLLR.

To date, DLLR has not awarded incentive payments to local areas for meeting negotiated performance standards. First year incentive awards were not made because of the quality of first year WIA performance data. DLLR is still looking at year two performance data and will make awards in accordance with the state's incentive policy. All funds provided to the local areas for incentives are made available through the Governor's Reserve Fund under WIA.

Maryland distributes 79 percent of its WIA funds to local boards, 15 percent to DLLR for statewide workforce investment activities, and retains six percent for administration plus rapid response. The money retained by DLLR has had several uses. Initially, some of the DLLR funds were used to hold local areas harmless for decreases in their funding. DLLR also used the funds to support services to unemployed workers identified through profiling.

The state GWIB existed prior to WIA. The board now meets all the requirements specified for a state WIB, including business majority membership and a private sector leader chair. The state board envisions its role as much broader than WIA, though it does not have the resources or authority to direct partner agencies. Due to the governor's and legislature's lack of attention to workforce issues, the governance role of the GWIB is somewhat unclear, and tension between GWIB and DLLR sometimes arises over the GWIB's proper responsibility and prerogatives. Most of the local boards, 11 of 12, were originally grandfathered, although two boards have since been reconstituted.

Section III. Workforce System Planning

A. State Strategic Planning

1. Workforce Development Planning Before the Workforce Investment Act

The GWIB staff were initially part of the governor's staff, but the entity was later made an independent agency. According to a former staff member who worked at GWIB during the 1990s, partner agencies initially collaborated in planning and providing input. The first GWIB chair person was a strong personality that encouraged the agencies to work together as a team. As a result, GWIB was initially a forum for discussing issues of mutual interest, working together, and leveraging resources for JTPA. The fact that the chair of the committee had close toes to Governor Shaeffer focused the attention of agency heads on the need to collaborate and on coordinating economic development and workforce development. However, this resolve largely disappeared after Governor Glendening assumed office because he did not place as high a priority on continuing the workforce development changes initiated by Governor Shaeffer.

Governor Glendening appointed a new chair who took the job seriously. He was a leading businessperson and had been chair of Baltimore City's PIC. Unfortunately, according to a former GWIB employee, Governor Glendening did not place a priority on employment and training and, consequently, agency heads did not cooperate to the extent they had under Governor Shaeffer.

In summary, the history of workforce development in Maryland prior to WIA followed the degree of priority the governor placed on encouraging collaboration between workforce development and economic development. When support for collaboration was high, as under Governor Shaeffer, agency heads worked together and leveraged resources for shared goals, such as providing summer employment programs for youth. When support for collaboration waned under Governor Glendening, the GWIB found it more difficult to accomplish its goal of system integration.

2. Strategic Planning under the Workforce Investment Act

The GWIB is responsible for Maryland's Unified Plan. Although technically a unified plan, partner agencies retain separate strategic plans and not all partner agencies provide operating plans for particular programs to be included in the plan. The strategic plan calls for a unified planning process, but this was not implemented because the unified planning process was terminated. One area where efforts were made to unify planning was in developing systemwide performance measures to assess the workforce system as a whole and to be used in publishing a "system report card." State agency partners, local WIBs, and GWIB worked together to identify these systemwide performance measures, which attempt to measure the state's success in four broad areas: employment, earnings, competencies/credentials, and customer satisfaction. The measures included in the system report card are discussed in more detail in Section VII.C. of this report.

Maryland's planning process includes both state and local efforts. In 1999, a committee composed of state agency representatives, local workforce area directors, and the directors of local Departments of Social Services (the county counterparts of the State Department of Human Resources) wrote a discussion paper entitled "Maryland's Workforce Development System: Goals and Expectations." The committee widely disseminated the document to key stakeholders, including One-Stop delivery system partners, employers, local elected officials, local school system superintendents, community college presidents, service delivery area directors, state agency representatives, community-based organizations, organized labor, adult education providers, and local economic development offices. The discussion generated by this document helped focus attention on the state planning process.

GWIB based Maryland's Unified Plan on local strategic plans that were submitted in draft form in December 1999. A State Unified Plan Workgroup provided strategic planning guidelines to local areas. Local unified plans identify priorities in the local area, summarize how each partner will participate locally, and note special needs for labor market information and/or for industry specific skill shortages. The draft State Unified Plan was completed in February 2000; the revised plan was submitted to U.S. DOL in April 2000 and became operational July 1, 2000.

Maryland's Unified Plan consists of a strategic plan and the individual operating plans for participating partner agencies, including the DLLR, the Department of Human Resources, and the Maryland State Department of Education. Plans for six workforce related programs were attached to the WIA state plan: The Employment Service, Adult Education and Family Literacy, Career and Technology Education, Vocational Rehabilitation Services, TANF, and Maryland Food Stamp Employment and Training/Able Bodied Adults Without Dependants (ABAWD). Other partner agencies participated in the planning process, but chose not to submit operating plans as part of the unified plan. These agencies include the Departments of Business and Economic Development, Juvenile Justice, Housing and Community Development, and the Maryland Higher Education Commission. In addition, the state plan outlines emerging workforce development issues in Maryland and describes the state's guiding principles and goals for Maryland's workforce development system. It was decided to transfer the responsibility for the unified plan from the Unified Planning Committee to the subcabinet, a move that a state official at DLLR believes makes it much harder to provide sufficient monitoring or continuous improvement to state/local strategic planning efforts.

B. Local Planning

In both local areas we visited, the former PIC and local elected officials were responsible for developing the local area five-year workforce investment plan. Workforce boards also solicited input from One-Stop delivery system partner agencies, the business community, organized labor, the education community, the general public, and community-based organizations. One local area we visited appears to have strengthened partnerships with One-Stop delivery system partner agencies in meaningful

ways through the local planning process. However, local WIB staff expressed frustration that the planning process of One-Stop delivery system partner agencies remains divided firmly in "silos" rather than a truly unified system plan.

Local boards have negotiated with both GWIB and DLLR over Maryland's strategic and operational plans. GWIB negotiated with the local areas on the Local Five-Year Unified Strategic Plan, but has since decided to halt unified planning. DLLR negotiates with local boards on the Five-Year WIA/Wagner-Peyser Act Operational Plan. Most local board negotiations with DLLR occur over suggested standards of annual performance, One-Stop delivery system requirements (including memoranda of understanding, or MOUs), and other operational requirements of the programs. Both DLLR and local officials characterized these negotiations as friendly.

WIA requires that local boards set up youth councils, but local areas have differed in the success of their implementation. In one local area we visited (Baltimore City), the youth council is large, composed of over 70 members, and is very active. Members include prominent K-12 administrators, foundation leaders, nonprofit activists, and juvenile justice officials. This youth council has succeeded in leveraging some funds for youth programs (e.g., Baltimore City Youth Opportunity Grant, a four-year $44 million grant from U.S. DOL). In other local areas, youth councils have had difficulty attracting and retaining the members required by law or even trying to identify the extent of their authority under WIA. While the law appears to indicate that local youth councils have the authority to design comprehensive youth systems, problems arise at the local level where services for youth are spread over many different governmental and nongovernmental entities, such as in Baltimore City.

C. Summary Analysis

The consensus among respondents was that WIA planning requirements may have contributed to some collaboration among One-Stop delivery system partners and drawn focus to the linkages between economic and workforce development, but that the plan remains more of a compliance driven exercise than a truly guiding document. The effort to establish systemwide measures and a state "system report card" was one valuable effort to emerge from the planning.

Section IV. System Administration: Structure and Funding

A. System Overview

Local WIBs receive federal funding allocated by a formula that considers the area's size and economic conditions. WIBs establish local policy and oversee One-Stop Career Center operation. DLLR provides training, guidance, and technical assistance to the local WIBs. DLLR Wagner-Peyser Act employees provide employment service functions in One-Stop Career Centers and work alongside other center staff, although they do not serve exactly the same population. Employment service employees do not provide intensive services for adults under WIA.

Baltimore City's One-Stop Delivery System

Baltimore City, which constitutes 11.3 percent of Maryland's population (U.S. Census Bureau, 2001 Supplemental Survey), lost roughly 80,000 jobs during the 1990s, many of them in manufacturing, transportation, banking, and insurance. This loss of jobs roughly mirrors Baltimore's overall population loss over the decade of approximately 85,000 residents. In addition, Baltimore City faces the state's highest unemployment rate: roughly 7 percent in mid-2000, or twice the state average. Baltimore is home to a largely disadvantaged workforce, and the skills most routinely in demand in Baltimore are oriented around soft skills needed for service jobs, such as the ability to communicate, including active listening, speaking, writing, social perceptiveness, and service orientation (*see* Maryland State of the Workforce Report 2001, p. 29).

The Mayor's Office of Employment Development (MOED) provides staff for the WIB and runs two of the city's four One-Stop Career Centers. The WIB has contracted with ACS, a private for-profit firm, and with the AFL-CIO to run the remaining two One-Stop Career Centers. Baltimore City's WIB was newly constituted two years ago because Baltimore's mayor wanted to inject new life into the city's workforce development system. The board is a 51 member business-led board, with the president of the Johns Hopkins Health System, Baltimore's largest employer, serving as chairman. The board has focused on strengthening job readiness for five industries: health/life sciences, information technology, business services, construction, and hospitality, and on identifying job ladders within each industry.

Under the leadership of Baltimore's mayor, MOED has undertaken several initiatives. In partnership with the Baltimore Development Corporation (BDC), the city's nonprofit economic development agency, MOED has helped develop the Digital Learning Labs in One-Stop Career Centers and youth centers, and a "digital harbor" initiative, which promotes the information technology industry in Baltimore. In addition, MOED has used a WIB grant to conduct a sectoral employment study to support a BioTech Park led by the mayor, business leaders, and the Greater Baltimore Committee, a business-led economic development organization, and has provided space for employers with mass hiring needs to hold job fairs.

The mayor's leadership, combined with key business leaders, has strongly shaped the workforce development system in Baltimore City and has led to a more systemwide focus. With significant input from business leaders, the board has devised workplace standards and service standards, and has worked to align standards with assessment skills so that employers can test for needed skills. Business leaders have also stressed the need for collaboration among economic development, the public school system, and the workforce development system.

To date, MOED has been able to draw on a number of funding streams in addition to WIA to provide employment development, including funds tied to the city's Empowerment Zone and its Youth Opportunities Grant. Funding flexibility has helped foster collaboration among One-Stop delivery system partners. Under existing MOUs, partners are not obligated to help pay for One-Stop Career Center facilities other than providing staff.

Individual Training Accounts (ITAs) are used to provide adult training services to clients who have not obtained a job after participating in core and intensive services. The Maryland Higher Education Commission is responsible for approving programs for the state eligible provider list and for maintaining the state list of programs that can be supported by ITAs.

B. Memoranda of Understanding and Partnership Building

DLLR has developed MOUs with each of the One-Stop delivery system partner agencies, and it has provided a template MOU and guidance in the form of Workforce Investment Field Instructions to local areas. To receive WIA funding, each local WIB is required to enter into MOUs with partners participating at One-Stop Career Centers. Most local areas have adopted the model MOU that DLLR provided, with only minimal variation, rather than developing their own MOUs. MOUs appear to have been most successful at promoting collaboration when partners decided to co-locate and so out of necessity interacted on a regular basis. In many cases, MOUs merely document existing relationships and formalize the services partners already provide.

C. Education and Youth

In Maryland, community and technical colleges have provided workforce training services for many years prior to the introduction of WIA and the ITA system. Indeed, in one workforce area we visited, the community college was the only eligible training provider. In some areas, WIBs and community colleges have partnered in innovative ways. In one local area we visited (Frederick County), the community college and One-Stop Career Center operator, a local government agency, formed a partnership to provide fee-for-service customized training. This partnership is separate from WIA and was first implemented prior to WIA legislation. In another region, Anne Arundel Community College received the Community College of the Year Distinguished Performance Award from the National Alliance of Business for its efforts to build a curriculum that meets the needs of both local businesses and the community.

Maryland is one of the few states that formed a state youth council to provide leadership and support to the 12 local youth councils. Youth programs across the state differ dramatically, with some WIBs providing few if any youth services because they have few WIA eligible youth, and others, such as Baltimore City, partnering to provide a number of services, primarily to disadvantaged youth. WIB members disagree about the usefulness of both the local and state youth councils; some believe both bodies provide a useful arena to promote collaboration and system thinking for issues relevant for youth, while others believe the youth councils have little to contribute.

Most youth served under WIA in Maryland are younger youth; in PY 2000, Maryland served 4,441 youth aged 14-18 and 791 aged 19-21. In Frederick, youth are served through the One-Stop Career Center but without WIA Title I funds, since the Job Training Agency (JTA) wishes to serve some youth who would not qualify for WIA funds.

D. State and Local Workforce Investment Board Funding Issues

All state and local officials we interviewed stated that Maryland's workforce system does not have sufficient resources to accomplish its mission; local WIBs are routinely short of dislocated worker or youth funds, and all regions typically fall short of adult funding. This situation could be improved somewhat without adding additional funding if the state and local areas had more flexibility to transfer funds between funding streams and regions to smooth out disparities in funding and need. Some localities have set very low training caps ($1,500) so as not to quickly exhaust their training budgets. The Lower Shore region has adopted innovative funding practices to alleviate resource constraints. The region's One-Stop Career Center staff hire themselves out to local Department of Social Services offices to perform administrative functions, such as payroll and arranging transportation, and use the money they earn to bolster their training budgets. Another region, Frederick, receives over $1 million per year from the county to supplement its WIA allotment. Maryland has also instituted contingency plans in case of heightened demand for services during a long period of economic stagnation. These contingency plans include MetroTech (see text box below for more information).

The Washington Metro Area Technology Initiative: MetroTech

The Washington Metro Area Technology Initiative, known as MetroTech, is an innovative regional initiative that built upon a previous regional model, the Metro Area Re-employment Project. Over three years, the program, funded by the U.S. DOL, will train 3,300 people in the Washington area for information technology jobs. DLLR manages the $20 million grant; the program covers dislocated workers and high-tech employers within a 50-mile radius of the District of Columbia. MetroTech is a supply side project designed to respond to workforce shortages and is employer driven and managed. As part of the MetroTech initiative, employers pre-screen and select individuals eligible for training. In addition, to a certain extent employers can customize training to fit the technical needs and culture of their company. Participating employers range in size and use the MetroTech program to fill a variety of positions. MetroTech has two main goals: (1) to train dislocated or unemployed workers with specific skills and help trainees find jobs, and (2) to help high-tech employers fill vacancies.

As of June 30, 2002, MetroTech had served approximately 2,600 individuals and 265 employers in the Metropolitan D.C. area. Those individuals who completed their training and are fully employed currently receive wages at 92 percent of their pre-dislocation wage.

Source: MetroTech Progress Report, 2002.

Section V. One-Stop Career Center Organization and Operations

A. State and Local Overview

1. Overview of State

The state defines a comprehensive One-Stop Career Center as a facility that provides core, intensive, and training services on-site and at the minimum provides electronic access to mandated partner agencies. Local WIBs are responsible for selecting One-Stop Career Center operators subject to the approval of the local elected official.[12] In Maryland, One-Stop Career Center operators may be a single (public or private) entity or a consortium. Operators include an employment service agency established under the Wagner-Peyser Act, a private for-profit entity, a government agency, a postsecondary educational institution, a nontraditional public secondary school, and an area vocational school. Also allowable are other organizations interested in workforce and economic development.[13] In Maryland, operators of the One-Stop Career Center vary by local area, but most arrangements are consortia-oriented with the employment service playing a major role. However, on the Eastern Shore, the Departments of Social Services are also One-Stop Career Center operators. Montgomery County uses a for-profit entity called Career Transition Center from Lockheed Martin, with Wagner-Peyser Act staff present at the One-Stop Career Centers.

Maryland did not develop a model structure for One-Stop delivery system design and operation. All One-Stop Career Centers are "branded" as CareerNet, but they may also include local subtitling. The CareerNet title was not prominent at the local programs we visited. In many cases, physical One-Stop Career Center facilities are located at the site of existing employment service offices; when UI employees left to work at regional call centers, employment service staff were left with excess space and sole responsibility for the lease; restructuring to provide One-Stop Career Center services on-site helped ease this difficulty.

The degree to which One-Stop delivery system partners participate in One-Stop Career Centers varies widely across local regions. Partners are not required to co-locate, and local boards typically decide on the level of co-location unless state leases are involved (e.g., Wagner-Peyser Act). Requiring co-location is difficult and costly if many partner agencies are required to break leases. A number of barriers have hindered co-location in local areas. Difficulties often arise in negotiating lease contracts and in securing physical space that meets the needs of all partners. In addition, fundamental issues such as conflicting organizational cultures and missions sometimes make collaboration difficult and unlikely.

DLLR and One-Stop Career Center operators indicated that vocational rehabilitation, veterans' services, and Job Corps referral do not fit well into the One-Stop delivery system. One-Stop Career Centers have had difficulty meeting the accessibility standards required by vocational rehabilitation programs. In addition, efforts to collaborate and communicate have been hampered by the state vocational rehabilitation

division's poor management information system and lack of access to adequate technology, such as email accounts for staff. Federal requirements have made it difficult to partner with veterans' services within the One-Stop Career Center because veterans' services' staff serve only veterans, as required by statute, and remain fairly separate from other staff. DLLR officials believe that referrals to the Job Corps center would be adequate and that co-location really is unnecessary for this partner. While Job Corps could outstation several staff to One-Stop Career Centers one to two days a week, the program, like other agencies, does not want to pay for this service since they already have Job Corps centers.

State and local officials are ambivalent about maintaining a TANF presence at the One-Stop Career Centers. TANF services tend to focus on intensive case management, and a TANF presence may conflict with the new business focus that many One-Stop Career Centers are trying to adopt. However, establishing a TANF presence at each One-Stop Career Center would produce a better fit with the "universal service" purpose of the One-Stop Career Center concept. Many local counties contract with the Department of Social Services to provide training services to welfare recipients, and the employment service negotiates annual service agreements to outstation staff in local DSS offices to provide customized labor exchange services. In Frederick, there is a TANF presence at the One-Stop Career Center, but TANF is not present at any of Baltimore's One-Stop Career Centers.

2. View from the Local Areas

Because the state does not prescribe a model structure for One-Stop Career Center operations, great variation exists among local areas in Maryland. Local WIBs are responsible for designing and overseeing service provision at One-Stop Career Centers. In many local areas, One-Stop Career Centers are located at sites that were previously employment security offices responsible for both UI claims and for Wagner-Peyser Act services. In such cases, services have changed relatively little under WIA. Co-location seems to have facilitated change in other local areas. The level of collaboration among partner agencies varies greatly across regions, greatly dependant upon the personalities and priorities of WIB members and staff, and the leaders of partner agencies.

The big change in service to UI claimants occurred once UI staff moved out of the One-Stop Career Centers into regional call centers. All One-Stop Career Centers provide telephones so individuals can apply for UI benefits or process continuing claims. In addition, the Wagner-Peyser Act staff receive weekly lists of initial claimants and claimants profiled as likely to exhaust benefits. Staff use these lists to schedule individuals for customized job search workshops. This separation of employment service and UI activities has resulted in increased costs for the employment service offices, which formerly split the rent with their UI partners. However, the UI move has invigorated employment service staff by allowing them to focus on people who want to find employment. And, in many cases, it has enhanced the image of the One-Stop Career Center to be viewed as something apart from the "unemployment office."

The smallest change in services has occurred between DLLR and the state's vocational rehabilitation division, which has an outdated management information system and separate office locations apart from One-Stop Career Centers, making customer referrals very difficult.

B. Operational Issues

Many labor exchange activities are integrated at the One-Stop Career Centers through computers that are available to WIA clients. Maryland's CareerNet provides access to job openings, resume services, labor market information, career self-appraisal tools, lists of available education and job training providers and vendors, and links to the Maryland Job Bank and other job search resources. Clients are encouraged to utilize additional electronic resources such as America's Job Bank, America's Talent Bank, and Monster.com, though staff believe the services are fairly duplicative. Information on labor market conditions, including high demand jobs, employment and unemployment, and wage rates are available on the computer or through staff at One-Stop Career Centers.

Unemployment insurance claimants have access to the Internet and phones at One-Stop Career Centers to contact UI call center staff. UI claimants who have been profiled and identified as likely to exhaust their unemployment benefits are sent a letter requiring them to report to the One-Stop Career Center to attend a two-day customized job search workshop. One million dollars of the Governor's WIA reserve fund is distributed statewide to staff these programs.

C. One-Stop Career Contracting and Cost Sharing

Contracting processes vary greatly across local regions in Maryland. Most WIBs, however, have grandfathered operators rather than introducing competitive contracting. Turnover among localities is relatively rare, and when it occurs, DLLR officials believe the transition is typically relatively smooth. Cost sharing distributions among partners are locally negotiated and vary a great deal across the state. In addition, local boards determine the resource allocations among core, intensive, and training services. DLLR officials believe that changes in cost sharing structures have made service delivery and coordination more cumbersome than pre-WIA structures, and that most local areas have borne most of this burden due to the decentralized nature of the workforce system in Maryland.

In the two local areas we visited, One-Stop delivery system partners do not face any costs to co-locate at the One-Stop Career Centers other than staff costs. In Frederick, the county provides $900,000 in cash annually for One-Stop Career Center operations and provides the physical building for all One-Stop Career Center partners. In addition, the state pays some of the rent directly to the county (for employment service staff). As a result, collaboration has been easier to accomplish in this county than in some others because it is not necessary to negotiate cost allocation schemes for the building among One-Stop Career Center partners. Consequently, DLLR officials believe that U.S. DOL

should fund One-Stop Career Centers separate and apart from funded programs to simplify cost allocation decisions and facilitate One-Stop Career Center administration. In Baltimore City, there is also no cost sharing among required partners. DLLR provides free rent and telephone services in one of the four One-Stop Career Center sites, and MOED provides these services at the two centers it operates. DLLR also provides free rent and telephone services in several other centers outside Baltimore, but not universally across the state. Baltimore City funds its core services with WIA dollars rather than provide core services through employment service funding and Wagner-Peyser Act employees.

Section VI. Services and Participation

A. Individual Services

Local One-Stop Career Centers vary in the extent to which they maintain a special focus on serving low-income families with children, including TANF-eligible and other low-wage populations. Baltimore City, Montgomery County, and Prince George's County have used the STEP pilot program, described in a text box below, to focus on this target group. In addition, Maryland provides services for professional and managerial employees at its POAC in Columbia, and POAC staff travel to deliver services in other locations as needed. MetroTech also provides services for professional, managerial, and information technology or bio-tech employees in eight of Maryland's 12 regions. DLLR noted several barriers to enrollment in training services: (1) some regions have very low training caps ($1,500), (2) some areas have few training providers, and (3) community colleges are still semester driven, so training schedules are too inflexible to meet the needs of many job seekers.

The Skills-based Training for Employment Promotion Program

The Skills-based Training for Employment Promotion (STEP) Program is an innovative initiative advanced by a former state senator and signed by the governor (SB 367) on May 8, 2001. The program is a five-year competitive grant program designed to increase the skills of low-income working parents so that they can move into better paying positions in high-demand areas. The legislature provided $1 million in competitive grant money for local areas.

The STEP program targets working, or recently unemployed, low-income parents. The program provides education, training, and/or family support services to help participants leave low-wage jobs and enter jobs with a higher chance of advancement and/or better income and benefits. Local workforce offices partner with local businesses, which contribute 50 percent of the associated costs, to help participants upgrade their skills. The GWIB sets the STEP policies, conducts the request for proposals process, and monitors the effectiveness of the STEP program. DLLR monitors the program for compliance. The board has awarded grants to three local areas: Baltimore City, Prince George's County, and Montgomery County. All three regions have focused the program on allied health and nursing, which the board identified as job shortage areas.

Source: Fact Sheet: Skills Based Training for Employment Promotion (STEP) Program, GWIB, http://www.gwib.state.md.us.

One-Stop Career Center operators and staff that we interviewed expressed frustration that incumbent workers and many at-risk youth are ineligible for WIA services due to income restrictions. In Frederick, the One-Stop Career Center operator, a county agency, supplements WIA funds with county funds to extend training opportunities to incumbent workers and youth who are ineligible under WIA funding. Insufficient funding and eligibility requirements limit centers from providing seamless services for all individuals who visit One-Stop Career Centers. At the minimum, core services, particularly Internet-based resources, are available to all job seekers.

Registration of participants varies by local region. In Frederick, the employment service registers everyone who walks through the door and receives a service, including those who do not receive any staff assistance. This is likely to change as new labor exchange performance measures are implemented. The One-Stop Career Center operator, however, only registers participants who receive training. There is some tension in Frederick between the Department of Rehabilitation Services and the One-Stop Career Center operator; Department of Rehabilitation Services believes that the center staff register the most job-ready disabled to boost their performance data but refer less promising disabled participants on to rehabilitation services.

In Frederick, when job seekers walk through the door of the One-Stop Career Center, they are given a tour and a brief overview of the resources available. At the end of the tour, JTA staff ask them to fill out a pre-registration form called an information sheet, and then to register with Job Service on the CareerNet computers. The type of initial assistance provided depends upon the needs of the job seeker. Sometimes, individuals simply visit to assess what services are available. Other times, individuals may have specific questions on a resume or on a job search, or may simply want to use the computers to look for a job. The One-Stop Career Center offers two basic seminars that staff encourage job seekers to attend. These seminars are core requirements for anyone requesting WIA training through the One-Stop Career Center operator, the Job Training Agency (JTA). At the seminar called "Getting Started," job seekers gather information about the range of services provided at the One-Stop Career Center. During the seminar "Job Search Success," participants learn how to start their job search. If a client is interested in JTA services, the JTA representative gives basic information and the business card of an employment consultant who can work with the client. After completing the core requirements, the client can make an appointment with the employment consultant to talk about more intense job search assistance and to register with JTA. The employment consultant staff works for JTA.

Basic documentation begins at the tour. When the client fills out the information sheet (pre-registration), JTA has begun documenting that core services are being used. WIA registration begins at the time the customer meets with an employment consultant to request further services, either intensive or training. At that point, the customer sets up an appointment for WIA registration and is asked to bring verifying documents to the One-Stop Career Center. The employment consultant determines if the customer's needs can be met by WIA or whether another partner's service would be more appropriate. To

track contacts with unassisted users of core services, JTA can review the pre-registration information sheets. Those not using the center are called or receive a postcard.

B. Participation

One-Stop Career Center employment and training services are locally marketed with wide variation in effectiveness and target population. The state measures individual satisfaction with workforce services by requiring U.S. DOL's standard three questions. In some regions supplemental questions are also asked.

Although a number of state and local officials believe that the number of training options has declined under WIA, few respondents believe that Maryland's system has maintained a consistent focus on "work first" versus "training." Rather, they note that Maryland workforce development leaders initially interpreted WIA to emphasize "work first," but they are beginning to focus more on human capital development within funding constraints. A major barrier to training has been a lack of sufficient training funds, which has led to a triage approach of only training the neediest customers. Staff also repeatedly observed that not every individual is primarily focused on obtaining a job or credential, and that performance measures may not adequately capture the human capital investments individuals make. Most staff support WIA's basic policy goal of providing universal services for all eligible individuals; indeed, staff often express frustration with their inability to attain this goal due to insufficient funding. However, staff do worry that the universal focus may draw attention and funding away from the most needy individuals in the system. Assessing the extent to which this has occurred under WIA is difficult.

Section VII. Market Mechanisms: Their Use and Effects

A. Labor Market Information

DLLR's Office of Labor Market Analysis and Information (OLMAI) posts labor market information on the web[14] and provides Labor Market Information to local WIBs. In addition to providing monthly labor market information, OLMAI produces data reports that they believe will be useful and user friendly to job seekers, employers, and workforce development leaders. For example, OLMAI posts the top 50 jobs for each workforce investment area and provides links to the skills employers require for each job. In addition, OLMAI provides industry and occupational projections, information on employment and unemployment, and specific information on the health services industry and the technology industry in Maryland.[15] DLLR officials within the Office of Employment and Training are concerned about three labor market information areas: (1) timeliness, (2) quality of local information, and (3) relevance. Local officials indicated that labor market information has had some limitations, but they recognize that OLMAI is making progress in providing more timely and user-friendly information.

In Maryland, local boards and DLLR have undertaken several initiatives to ensure that WIA customers have ready access to quality labor market information. Local

initiatives include the Southern Maryland Skills Shortage Report and the Chesapeake Workforce Alliance grant, which was awarded by the U.S. DOL to GWIB and is described more fully in the text box below.

Chesapeake Workforce Alliance Community Audit/Workforce Scan

U.S. DOL awarded a two-year grant to GWIB on behalf of the Chesapeake Workforce Alliance to perform a community audit/workforce scan focusing on five skill shortage sectors and identifying hard to fill occupations. The grant was awarded for the period beginning in May 2001 and ending in June 2003. The Chesapeake Workforce Alliance consists of four local workforce investment areas, Susquehanna, Upper Shore, Lower Shore, and Southern Maryland, that cover 13 counties. The five skill sectors include technology, tourism, health care, construction, and environmental and agricultural services. The grant has a number of objectives. One major goal of the program is to foster strong connections between local workforce investment boards and business. In addition, the grant will be used to survey business and to identify occupations with openings that are critical and chronically hard to fill. In addition, the Chesapeake Workforce Alliance will conduct a skills analysis of identified occupations, identify career ladders within occupational and skill clusters, and build momentum for industry consortia "skills alliances."

As part of the community audit/workforce scan, the Chesapeake Workforce Alliance will contact 330 employers in each workforce area for a total of 1,370 visits. In each area, 50 businesses spread across the five skill sectors will be visited, and 240 will be contacted via a mail survey. In addition, 40 businesses from each participating workforce area, plus another 40 from other areas of the state, will be interviewed as part of focus groups to compare the needs of the areas covered by the Chesapeake Workforce Alliance to those of the balance of the state. Questions directed to business leaders will fall into four major themes: (1) knowledge and perception of state and local boards, (2) assessment of what positions are chronically hard to fill and what skills sets are associated with these jobs, (3) understanding hiring patterns for those positions and skills, and (4) assessment of business interest in working with other businesses as part of a "skill alliance."

Source: Chesapeake Workforce Alliance, Community Audit Grant Proposal, Maryland Governor's Workforce Investment Board Annual Report 2000.

State initiatives include special industry analyses, including reports on high technology, working in the health field, and on the top 50 occupations by area. OLMAI has developed special reports on each of these topics that are available to all job seekers and businesses on the Internet.[16] In addition, Maryland has undertaken a state-level technology initiative: new web-based labor market information tools will be based on a licensed product from Geographic Solutions, Inc.

In 2001, the GWIB partnered with a research group at a local state university to produce a State of the Workforce Report. This report provides workforce information for each of Maryland's local workforce areas. In addition, the GWIB formed a committee that focuses on labor market information availability throughout the workforce system.

This Workforce Information Committee has developed an "environmental scan" of all available data, much of it administrative program data, and contact persons across the state for workforce related information.

Maryland has also entered into an MOU with the U.S. Bureau of the Census as part of the Longitudinal Employer-Household Dynamics (LEHD) program.[17] LEHD is a state/federal partnership between the Bureau of the Census and ten states including Maryland. Under LEHD, states share UI data with the Bureau of the Census and receive quarterly workforce indicators about the state economy by each county and industry. States also receive information about successor/predecessor firms.

B. Individual Training Accounts and Provider Certification

1. Individual Training Accounts

In theory, individuals can use their ITA as a voucher to enter a training program of their choice. On its website, http://www.mhec.state.md.us/WIA, the Maryland Higher Education Commission maintains lists of eligible providers organized by county, workforce area, and desired field of training. Types of occupational training include: allied health professionals; information technology; business management and administrative services; trades; engineering and related technologies; child development and education; tourism, hospitality, and culinary arts; design and applied arts and communications; law enforcement and legal studies; cosmetology/barber; and pre-vocational adult education and literacy training.[18] The site includes the contact phone number and address of WIA training providers and lists the number of eligible programs each provider offers. DLLR posts local training performance information provided by the Maryland Higher Education Commission on its website. This information includes some or all of the following: whether each program is accredited or not, the number of hours the program covers, total cost, the completion rate, the job placement rate of completers, the license pass rate of completers, future potential of the job, and annual enrollment for the program.

In Maryland, customer choice is being constrained by the reluctance of many potentially eligible providers to sign up to serve WIA participants. DLLR officials note that training vendors worry about how performance measures will be displayed to the public, particularly since measures are reported on WIA participants separately as well as for all people enrolled in the program. Of the 700 vendors on the training list, only 229 provided services to a participant who left the program, and only 79 had five or more trainees who left the program. For those programs with five or fewer terminees, the performance information could not be released because of the strong possibility of violating confidentiality and because the sampling error would be too large for the information to provide a reliable estimate of provider performance.

In the local areas we visited, One-Stop Career Center operators explained that training choices tend to be guided both by staff knowledge and expertise and by customer

choice. In addition, in some areas training options are limited by the number of training providers and by the amount of resources available for each training participant.

In Maryland, other approaches are sometimes used in lieu of ITAs. For example, on-the-job training or customized training may be provided through contracts with employers. In addition, if a WIB determines that there are too few eligible providers in the local area, class-size training contracts can be used instead of ITAs or participants may be referred to a single vendor. Finally, WIBs are authorized to provide training through contracts with community-based organizations or other private organizations to serve participant populations that face multiple barriers to employment, such as immigrants who face language or cultural barriers, offenders, homeless individuals, or other hard to serve populations identified by DLLR.[19]

While each local area designs the local process for the use of ITAs, the following sequence of events demonstrates a common process a participant might pursue to secure and use an ITA.[20] An individual would first seek employment through core services. If core services did not lead to a job, intensive services would be provided. If these services did not result in employment, the individual would then discuss a training strategy with a case manager/counselor. With the help of the case manager, the individual would determine his/her employment interests, review the scores from the assessments taken, and establish an employment goal. The case manager/counselor would explain the application process for ITAs and would encourage or require, depending on the policies of the local WIB, the individual to conduct a labor market review, either with staff assistance or independently, to determine if the occupation is in demand and if employment opportunities exist in the desired area. Next, with staff assistance or independently, the individual would review the list of eligible state training providers on the Internet, select possible training providers and research their requirements for enrollment, performance outcomes, and cost, and possibly visit training providers' campuses or locations to determine the environment and transportation needs. Staff might help the individual research training requirements and, if helpful, help arrange a visit with graduates or students in the course of interest. In addition, if the occupation is unfamiliar to the job seeker, staff might help arrange a tour of an employer's operation or a job shadowing activity for half a day.

After the initial research phase, the job seeker would complete the ITA application and would have to demonstrate commitment to training completion, knowledge of job requirements, knowledge of training courses, and availability of jobs in the area. As part of the application the job seeker would list the costs of tests or certifications needed for employment, the costs of tuition, physical examinations, fees, tools, books, supplies, and other items required for training. The applicant would need to agree to apply for a Pell Grant or other available financial aid, and, if approved, refund the training program for cost covered by other financial resources.

Once the ITA was approved, the applicant would arrange to contact the career center counselor to advise of progress as required by the One-Stop Career Center and would sign an agreement to provide attendance information and grades and/or progress

reports while enrolled. Next, the individual would take the ITA to the training provider and enroll in training. Upon completion of training, the individual would provide documentation to the center staff regarding completion and would be encouraged to utilize other center resources or training provider resources for placement into a training-related job. When hired, the individual would contact the center and provide the name of the employer, wage/salary information, and hopefully agree to participate in follow-up activities to determine employment retention and wages six months after employment and further into the future.

2. Provider Certification

A training provider is placed on the State Training Provider List by nomination of a local WIB. WIBs follow different procedures to establish eligibility for training providers currently on the state list, those currently not on the state list, training providers that are new schools and/or programs, and out-of-state providers.[21] The 16 community colleges in Maryland took very different strategies in placing programs on the state list. Some colleges nominated over 100 continuing education programs, while others nominated almost none. Some schools decided to pursue the market aggressively while others did not. For example, the University of Maryland, Baltimore County, had 500 of the state's 2,500 WIA enrollments in FY 2002 after deciding to emphasize short-term training and aggressively court the market. The university served individuals throughout the Baltimore/Washington area and encouraged broad choices for trainees, including setting up special classes for WIA students who were ready to start training mid-semester and providing extra lab time for students.

The following example details the steps that Maryland training providers, whether part of an existing or new school, would follow to add a program to the state list.   The provider would first complete a training questionnaire provided by the WIB to determine whether the provider is exempt or nonexempt from obtaining Maryland Higher Education Commission approval to legally operate in Maryland. Once the provider submits the completed questionnaire to the WIB, the WIB sends the questionnaire to the Maryland Higher Education Commission. Next, the provider must verify that it meets the provider performance standard of a verifiable 61 percent employment rate for all participants. Schools without verifiable employment rate records may submit student Social Security numbers for comparison with wage records to confirm that they meet employment rate standards. Next, the provider must fulfill a number of requirements to be placed on the state list: (1) complete a pre-award survey, (2) sign and return a data collection affirmation to the WIB that binds the provider to providing performance data, and (3) enter an MOU with the University of Baltimore's Jacob France Center. The Jacob France Center matches the Social Security numbers supplied by training providers with UI wage records to generate provider performance information. Once these conditions have been met, the WIB submits a letter to DLLR certifying that the provider met the employment rate performance standard and that all signed agreements are on file. The WIB collects and submits program information for all training courses to DLLR via the data collection screens on CareerNet. Once all of these steps are completed, DLLR approves course data within 45 days.[22]

For existing Maryland schools already on the state list, where only a particular program needs to be added, the process is more streamlined: no employment rate evidence is required for the first 18 months, and once the WIB submits a letter to DLLR certifying that all signed agreements are on file, the only additional requirement is that service providers must collect data to determine the employment rate of enrollees.

Out-of-state training providers need not enter into an MOU with the Jacob France Center or meet data affirmation requirements.[23] Out-of-state training providers are placed on the list as long as they were approved by the higher education authority in their own state, provide WIA performance data in their home state, publish consumer data available to the general public, are on their home state's WIA training provider list, and meet or exceed Maryland's WIA performance standards for Maryland participants.

Local WIBs reported that many training providers find the process to be included on the state list too time consuming and confusing. In addition, many training providers are unwilling to commit themselves to providing performance data. Local WIBs also remarked that their staff spends a great deal of time on certifying providers and that the WIBs feel burdened by their role in the approval process. An official from the Maryland Higher Education Commission noted that after the first year, 19 of 147 providers on the state list failed to meet the performance standard. While each program had the opportunity to appeal, all 19 were eventually dropped from the list.

An individual from the Maryland Higher Education Commission whom we interviewed indicated that two staff people are responsible for maintaining the state list; these two positions are funded through a financial agreement with DLLR. Without funding from DLLR, the Maryland Higher Education Commission would not be involved with maintaining the state list. The commission lost seven positions this year, and would not otherwise be able to devote staff time to maintaining the state list. Our contact at the commission also noted that the eligible training provider list had allowed Maryland to weed out illegally operating, unlicensed training providers as well as those providers who were not meeting state standards.

C. Performance Standards and Incentives

1. Federal, State, and Local Interaction

None of the parties in Maryland have been pleased with the WIA performance management system. Both DLLR and GWIB staff believe that the current system does not work as well as the system used under JTPA. In particular, under the current system, the state standards for the 17 mandated performance measures are supposed to be determined through a negotiation process between the federal government and the state. The state indicated that U.S. DOL representatives imposed standards on the state and failed to enter into a dialogue to establish appropriate standards.

Two other factors also created problems in establishing state performance standards. First, some of the measures were new, so Maryland had no basis for

negotiating a particular level of performance on those standards. Once again, the lack of the ability to discuss the standards with the region created problems. Second, the WIA performance standards system does not include a regression model to adjust standards for changes in the economy and/or the characteristics of participants served. State officials believe this created additional problems; it is inappropriate to ask states to negotiate standards that are fixed even if economic conditions change.

Under WIA, the state must meet its own performance standards, so setting local WIB standards is more important than it was under JTPA when there were no state standards. When JTPA was in effect, the state could have simply passed on its standards to the local areas, and the regression model would have provided adjustments for differences in local economic conditions or the characteristics of participants served. Under WIA, no such adjustment procedure was available. GWIB suggested one approach for setting local WIB standards, but the local WIBs did not believe it was equitable, so through their organization, the MWDA, they proposed the system ultimately adopted where each local board's standard was based on the level of outcomes in the most recent year when data were available. Under this approach, standards depended on whether a WIB was in the upper, middle, or lower third of the distribution.

The GWIB formed a workgroup to compile system measures for the entire workforce system in a "system report card." Their system measures data report outlines nine systems measures and Maryland's performance on the measure as of 2001 if data were available. The system measures include:

1. Credential rate: The percentage of Maryland residents 18 or older who have a high school diploma or better as reported on the Current Population Survey.

2. High school dropout rate: The percentage of students in grades 9-12 who withdrew from school before graduation or before completing a Maryland-approved educational program during the July to June academic year.

3. College readiness rate: Percentage of students required to take developmental instruction in English, math, or reading upon entering a Maryland postsecondary institution in the year after acquiring a high school diploma.

4. Investment per participant: Estimated for students, trainees, and workers by dividing the workforce related funding by the total number of clients served including federal, state, and local funds.

5. Self-sufficiency rate: The number of participants served and placed by the workforce development system with earnings above 150 percent of the poverty level divided by the total number of participants who were employed following exit from the workforce development system during the reporting period.

6. One-Stop Career Center usage rate: The number of industry employers in a [region] who list a job order with the automated One-Stop delivery system during

the year divided by the total number of industry employer establishments in a region.

7. Customer satisfaction: **For participants** – participant satisfaction index score = the weighted average of participant ratings regarding overall satisfaction reported on a 0-100 scale. **For employers** – employer satisfaction index score = the weighted average of employer ratings regarding overall satisfaction reported on a 0-100 scale.

8. Job openings by occupation, by industry, and by region: The total number of job openings by occupation, by industry, and within each region during the year. (This information is not currently available statewide.)

9. Board effectiveness: Board members evaluate the performance of the board based on the achievement of the board's quantifiable objectives in the action plan or other objectives it may identify.

While system measures reports provide a useful overview of how well the Maryland workforce system is performing, it is unlikely that the system measures themselves will provide an incentive for partner agencies to excel. Agencies are not held accountable for their performance on these particular measures, and they have stronger incentives to meet their own program requirements than system measures. Nonetheless, the system measures reports offer useful information on where Maryland's workforce system is performing well and where there might be room for growth.

2. Effects on Policies and Procedures

Because Maryland has struggled to produce valid performance data, DLLR has not yet been able to accurately determine which WIBs should receive incentive awards and which should possibly be sanctioned for low performance. As a result, a sense of competition among WIBs in the state has not emerged. Maryland decided to adopt the Mathematica reporting tool for performance data, but the state has invested considerable staff time rewriting the program because it was difficult to enter follow-up information on WIA clients accurately, and consequently the accuracy of the data produced was questionable. DLLR has found the Mathematica program difficult to use both because of initial programming errors and because it is difficult to enter supplemental data accurately. DLLR plans to phase out the Mathematica program after the implementation of CareerNet.

Because of the problems experienced with the reporting tool, neither state nor local officials put any faith in the performance data generated thus far for WIA. The association of the local WIB directors unanimously and successfully lobbied DLLR and GWIB not to use the existing performance data to award incentive grants or to sanction local workforce areas for the first program year. However, Maryland does have a performance incentive plan for workforce investment areas which explains the state's methodology for determining eligibility for local WIBs based on their achievement on the

17 federally required performance measures. Under the plan, each WIB is identified in one of three categories: high, medium, or low performer based their performance for PY 1997.[24] The state establishes a range of performance for each local workforce investment area; areas where performance meets or exceeds the state standards are eligible for incentive funds. The plan is based upon the premise that workforce investment areas operating in high wage environments will find it easier to meet wage gain standards than those in low wage areas; as a result, the state adjusted performance thresholds for low wage areas to take into account economic differences among areas.[25] Once eligible, a local workforce investment area that meets the local standard receives an incentive award equal to at least 25 percent of the available incentive for that measure, though the exact amount of the payout depends on the workforce investment area's performance category.[26] For each one percent increment achieved beyond the local standard, additional incentive funds are awarded based on the area's performance category.

The state performance incentive plan for Maryland workforce investment areas also outlines state procedures for sanctioning local areas.[27] Average performance that falls below 80 percent of the state standards within a performance category disqualifies an area from earning any incentives within that particular WIA performance category. If a local area performs below 90 percent of the state standard on any measure, it is subject to progressive corrective actions. Corrective actions may include requiring local workforce development agencies to develop a performance improvement plan and/or receive on-site technical assistance for the first year of non-performance. Additional steps may be taken for two consecutive years of non-performance.

3. Effects on Participants and System Efficacy

Because performance data has not yet been validated and consequently has not been used in program planning, it has had little impact on participants and system efficacy. To the extent that high performing and low performing regions have not been identified, the system may be performing at a lower level of effectiveness than it will when incentives and sanctions based on performance data are introduced. Thus far, neither the state nor the local areas we visited believe that the performance management system has had a major impact on who is served or program efficiency. There is concern, however, among state staff that the current performance standards system creates incentives for "creaming." Thus far, however, there has been more concern about the problems in generating accurate data for measuring performance.

Section VIII. Information Technologies in the One-Stop Career Centers

DLLR decided not to adopt the One Stop Operating System (OSOS), partly because the cost of switching to the computer system that supports OSOS proved prohibitive. As an early One-Stop delivery system implementer, Maryland had invested heavily in the 1990s in developing a wide area network. When the advantages of web-based management information systems for promoting collaboration in the One-Stop Career Centers became apparent, Maryland was forced to consider retiring its expensive, and relatively new, wide area network plan. However, it first needed to find a cost-

effective solution given the limited federal resources available. Maryland also recognized the need for the new technology to be easily customized and supported over the long term by in-house information technology staff. Consequently, Maryland joined a four-state consortium, the Mid-Atlantic Career Consortium (MACC) to pool resources and to develop their own system. In April 2000, Pennsylvania, Maryland, Virginia, and West Virginia signed a consortium agreement to pool resources and develop an Internet-based system for labor exchange/core services. This system will link WIA state agencies to One-Stop Career Centers. The consortium determined that the Pennsylvania CareerLink system was the only available cost-effective system that would meet a majority of state requirements. Pennsylvania, the 48th state to receive One-Stop delivery system funding in March of 1998, had decided to invest in a web-based technology system that was attractive to all consortium members. Consequently, the MACC consortium decided to adopt the Pennsylvania CareerLink System as the One-Stop delivery system for the region.

DLLR officials believe that the MACC consortium embodies four key principles: (1) customer focus, (2) a collaborative development approach, (3) the sharing of knowledge and best practices, and (4) federal and state partnerships.[28] DLLR expects the benefits of a collaborative development approach to include the ability to create a flexible and supportable core MACC system that is based on local user requirements. In addition, collaboration allows states to pool federal resources and spread out development costs. DLLR believes that the consortium has provided a forum for sharing best practices. An executive committee of the MACC makes decisions for how the core MACC system will be developed, enhanced, and maintained. Each Region 2 state (PA, MD, VA, WV, DE, DC) assigns two individuals to serve on the executive committee. The four states implementing the core MACC system receive two votes, while states not implementing the system receive only one vote. A MACC Project Manager coordinates systems development and implementation. In early 2001, MACC engaged in a competitive procurement process to correct system deficiencies and won $500,000 of U.S. DOL funding. MACC contracted with Covansys, Inc. to reengineer and enhance the existing application.

The core MACC system will include services currently provided through the CareerLink system, such as job seeker and employer self-service, staff services, WIA eligibility determination and services, and training provider certification. In addition, the MACC system will introduce new capabilities such as web-based case management, employer contacts, a user profile security system, enhanced job matching, and management reporting.

In Maryland, the system was supposed to be fully operational in spring 2003 and will be called CareerNet, the name Maryland currently uses for its computer-based, wide area network job service system.[29] The new CareerNet will link One-Stop delivery system partners and staff to DLLR and will facilitate linkages among partners' services when partners are not co-located. Each CareerNet partner must sign a data sharing MOU agreement with the local WIB that covers confidentiality terms and cost sharing. While the MOU does not obligate CareerNet partners to any specific dollar amount, CareerNet

partners agree to reimburse DLLR for staff access to the system based on the partner's share of the total number of authorized staff using the system. In addition, it will allow One-Stop Career Center staff to input claims filing, job match/labor exchange (both assisted and unassisted), appeals, and to accept or reject training courses through one system.

In addition to providing job seeker services, Maryland's CareerNet will serve business. Through the CareerNet system, employers will be able to search a talent bank for potential candidates and track those referred to their job openings, will be able to access local job market data and other labor market information, and will be able to file timely employment reports and requests for separation information for Maryland unemployment insurance. Local workforce data that will be available via CareerNet include local economic information, labor supply and demand data by local area, information on skill requirements and potential wages, and information on industries and companies growing in each local area. CareerNet will offer different levels of service to "self-service" versus "enrolled" employers; self-service employers will only be able to browse the talent bank, while enrolled employers can browse and retrieve applicant resumes.

Some One-Stop Career Centers capture and track information for persons using self-directed services. For example, in Frederick and in Baltimore, each job seeker who enters a One-Stop Career Center completes an initial pre-registration form, and the reason for the individual's first visit is collected in the state's management information system. Maryland's One-Stop delivery system relies heavily on computer resources and to some extent presupposes that job seekers are computer literate. One-Stop Career Center operators stressed that front-line staff are always available to help job seekers use the computers, and they indicated that such efforts provide valuable "job training" skills since so many jobs require computer literacy. However, from our visits to local sites it was apparent that computer illiterate customers would find it much more challenging to access many One-Stop Career Center resources and to self-direct any stage of their job search.

Section IX. Summary Observations and Reauthorization Issues of Special Concern

Officials at DLLR do not feel that WIA has truly influenced Maryland to become more "big picture" oriented in practice, although it may have encouraged state agency workers to think more often about the system as a whole. Officials at DLLR and GWIB believe that this can partly be attributed to the fact that the workforce system has been a low priority for the previous governor and for most legislators. Furthermore, in Maryland, local boards exercise a great deal of authority and have enjoyed flexibility to innovate at the local level rather than be guided more explicitly by a strong state vision.

To promote collaboration across state agencies, the assistant secretaries from the agencies required by WIA to participate in the One-Stop Career Centers meet monthly to discuss workforce issues. This group is considered a subcommittee of the GWIB, and according to DLLR it has promoted a focus on shared goals across agencies. GWIB staff

believe that WIA has helped draw attention to the strong link between workforce issues and economic development.

DLLR officials believe their POAC, MetroTech, and STEP programs, described in text boxes above, are particularly innovative and successful. Staff also believe that funding silos present a real barrier to workforce development. This barrier is exacerbated by the fact that programs face different federal performance measurement systems.

Beyond these barriers, DLLR staff believe that several required partners may not be a "good fit" for the One-Stop Career Centers. In particular, the state's vocational rehabilitation division may not fit well in terms of mission or its ability to coordinate with One-Stop delivery system partners. In Maryland, the vocational rehabilitation division has a poor management information system and no electronic communication; DLLR officials believe this makes communication especially difficult. DLLR officials believe that veterans' services could fit well at the One-Stop Career Centers, but that federal statutory restrictions currently present barriers.[30]

The extent to which TANF should be present at One-Stop Career Centers has been controversial in Maryland. Some officials believe that welfare recipients should be able to access training services through the One-Stop Career Centers to meet WIA's "universal service" focus, while others believe that the presence of TANF recipients would damage the formation of business-friendly One-Stop Career Center atmospheres. In addition, the strong "work first" philosophy of TANF has created barriers to participation in the One-Stop Career Centers, as TANF recipients would have to be treated differently than other One-Stop Career Center customers.

GWIB staff says that cost allocation presents a huge obstacle to partnering in the One-Stop Career Centers. DLLR officials concurred, and suggested that U.S. DOL should provide block grant funding for One-Stop Career Center operation to ease the burden of negotiating cost allocation agreements among required partners.

GWIB and DLLR officials agree that the local boards may be too large and unwieldy, particularly in regions that encompass several counties. DLLR officials would like the governor to have more authority under WIA to decide membership requirements. GWIB officials would prefer that mandated members from partner agencies not be voting members of the board; they believe that this unreciprocated influence does not ultimately serve the workforce system well.[31]

There was widespread agreement among individuals we interviewed that the requirements for reporting on providers need to be reexamined because they are negatively affecting how WIA is being implemented. In Maryland, many potentially eligible providers are not signing up to serve WIA participants. DLLR officials note that training vendors worry about how performance measures will be displayed to the public, particularly since measures are reported on WIA participants separately as well as for all individuals trained. In addition, of the 700 vendors on the training list, only 229 had participants who exited during the year and only 79 had five or more trainees who left the

program. As a result, performance data could not be released without violating confidentiality.

DLLR officials believe that using different performance measures across workforce development programs seriously impairs coordination. The GWIB has developed system measures, but DLLR officials believe that partnering agencies have little incentive to excel on them because there is no system of accountability for these measures, and they may even conflict with the agencies' own performance measures. DLLR officials believe that to improve coordination, definitions should be standardized at the federal level.

In a letter to the U.S. DOL, GWIB noted a number of suggestions for reauthorization. GWIB believes that Congress should remove logistical barriers to a TANF presence in One-Stop Career Centers and should mandate TANF as a partner. Current barriers to partnership include an inability to share data or link the information of TANF work programs and One-Stop Career Centers, different federal program definitions, and different program reporting requirements. For example, participation by TANF clients in education and training does not always count toward TANF participation requirements, thus acting as a disincentive for local areas to provide the necessary training and education services so TANF participants can become self-sufficient. GWIB believes that possible solutions include making it easier for local and state entities to share program delivery costs and participant information and requiring the secretaries of the Departments of Health and Human Services and Labor to submit a joint report to Congress that would describe common or conflicting data elements, definitions, performance measures, and reporting requirements in WIA, TANF, and other programs.

GWIB believes another important issue for reauthorization is changing WIA to better meet the needs of business. WIA needs to provide more money for employer services and quality labor market information. GWIB staff note that while many businesses actively participate with their state and local workforce investment boards, many find current WIA regulations and reporting requirements cumbersome; this discourages their full participation on state and local boards. In addition, GWIB believes that WIA should place a greater emphasis on upgrading the skills of incumbent workers at all levels to facilitate the participation of more employers in the workforce system and should provide more incentive funding for incumbent worker training. GWIB recommends that U.S. DOL establish further incentives for employer participation both in hiring entry-level workers and upgrading the skills of incumbent workers. GWIB believes that funding and performance standards, particularly the earnings change measures, overemphasize the initial placement outcome.

GWIB also believes that U.S. DOL should reconsider the existing 17 performance measures and should develop a more streamlined performance measurement system based on state and local input. GWIB notes that federal programs need to be better aligned to facilitate co-location and collaboration in the One-Stop delivery system. GWIB suggests that this would be more likely if Congress were to create a federal oversight body to model the type of collaboration and resource sharing that WIA expects

of state and local workforce boards. GWIB believes that WIA currently does not sufficiently support human capital development in adults. To remedy this situation, GWIB recommends that federal student financial aid eligibility requirements be changed to better meet the needs of working adults as well as youth. Furthermore, GWIB believes that workforce shortage scholarships should also become more flexible and less specific. GWIB also recommends that to encourage greater access to WIA training, the U.S. DOL "should issue clarifying guidance to ensure that enrollment in training is not blocked or delayed by a rigid application of WIA eligibility for intensive services and training."[32]

DLLR officials we spoke to had a number of suggestions for how to improve WIA and workforce development efforts in general.   First, DLLR officials believe that improving business participation in the workforce system should be a primary goal of WIA. To that end, WIA should clearly identify business as an important customer of the nation's workforce system and should restructure the composition and role of the workforce investment boards. The DLLR officials we interviewed believed that reducing board membership requirements and establishing a clearer separation between policy and operations for boards would significantly help business to participate meaningfully in the workforce system. Specifically, officials believe that the composition of board membership should be changed to reflect a renewed focus on business and labor by taking several steps:

- Reduce the size of the boards by consolidating membership requirements;

- Remove governors, chief local elected officials, and representatives of state legislatures from board membership so boards can function as policy-making entities independent of the executive and legislative branches of government;

- Remove representatives of each of the One-Stop delivery system partners from the board and place them on new One-Stop delivery system management councils; and

- Retain representatives of local educational agencies and community and faith-based organizations with youth activities experience on youth councils, but remove them from board membership.

To establish a clearer separation between policy and operations for boards, DLLR officials believe that legislation should create a stronger strategic planning and accountability role for boards and should move operational processes, such as developing MOUs, allocation formulas, and program budgets, to the agencies that administer One-Stop delivery system programs.

A second overarching suggestion proposed by DLLR officials is to increase investment in worker skills to better meet local labor market demands by strengthening public investment in incumbent worker training. This could be accomplished by allowing states and localities to transfer funds among all three WIA programs (adult,

dislocated workers, and youth), by establishing incumbent worker training as a national priority, and by removing incumbent workers from the calculation of existing WIA performance measures.

A third broad suggestion for improving WIA is to improve the operation of One-Stop Career Centers, primarily by allowing partners to concentrate more on providing quality service to customers rather than struggling with operational procedures that make coordination difficult. To achieve this goal, DLLR officials believe that WIA should authorize separate funds to support operation of One-Stop Career Centers. In addition, DLLR officials believe that restructuring performance accountability provisions under WIA could enhance the operation of One-Stop Career Centers. They believe this could be accomplished by aligning new performance measures more clearly with the goals of WIA. These new measures could include improved productivity, job growth and economic competitiveness, and return on investment.

In addition, DLLR officials believe that consolidating the 17 performance measures for adults and youth could simplify WIA implementation and reduce employer frustrations. DLLR officials also believe it is crucial to develop measures that gauge overall One-Stop delivery system performance by incorporating information on all the individual programs offered at One-Stop Career Centers. Finally, DLLR officials believe that U.S. DOL should try to improve the timeliness and comparability of performance data across states by providing clearer guidance on when to collect and report performance data and by specifying what counts as a credential. DLLR officials also believe that U.S. DOL should develop a regression model to adjust state and local performance based on differences in economic conditions, participant characteristics, and services provided.

DLLR officials also believe that to improve One-Stop delivery system performance, WIA legislation should require states to establish a customer-driven employment statistics system. Finally, DLLR officials believe that performance could be improved if One-Stop delivery system partners were allowed to share client information with other partners, particularly information from UI wage records.
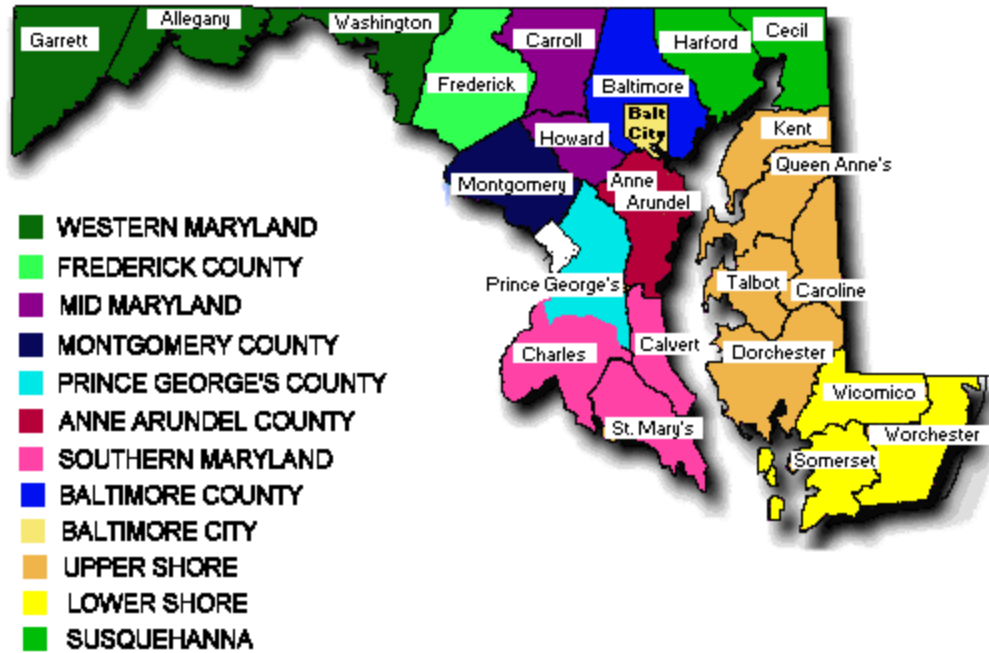
The fourth major suggestion for improving WIA is to improve opportunities for training by streamlining reporting requirements for training providers. DLLR officials believe that because there are not enough WIA participants in most training programs to report performance information without compromising confidentiality, providers should not be required to submit individual level data. In FY 2001, for example, Maryland had 229 eligible training programs, but only 79 of these served more than five WIA participants. Since most WIA customers are already making training choices based on the outcomes of all participants in training programs, rather than simply WIA participants, the individual level reporting seems very burdensome and unnecessary to DLLR officials.

Acronyms (all refer to Maryland state and local entities unless otherwise indicated)

ABAWD   Able Bodied Adults Without Dependents

DLLR   Department of Labor, Licensing, and Regulation

GWIB   Governor's Workforce Investment Board

JTA   Job Training Agency, One-Stop Career Center operator in Frederick County, Maryland

LEHD   Longitudinal Employer-Household Dynamics, partnership between the U.S. Bureau of the Census and 10 states, including Maryland

MACC   Mid-Atlantic Career Consortium, 4-state consortium to develop workforce development information system

MWDA   Maryland Workforce Development Association, association of local WIB directors and top administrators in the Maryland workforce development system

OLMAI   Office of Labor Market Analysis and Information (in DLLR)

POAC   Professional Outplacement Assistance Center

STEP   Skills Based Training for Employment Promotion

APPENDIX A

Map of Maryland's Workforce Investment Area

Legend:
- WESTERN MARYLAND
- FREDERICK COUNTY
- MID MARYLAND
- MONTGOMERY COUNTY
- PRINCE GEORGE'S COUNTY
- ANNE ARUNDEL COUNTY
- SOUTHERN MARYLAND
- BALTIMORE COUNTY
- BALTIMORE CITY
- UPPER SHORE
- LOWER SHORE
- SUSQUEHANNA

APPENDIX B

Division of Employment and Training Organizational Chart

Division of Employment and Training

Office of Employment Training	Office of Labor Market Analysis and Information	Office of Unemployment Insurance	Office of Employment Services
FY2003 Appropriation: $55,346,368	FY2003 Appropriation: $1,972,449	FY2003 Appropriation: $45,205,617	FY2003 Appropriation: $19,215,041
FY2003 Staff Size: 18	FY2003 Staff Size: 31	FY2003 Staff Size: 549.5	FY2003 Staff Size: 279

Veteran's Services

Management Information Systems

Career Net

POAC

Notes

[1] Amy MacDonald Buck was affiliated with Johns Hopkins University when this case study was prepared. Ms. Buck is currently employed by the U.S. General Accounting Office.

[2] Workforce Investment Field Instruction (WIFI) No. 7-99.

[3] Maryland Governor's Workforce Investment Board Annual Report 2001.

[4] Maryland Governor's Workforce Investment Board Annual Report 2001, Appendix A, p. 16.

[5] Maryland Governor's Workforce Investment Board Annual Report 2001, Appendix A, p. 16.

[6] Maryland Governor's Workforce Investment Board Annual Report 2001, Appendix A, p. 17.

[7] Maryland Governor's Workforce Investment Board Annual Report 2001, Appendix A, p. 18.

[8] Maryland Governor's Workforce Investment Board Annual Report 2001, Appendix A.

[9] Maryland Governor's Workforce Investment Board Annual Report 2001, Appendix A, p. 17.

[10] Maryland Governor's Workforce Investment Board Annual Report 2001, Appendix A, p. 18.

[11] http://www.mhec.state.md.us/WIA/WIASearch/County.

[12] Workforce Investment Field Instruction (WIFI) No. 7-99.

[13] Workforce Investment Field Instruction (WIFI) No. 7-99.

[14] http://www.dllr.state.md.us/lmi/ussuple/usmdprof.htm.

[15] http://www.dllr.state.md.us/lmi/index.htm.

[16] http://www.dllr.state.md.us/lmi/index.htm.

[17] Filling Data Gaps: The LEHD State Partnership Report, U.S. Department of Commerce, U.S. Census Bureau, http://www.mdworkforce.com/.

[18] http://www.mhec.state.md.us/WIA/WIASearch/WIATypeTrain.asp.

[19] Workforce Investment Field Instruction (WIFI) No. 11-99.

[20] Workforce Investment Field Instruction (WIFI) No. 11-99.

[21] Workforce Investment Field Instruction (WIFI) No. #5-00, State Training Provider List.

[22] Workforce Investment Field Instruction (WIFI) No. #5-00, State Training Provider List.

[23] Workforce Investment Field Instruction (WIFI) No. #5-00, State Training Provider List.

[24] PY 1997 data was used by the U.S. DOL in its negotiations with the state of Maryland to establish State standards of performance for Title I programs. Where available, PY 1997 data are used as the basis for incentive awards and local levels of performance. For those measures where no PY 1997 data are available (i.e., customer satisfaction), the state standard was utilized.

[25] Workforce Investment Field Instruction (WIFI) #2 – 00.

[26] Workforce Investment Field Instruction (WIFI) #2 – 00.

[27] Workforce Investment Field Instruction (WIFI) #2 – 00.

[28] Mid-Atlantic Career Consortium (MACC) presentation to the U.S. DOL- ETA, July 13, 2001.

[29] As this report was being written, CareerNet was still not operational.

[30] By law, veterans' service employees can only serve veterans. Thus, they cannot participate in all the activities at a One-Stop Career Center.

[31] Although WIA requires the presence of partner agencies on its boards, none of the partnering agencies are required to include WIA representatives on their boards.

[32] Governor's Workforce Investment Board, Recommendations for Reauthorization.