

## **E. State and Local Governance**

### **1. Organization and Structure**

*[Federal Planning Guidance: What is the organization, structure and role/function of each State and local entity that will govern the activities of the unified plan?]*

The Arkansas Workforce Investment Board will coordinate and establish policy for conducting all employment and training activities within the workforce investment system created by the federal Workforce Investment Act of 1998 and Arkansas Act 1125 of 1999, including all activities conducted in and through Arkansas' One-Stop career centers. It is the position of the Arkansas Workforce Investment Board that the term "Governor" in the Workforce Investment Act means the Arkansas Workforce Investment Board acting as the Governor's operative agency, with the Governor being directly involved only when the Governor's signature is required by policy or statute. This policy was confirmed by the Executive Committee of the Arkansas Workforce Investment Board at its March 21, 2000, meeting.

*[A general overview of the governance structure of the programs included in this plan is provided below. In accordance with USDOL planning guidance, more detailed information about specific programs follows this general overview.]*

#### **PERKINS III/TECH PREP**

Recipients of the Perkins III basic grant funds are public school districts and postsecondary/higher education institutions. The Arkansas Department of Workforce Education (ADWE) interacts at the state level through membership on Workforce Investment Board and at the local level with the respective administrators and presidents of the institutions that receive the grants. Those representative in turn will interact with their local boards. As mentioned under Item B above, the school administrators and postsecondary/higher education institution presidents are represented on the local workforce investment boards.

#### **WORKFORCE INVESTMENT ACT TITLE I (YOUTH, ADULT, AND DISLOCATED WORKER)**

WIA Title I programs are governed directly by the local workforce investment boards on accordance with the policies and procedures established by the state board. A Title I program representative is a member of each local board, and there also is a representative of Title I programs on the state board.

### **ADULT EDUCATION AND FAMILY LITERACY**

The director of the Arkansas Department of Workforce Education (ADWE) serves on the State Workforce Investment Board and will be involved in planning and implementation of the state workforce system. The agency will have representation on the local workforce investment boards through the local adult education providers, many of whom serve on the local boards. Local adult education providers will be actively involved in the activities of the local boards and will assist other entities to ensure that the spirit and intent of the unified plan is met.

The deputy director of the ADWE serves as a cabinet-level alternate along with alternates from other state agencies. These alternates will be involved in assisting the State Workforce Investment Board with planning strategies to develop a seamless, integrated workforce delivery system as required by the state's unified plan.

### **FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM**

These programs will be administered locally in accordance with the terms of memoranda of understanding with local boards and One-Stop operators.

### **TRADE ACT PROGRAMS**

The TAA and NAFTA/TAA programs are represented in the state and local governance structure through Arkansas Employment Security Department (AESD) representatives on the state and local workforce investment boards.

### **WAGNER-PEYSER ACT**

AESD is represented on the Arkansas Workforce Investment Board and each local workforce investment board. The agency has been a key planning and implementation partner and will remain active in helping determine what activities will take place at the state and local levels.

### **VOCATIONAL REHABILITATION PROGRAM**

- **ARKANSAS REHABILITATION SERVICES**

The Arkansas Rehabilitation Services (ARS) Commissioner is by law a member of the State Workforce Investment Board. ARS Regional Administrators are members of the local boards in each of the certified regions. ARS Regional Administrators, who have local decision-making authority, will coordinate with other partners on local level.

Guidance specifically requires ARS to respond regarding the make-up of the organization of the designated state unit to provide the vocational rehabilitation program in Arkansas. In accordance with Sec. 101(a)(2)(A) of the Rehabilitation Act, ARS is the designated state agency to administer the program in Arkansas. Linkages between ARS and other components of the workforce investment system are critical to ensure meaningful participation by Arkansans with disabilities in workforce investment activities.

- **DIVISION OF SERVICES FOR THE BLIND**

The Division of Services for the Blind (DSB) is the agency designated by the State of Arkansas and the federal Rehabilitation Services Administration to administer the vocational rehabilitation services program for individuals who are blind or visually impaired. In accordance with WIA Section 111(b)(1)(C)(vi) and (2), a lead state agency official of the Division of Services for the Blind will be appointed to the Arkansas Workforce Investment Board.

As the designated state agency, DSB interacts with the Arkansas Workforce Investment Board by participating in meetings and serving on committees, developing the portions of the State Unified Plan for vocational rehabilitation services for the blind, and ensuring that its consumers are informed of the unified plan and have the opportunity to comment. DSB also addresses accessibility issues for individuals who are visually impaired to assure that assistive technology is available at One-Stop centers and that all information is developed in accessible formats including software and systems. As a required One-Stop partner, DSB has identified a staff person to serve on each the 10 local boards. DSB will ensure that a staff person will actively participate in tasks facing the local boards and the local area One-Stop centers.

- **CLIENT ASSISTANCE PROGRAM**

The Client Assistance Program (CAP), the federally funded program authorized under the amended Rehabilitation Act of 1973 identifies, explains, and resolves problems that people with disabilities may encounter. In Arkansas, the CAP program is administered by the Disability Rights Center, Inc. Representatives of this organization have attended meetings of the Arkansas Workforce Investment Board, and the director of the CAP program is a member of a special task group formed by the Workforce Investment Board to address the special needs of people with disabilities and the delivery of services to people with disabilities through the One-Stop system.

The participation on this task group and the advice and recommendations of the CAP representative are essential to ensuring that the services and facilities of the One-Stop centers of the Arkansas Career Development Network are accessible to all Arkansans, including people with disabilities. As a required partner, the CAP administrator may be a partner in any One-Stop

center in any local workforce investment area in which the CAP program is available and be a member of the local workforce investment board.

A representative of the Client Assistance Program will be appointed to the Arkansas Workforce Investment Board.

### **VETERANS PROGRAMS**

Arkansas law mandates that there be at least one veteran on each local workforce investment board, and these veterans are nominated by local veterans' organizations. These members will help to shape the program activities within the workforce investment area.

### **UNEMPLOYMENT INSURANCE**

At the state level, the unemployment insurance (UI) system is part of the Arkansas Employment Security Department (AESD), and AESD is an active and contributing member of the state board. At the local level, AESD local office managers, who are responsible for UI and Wagner-Peyser activities, are members of local boards and contributing partners to the Arkansas Career Development Network partnership.

### **TANF**

The Arkansas Transitional Employment Board (TEB) oversees the operation of Arkansas' TAFF program, the Transitional Employment Assistance (TEA) program on a statewide basis. The TEB coordinates with the Arkansas Workforce Investment Board. In addition, the TEB's Agency Advisory Council reviews and makes recommendations regarding the operation of the TEA program. The Advisory Council includes members from the state board.

### **WELFARE-TO-WORK**

Welfare-to-Work (WtW) program interests are covered in the governance structure through Arkansas Employment Security Department membership on the on the state board of at the state level and the WIA Title I program operators at the local level.

### **SCSEP**

The Arkansas Area Agency on Aging SCSEP programs will cooperate with local entities. They will be One-Stop partners and will serve on local workforce investment boards. A number of local governments are host agencies for Title V workers.

## **CSBG**

Representatives of the state CSBG office serve on a WIA workgroup, some eligible entities are serving on local boards, and a representative from an eligible entity serves on the State Workforce Incentive Act Board.

### **(a) Perkins III**

#### Organization, Structure and Role/Function

Eligible recipients of the local Perkins funds include three types of institutions: public secondary schools, postsecondary technical institutions that are one- and two-year certificate granting institutions, and higher education institutions that are two- and four-year degree granting institutions. The latter institutions are under the auspices of the Department of Higher Education, while the first two are the responsibility of the Department of Workforce Education.

Through a memorandum of understanding (MOU), the State Board of Workforce Education and Career Opportunities has delegated responsibility for the administration and leadership of vocational and technical education programs in institutions of higher education to the Arkansas Department of Higher Education. This MOU has been in place since 1991 and covers the technical, community, and two-year colleges. The Department of Workforce Education has set aside funds out of state administration and state leadership for the Department of Higher Education's use. These funds are transferred to the Department of Higher Education as needed throughout the fiscal year. The Department of Higher Education is responsible for ensuring that the higher education institutions satisfactorily meet all financial and programmatic requirements with regard to Perkins and for providing necessary documentation and reports to the Department of Workforce Education. In regards to Perkins funds, the word "postsecondary" is used to indicate both the postsecondary technical institutions and the higher education institutions.

*[Federal Planning Guidance: Describe the procedures in place to develop the memoranda of understanding outlined in Sec. 121(c) of the Workforce Investment Act of 1998 concerning the provision of services only for postsecondary students and school dropouts. (Sec. 122(c)(21))]*

Memoranda of understanding (MOUs) will be developed with local workforce investment boards. Details of the MOUs may vary between boards and individual One-Stop partners.

### **(b) WIA Title I, Wagner-Peyser Act, and Veterans Programs**

#### **(i) State Workforce Investment Board**

*[Federal Planning Guidance: Describe the State Workforce Investment Board, or the authorized alternative entity including a description of the manner in which the Board collaborated on the State plan. (WIA Sec. 112(b)(1) and Sec. 111(e))]*

Arkansas Act 1125 of 1999, the Arkansas Workforce Investment Act, (Attachment E-1) established the composition of the Arkansas Workforce Investment Board. This act states that the board shall consist no more than 48 members, of which a majority will represent private business. The act directs the governor to consider in his appointments the diverse regions of Arkansas—urban, rural and suburban areas—and mandates that the boards and/or commissions of the state educational and economic development agencies be represented. The act states that the board will consist of the membership described below:

- The Governor of Arkansas
- One member of the House of Representatives to be appointed by the Speaker of the House
- One member of the Senate to be appointed by the President Pro Tempore
- One member who is a member of the Women’s Caucus of the House of Representatives to be appointed by the chairperson of the Women’s Caucus
- One member who is a member of the Black Caucus of the General Assembly to be appointed by the chairperson of the Black Caucus;
- The following members to be appointed by the governor, subject to confirmation by the Senate:
  - Representatives of business in Arkansas who:
    - Are owners of businesses, chief executive or operating officers of businesses, and other business executives or employers with policymaking or hiring authority, including members of the local workforce investment boards
    - Represent businesses with employment opportunities reflecting the employment opportunities of Arkansas
    - Are appointed from individuals nominated by Arkansas business organizations and business trade associations
    - At least one of whom serves on a local workforce investment board
  - One chief elected official nominated by the Arkansas Municipal League
  - One chief elected official nominated by the Association of Arkansas Counties
  - At least three representatives of labor organizations who are nominated by the Arkansas labor federation
  - At least three representatives of individuals and organizations who have experience and expertise in the delivery of workforce investment activities of which at least:
  - At least three representatives of individuals and organizations who have experience and expertise in the delivery of workforce investment activities of which at least:
    - One person is a chief executive officer of a two-year college nominated by the Arkansas Association of Two-Year Colleges

- One member is a director of an agency responsible to a local workforce investment board for administrative workforce investment programs, nominated by the Career Development Network Association
- One member represents community-based organizations
- One member who is a person with a disability who is familiar with vocational rehabilitation and either represents an organization of Arkansans with disabilities or represents business and meets the criteria for a business representative above
- The Director of the Department of Workforce Education
- The Director of the Employment Security Department
- The Director of the Department of Human Services
- The Director of the Arkansas Economic Development Commission
- A representative of employment and training activities carried out by the Department of Housing and Urban Development
- The Director of the Department of Higher Education
- The Director of the Arkansas Rehabilitative Services

The act also states that the governor may select one person from any of the following to serve in dual capacity as a member of the Board:

- Arkansas Development Finance Authority
- Arkansas Economic Development Commission
- State Board of Education
- State Board of Workforce Education
- Arkansas Department of Higher Education Coordinating Board
- Transitional Employment Assistance Program Advisory Council or their successors

The act further states that non-legislative members will be appointed for four-year staggered terms, with these terms assigned by lot, and that these terms will begin on June 1 of each year. Act 1125 of 1999 also establishes an Executive Committee, which meets monthly and is composed of 11-15 members of the state board and sets the following membership requirements:

- The chair and vice-chair of the board, who will also serve as the chair and vice-chair of the Executive Committee
- At least seven business members, at least one of whom serves on a local workforce investment board
- At least two Arkansas labor federation representatives
- At least two members of the General Assembly
- At least one community college representative
- At least one chief elected official

On August 10, 1999, the Arkansas Workforce Investment Board voted to develop a unified plan. On October 6, 1999, guidance for the WIA State Unified Plan was issued in the Federal Register.

The appropriate entities to be included in Arkansas' unified plan were notified at this time. The first planning meeting of representatives of the included entities was held on November 19, 1999. Discussion and analysis of the planning guidance for submitting a State Unified Plan occurred at this meeting. Specific sections of the plan were assigned to appropriate agencies and staff for development. Preliminary submissions were returned to the Workforce Investment Board staff by December 15, 1999, for editing. Each of the agency representatives presented appropriate current state plans as resources for the Unified Plan.

On January 11, 2000, the full Arkansas Workforce Investment Board met for a workday. During this time, members worked both separately and in groups to provide input into the content and direction of the plan. This was a public meeting, where interested citizens could give written input, comments, and suggestions. Approximately 50 non-board, non-staff individuals attended the meeting and provided written comments.

On January 14, state board members received the preliminary draft of the unified plan in order to provide additional comments and input. Appropriate changes were made in response to direction from the board, and the unified plan was presented again to the state board on January 26 for input. Additional suggestions were incorporated into the plan, and an executive summary and the first draft of Arkansas' Unified State Plan were presented to the Executive Committee on February 8. At this time, the Executive Committee approved the publishing of the executive summary and the first draft of the unified plan for public comment.

The Arkansas State Unified Plan remained on public review from February 9 through March 10, under the state Administrative Procedures Act. Public comments were invited, publicity was given, and public meetings were held. The final draft was delivered to the Governor of Arkansas for approval and signature on March 28, 2000. The approved plan was then made available to the U. S. Department of Labor and other appropriate agencies on March 29 by publishing the plan on the Arkansas Workforce Investment Board's Web site at [www.state.ar.us/workforce](http://www.state.ar.us/workforce).

## **(ii) State-Imposed Requirements**

*[Federal Planning Guidance: Describe the State-imposed requirements for the statewide workforce investment system. (Sec. 112(b)(2))]*

In accordance with Section 6 of Arkansas Act 1125 of 1999 (The Arkansas Workforce Investment Act) the Arkansas Workforce Investment Board advises and assists the Governor and the General Assembly as follows:

- Development of a state workforce development plan
- Development and continuous improvement of a statewide system of activities that are funded under Arkansas Act 1125 of 1999 or carried out through a one-stop delivery

system which receives funds under Arkansas Act 1125 of 1999 including:

- Development of linkages in order to assure coordination and nonduplication among the programs and activities, and
- Review of local plans
- Commenting on an annual basis on the measures taken pursuant to section 113(b) (14) of the Carl D. Perkins Vocational and Applied Technology Education Act
- Designation of local workforce investment areas
- Development of an allocation formula for the distribution of funds for adult employment and training activities and youth activities to local areas
- Development and continuous improvement of comprehensive state performance measures, including state adjusted levels of performance, to assess the effectiveness of the workforce investment activities in the state
- Preparation of the annual report to the United States Secretary of Labor
- Development of a statewide employment statistics systems as described in Section 15(e) of the Wagner-Peyser Act
- Development of an application for an incentive grant
- Recommendation of the programs identified in Section 7 (b)(8)(A) of Arkansas Act 1125 of 1999 which may be consolidated or realigned
- Creation of workforce investment program accountability measures and standards;
- Development of workforce training standards
- Evaluation of the entire Arkansas workforce investment system, including but not limited to the education system, the Career Development system and the youth programs, to determine if it is meeting the goals of the Arkansas Workforce Investment Act
- Re-evaluation of the Arkansas Workforce Investment Act
- Coordination of state agencies to assist in the development of the state workforce development plan
- Development of additional state workforce development plans every three years
- Use of federal, state or private funds, donations, and grants made available for the development of the Arkansas Workforce Development Plan
- Establishing procedures that will be taken by the State to assure coordination of and avoid duplication among Workforce Investment Programs
- Provide a report prior to each regular session to the Arkansas General Assembly with recommendations for appropriate statutory changes that may enhance the delivery of Workforce Investment in and for Arkansas.

The Executive Committee of the board may recommend to the Governor the resolution of any disagreements between or among state agencies pertaining to their duties and responsibilities in the state workforce investment plan. The Executive Committee must notify the agencies involved of the recommendation in writing. The board may recommend to the Governor that he require state agencies to cooperate with the board in implementing the state workforce

investment plan, including but not limited to providing information to the board and providing staff assistance. The Arkansas Workforce Investment Board has the authority to promulgate any rules or regulations necessary to carry out the provisions of this Act and to comply with the Federal Workforce Investment Act of 1998.

The board must present a report quarterly to the Legislative Council of the Arkansas General Assembly concerning the progress, performance and compliance with the Federal Workforce Investment Act of 1998, and the Arkansas Workforce Investment Act of 1999 and provide to the Legislative Council any information requested of it. The Arkansas Workforce Investment Board must recommend performance incentives and recommend sanctions for failure to achieve such measures. The chairman of the Arkansas Workforce Investment Board is appointed by the Governor with the consent of the board, subject to confirmation by the Senate. The chairman may hire the necessary staff to carry out the provisions of Arkansas Act 1125 of 1999.

The state-imposed requirements for the workforce investment system provide for delivery of activities at the local level to individuals who need those services, including job seekers, dislocated workers, youth, incumbent workers, new entrants to the workforce, veterans, persons with disabilities, and employers at One-Stop service delivery systems in the state. The local workforce investment areas, as designated by the Governor, shall establish local boards, which in turn shall establish policies, interpretations, guidelines and definitions to implement provisions of Title I of WIA consistent with the Act, regulations, and State policies.

### **(iii) Local Area Designation**

*[Federal Planning Guidance: Identify the local areas designated in the State and include a description of the process used for the designation of such areas. (Sec. 112(b)(5))]*

On September 30, 1999, in accordance with Section 8 of the Arkansas Act 1125 of 1999, and Section 116(a) of the federal Workforce Investment Act of 1998, the Governor of Arkansas designated local workforce investment areas within the state through consultation with the Arkansas Workforce Investment Board and after consultation with chief elected officials and after consideration of comments received through the public comment process, as described in the federal Workforce Investment Act, Section 112(b)(9).

In making the designation of local areas, the Governor considered the following:

- Geographic areas served by local educational agencies and intermediate educational agencies
- Geographic areas served by postsecondary educational institutions and area vocational education schools
- The extent to which the local areas are consistent with labor market areas
- The distance that individuals will need to travel to receive services provided in the local

areas

- The resources of the local areas that are available to effectively administer the activities carried out under this Act.

On September 30, 1999, the Governor proclaimed the following 10 local areas to be Workforce Investment Areas and the comprising counties:

AREA	COMPRISING COUNTIES
Northwest	Benton, Carroll, Boone, Marion, Baxter, Washington, Madison, Newton, Searcy
North Central	Fulton, Izard, Sharp, Stone, Independence, Jackson, Van Buren, Cleburne, White, Woodruff
Northeast	Randolph, Clay, Lawrence, Greene, Craighead, Poinsett, Mississippi
Southeast	Grant, Jefferson, Arkansas, Cleveland, Lincoln, Desha, Drew, Bradley, Ashley, Chicot
Southwest	Sevier, Howard, Hempstead, Nevada, Dallas, Little River, Miller, Ouachita, Calhoun, Lafayette, Columbia, Union
West Central	Johnson, Pope, Conway, Yell, Perry, Montgomery, Garland, Hot Spring, Pike, Clark
Western	Crawford, Franklin, Logan, Sebastian, Scott, Polk
Central	Faulkner, Saline, Pulaski (except City of Little Rock), Lonoke, Prairie, Monroe
Eastern	Cross, Crittenden, St. Francis, Lee, Phillips
Little Rock	City of Little Rock

These workforce investment areas are identical to the JTPA service delivery areas that were configured in 1982 based on common geographic and economic factors. In each of the areas, the chief elected officials submitted requests in writing for designation as workforce investment areas. Proposed geographic area designations were on public review from August 29, 1999, to September 28, 1999, and a public hearing was held on September 28.

Eight of the service delivery areas presented for public review and public comment automatically qualified for designation by the Governor as having 200,000 population and no disqualifying factors. The five counties comprising the JTPA service delivery area of Eastern Arkansas did not qualify for automatic designation as an area under WIA, because their combined populations are less than 200,000. Likewise, the JTPA service delivery area of the City of Little Rock falls short of 200,000 population. In addition, there were questions from the Employment Security Department about fiscal integrity under JTPA concerning the City of Little Rock. As a result, the City of Little Rock was designated as a workforce investment area for a period of less than two years, with its future designation dependent on audit findings and assurance of fiscal integrity. The other nine areas were designated workforce investment areas for a period of two years.

Minimizing disruption of the current system's geographic service areas allows for areas to focus attention on policy development, desired outcomes, and service delivery. The process used for designation of the areas included CEOs having applied for designation, CEOs attending training in June, 1999 and again in September, 1999, sustained fiscal integrity, passed PY'97 performance standards, and passed PY'96 performance standards.

#### **(iv) Appeals Process**

*[Federal Planning Guidance: Describe the appeals process referred to in Sec. 116(a)(5). (Sec. 112(b)(15))]*

The appeals process is outlined in Section 8(f) of Act 1125 of 1999. A unit of general local government or grant recipient that requests, but is not granted designation as a local area may submit an appeal to the state board. As of the date this plan was written, no appeals were made. Had there been, the State was prepared to hear any appeal. If that appeal was not satisfactory, the decision could be reviewed by the USDOL Secretary.

#### **(v) Criteria for Appointment of Local Board Members**

*[Federal Planning Guidance: Identify the criteria the State has established to be used by the chief elected officials in the local areas for the appointment of local Board members and establishment of youth councils based on the requirements of Sec. 117. (WIA Sec. 112(b)(6))]*

Section 9(c) of Act 1125 of 1999 sets statutory guidelines for members of local boards. It states that the criteria shall require, at a minimum, that the membership of each local board:

- Will include:
  - Representatives of business in the local area, who:
    - Are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with policymaking or hiring authority;
    - Represent businesses with employment opportunities that reflect the employment opportunities of the local area, and
    - Are appointed from among individuals nominated by local business organizations and business trade associations
  - Representatives of local educational agencies, local school boards, two (2) year colleges and universities, entities providing adult education and literacy activities, and postsecondary educational institutions, selected from among individuals nominated by regional or local educational agencies, institutions, or organizations representing the local educational entities;
  - Representatives of labor organizations, nominated by Arkansas local labor federations, or other representatives of employees if no employees are represented by labor organizations
  - Representatives of community-based organizations
  - Representatives of economic development agencies, including private sector economic development entities
  - Representatives of each of the one-stop partners
  - One (1) member who is a person with a disability who is familiar with vocational rehabilitation and represents an organization Arkansans with disabilities and
    - Represents an organization(s) of Arkansans with disabilities; or
    - Complies with subsection (c)(1)(A) of this Section
  - One (1) member who represents veterans organizations
- May include other individuals or representatives of entities as the chief elected official in the local area may determine to be appropriate.
- Members of the board that represent organizations, agencies, or other entities shall be individuals with policymaking authority within the organizations, agencies, or entities.
- A majority of the members of the local board shall be representatives described in subdivision (c)(1)(A) of this section.
- The chief elected official shall ensure that minority groups are represented on the local board.
- The local board shall elect a chairperson for the local board from among the representatives described in paragraph (c)(1)(A).
- The chief elected official in a local area is authorized to appoint the members of the local board for the area, in accordance with the state criteria.
- In the event a local area includes more than one (1) unit of general local government, the chief elected officials of the units shall execute an agreement that specifies the respective roles of the individual chief elected officials:

- In the appointment of the members of the local board from the individuals nominated or recommended to be the members in accordance with the criteria; and
- In carrying out any other responsibilities assigned to the officials under this section.
- If, after a reasonable effort, the chief elected officials are unable to reach agreement, the Governor may appoint the members of the local board from individuals so nominated or recommended.

The criteria to be used by chief elected officials in selection of local workforce investment board appointments was approved September 28, 1999, by the Arkansas Workforce Investment Board for recommendation to the Governor and were issued by the Governor on September 30 and distributed to each area. The criteria further expand and define the requirements of Act 1125 of 1999 and were available for public review from August 29, 1999, to September 28, 1999. A copy of the criteria is included as Attachment E-2.

On December 15, 1999, the state board added the additional requirement that a school superintendent be included on each local board. On January 26, 2000, the state board added the requirement that at least one member of each local board will represent a two-year institution – community college, technical institute, or technical college.

Appointments to the initial local workforce investment boards by the chief elected officials were approved by the state workforce investment board on January 11, 2000 and by the Governor on January 14. Act 1125 of 1999 states that the Governor shall, once every two years, certify one local board for each local area in the state.

Composition of local boards may change between periods of certification. After a memorandum of understanding is entered into between an organization and a local board, that organization becomes a One-Stop partner and receives representation on the local board. The One-Stop partner determines its board representative. The representative need not live within the workforce investment area, but it is expected that they will work there and will be the optimum representative of the partner in that area. It is the partner representative that is on the board and not the person. If the person no longer represents the partner, the partner shall name a new representative.

If a memorandum of understanding is dissolved, that partner loses representation on the board.

Boards must maintain a majority as business representatives, and the chair and vice-chair must come from this group.

All board changes must maintain statutory categories and must be reported to the state workforce investment board.

As a subgroup within each local board, a youth council shall be appointed by the local board in cooperation with the chief elected official for the local area. In order to operate as a fully active subgroup of the local Workforce Investment Board, the Youth Council will include in its active membership the following:

- Members of the local board with special interest or expertise in youth policy
- Representatives of youth service agencies, including juvenile justice and local law enforcement agencies
- Representatives of local public housing authorities
- Parents of eligible youth seeking assistance under the Workforce Investment Act
- Individuals, including former participants, and representatives of organizations, that have experience relating to youth activities
- Representatives of the Job Corps, if a Job Corps Center is located in the area

The membership of each youth council may include other individuals as the chairperson of the local board, in cooperation with the chief elected official, determines appropriate. Members of the youth council who are not members of the local board will be voting members of the youth council and nonvoting members of the board.

The State Youth Council Workgroup recommends the local workforce investment board or chief elected official send letters to agencies, entities or organizations with special interest in youth requesting names and qualifications of individuals they consider to meet the above criteria to be considered as members of the youth council. Other interested parties who have expertise in youth policy may obtain information from the workforce investment board or chief elected official.

#### **(vi) Conflict of Interest**

*[Federal Planning Guidance: Identify the circumstances which constitute a conflict of interest for any State or State Board and Local Boards member, including voting on any matter regarding the provision of service by that member or the entity that s/he represents, and any matter that would provide a financial benefit to that member or his or her immediate family. (Sec. 112(b)(13))]*

Section 11(n) of Act 1125 of 1999 states the guidelines for conflict of interest for any local board member. A member of a local board may not vote on a matter under consideration by the local board regarding the provision of services by the member or by an entity that such member represents or that would provide direct financial benefit to the member or the immediate family of the member. In addition, a member of a local board may not engage in any other activity determined by the Governor or by law to constitute a conflict of interest as specified in this plan.

#### **(vii) Procedures for Identifying Eligible Providers**

*[Federal Planning Guidance: Describe the procedures the local boards will use to identify eligible providers of training services for the Adult and Dislocated worker programs (other than on-the-job training or customized training) (Sec. 112(b)(17)(A)(iii))]*

The eligible training provider process is part of the strategy of the Workforce Investment Act to emphasize informed customer choice, system performance, and continuous improvement. Eligible training providers are training entities that meet criteria established by the designated state agency and local boards. In August 1999, the Arkansas Workforce Investment Board delegated to the Arkansas Employment Security Department (AESD) the responsibility for the creation and maintenance of the Eligible Training Provider list. Local boards, in partnership with AESD, will identify training providers whose performance qualifies them to receive WIA funds to train adults and dislocated workers. The system being developed by ASED is an Internet browser-based system on the State of Texas DECIDE system. It will be fully operational by July 1, 2000. (The Texas system is available for viewing at <http://www.soicc.state.tx.us/decide/>. The Arkansas system will be quite similar to this system.)

When an eligible individual is determined to need training in order to obtain appropriate employment, that individual is issued an individual training account (ITA). The individual uses that ITA to obtain training with the desired eligible training provider. This training may be coursework that leads to a certificate or undergraduate degree or a competency that is recognized by employers. Or the training may provide the individual with additional skills generally recognized by employers.

As part of this process, a training provider first submits an application to the local board. If the local board determines that the applicant is eligible according to AESD criteria, the provider is added to the list for that area for each specific program applied for. Documentation of eligibility information is forwarded to AESD. If AESD determines that the entity does not meet eligibility requirements, the local board is notified, and the provider is removed from the list for the specified program. A provider who is placed on the list by a local board and is not removed by AESD is considered to be an eligible provider of training services for the local area for the specified program.

To continue to be a training provider, the eligible training provider must submit specified performance and program cost information annually. Entities are also required to meet performance levels. Local boards may require higher levels of performance than those required by the state. They may also request additional information to determine eligibility for that training provider in the local area. As in the initial determination, a local board identifies a training provider as eligible and sends the information to AESD. If AESD does not determine the provider to be ineligible, then the provider is considered to be an eligible training provider for the local area for the specified program.

On-the-job training and customized training are not subject to the requirements for eligible training providers. If a training provider is denied eligibility, an appeal may be made in accordance with the Appeals and Grievance Procedure.

### **(viii) Management of Locally Operated ITA Systems**

*[Federal Planning Guidance: Describe how the locally operated ITA system will be managed in the State to maximize usage, select services providers, and improve the performance information on training providers. (Sec. 112(b)(14), 112(b)(17)(A)(iii))]*

The Executive Committee of the Arkansas Workforce Investment Board approved the Guidelines and Procedures for Individual Training Accounts policy, which is included in this plan as Attachment E-4. This policy outlines the coordination and payment of training expenses through Individual Training Accounts (ITAs) to eligible providers for the training of individuals using Title I funds from the Workforce Investment Act of 1998. It includes the priority adult training referral policy, as well as the limited exceptions allowed under the policy.

The Workforce Investment Act (WIA) states that, “Training services...shall be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such activities” [§134(d)(4)(F)]. To enable the participant to make a responsible and informed choice about where best to receive training, WIA uses three (3) mechanisms:

- An Individual Training Account (ITA);
- A list of Statewide Eligible Training Providers; and
- A Consumer Reports System that provides key information on the performance outcomes of training and education providers.

Individual training accounts (ITAs) place training resources in the hand of the consumer. Rather than being directed to a provider of training by an agency, the consumer will be able to select high quality training on his/her own. The ITAs are established on behalf of an eligible individual to pay for training services. Such accounts are funded with adult and dislocated worker funds authorized under Title I of WIA and are intended to supplement financial aid already available through other sources. If no other financial aid is available, the ITA may be used to pay for all of the costs of training, or up to the value established for the ITA.

Section 134(d)(4)(G) of WIA mandates that all training services (except for on-the-job training and customized training) be provided through the use of ITAs and that eligible individuals enrolled in training shall receive ITAs through the one-stop delivery system. Individuals may use ITAs in exchange for training services that are directly linked to occupations in demand, using training vouchers at institutions on the approved state- published list of eligible providers

[Sections 134(F)(ii) and 134(G)(iii)]. An eligible training provider/vendor is defined as an entity that meets the requirements of WIA Section 122 and the Act's promulgated Regulations Section 663.505(b) as eligible to receive WIA Title I-B funds to provide training services to eligible adult and dislocated worker customers.

Local workforce investment boards (WIBs) will seek high quality training providers with relevant curricula to compile the local list. The local boards will receive all initial applications, review, and approve/disprove them, and then forward their recommended list of eligible providers and programs to the Arkansas Employment Security Department (AESD). The Arkansas Workforce Investment Board has designated AESD as the agency for administrative functions under Section 122(i) of the Act. Accordingly, AESD, or its designee(s), will verify the quality of training providers on the local lists, will certify them as eligible providers, and will compile the statewide list for distribution. Consumer information about eligible training providers will be made available to all training seekers through the one-stop service delivery system. The customer will be able to select high quality training in consultation with a case manager. Quality training information and effective guidance by the case manager, combined with the ITA as a payment mechanism, will empower the customer to choose the training opportunity that best fulfills his/her needs.

#### **(ix) Awarding Grants for Youth Activities**

*[Federal Planning Guidance: Identify the criteria to be used by local boards in awarding grants for youth activities, including criteria that the Governor and local boards will use to identify effective and ineffective youth activities and providers of such activities. (Sec. 112(b)(18)(B))]*

Each local workforce investment board may solicit providers by contacting those contractors with whom they have previously done business and by implementing locally the Request-for-Proposal (RFP) process. Recommendations by the local Youth Council should be followed. The local WIB will approve grants based on performance and program costs, with standards yet to be determined by the State WIB and local workforce investment boards. The state is currently gathering information regarding performance indicators. Additional criteria for awarding grants for youth activities is being developed by the Arkansas Workforce Investment Board.

#### **(x) Awarding Grants and Contracts**

*[Federal Planning Guidance: Describe the competitive and non-competitive processes that will be used at the State level to award grants and contracts for activities under Title I of WIA, including how potential bidders are being made aware of the availability of grants and contracts. (Sec. 112(b)(16))]*

Both the Workforce Investment Act of 1998 and Act 1125 of 1999 require that the state plan contain a description of the competitive process to be used by the state to award grants and contracts in the state for activities carried out under the Workforce Investment Act. These procedures, which were approved by the Executive Committee of the Arkansas Workforce Investment Board at its March 21, 2000, meeting are included in this plan as Attachment E-6.

### **(xi) Process**

*[Federal Planning Guidance: Include a description of the process by which these entities were created.]*

Although each local workforce investment board may solicit providers by contacting those contractors with whom they have previously done business, Requests-for-Proposal (RFPs) must be issued. Availability of grants and contracts must be advertised in area media outlets. For Youth contracts, the recommendations by the local Youth Council should be followed. The local workforce investment boards will approve grants based on performance and program costs.

### **(c) Vocational Rehabilitation**

*[Federal Planning Guidance: Designate a State agency as the sole State agency to administer the plan, or to supervise the administration of the plan by a local agency, in accordance with Sec. 101(a)(2)(A). (Sec. 101(a)(2)(A))]*

- **ARKANSAS REHABILITATION SERVICES (ARS)**

#### **Designation Of The State Agency To Administer The Plan**

Arkansas Rehabilitation Services (ARS) is the state program enacted through the Rehabilitation Act that provides services to assist individuals with significant disabilities in becoming employed and living independently (with the exception DHS-Division of Services for the Blind). The ARS is organizationally located within the Arkansas Department of Workforce Education (DWE). The governing board of ARS is the board of Arkansas DWE. The ARS functions both as the Designated State Agency and Designated State Unit 101(a)(2)(A). The agency is primarily concerned with vocational rehabilitation of individuals with disabilities and is responsible for the Vocational Rehabilitation Program within Arkansas. The agency has a full-time Commissioner and a staff of personnel employed full-time in rehabilitation work. The agency is located within DWE at a comparable level to other major organizational units in accordance with Sec. 101.

- **DIVISION OF SERVICES TO THE BLIND (DSB)**

The Division of Services for the Blind (DSB) has a legally constituted Consumer Board (Act 481 of 1983), with its members appointed by the Governor, which under the Rehabilitation Act, as amended, meets the requirements to function as a Commission board. The Division Director is named by the Commission Board with the approval of the Governor, and develops and administer agency program, at the direction of the Commission Board. Program priorities are set by the Commission Board every other year, and reviewed annually.

A formal report, including programmatic, fiscal and administrative information, is presented to the Commission Board quarterly by the DSB Director. Advice and recommendations of the Commission Board are documented in official minutes and responsive reports are made during the following quarterly meetings to ensure compliance with public notice regulations.

In compliance with Federal directives, the DSB Commission Board mandates consumer satisfaction surveys be conducted annually. Satisfaction surveys are provided to all DSB consumers on an annual basis by the DSB Case Reviewer. The surveys are provided in the individual's medium of choice. The DSB Case Reviewer compiles the results of the survey. The DSB Commission Board mandates an additional independent third party satisfaction survey of individuals receiving DSB services every three years. The results of both satisfaction surveys are presented to the DSB Commission Board for discussion, comment, and recommendation. The DSB Commission Board directs the DSB Director to modify policy and procedures within Federal regulations and law to improve customer satisfaction. The DSB Commission Board solicits input from individuals who are or have been recipients of DSB services.

The DSB Commission Board assures that it is a consumer-controlled Board that represents the interests of individuals who are blind and conducts a review and analysis of the effectiveness of and consumer satisfaction with DSB service providers. The DSB Commission Board is responsible under Arkansas law for operating, and/or overseeing the operation of the vocational rehabilitation program that provides services in Arkansas to individuals who are blind. The DSB Commission Board assures that DSB will administer the state plan in accordance with 34 CFR 361 et. al-State Vocational Rehabilitation Service Program.

**(d) TANF**

*[Federal Planning Guidance: Describe the objective criteria for the delivery of benefits and the determination of eligibility and for fair and equitable treatment, including an explanation of how the State will provide opportunities for recipients who have been adversely affected to be heard in a State administrative or appeal process. (Sec. 402(a)(1)(B)(iii))]*

Transitional Employment Assistance is available to economically needy families with children under the age of eighteen (18) years who are residing in the State of Arkansas and meet specified eligibility requirements.

*Hearing & Appeal Process* — A timely and adequate notice of adverse action is sent to the recipient. The recipient may appeal the adverse action within 30 days following the date of the notice. Continuation of benefits is granted provided the appeal is received within 10 days from the date of the notice.

The Department of Human Services administers and conducts hearings in accordance with the Arkansas Administrative Procedures Act 25-15-201 et seq. (Section 9.2 of Arkansas Title IV-A State Plan is attached).

### **(e) Welfare-to-Work**

*[Federal Planning Guidance: Provide a description of the implementation of this program by PICs (or Local Boards) across the State, including the roles and responsibilities of the State WtW Administrative Agency and the TANF agency; a list of the substate areas and the local entities responsible for program administration; and the program's implementation target dates.]*

The Welfare-to-Work (WtW) program was implemented in Arkansas in 1998. The Arkansas Employment Security Department (ESD) is the state administrative agency for the WtW program. The Arkansas Department of Human Services (DHS) is responsible for the Temporary Assistance for Needy Families (TANF) program, which in Arkansas is called Transitional Employment Assistance (TEA). These two agencies and others have worked closely in developing the State's implementation of welfare reform. Private Industry Councils (PICs) established under the Job Training Partnership Act currently administer the WtW programs at the local level in coordination with the chief elected officials of the area. The local workforce investment boards (WIBs) will continue these collaborative efforts in assisting welfare recipients to make the transition from welfare to gainful employment.

DHS is responsible for certification and referral of eligible TANF recipients that have been certified WtW-eligible. DHS provides certificates of eligibility for all individuals referred plus copies of case histories, assessments, inventories of supportive service needs, and other relevant information to the local PICs to assist in providing appropriate training to the WtW customer. DHS also is responsible for the following:

- Maintaining all eligibility documentation for individuals referred for service
- Accepting all financial responsibility for audit exceptions involving ineligible referrals
- Providing a list of available funding sources for supportive services, such as transportation and childcare

- Promoting and encourage the local TANF offices to coordinate and cooperate with the local PICs
- Providing updated lists of local Temporary Employment Assistance (TEA) agencies throughout the state
- Monitoring local DHS office for programmatic and financial compliance with WtW Act and regulations.

The Employment Security Department is responsible for the following:

- Conducting program and financial compliance reviews of the local PICs/WIBs in regard to WtW operations
- Coordinating the addendum to the WtW State Plan and submitting the plan to the U.S. Department of Labor (USDOL)
- Serving as fiscal agent for the WtW program
- Serving as the reporting agency for all reports required by USDOL

The areas that currently operate the WtW program are as follows:

- Northwest Northwest Arkansas Economic Development District
- Northeast Employment and Training Services, Inc.
- North Central White River Planning and Development District
- Eastern Workforce, Inc.
- Central Central Arkansas Planning and Development District
- West Central West Central Arkansas Planning and Development District
- City of Little Rock City of Little Rock
- Southwest Southwest Arkansas Planning and Development District
- Southeast Southeast Arkansas Economic Development District
- Western Western Arkansas Economic Development Association.