

OFFICE OF THE GOVERNOR



ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

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STATE OF ALABAMA

September 28, 2012

The Honorable Hilda L. Solis
U.S. Department of Labor
200 Constitution Avenue
Washington, D.C. 20310

Dear Secretary Solis:

RE: State of Alabama Program 2011 WIA Annual Report

I am pleased to submit the enclosed State of Alabama Program Year (PY) 2011 Workforce Investment Act (WIA) Annual Report. This Report contains the Alabama PY 2011 WIA program performance data required under USDOL Training and Guidance Letter No. 14-00, Change 3. Additionally, this Report details other WIA activities conducted in Alabama during PY 2011.

Alabama continues to focus on collaboration and integration of workforce development resources throughout the state. Throughout PY 2011, and as we progress through PY 2012, Alabama will continue to provide WIA funded workforce development programs as the State strives for economic stability and employment re-growth.

Please direct any questions regarding the Alabama Workforce Investment Act PY 2011 Annual Report to Steve Walkley at (334) 242-5300, or Bill Hornsby at (334) 242-5847.

Sincerely,



Jim Byard, Jr.
Director

JB:SHC:kcs

Enclosure

c: Dr. Helen Parker

**State of Alabama
Workforce Investment Act, Title IB
Program Year 2011 Annual Report**



Submitted by

**Alabama Department of
Economic and Community Affairs**

**Prepared for
Hilda L. Solis
Secretary of Labor
U.S. Department of Labor**

October 1, 2012

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Overview

Alabama is at a pivotal point in time where workforce development is critical to the success and continued growth of our citizens and our businesses. Job skills, education, and relevant occupational skills training are the tools individuals need to obtain a job and enjoy the quality of life they desire.

Workforce development is preparing individuals with the occupational skills necessary for work. It is recruiting, placing, mentoring, and counseling potential employees; and it is combining education, employment, and job training efforts.

Alabama's workforce development system is working to manage persistent labor shortages for skilled workers, increase the business community's satisfaction with education and training, ensure that workforce development is equivalent to economic development, and to integrate special populations into the economic mainstream.

A continuous evaluation of industry needs and programs that support those needs enables the state to provide the most up-to-date and innovative training available with the funding provided through the Workforce Investment Act (WIA). An evaluation of the reporting system revealed the need to implement (and report only) common measures in place of the seventeen (17) state and local performance measures under WIA. The State sought and was granted a waiver by the U.S. Department of Labor (USDOL) in order to implement the nine (9) common measures defined in TEGL 17-05, including Changes 1 & 2. This waiver has allowed Alabama to renew its performance focus and to facilitate system integration across partner programs. The common measures have provided a simplified and streamlined performance measurement system that is more cost effective and understandable to business-led boards. The quality and quantity of services to participants has been enhanced by focusing on fewer targeted outcomes. State and local program administrators have benefited as Alabama progresses toward a fully integrated workforce system that concentrates on demand-driven accountability measures.

The Alabama Career Center System, through its network of forty-five (45) career centers, delivers workforce development services to employers and employees eligible for and in need of these services. Each career center System location provides customers with needed education, job training, employment referral, and other workforce development services. Prospective employees may obtain career counseling and individual case manager assessment services. Those with marketable occupational and employable skills may not require career center system services beyond direct placement assistance. Individuals, whose existing skills require some degree of honing to render these workers more attractive, will receive the required training.

The principal focus of Alabama's Workforce Development System remains directed toward the fashioning of action strategies appropriate to the ongoing workforce development needs of all Alabamians. In 2007 the acquisition (with WIA Incentive Funds awarded to Alabama) of the state's mobile career center (MCC) expanded our capacity for effective delivery of worker displacement-relief services. Packed with many of the features offered by standing career centers, including learning needs/skills assessment tools, computerized job bank services, and academic and occupational skills training referral services. The MCC has helped render needed workforce development services to many persons previously unable to effectively access these services. The highest priority for the vehicle is providing workforce development assistance to those impacted by disasters such as hurricanes and tornados. It is moved to the appropriate location as quickly as allowed by the situation. During PY 2011, the Mobile Career Center Vehicle (MCCV) was dispatched on thirty-three (33) occasions throughout the state to provide workforce related assistance. These events included Career Days at schools, Job Fairs with community agencies, Employer recruitment assistance, Rapid Response service to dislocated

workers, and assistance to Veterans returning home.

In regard to adult programs, funds are being used for On-the-Job Training (OJT) where up to fifty (50) percent of a person's salary (considered a training cost) for up to six (6) months can be reimbursed to an employer. There are also agreements with five (5) private-for-profit employers for incumbent worker training (funded with Governor's Five (5) Percent Administrative Set Aside funds or with Rapid Response funds per approved USDOL waiver) to get current employees up to speed on the latest manufacturing techniques, etc. Funds continue to be used to pay for tuition and cost of books for dislocated workers, adults, and youth to attend a two-year college or other postsecondary institution to learn new skills in order to re-enter the workforce. Additionally, short-term training is provided for dislocated workers and adults to help them acquire the skills necessary to re-enter the workforce as quickly as possible. These services were made more accessible due to the ability to transfer funds up to 50 percent between the adult and dislocated worker programs (per approved USDOL waiver). Through the use of this waiver, the local areas have the flexibility necessary to move the funds to the target group where the need is greatest, benefiting both adults and dislocated worker participants.

Our Incumbent Worker Training Program (IWTP), which provides eligible employers with funding assistance toward new and/or upgraded occupational skills training for their existing workforce, continues to be viable even though the State received no Governor's 10 Percent Set Aside funds during Program Year 2011. Limited 5 Percent Administrative funds have been used as well as Rapid Response funds (via approved waiver) to keep this important program from becoming dormant due to actions detrimental to the IWTP in Washington, D.C. Such employee skill upgrades are often critical to employers' continuing competitive viability and avoiding layoffs.

The funding agency for ADECA's WIA funds is the USDOL, and states have until June 30, 2014 to spend all of the PY11 workforce funds.

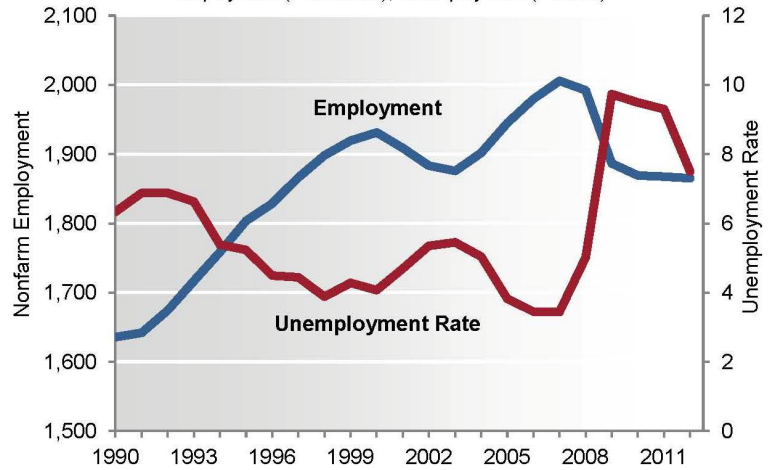
The tenacity of state leaders, coupled with the resources and programs available, has helped lessen the effects of our ailing economy. This Annual Report documents Alabama's record of achievement in its 12th full year under the WIA.

Alabama: An Economic Profile

Although the state has continued to make modest gains in payrolls in 2011, the pace of those gains slowed toward the second half of the year, mirroring the national trend. In May 2012 Alabama nonfarm employment totaled 1,881,100, still 145,600 below its December 2007 peak of 2,026,700. Over the 12-month period ending in May 2012, the state gained a total of 4,500 jobs. Goods producing businesses lost 4,200 workers while the service providing sector gained 8,700. Among goods producers, manufacturing added 2,900 jobs and construction had a net

loss of 7,200. Construction sector payroll losses were pretty much across the board, including building construction (2,200), heavy and civil engineering construction (1,500), and specialty trade contractors (3,500). Within manufacturing, only three industries registered job gains during the past 12 months: transportation equipment manufacturing (3,200), mostly in motor vehicle parts manufacturing (2,000); primary and fabricated metals (800); and paper manufacturing (100). Several manufacturing industries posted sizeable jobs losses, including textiles and apparel (1,400); wood products (600), furniture (600); and food manufacturing (300). However, most other manufacturers saw only modest job declines over the past year, with employment stabilizing in recent months.¹

Alabama Nonfarm Employment and Unemployment Rate
Employment (Thousands), Unemployment (Percent)



Alabama Nonfarm Employment Change in Number of Jobs

	May 2010 to May 2011	May 2011 to May 2012
Total Nonfarm Employment	-10,600	4,500
Natural Resources and Mining	300	100
Construction	-7,000	-7,200
Manufacturing	0	2,900
Durable Goods Manufacturing	500	4,100
Nondurable Goods Manufacturing	-500	-1,200
Trade, Transportation, and Utilities	2,100	2,800
Wholesale Trade	-200	100
Retail Trade	600	4,400
Transportation, Warehousing, Utilities	1,700	-1,700
Information	-800	-500
Financial Activities	1,300	-600
Professional and Business Services	5,100	5,100
Educational and Health Services	2,200	2,700
Leisure and Hospitality	500	7,100
Other Services	-300	2,400
Government	-14,000	-10,300
Federal Government	-8,300	-1,000
State Government	-1,400	-7,200
Local Government	-4,300	-2,100

Source: Alabama Department of Industrial Relations and Center for Business and Economic Research, The University of Alabama.

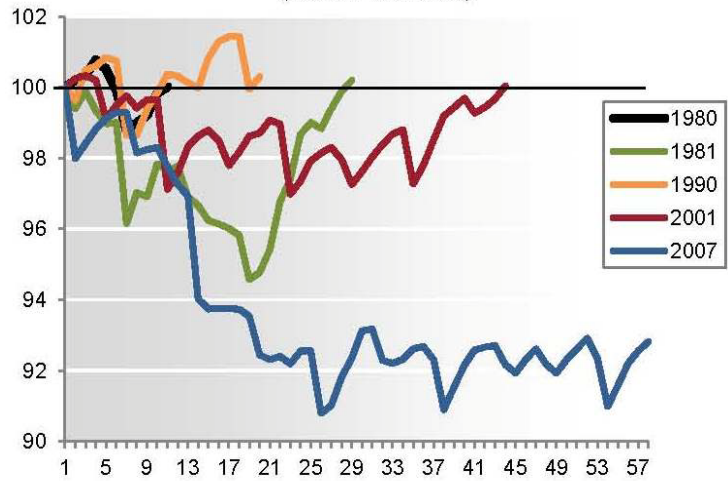
Among service providing firms, employment gains between May 2011 and May 2012 were primarily associated with leisure and hospitality (7,100); professional and business services (5,100); retailing (4,400); educational and health services (2,700); and other services (2,400). Over the same period, some service providing sectors lost significant numbers of jobs, including architectural and engineering services (2,000); department stores (1,600); transportation and warehousing (1,600), mostly in general freight trucking; finance and insurance (1,200); nondurable goods wholesalers (700); and telecommunications firms (500). In terms of income growth, however, several of the state's fastest growing services-related segments pay relatively low wages.²

I&2 Samuel Addy, Ph.D and Ahmad Ijaz, Alabama Business "Economic Outlook: Third Quarter 2012," *University of Alabama Center for Business and Economic Research*, July – September 2012, pp. 1-2

Of the three large industry groupings, government accounted for the majority of Alabama job losses, with a total of 10,300 jobs disappearing from May 2011 to May 2012. State government experienced a decline of 7,200 in payrolls, while local governments shed 2,100 workers. Of state and local government job losses, 4,700 were in education. Federal government employment decreased by 1,000 during the year.

From May 2011 to May 2012, only two of the state's 11 metropolitan areas managed job gains - Florence-Muscle Shoals saw payrolls increase by 1,300 and Gadsden added 100 nonfarm workers. Metro area job declines over the past 12 months included Huntsville (3,600), Montgomery (2,000), Tuscaloosa (1,800), Birmingham-Hoover (1,000), Anniston-Oxford (800), Mobile (600), Auburn-Opelika (400), Dothan (200), and Decatur (100). Unemployment rates dropped across the board during the same period, largely due to labor force declines; only Florence-Muscle Shoals saw its civilian labor force expand. As of May 2012 Mobile had the highest metro area unemployment rate at 8.5 percent, while Auburn-Opelika had the lowest at 6.5 percent. Although unemployment rates rose in all but four Alabama counties from April to May 2012, all counties except Barbour experienced a decline during the past 12 months. May unemployment ranged from 16.2 percent in Wilcox County down to 5.2 percent in Shelby.

Level of Alabama Employment Compared to the Beginning of Each Recession (Number of Months)



Source: Alabama Department of Industrial Relations.

While the Great Recession may be over, the recovery for Alabama will be slow, taking at least two more years. The expectation for expansion of 2.4 percent in 2012 is only slightly better than the 2.2 percent growth seen in 2011³. While this outlook is an improvement over recession years Alabama is still struggling to create the 130,000 jobs necessary to match 2007 employment levels. With corporate uncertainty at a 30-year high, reluctance to reinvest or hire is prevalent; and unemployment is reshaping the domestic economy. "Right now, 50% of new hires are made by 15% of businesses," states Rick Davis, Senior VP of Economic Development for the Birmingham Business Alliance.⁴

Alabama stands to be better off than the rest of the country, even if that is not a hard task to fulfill. Manufacturing is improving in the Birmingham area, adding 1,100 jobs in 2011. Ijaz states, "Alabama has one of the best training programs in the nation through its wide network of junior colleges." Sectors likely to perform well in the coming year include science, technology, medicine and health services. Areas in the Birmingham region are well positioned to capitalize upon with a dozen hospitals and more than 700 technology companies in the metro area. As the economy continues to grow, high-tech manufacturing will play an increasingly important role in the recovery, hopefully putting more Americans back to work. However, it is clear that more Americans need to undergo specialized training to fill jobs.⁵

3 Altig, D., Ijaz, A. Trent, C., & Addy, S., 2012 Economic Outlook Conference, Montgomery, AL; January 2012
 4&5 Davis, R., Helms, S., Ijaz, A., & Norris, J., Birmingham Business Journal's 2012 Economic Forecast Panel, Birmingham, AL; January 2012.

The Workforce Investment Partnership

The WIA, *Title I*, prescribes the delivery of a wide array of skills training, job placement, educational opportunities, and other workforce development services. Both job seekers and employers may access WIA workforce development services through the Alabama Career Center System. Career centers serve as employee/employer gateways to workforce development services and resources. Many of these services are available at the career center physical location. Other services are made available through various other agencies, both directly and indirectly affiliated with the Career Center System network. This network is principally designed to facilitate customer awareness of and access to the workforce development services required to overcome barriers to employment.

WIA funds allotted to the state are, in turn, allocated to local areas within the state. These local areas, which are charged with administrative responsibility for WIA programs and services, use these allocations for career center operations within their boundaries. Alabama currently has 45 Career Center System sites (as of September 2012), including comprehensive, non-comprehensive, and itinerant Centers. A Career Center Operations template issued by the State Workforce Investment Board (WIB) in November 2002 and revised January 2010, formalized operational guidance and expectations for the Alabama Career Center System.

Groups targeted for WIA services include Adults (aged 18 years and over), Older Youth (aged 19 to 21 years), Younger Youth (aged 14 to 18 years), and Dislocated Workers (job loss due to plant closings and layoffs). There is a greater focus on providing Adults, Older Youth, and Dislocated Workers with skills leading directly to employment. More attention is given to achievement of long-term educational milestones for the Younger Youth group. For this population, more emphasis is given to basic literacy training, and GED and ACT preparation than to short-term employment opportunities.

Specific strategies have been developed to ease the transition of Dislocated Workers from unemployment to reemployment. These measures include establishment of a dislocated workers Rapid Response Team, which brings information of available workforce development services directly to the affected individuals and advises these workers regarding other available support services for which they may be eligible. Among these services are health insurance program information and strategies to help protect dislocated workers' pension funds.

Priority of Services has also been established, through policy from the State WIB, for public assistance recipients and other individuals with low incomes to receive the highest priority for WIA services after all eligible veterans and eligible spouses of veterans have been considered for services.

Workforce Investment Boards

Workforce Investment Boards (WIBs), as provided under *Section 111* of the WIA, are charged with the design, implementation, and ongoing operation of state-level/sub state-level workforce development programs and activities. In order to better ensure that membership on the WIBs is reasonably representative of the various public and private sector principals actively engaged in local area workforce development activity, the legislation requires that the structuring of WIBs correspond to specific membership composition criteria. The three (3) Alabama local workforce investment areas are represented by a Local WIB. The State WIB works to achieve ongoing, cohesive, and mutually reinforcing working relationships among the workforce development partner agency stakeholders.

Members of the State WIB are appointed by the Governor. Local WIB members are appointed by each local area's designated chief local elected official. The Governor is the Chief Local Elected Official for the Alabama Workforce Investment Area (AWIA), the sixty-five (65) county balance-of-state local area.

The State WIB's collective workforce development-related knowledge and experience helps ensure that the Board maintains a broad and encompassing perspective, and accompanying insight, regarding Alabama workforce development system needs. Similarly, the primary focus of the local WIB is tailored toward the specific needs of their respective local workforce investment areas. State and Local WIBs seek to safeguard against giving a disproportionate amount of time and attention to any one program under their purview, such as WIA Title I Adult, Youth, or Dislocated Worker operations, lest they lose an appropriate perspective on the overall state/local area system they are charged to oversee.

State and Local WIBs are the operational settings for much of the WIA mandated coordination activities described in the following pages.

State Workforce Investment Board Members appointed as of 09/27/12 for the period 02/15/12 – 12/31/14:

Governor

Robert Bentley

Members of the Legislature

Senator Shadrack McGill

Senator Clay Scofield

Representative Terri Collins

Representative Ed Henry

Organized Labor

Al Henley – Alabama AFL-CIO

Mary Allbritten – Alabama AFL-CIO

Youth - Oriented Organizations

Frank Coiro – Montgomery Job Corps Center

Susan McKim – Alabama Department of Children's Affairs

Community College and Community-Based Organizations

Ed Castile – AIDT

Gregory Fitch – Alabama Commission on Higher Education

Frederick Hamilton – Jefferson County Community & Economic Development – JCWIA

Mark Heinrich – Shelton State Community College

Judy Merritt – Jefferson State Community College

Sydney Raine – Mobile Works, Inc. - MCWIA

WIA One-Stop Partner Representatives/Economic Development Agencies

Jim Byard, Jr. – Director, AL Dept. of Economic & Community Affairs, Montgomery, AL

Tom Surtees – Director, AL Dept. of Industrial Relations, Montgomery, AL

Tommy Bice – Superintendent, AL Dept. of Education, Montgomery, AL
Nancy Buckner – Commissioner, AL Dept. of Human Resources, Montgomery, AL
Neal Morrison – Commissioner, AL Dept. of Senior Services, Montgomery, AL
Cary Boswell – Commissioner, AL Dept. of Rehabilitation Services, Montgomery, AL
Susan Price – Interim Chancellor, AL Dept. of Postsecondary Edu., Montgomery, AL

Other Representatives, Head Agency Officials

Kib McKibbens – Governor’s Office of Small Business Development
Ron Scott – Economic Development Association of Alabama
Goodrich “Dus” Rogers – Jackson County Economic Development Authority

Local Area Chief Local Elected Officials

Mayor Wayne Silas – City of Winfield
Commissioner Don Stisher – Morgan County Commission

Business/Private Sector Representatives

Patricia Adams – Hyundai Motor Manufacturing Alabama, LLC
Tim Alford* – Alabama Construction Recruitment Institute
Brian Barr – Brasfield & Gorrie
Jeff Bayer – Bayer Properties
Shane Boatright – Boatright Companies, Inc.
Ronnie Boles** – General & Automotive Machine Shop, Inc.
Joseph Brown – Alabama Power Company
Glenn Camp – H B & G Building Products, Inc.
John Carroll – Phifer, Inc.
Stan Chavis – Stan Chavis Insurance Agency
George Clark – Manufacture Alabama
Jeff Coleman – Coleman World Group
J. Ab Conner – Conner Brothers Construction Co., Inc.
A.J. Cooper – Cooper Law
Wayne Daugherty – Raycom Media
John Downs – Qualico Steel Company
Perry Hand – Volkert, Inc.
John Harper – Wiregrass Construction Co., Inc.
Bobby Humphrey – Ready Mix USA / Bryant Bank
Susan Johnston – East Alabama Medical Center
Elliot Maisel – Gulf Distributing Holdings, LLC
Bartley McCorquodale – McCorquodale Transfer, Inc.
Ken McPherson, Jr. – The McPherson Companies
Anne Payne – Bethel Farms
David Pearce – Alabama Catfish Feedmill, LLC
Ashley Ramsay-Naile – CrowderGulf
Mike Reynolds – BroadSouth Communications, Inc.
Quentin Riggins – Alabama Power Company
Doug Sellers – Merchant Capital, LLC
Steve Sloan – North American Lighting, Inc.
Dan Stracener – Tractor and Equipment Company
Sherry Vest – West Corporation
Cheryl Williams – The Coleman Group dba Spherion

* State Workforce Investment Board Chairperson

** State Workforce Investment Board Vice Chairperson

State Level Coordination

Several State agencies partner with the Alabama Department of Economic and Community Affairs, Workforce Development Division to deliver WIA sponsored services and programs, including:

Partners	
Department of Economic and Community Affairs – Workforce Development Division	Department of Human Resources
	Subsidized Employment Program (SEP)
State-level WIA (WIA Grant Administration)	Food Stamp Training Program
Local Area WIA (Local WIA Grant Administration)	JOBS Program
National Emergency Grants (NEGs)	Alabama Department of Commerce
Department of Education (Secondary)	Industrial Recruitment
Career/Technical Education	Aid to Existing Industries
Department of Postsecondary Education	Department of Industrial Relations
Two-Year College System (workforce training programs)	Unemployment Compensation
Alabama Industrial Development Training (pre-employment services, Ready-to-Work Program)	Employment Service
	Labor Market Information
Adult Basic Education	Trade Adjustment Assistance
Alabama Technology Network	Veterans Services
Career Ready Alabama (Career Readiness Certificate Prgm)	WIA Business Outreach
Community Colleges: Bishop State, Southern Union, Bevill State - provide staff for one-stop centers	Mobile Career Center
	Staff for Career Centers
Department of Rehabilitation Services	Department of Senior Services

Specific interagency coordination activities include:

- A continuous exchange of customer information among: Jefferson County, Mobile County, and Alabama (Balance-of-State) Local Workforce Investment Areas, the Workforce Development Division, the Alabama Department of Economic and Community Affairs (ADECA), Trade Act Programs, Employment Service/Unemployment Compensation/Labor Market Information Divisions, Postsecondary Education, Adult Education, the Department of Senior Services, the Department of Human Resources, and the Alabama Department of Rehabilitation Services. This exchange better ensures case managers’ continuing access to a broad range of locally available workforce development program and services information.
- Regular on-site monitoring/assessment of the progress achieved by WIA program participants, from their date of application through post program follow-up, by Workforce Development Division Program Integrity Section staff. This action helps determine both the level and quality of the workforce development services provided to these individuals.
- Each local area ensures its service providers make available to program applicants and/or participants information regarding the full complement of available training/educational opportunities, support services, and other benefits to which they are entitled.
- The establishment by each local area of appropriate linkages, where feasible, with programs

operated under the following legislation:

- the Adult Education and Literacy Act
- the Carl D. Perkins Vocational and Technical Education Act of 1998
- Title IV, part F, of the Social Security Act
- the Food Stamps employment program
- the National Apprenticeship Act
- the Rehabilitation Act of 1973
- Title II, Chapter 2, of the Trade Act of 1974
- the Stewart B. McKinney Homeless Assistance Act
- the United States Housing Act of 1957
- the National Literacy Act of 1991
- the Head Start Act
- the Older Americans Act
- the Trade Act
- Labor Market Information/Employment Statistics
- American Recovery and Reinvestment Act
- Work Opportunity and Reconciliation Act

Alabama's Career Center System

Alabama's Career Center System, a proud partner of the American Job Center Network, works to consolidate the delivery of services presently offered to the eligible public through different state agencies, into a single, localized, delivery station. Services include:



- Intake
- Assessment
- Case management services
- Occupational training
- Educational training referrals
- Labor market information
- Job development services
- Vocational rehabilitation
- Unemployment insurance information
- Veterans' programs

A central feature of each career center is the Resource Area, where workforce development service seekers may enjoy ready access to computerized databases providing details of available educational and occupational training as well as supportive and other services. This information resource also provides employers with listings of prospective employees possessing the desired skills and work experience. Internet access is available for customers at all Alabama career center locations including the mobile career center vehicle.

Individual job seekers, assessed to require additional occupational skills training in order to better pursue their vocational objectives, may be provided training through the individual training account program, with eligible training providers.

As referenced above, a network of Alabama career centers (strategically located throughout the state) is the primary mechanism for delivery of WIA *Title I* Core/Intensive services to individuals and employers eligible for and in need of these services. Area employers may direct inquiries regarding the availability of appropriately skilled prospective employees to these local centers. Employers may also communicate their specific labor market skill needs to these centers.

Thirty (30) of these Centers are termed "comprehensive." These locations offer both job seekers and employers a full array of One-Stop services, to include information regarding Employment Service, Unemployment Compensation, Vocational Rehabilitation, and other partner agency program services for which they are eligible. Within the twenty-five (25) comprehensive Centers, the represented partners are actually collocated. The fifteen (15) non-comprehensive career centers are not full service offices; but they do provide many of the same employment assistance services as the comprehensive Centers, to include job information services and available resource information. Alabama also operates five (5) itinerant Centers, which are open only one (1) day a week and report directly to a comprehensive career center.

Each career center has negotiated cooperative agreements for on-site delivery of services with local representatives of the WIA partner agencies, including the local employment service and human resources agencies, Adult Education, postsecondary education (two-year colleges), and vocational rehabilitation.

Local employers are provided space to conduct employee candidate interviews at most career center

locations. Additionally, case managers (at many career centers) provide job seekers and employers with additional assistance to better satisfy their workforce development needs.

At the local level, career center staff members work to greatly reduce, if not entirely eliminate, any incidence of service redundancy or overlap among workforce development partner agencies. Achievement of One-Stop services integration, rather than duplication, is the key.

The Career Center Operations Template, developed by the State WIB in PY02, established a uniform services baseline associated with all career center locations, including the Career Center System logo, the availability of resource areas, children’s play area, and other features. The brand recognition helps clients (who move from one area of the state to another) to be able to recognize and access workforce services. With 12 years of “brand recognition, there is a reluctance to change the name and logo without substantial funding from the U.S. Department of Labor, Employment and Training Administration, for this purpose. However, as stationary, etc. is ordered, we expect it to include “a proud partner of the American Job Center Network: in the name of the Career Centers.

Monthly Career Center tracking reports indicate 742,682 career center customer hits were recorded during July 2011 – June 2012.

Comprehensive Career Centers (25*):

1) Alabaster	8) Dothan	15) Huntsville	22) Sheffield
2) Albertville	9) Enterprise	16) Jackson	23) Talladega
3) Anniston	10) Eufaula	17) Jasper	24) Troy
4) Birmingham	11) Foley	18) Mobile	25) Tuscaloosa
5) Brewton	12) Fort Payne	19) Montgomery	
6) Decatur	13) Gadsden	20) Opelika	
7) Demopolis	14) Hanceville	21) Selma	

Non-Comprehensive Career Centers (15*):

1) Alexander City	9) Monroeville
2) Andalusia	10) Pell City
3) Bay Minette	11) Phenix City
4) Blountsville	12) Rainsville
5) Center Point	13) Roanoke
6) Fayette	14) Scottsboro
7) Greenville	15) Valley
8) Hamilton	

Itinerant Career Centers (5*):

1) Camden
2) Haleyville
3) Luverne
4) Phil Campbell
5) Vernon

* Career center numbers are subject to change; the mobile career center vehicle is not included.

WIA Section 136(e) Process Evaluations

Alabama's WIA *Section 136(e)* process evaluation activities involve the development and provision of information products, which may assist front-line program managers' decision-making. Central to this effort is the identification of WIA Adult, Dislocated Worker, and/or Youth program services, which appear more effective in spurring individual participants' achievement of their respective workforce development goals. Additionally, process evaluations seek to identify which WIA service or services seem most cost-effective across identifiable demographic segments within the broader category of WIA participants - Adults, Dislocated Workers, and Youth. The WIA program cost efficiency study can be found in Attachment E.

A constraining factor inhibiting the timely execution of the projected Alabama WIA process evaluations is the limited availability of "real time" WIA program data. In order for these evaluations to have the greatest relevance to existing and future Alabama WIA programs, the studies must utilize actual program outcome data.

State-level evaluation studies have included a longitudinal review of selected economic data series trends, aggregated at the local area and sub-area level. This effort involved the plotting of actual and relative growth, covering civilian labor force, unemployment, unemployment insurance exhaustees, unemployment insurance beneficiaries, and mass layoff data.

Such information may provide insight regarding any association between local, regional, or state-level economic or demographic circumstances and observed directional trends in local area-level WIA program performance outcomes. There may or may not be potential for WIA program design innovations directly resulting from this and/or other evaluation study efforts.

Monthly customer traffic at all 45 career centers is tracked in order to help identify any significant trends in the number of career center customer "hits." Where any such trends are indicated, further analysis may help suggest any causal factors behind such month-to-month variation. Application of such causal information may enable One-Stop Career Center managers to better serve their ever-expanding customer base.

Additionally, efforts to identify specific high-growth, high-employment industries and occupations within the state are underway. Alabama is an active participant in the Local Employment Dynamics program, which is developing systems to provide users an array of industry-specific labor market information. This industry-specific data is expected to greatly facilitate workforce development program planning and program execution efforts.

Workforce Investment Activity Resource Allocation

Funds are provided annually to the state by the USDOL for the provision of WIA, *Title I*, Adult, Youth, and Dislocated Worker programs. According to the WIA, up to fifteen (15) percent of the total Adult, Youth, and Dislocated Worker funds allotted to the state may be reserved for state-level set-a-side activities, which include: a) state-level program administration, b) incentive awards for local areas, which demonstrate superior program performance, c) technical assistance/capacity building services, d) activities directly and indirectly supporting the ongoing development and operation of the state's One-Stop system, e) activities supporting the compilation and statewide dissemination of listings of eligible training providers, f) evaluations of program development strategies, which support continuous system improvement, and g) the development of a statewide fiscal management system.

However, for Program Year 2011, the administration in Washington, D.C. made a decision to retain the Program Year 2011 Ten (10) Percent funds that would have been available to fund many of the previously listed activities beginning on July 1, 2011. The administration retained the funds in order to have money for the awarding of Workforce Innovation Grants. In regard to the Fiscal Year 2012 Governor's Ten (10) Percent Set-aside funds, the Congress made a decision that those would be awarded to the local workforce areas as part of their regular allocation of Adult and Dislocated Worker funds. Due to these actions, the State sought and received approval to forgo the awarding of incentive awards and other required activities because there was no allocation for these activities, functions, etc., Only Five (5) Percent Administrative funds were awarded to the states for grant administration, reporting, etc. Additionally, up to twenty-five (25) percent of Dislocated Worker funds may be reserved for provision of statewide rapid response services for dislocated workers.

Of the Adult, Youth, and Dislocated Worker allotments reserved for local area incentives/capacity building, sixty-seven (67) percent is designated for local area incentive awards, and thirty-three (33) percent is withheld for statewide technical assistance/capacity building.

PY11/FY12 Federal WIA Allocation Levels

Activity/Program	WIA Allocations
State-Level Activities	\$2,031,435
Statewide Rapid Response Activities	\$0
Local Area Adult Programs	\$11,465,744
Local Area Youth Programs	\$11,832,796
Local Area Dislocated Worker Programs	\$15,298,780
TOTAL	\$40,628,755

Additional specifics regarding Alabama PY11/FY12 WIA program funding levels are found in Attachment A.

State-level PY11 Adult, Youth, and Dislocated Worker actual performance measures are compared to the negotiated performance goals in Attachment B. This data indicates Alabama met or exceeded all nine (9) PY11 program measures.

An analysis (three (3) year average) of Alabama’s performance trend contrasts Adult, Dislocated Worker, and Youth programs along common performance measures. This analysis indicates the apparent strengths of these programs relative to one another. As might be expected, it is apparent that Dislocated Worker program completers generally exhibit collectively stronger employment and earnings performance than their counterparts in the Adult programs.

These comparisons of participant performance trends better enable WIA program managers to analyze which programs are more effective for various segments of our clients.

Performance Trend Comparison

Three Year (PY09-PY11) Statewide Average	Adult	Dislocated Worker	14-21 Youth
Entered Employment Rate	63.2%	71.1%	
Employment Retention Rate	82.1%	88.2%	
Average Earnings	\$11,845.00	\$14,689	
Employment/Credential Rate	-----	-----	
Placement in Employment or Education			51.4%
Attainment of Degree or Certification			48.2%
Literacy and Numeracy Gains			37.4%

PY11 Programs

Rapid Response

The ADECA, Workforce Development Division is responsible for coordinating WIA Dislocated Worker program services statewide. These responsibilities include the development of Dislocated Worker program policy and delivery of Rapid Response services.

The Dislocated Worker Service Agency Information Network is comprised of representatives from the:

- Alabama Department of Economic and Community Affairs
Workforce Development Division
Workforce Investment Act
Office of the Director
Community Services Development Block Grant
Low Income Energy Assistance Program
- Department of Industrial Relations
Unemployment Compensation
Employment Service
Trade Adjustment Assistance
- Alabama Department of Commerce (formerly Alabama Development Office)
Office of Small Business Advocacy
Project Assistance
- Alabama College System
- Department of Human Resources
- Alabama Department of Public Health
Alabama All Kids Program (Insurance for Children Under 19)
Women Infants & Children Program
- Alabama Medicaid Agency
SOBRA - Medical Services
- Alabama Cooperative Extension Service
- Department of Mental Health
- Alabama Department of Senior Services
- Alabama Department of Rehabilitation Services
- AFL-CIO Labor Institute for Training (L.I.F.T.)

Alabama's Rapid Response activities are coordinated with federal agencies such as the USDOL's Employment and Training Administration and the Employee Benefits Security Administration. Activities are also coordinated with state of Alabama insurance programs such as the Alabama Health Insurance Plan and Children's Health Insurance Programs (All-Kids and SOBRA). Agencies such as the Alabama Small Business Development Consortium are also involved.

The Dislocated Worker Unit Rapid Response Team is comprised of two (2) Dislocated Worker Specialists who are employees of the ADECA and appropriate Alabama Department of Labor staff. In situations where Rapid Response Team activities involve unionized companies, AFL-CIO Labor Institute for Training (L.I.F.T.) representatives are also included. In Alabama, the ADECA's Workforce Development Division is designated as the State's Dislocated Worker Unit. The Rapid Response Team, as part of Alabama's State Dislocated Worker Unit (DWU), receives advance notification of worker dislocation events, under requirements of the federal Worker Adjustment and Retraining Notification (WARN) Act. This advance notification better enables the Team's effective coordination of direct assistance and/or referral of

various other agency services provided to both employers and workers affected by such dislocation events (i.e., substantial layoffs or plant closings). The Rapid Response Team may also provide these services to employers and workers affected by smaller scale dislocation events, i.e., those not triggering WARN notification, but which are expected to have a substantial impact on the local community. These smaller scale dislocation events may come to the attention of Rapid Response Team staff through the news media, contacts initiated by affected employers, union representatives, or other state and local service agencies.

Activities of the Rapid Response Team facilitate dislocated workers' awareness and utilization of the broad range of programs, services, and benefits available through a variety of federal, state, and local sources to which they are entitled. The Team's overriding objective is to ease the trauma associated with job loss and better enable dislocated workers' return to the workforce. Attempts are made to maximize each individual's fullest potential.

A strong effort is made to appropriately tailor Rapid Response services to the unique circumstances and requirements associated with each individual dislocation event. On learning of an anticipated plant closing or substantial layoff, Rapid Response staff schedule on-site meetings with company management and labor representatives to discuss available assistance options. After consultation with the appropriate Dislocated Worker Network partner representatives, group employee/local service agency meetings are usually organized at the local employer's worksite. When necessary, meetings may be held at union halls or other local area community centers.

During these meetings, affected workers are provided details regarding their eligibility for and the availability of retraining services, unemployment compensation benefits, job search and placement services, health insurance continuance, pension benefits/counseling, entrepreneurial training assistance, and more.

The following is a percentage breakout, by industry, of the number of workers affected by those plant closings and/or layoffs reported to the Rapid Response Team during PY11 (July 1, 2011 - June 30, 2012):

Total Individuals Laid Off by Sector

Sector	PY10		PY11	
	Count	Percentage	Count	Percentage
Agriculture production--livestock & animal specialties	200	3.1%	0	0.0%
Administration of human resource programs	0	0.0%	450	8.3%
Apparel & accessory stores	71	1.1%	0	0.0%
Apparel & other finished products	320	5.0%	181	3.3%
Business services	1,950	30.6%	191	3.5%
Chemicals & allied products	0	0.0%	119	2.2%
Educational services	19	0.3%	0	0.0%
Electronic & other electrical equipment & components	50	0.8%	0	0.0%
Engineering, accounting, research, & management	145	2.3%	965	17.7%
Executive, legislative, & general gov., except finance	60	0.9%	0	0.0%
Fabricated metal products, except machinery	69	1.1%	0	0.0%
Food & kindred products	0	0.0%	855	15.7%
Food stores	17	0.3%	0	0.0%
Furniture & fixtures	0	0.0%	117	2.2%
Health services	127	2.0%	184	3.4%
Industrial & commercial machinery & computer equip.	66	1.0%	250	4.6%
Justice, public order, & safety	0	0.0%	191	3.5%
Lumber & wood products, except furniture	201	3.2%	0	0.0%
Miscellaneous repair services	0	0.0%	155	2.8%
Miscellaneous retail	369	5.8%	0	0.0%
Miscellaneous services	150	2.4%	0	0.0%
Motor freight transportation & warehousing	186	2.9%	0	0.0%
National security & international affairs	0	0.0%	600	11.0%
Paper & allied products	147	2.3%	0	0.0%
Petroleum refining & related industries	61	1.0%	0	0.0%
Primary metal industries	759	11.9%	15	0.3%
Printing, publishing, & allied industries	0	0.0%	393	7.2%
Railroad transportation	0	0.0%	181	3.3%
Rubber & miscellaneous plastic products	50	0.8%	31	0.6%
Stone, clay, glass, & concrete products	146	2.3%	0	0.0%
Textile mill products	632	9.9%	89	1.6%
Transportation equipment	495	7.8%	395	7.3%
Wholesale trade--nondurable goods	75	1.2%	78	1.4%
Total	6,365	100.0%	5,440	100.0%

Rapid Response records indicate 5,440 workers throughout the state were impacted by thirty (30) dislocation events serviced by the Rapid Response Team during PY11. By comparison, 6,365 workers were impacted by 52 dislocation events serviced by the Rapid Response Team during PY10. Rapid Response Team staff conducted 47 group employee/local service agency meetings during PY11.

Eligible Training Provider List

The Workforce Development Division (WDD) uses an Internet-based system to better ensure that the customers of local career centers have appropriate access to the state's Eligible Training Provider List. Development and maintenance of this system requires a great deal of cooperation between the WIA *Title I* career center partner agencies and various training providers. Alabama career center staff have

been trained in the use of the Eligible Training Provider List.

USDOL has provided guidance regarding methods for the certification, the gathering and reporting of performance information, initial certification of out-of-state providers, and recertification of in-state and out-of-state providers. WDD strives to keep training program information as current and up-to-date as possible. The state requested that the USDOL extend, through June 30, 2011, the previously-granted waiver of *WIA Section 122 (c)* subsequent training provider eligibility requirements. The added local flexibility (enabled by this waiver) has proven invaluable to both local area and state-level training provider procurement staff.

Presently, there are approximately 120 different training providers, covering 307 different occupations and approximately 1,400 separate programs, on Alabama's WIA Eligible Training Provider List. The Alabama Eligible Training Provider List may be accessed at <http://www2.dir.state.al.us/alcrs>.

Incumbent Worker Training Program (IWTP)

The IWTP is administered through the ADECA WDD. *Section 134(A)(3)(iv) (I)* of the WIA authorizes IWTP as a statewide workforce development activity. Alabama's IWTP had limited funding in Program Year 2011. Only state-level five (5) percent administrative funds as well as up to twenty (20) percent (per USDOL approved waiver) of the Rapid Response funds (that are not necessary for provision of required Rapid Response activities) were available for a limited number of IWTP projects.

The IWTP provides assistance to Alabama employers to help with expenses associated with new or updated skills training of current, full-time, employees. For-profit companies in operation in Alabama for at least two (2) years are eligible to apply for IWTP funds. An interested company must have at least one full-time, permanent employee other than its owner. Companies seeking IWTP funding must also be current on all state and federal tax obligations. Applicants must provide a dollar-for-dollar "soft" match to requested funds. A soft match can include, but is not limited to, employee wages, benefits, meeting space, and cash payments to vendors. Applicants were eligible to apply for up to \$30,000 of IWTP funds in PY11.

Successful IWTP applicant companies contract with outside training providers to provide basic work skills training to existing employees. Applicants must demonstrate a need for upgraded skill levels for existing employees. Within their applications, IWTP companies anticipate measurable training outcomes. IWTP skills upgrade training should support company efforts to minimize lay-offs (lay-off aversion) and/or help the company remain competitive. The technical and professional training programs provided with the assistance of these funds, equip incumbent workers with specific workplace skills required to provide optimal performance within existing jobs, and may enable them to broaden the scope of their workplace responsibilities. Successful training completion should allow greater opportunities for employee retention and increased earnings potential, thus achieving one of the major USDOL goals for the IWT Program, which is layoff aversion.

The state of Alabama launched its Incumbent Worker Training Program in September 2001. Through June 30, 2012, Alabama has awarded nearly \$13,512,000 in IWTP funding to Alabama businesses, benefitting over 21,500 workers. This includes twenty-four (24) IWTP contracts totaling \$1,058,988 through federal American Recovery & Reinvestment Act (ARRA) and \$1,128,250 awarded for six (6) new and active IWTP contracts for PY11 (07/01/11 – 06/30/12). Statewide, PY11 contracts were awarded to companies of all sizes in four (4) counties, benefitting ninety (90) individual workers. Although local areas did not utilize Adult or Dislocated Worker monies to fund local IWTP activities (per approved USDOL waiver) during PY11, it is anticipated (with the probable loss of State level funds for this program) that the local areas are much more likely to utilize local funds for IWTP activities in the future.

The chart below provides a snapshot for Alabama’s IWTP in PY11:

Contracts per County

County	Contracts Awarded	Planned Participants	Agreement Amounts
Jackson	1	21	\$25,700.00
Lee	1	12	\$26,400.00
Madison	3	21	\$71,100.00
Talladega	1	36	\$30,000.00
	6	90	\$153,200.00

Individual Training Account (ITA)

The Individual Training Account (ITA), a specific agreement, which provides educational or occupational skills training services, is the primary medium to deliver WIA training services. ITA services may only be provided to WIA participants by those training providers who have applied for placement and been placed on the Eligible Training Provider List. The State began a wind down of its statewide ITA program during Program Year 2011 due to the loss of Governor’s Ten (10) Percent Set-Aside funds. The state will not have funds for this statewide activity until Congress restores the Governor’s Ten (10) Percent Set-Aside funds to states. Local workforce areas were not affected and continue to fund their local ITA programs. The normal limitation on length of training for regular WIA funded ITAs is two years.

Prospective education and/or occupational skills training providers must meet specific criteria in order to obtain and subsequently retain WIA training provider status.

Postsecondary education institutions, which offer instruction leading to generally recognized certification in high-demand occupational skills, and other institutions providing similar vocational instruction services, are among the entities, which may apply for inclusion on the Eligible Training Provider List.

The ITA service delivery model continues to be monitored, revised, and implemented with ongoing success. Based on the principle of customer choice, the ITA is designed to allow each participant to develop a career strategy and to pursue training based on the most effective track for his or her individual interests and skills. During PY11, 6,555 individuals were enrolled in training through ITAs utilizing regular formula WIA funds.

On-the-Job Training

The Workforce Development Division of ADECA administers the OJT Program for the Alabama Workforce Investment Area, and the other two (2) local workforce investment areas (Jefferson and Mobile) administer their local programs of which OJT is an allowable training option. The OJT program gives individuals an opportunity to learn job skills and allows employers to train new employees while saving money on training costs. A Service Representative and the employer will create a training plan that defines training objectives and goals for the trainee(s). Employers may receive up to a fifty (50) percent reimbursement of hourly wages paid to a trainee. This reimbursement serves as an incentive to encourage employers to hire individuals who do not have all of the required skills for a particular job. A predetermined training period can range from six (6) to twenty-six (260 weeks based on the skill level of the participant(s) and the training occupation. This program is designed to fulfill the employment needs of local employers by providing a trained workforce while increasing productivity and profits.

There are three (3) OJT programs: New Hire, National Emergency Grant, and Performance-Based training. The ultimate goal of the three (3) OJT training programs is permanent employment upon successful completion of training.

The New Hire OJT program may allow an employer to receive up to fifty (50) percent reimbursement of hourly wages paid to a trainee. The reimbursement invoices are submitted monthly for the training hours worked. This OJT training program places trainees in occupations that enhance long-term employment opportunities.

The National Emergency Grant (NEG) is a newly designed OJT training program for a limited time January 1, 2008 – September 30, 2012. Trainees eligible for this program have been unemployed for a period longer than 17.87 weeks. The NEG OJT training is provided under a contract with an employer in the private non-profit or private-for-profit sector. NEG OJT contracts may not be negotiated with public sector employers. Percentage of wages to be reimbursed is based on the total number of full time employees, before hiring OJT NEG participant(s); 1-50 employees – the employer may receive ninety (90) percent reimbursement; 51-250 employees – the employer may receive seventy-five (75) percent reimbursement; and more than 250 employees – the employer may receive fifty (50) percent reimbursement.

The Performance-Based training program is designed to offer training to employers for a large number of employees for a short period of training time. The training hours, training plans, number of trainees, cost, and wages are negotiated through the Workforce Development Division (WDD). This program may allow an employer to receive up to fifty (50) percent reimbursement of hourly wages paid to a trainee. Employers are eligible for training cost reimbursement only if the trainee completes the training plus one day and is retained on the employer's payroll. All Performance-Based agreements are different, based on the employer's needs at that time.

Youth: Assessment/Employability Plan Development

Younger youth receive individual assessment and vocational guidance services. Youth assessed to be in need of academic reinforcement, job readiness/workplace skills, world-of-work transition services, and other available services are directed to area providers of these services. Participants may be provided either intermediate or longer-term career planning services.

Youth: Basic Educational Skills Achievement

Classroom instruction aimed at reinforcing basic skills learning is provided to both in-school and out-of-school youth. Out-of-school youth receive assistance with General Equivalency Degree (GED) examination preparation. In-school youth are provided needed educational skills reinforcement, and receive encouragement to remain in school until graduation. Training sites include local school systems, two-year colleges, community centers, and/or other public or private facilities.

Youth: Summer Program/Work Experience

No paid work experience during PY11.

Youth: Academic/Basic Skills Reinforcement

Older youth are provided supplemental academic exposure, which enables their achievement of basic learning skills, and culminates in General Equivalency Degree certification.

Youth: Individual Referral Services

This is enrollment in area vocational, two-year college, or other eligible training provider occupational skills training class. Training is generally restricted to vocational/occupational fields of demonstrated local labor market demand. Participants are provided the appropriate supportive services, which may encourage them to remain in their respective training programs through completion. Participants receive job placement assistance upon receipt of occupational skills achievement certification.

Youth: Local Area Accounts

During PY11, the AWIA enrolled 1,004 area youth in the WIA formula funded program where the participants were provided training and support services through contracts with youth service providers.

The local area Youth Council oversaw the delivery of existing programs to area youth with great success. Area providers offered a variety of training, job readiness, and academic remediation programs for PY11 in an effort to better reach difficult to serve youth. Eight (8) providers were identified for funding, and programs are in place to make available numerous resources for out-of-school youth.

The Youth programs funded by the local area offer the following services directly or via referral:

- Intake & Registration
- Objective Assessment
- Service Strategy Development
- Case Management & Follow-up
- Training & instruction to enhance secondary school completion
- Alternative secondary schooling opportunities
- Summer employment opportunities
- Paid and unpaid work experiences
- Occupational skills training
- Leadership Development
- Access to Supportive Services
- Adult mentoring
- Comprehensive guidance and counseling

The services provided through the WIA system are evaluated based on specific criteria set forth by the USDOL and by ADECA. Youth are expected to earn a credential such as their GED or High School Diploma. Programs must also pre-test participants and offer them assistance in math or reading if needed. Youth enrollees are prepared for the workplace and assisted with job placement or supported in their pursuit of continuing education.

Local Area Program Success Stories

Adult

- Amanda Autry's Success Story: "What a difference a year makes," states Amanda Autry as she addressed a group of ex-offenders during a job readiness workshop at Bishop State. A year ago, Autry was incarcerated and now she's gainfully employed as a welder and starting a new chapter in her life. Autry, like several of her co-workers, was given a second chance. She credits Travis Short, owner of Horizon Shipbuilding and Mobile Work's On-the-Job Training (OJT) programs Adult funding for her success. "They gave me hope and an opportunity at life," Autry said. "I want to be a productive citizen of society and not be a statistic."

Short states that the OJT program is ideal for his company because someone was willing to share the costs of hiring and training a new employee. "It's getting harder and harder to find quality people who are ready to work," Short said. "When you bring on new workers, there is a financial investment that you incur immediately. The financial incentive encouraged me to hire." To date, eighteen (18) individuals have been hired, most ex-offenders; and the shipbuilding company has saved nearly \$70,000 in employment costs.

DeWayne Scott echoed Short's comments as he addressed the crowd of ex-offenders. Scott explained that a little over a year ago he was simply a participant in the ex-offender job readiness workshop, and now he shares his experience from being an unemployed felon to a productive member of society. Prior to working for Horizon, Scott served eleven years in prison. "I am thankful for the program because it allowed me to be hired," Scott said. "I hope that other companies and business owners would consider giving people an opportunity to prove themselves. Everybody deserves another chance and all ex-offenders aren't bad. Some made one mistake and it cost them dearly."

Mobile Works is pleased to offer this program to the business community as a resource to cover their training needs. "We have invested nearly \$500,000 dollars in training dollars for area businesses over the past two (2) years," states Sydney Raine, President of Mobile Works. Mobile Works can pay up to fifty (50) percent of the costs associated with training new hires for jobs that pay at least \$9 per hour.

- Ashleigh Grear's Success Story: "'Dreams can come true', I said to myself as I walked across the stage to receive my Bachelors of Science in Nursing," said Ashleigh Grear, who recently graduated from the University of South Alabama (USA).

She credits Mobile Works for helping to make her dreams come true. She was faced with financial struggles as well as balancing her studies. "There were some very tough times," states Grear. "The program was difficult and there were many late nights of studying and doing paperwork. There were instructors who were very helpful and some instructors who were very difficult." However, she persevered through it all and is now a proud graduate of USA.

Grear heard of the WIA program during orientation at school. According to Grear, paying for books and school was difficult. However, life became easier when she received funding to help pay for her school and books. Grear has always dreamed of becoming a nurse since she was a little girl. She can truly say her dreams are now a reality and have come to fruition. She has started work as an RN at Providence Hospital.

- James Coleman's Success Story: Through the Center for Workforce Development, James Coleman attended Beville State Community College and obtained his CDL certificate and license.

His case is very unique because, in spite of his past circumstances, he was unwilling to give up. Because of Mr. Coleman's past affiliation with the criminal justice system he knew that he would be faced with many obstacles to finding employment. It was in working through his issues that he found out about Jefferson County's WIA program. It would be through this program that he would truly gain the means to obtain self-sufficiency and the freedom to work independently.

Mr. Coleman's process was not an easy one. He understood that individuals with a criminal past often had a more difficult experience finding employment. To ensure that his training would not be in vain he identified employers who were willing to offer him employment opportunities upon the successful completion of his training.

Mr. Coleman was approved for training and successfully completed Beville State's CDL program on August 24, 2012 and has since been extended two (2) offers of employment. Mr. Coleman's ultimate goal is to own his own trucking company, and as an entrepreneur, come back to CWD to offer employment to others who are attempting to overcome similar circumstances. This is the benefit of "never giving up."

- Ashley's Success Story: Ashley, a young mother of two and recent widow, had been accepted in the Registered Nursing (RN) program at a local community college. She entered school initially in 2009. She was able to maintain a 3.5 GPA despite working part-time and raising two young children. In the fall of 2010 she was diagnosed with cancer and, due to surgery and treatments, she had to withdraw from school. Ashley planned to return to school after her cancer treatment were complete and continued to keep her WIA case manager informed while going through her treatments. With her treatments completed, she met with the WIA and college staff and was informed that the Spring 2011 classes were at capacity and the classes she needed to complete her RN training on time would not be available until later. However, she was determined to graduate at her original scheduled date. With the help of staff she was able to find a transition class at another nearby community college. She started back in the program and graduated in December 2011. She passed her Nursing Board exams in February 2012. She is now employed full-time as a Registered Nurse at a local hospital.

Dislocated Worker

- Hawood Nelson, Jr.'s Success Story: On April 27, 2011, Hawood Nelson, Jr., his parents, and younger sister had just made it to the safe place in the basement of their home when they heard a loud bang. They came out to discover that half of their home was gone as a result of being struck by a tornado. Suffering through the immediacy of the devastation, the family salvaged what they could and, by evening, had moved in with his aunt and her family.

Prior to the tornado, Mr. Nelson had moved back home with his parents because he had become unemployed. The perspective gained after having to moving back home made him realize that he had to do something different. He heard that CWD was a place to get funded for career training and decided to come in to discuss available programs.

He came into the office in June 2011 and requested funding to attend Jefferson State Community College to receive training to become a Pharmacy Technician. Mr. Nelson decided to become a Pharmacy Technician because his research had shown it to be a growing field and, with the right credentials, he could find and keep employment. After careful evaluation by the case manager, it was determined that Mr. Nelson would benefit from this training. Mr. Nelson qualified for WIA funding and started his studies at Jefferson State on August 20, 2011. He completed the program on November 8, 2011 and immediately began his search for employment. In January Mr. Nelson was hired by Walgreen's Pharmacy as a Pharmacy

Technician. Mr. Nelson remains employed there and now also has his own apartment and is considering furthering his education.

Mr. Nelson was featured on Change 42 News story in March 2012 regarding the Pharmacy Technician profession.

- Shawn's Success Story: Shawn, a dislocated worker came into the Foley Career Center seeking assistance. He was referred to a local truck driving school and enrolled. He finished the training with an A+ on his final exam and a week later was offered a job with the trucking company. During his initial employment period with the company he continued to check in with the Career Center staff and gave them updates on his new job and places he had traveled. Recently, Shawn visited the Center to give them the news that he was now officially an owner-operator with the company. He continued to sing the praises of the Foley Career Center staff and the opportunity offered to him by the WIA program.

Youth

- Marion White's Success Story: "I started at the DESI Career Training Center in July 2011 hoping to get my life together. DESI was a program I heard about from my aunt. I knew the only way to get into college was to get my GED. So I stopped being lazy and called DESI and got into the program. It wasn't easy but I put it in my mind that I was going to make it and be the man I wanted to be in life.

What prevented me from making it in public school was my attitude. I didn't really like school, so I thought it was stupid, because I felt like I wasn't learning anything that I didn't already know. I made it all the way to the 11th grade and gave up. I loved the hood more than school. That's crazy to say but was true. I thought I was a product of my environment. I had that "I don't care" attitude because of the situation I was bought up in. School became the last priority for me. I had my mind on other things.

DESI helped me achieve my goal, because I got my GED and now I'm on to college. It helped me become more focused in school. DESI is a great program to attend because it helped me with all of the problems I had going on in my life. The staff is great and they really take the time out to help you with anything. They are there for you whenever you need them. The staff pushes you and keeps you focused at the same time. They make sure you get your GED and become successful in life.

My future plans are to go to Bishop State and get my Associates Degree in Electrical Technology. I want to start a good life for me and my family. I hope my future will be great. I want to thank DESI and the staff for all they have given me and for all they did to help me with my success in life as I worked to achieve what I thought would never happen."

- Tyesha Finklea's Success Story: Tyesha Finklea is a student who graduated from the Dearborn YMCA Pathways to Employment Program during this past year by earning her GED. She spoke at the graduation celebration held for the class and made the following remarks:

"I am honored to be here this afternoon to celebrate the achievement of the Pathway to Employment Program 2011-12. I am proud for each of us for coming back and trying to do something with our lives. This great achievement required discipline, commitment, and courage to take the next step to acquire the necessary education to enable you to move forward with your personal goals. All of these characteristics have empowered the participants in this program. Life is a journey and sometimes the journey is not what you planned, or maybe you didn't know that a plan was needed. Some get pregnant at a young age or fall into crime, but

society can't write us off as if we do not count. Some of us, like me, believed we weren't content in our lives; we didn't want to be stuck working in a meaningless job like all of the others who dropped out. I wanted more for myself than just to be a statistic.

One day I had an epiphany and I acknowledged the fact that I was required to participate in my destiny, and I began to plan for my future. I enrolled in the Pathways to Employment Program and from that day on I knew that I was destined to succeed. The director and the teachers provided me with the necessary support to ensure my success and I will be forever grateful for their unwavering belief in me."

- Gabrielle Scott's Success Story: Gabrielle Scott participated in the Center for Workforce Development's (CWD) Youth Program as a student in the Sterile Processing Program and Jeremiah's Hope Academy. She began the program as a homeless youth as a result of the family home being burned to the ground. Through it all Gabrielle remained hopeful. She came in seeking to obtain certification that would lead to stable and sustained employment. In working with her case manager, Gabrielle chose her desired training program and, as a result, graduated top of her class.

Since earning her certification in Sterile Processing, she has gained full-time employment as a Sterile Processor with St. Vincent's Hospital. In her strive for full self-sufficiency, Gabrielle applied for, and was granted, a full scholarship by the University of Alabama Birmingham (UAB). In the fall semester of 2013 she will be enrolling in the Nursing Program at UAB.

- James Success Story: James, an unemployed WIA eligible youth, came to the Talladega Career Center seeking employment. The Career Center had just been notified that funds were available for an Extended Youth Work Experience Program to hire additional temporary staff for the center. After an assessment by staff James was determined to be in need of work experience and was placed in the slot that was available at the Career Center. He was assigned specific duties of working at the front counter, answering the telephone and directing customers. He learned quickly, was very professional with staff as well as customers, and quickly became an important element in the organization. However, the work experience program ended in March 2011 and James had to leave.

Soon afterward the Center was approved to hire a temporary Employment Security Clerk with regular funds and the center was able to hire James in the position. During his time as a temporary employee James applied for a permanent position through State Personnel. He took the test and scored high on the employment register. Soon James was hired as a permanent employee with full benefits. James is a great asset to the Career Center and has received numerous complements from employer representative as well as customer seeking services.

Waiver Requests

The waivers shown below were requested by the state to help administer programs to eligible recipients in the most effective and flexible means possible. Alabama gratefully acknowledges the opportunity for expanded WIA systems operational flexibility and the considerable benefits extended to the state through the WIA regulatory waiver process by the USDOL.

Increase the Allowable Transfer Rate between Adult and Dislocated Worker Programs

A waiver of the limits on transfers between adult and dislocated worker programs was approved by U.S. DOL through December 31, 2012. This limit is found in Section 133(b)(4) of WIA. This waiver would result in the ability to transfer up to 50 percent of funds from one of these programs to the other.

The primary goal of this waiver is to gain the flexibility needed to effectively use the funds allocated to the state under the Workforce Investment Act. By allowing the funds to be transferred as needed, based on the needs determined within each local area within the state, the funds will be more effectively used.

The individuals impacted are adults and dislocated workers who are in need of training and re-employment services. By having the flexibility to move the funds to the target group where the need is greatest, program participants, both adults and dislocated workers, will benefit from the waiver.

Common Measures

The State of Alabama received a waiver, from U.S. DOL through December 31, 2012, for the provision of WIA Section 136(b) and (c) and accompanying Regulations §666.100(a) and §666.300(a) that specify the state and local performance measures currently required for WIA Title I programs

This waiver allows Alabama to renew its performance focus and facilitate system integration across partner programs. The common measures provide a simplified and streamlined performance measurement system that is more cost effective and understandable to business-led boards. It is believed that case management, customer service, and operational effectiveness will be enhanced through implementation of this waiver.

The waiver is viewed as a continuous improvement measure that will have the following far-reaching benefits and outcomes:

- Facilitate the goal of a fully integrated workforce system;
- Provide clear and understandable information to stakeholders concerning the use of public funds and return on investment;
- Improve case management integration, service coordination, and information sharing;
- Assist in the realignment of youth program designs to better implement DOL's vision for targeting out-of-school youth;
- Use a single set of measures for youth, thus eliminating the need to track younger and older youth through separate silos; and
- Reduce labor intensive data collection.

All customers of the workforce system will benefit from this waiver. The quality and quantity of services to participants will be enhanced by focusing on fewer targeted outcomes. State and local program administrators will benefit as Alabama progresses towards a fully integrated workforce system that concentrates on demand-driven accountability measures.

Conduct Evaluations, Local Incentive Grants, and Disseminating Training Provider Performance and Cost Information using Governor's Reserve

The State of Alabama received a waiver, from U.S. DOL through December 31, 2012:

- Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the conduct of evaluations of workforce investment activities for adults, dislocated workers, and youth.
- Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring provision of incentive grants to local areas.
- Waiver of 20 CFR 665.200(b)(3) requiring dissemination of training provider performance and cost information.

The reduction to five percent in the WIA allotment for PY 2012 Governor’s Reserve funds restricts the state’s ability to effectively fund and carry out all of the required statewide workforce investment activities. The current funding level in the Governor’s Reserve is insufficient to cover the cost of evaluations, incentive grants to local areas, and dissemination of training provider performance and cost information. The state’s reduced funds are being used to cover the following required activities:

§ 665.200

- (b) Disseminating:
 - (1) The State list of eligible providers of training services (including those providing non-traditional training services), for adults and dislocated workers;
 - (2) Information identifying eligible providers of on-the-job training (OJT) and customized training;
 - (4) A list of eligible providers of youth activities as described in WIA section 123;
 - (f) Providing technical assistance to local areas that fail to meet local performance measures.
 - (g) Assisting in the establishment and operation of One-Stop delivery systems, in accordance with the strategy described in the State workforce investment plan. (WIA sec. 112(b)(14))
 - (i) Operating a fiscal and management accountability information system, based on guidelines established by the Secretary after consultation with the Governors, chief elected officials, and One-Stop partners, as required by WIA section 136(f). (WIA secs. 129(b)(2), 134(a)(2), and 136(e)(2))

Funds are being used by the state in regard to WIA grant administration, oversight and monitoring, reporting to the USDOL, and may for State WIB support as necessary.

Our goal with this waiver is to ensure that the state may prioritize the use of Governor’s Reserve funds for the required activities we deem most essential to the basic functions of the workforce investment system.

This waiver has provided the state agency with more flexibility in directing Governor’s Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system.

Eligible Training Provider List

WIA Section 122(d) requires the annual submission by training providers of program information on all individuals participating in an applicable training program. This has proven to be an overly burdensome requirement. If performance information were required only for WIA-funded program participants, the collection of information would be much less burdensome and compliance would be manageable. The State of Alabama has received a waiver, from U.S. DOL through December 31, 2012.

This waiver makes provision of consumer information less burdensome and still provides information that is valuable to the consumer. This waiver allows the provision of helpful information to potential trainees without being overly burdensome.

This waiver impacts those customers who are eligible for WIA training services in that it would provide them with information about performance results for WIA-funded individuals in a given training

program. This information is very valuable to the consumer in making critical career decisions. Information about the entire group that has gone through training, regardless of funding, would also be valuable, but it has been extremely difficult to acquire. Confidentiality issues come into play when acquiring information about non-WIA students because Social Security Numbers are involved. Two-year colleges have been unable to overcome this issue.

Incumbent Worker Training at the Local Area Level

The Alabama Department of Economic and Community Affairs (ADECA), as the State Administrative Entity for the Workforce Investment Act (WIA), has received a waiver, from U.S. DOL through December 31, 2012, of the restrictions on the use of local area WIA funds for Incumbent Worker Training at the local area level be extended.

WIA requires progression through a series of core, intensive, and training activities. The requirements for intensive services include, from WIA Section 134(d)(3)(A), being "...unemployed and are unable to obtain employment through core services...", "...been determined by a one-stop operator to be in need of more intensive services in order to obtain or retain employment that allows for self-sufficiency." WIA Section 134(d)(4)(A)(i) requires a person to have "...met eligibility requirements for intensive services..." and to be "...unable to obtain or retain employment through such services." These requirements effectively block the use of local funds for Incumbent Worker Training.

This waiver allows Local Workforce Investment Boards, at their discretion, to spend up to 10 percent of local Dislocated Worker funds and up to 10 percent of local Adult funds for incumbent worker training only as part of a lay-off aversion strategy. Use of Adult funds must be restricted to serving low-income adults under this waiver. All training delivered under this waiver is restricted to skill attainment activities. Local areas must continue to conduct the required local employment and training activities at WIA section 134(d), and the State is required to report performance outcomes for any individual served under this waiver in the Workforce Investment Act Standardized Record Data System (WISARD). This waiver will help to prevent layoffs and closures by assisting companies in becoming more competitive through provision of needed training.

Alabama has run an Incumbent Worker Training Program using state-level funds. This program has become very popular and very worthwhile. Local areas have used the waiver to a limited extent, but the waiver is a valuable tool for training incumbent workers. A state policy requires a dollar-for-dollar match of WIA funds by the employer. This waiver increases local flexibility to address the needs of the labor market.

This waiver provides Local Workforce Investment Boards the option to spend a portion of their WIA funding on Incumbent Worker Training. The Incumbent program is very popular with employers as industry competition is constantly increasing. Employers are required not only to work harder but also to work smarter, and this requires employee training. Incumbent Worker Training provides skill upgrade training to employees of companies that need the assistance, thereby assisting in retaining jobs and even in creating jobs. In addition to these benefits, Incumbent Worker Training is spreading the word about WIA funded programs and resources in a very positive way.

The potential impact of this waiver is on employers and employees in businesses in which employees need training in order to remain competitive in the marketplace. Without the training, the business may have to lay off employees or to close. The training makes the employees more valuable to the current employer and to other future employers.

Transfer of Funds from Rapid Response to Statewide Activities

The State of Alabama has received a waiver of WIA Section 134(a)(3)(A)(iv)(I) from U.S. DOL through

December 31, 2012. This waiver allows the transfer on up to 20 percent of Rapid Response funds to WIA Statewide Activities in order that we may provide additional Incumbent Worker Training.

This waiver gives the state the flexibility to move funds from the Rapid Response program to Incumbent Worker Training, which greatly enhances the state's ability to adapt as situations dictate. Incumbent Worker Training has proven to be our best available tool to assist with layoff avoidance.

Individuals impacted by this waiver are those workers whose companies are in need of employee training to meet the competitive demands of the marketplace. Provision of the training to these individuals helps the competitiveness of the company and helps the trainee by providing the worker with additional skills which are valuable at the current job and any future job.

Alabama Workforce Investment Area Local Area Performance Summary

ETA Assigned Number: 01015

Total Participants Served	Adults	3,742	Total Exitters	Adults	2,153
	Dislocated Workers	2,761		Dislocated Workers	1,523
	Older Youth	1,236		Older Youth	457
	Younger Youth	788		Younger Youth	281
Program Year 2011 Local Area Performance Outcomes				Negotiated	Actual
Entered Employment Rate	Adults			74.50	64.70
	Dislocated Workers			80.50	71.10
Retention Rate	Adults			83.00	82.80
	Dislocated Workers			91.00	88.10
Average Earnings	Adults			\$9,800.00	\$11,421.00
	Dislocated Workers			\$13,500.00	\$15,032.00
Placed in Employment/Edu.	Youth (14-21)			57.00	53.00
Degree/Certificate Attainment	Youth (14-21)			49.00	44.00
Literacy/Numeracy Gains	Youth (14-21)			35.00	21.90

Jefferson Workforce Investment Area Local Area Performance Summary

ETA Assigned Number: 01005

Total Participants Served	Adults	852	Total Exitters	Adults	262
	Dislocated Workers	227		Dislocated Workers	72
	Older Youth	115		Older Youth	155
	Younger Youth	21		Younger Youth	12
Program Year 2011 Local Area Performance Outcomes				Negotiated	Actual
Entered Employment Rate	Adults			74.50	61.20
	Dislocated Workers			80.50	71.90
Retention Rate	Adults			83.00	88.90
	Dislocated Workers			91.00	90.90
Average Earnings	Adults			\$9,800.00	\$9,860.00
	Dislocated Workers			\$13,500.00	\$17,109.00
Placed in Employment/Edu.	Youth (14-21)			57.00	56.00
Degree/Certificate Attainment	Youth (14-21)			49.00	64.00
Literacy/Numeracy Gains	Youth (14-21)			35.00	65.90

Mobile Local Workforce Investment Area Local Area Performance Summary

ETA Assigned Number: 01010

Total Participants Served	Adults	558	Total Exitters	Adults	239
	Dislocated Workers	101		Dislocated Workers	63
	Older Youth	90		Older Youth	81
	Younger Youth	119		Younger Youth	75
Program Year 2011 Local Area Performance Outcomes				Negotiated	Actual
Entered Employment Rate		Adults		75.00	67.40
		Dislocated Workers		80.50	69.60
Retention Rate		Adults		83.00	81.50
		Dislocated Workers		91.00	84.90
Average Earnings		Adults		\$9,800.00	\$14,905.00
		Dislocated Workers		\$13,500.00	\$16,028.00
Placed in Employment/Edu.		Younger Youth (14-21)		60.00	54.00
Degree/Certificate Attainment		Younger Youth (14-21)		49.00	64.00
Literacy/Numeracy Gains		Younger Youth (14-21)		40.00	37.40

Program Performance Summary

	Negotiated Performance Level	Actual Performance Level	
Adult			
Entered Employment Rate	74.5%	64.8%	1,381
			2,131
Employment Retention Rate	83.0%	84.1%	1,806
			2,147
Average Earnings	\$9,800	\$11,923	\$21,532,233
			1,806
Employment and Credential Rate			
Dislocated Worker			
Entered Employment Rate	80.5%	71.1%	1,357
			1,908
Employment Retention Rate	91.0%	88.8%	1,520
			1,711
Average Earnings	\$13,500	\$15,354	\$23,338,523
			1520
Employment and Credential Rate			
Youth Common Measures (14-21) Results			
Placement in Employment or Education	57.0%	54.1%	428
			791
Attainment of Degree or Certification	49.0%	48.4%	254
			525
Literacy and Numeracy Gains	35.0%	27.1%	183
			675

Note: Percentages have been rounded to the nearest tenth.

PY11 Participants/Exited (4th quarter – cumulative)

Statewide Summary:	Total Participants Served	Participants Exited
Adults	5,709	2,863
Dislocated Workers	4,356	2,158
Older Youth	1,442	694
Younger Youth	929	368
TOTAL		

Total Number of Youth Served: 2,371 (100.00%)
Out-of-School Youth: 1,982 (83.60%)
In-School Youth: 389 (16.40%)

Customer Satisfaction

Customer Satisfaction	Negotiated Performance Level	Actual Performance Level (ACSI)	Number of Customers Surveyed	Number of Surveys Completed	Number of Customers Eligible for Survey	Response Rate
Program Participants	82.00%	86.00%	657	502	2,122	81.20%

Other Reported Information

	Employment Retention Rate		Earnings increase Adult or Earnings Replacement Dislocated Worker		Placement in Non-traditional Employment		Wages at Entry in Employment for Individuals Entering Unsubsidized Employment		Entry into Unsubsidized Employment Related to the Training Received of those who Completed Training Services	
Adults	84.4	1,844	\$1,851	\$1,861,658	0.6	8	\$5,061	\$6,902,947	66.4	781
		2,184		1,006				1,381		1,364
Dislocated Workers	90.3	1,520	90.7	\$14,353,947	0.7	10	\$6,732	\$9,021,247	59.9	738
		1,684		\$15,826,392				1,357		1,340

Special Populations Outcomes Summary

Adult Program

Rates	Public Assistance Recipients		Veterans		Individuals with Disabilities		Older Individuals	
	Entered Employment	62.1	506 815	66.2	94 142	58.8	20 34	48.6
Employment Retention	83.5	596 714	87.1	101 116	68.2	15 22	87.1	54 62
Average Earnings	\$10,830	\$6,454,660 596	\$12,901	\$1,303,005 101	\$12,262	\$183,937 15	\$12,287	\$663,513 54

Dislocated Worker Program

Rates	Veterans		Individuals With Disabilities		Older Individuals		Displaced Homemakers	
	Entered Employment	70.9	122 172	62.5	10 16	55.6	105 189	76.9
Employment Retention	90.9	130 143	91.7	11 12	85.7	114 133	95.5	21 22
Average Earnings	\$18,705	\$2,431,711 130	\$12,202	\$134,225 11	\$13,051	\$1,487,810 114	\$10,002	\$210,042 21

Other Outcome Information Summary

	Individuals Who Receive Training Services		Individuals Who Receive Only Core & Intensive Services	
Adults				
Entered Employment Rate	66.4	1,185 1,785	56.6	196 346
Employment Retention Rate	84.7	1,556 1,837	80.6	250 310
Average Earnings	\$12,189	\$18,965,531 1,556	\$10,267	\$2,566,702 250
Dislocated Workers				
Entered Employment Rate	71.4	1,244 1,743	68.5	113 165
Employment Retention Rate	88.5	1,370 1,548	92.1	151 164
Average Earnings	\$15,291	\$20,949,194 1,370	\$15,899	\$2,400,753 151

Participant Demographic Profile

Characteristics	
Female	6,289
Male	4,693
American Indian/Alaska Native	108
Asian	114
Black/African American	4,401
Hispanic/Latino	54
Native Hawaiian/Pacific Islander	17
White	6,191

Note: Male/Female totals will not calculate with Ethnic totals as participants may indicate multiple ethnic groups at eligibility.

Alabama Metropolitan Areas: Employment Growth Non-Agricultural (in thousands)

Metropolitan Areas	June 2010	June 2011	% Change
Anniston-Oxford	49.0	48.2	-0.80%
Auburn-Opelika	53.4	53.4	0.00%
Birmingham-Hoover	493.9	492.7	-1.20%
Decatur	53.9	54.6	0.70%
Dothan	56.0	57.1	1.10%
Florence-Muscle Shoals	55.4	54.6	-0.80%
Gadsden	35.3	36.0	0.70%
Huntsville	210.3	209.3	-1.00%
Mobile	176.3	176.1	-0.20%
Montgomery	168.1	168.2	0.10%
Tuscaloosa	91.4	91.8	0.40%

Note: Nonagricultural employment is by place of work. Numbers have been rounded.

Source: Alabama Department of Industrial Relations

PY09 Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		0.00
Local Dislocated Workers		0.00
Local Youth		0.00
Local Administration		0.00
Rapid Response (up to 25%) Sec. 134(a)(2)(A)*		149,485.99
Statewide Activities (up to 15%) Sec. 134(a)(2)(B) (Per FSR of 06/30/12 less FSR of 06/30/11)		309,641.65
Statewide Allowable Activities Sec. 134(a)(3)	State Administration 5% Funds	149,682.13
	Contractor Administration 5% Funds	0.00
	Statewide Capacity Building	0.00
	Local Area Incentive Awards	0.00
	Other Expenditures	109,297.69
	Incumbent Worker Training	0.00
	Recaptured Funds	4,486.83
	Assessment/Case Management	18,100.00
ITAs for Dislocated Workers	28,075.00	
Total of All Federal Spending Listed Above		\$459,127.64

*\$30,000.00 was made available to one LWIA to provide additional assistance for serving dislocated workers.

FY10 Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		0.00
Local Dislocated Workers		0.00
Local Youth		0.00
Local Administration		0.00
Rapid Response (up to 25%) Sec. 134(a)(2)(A)*		121,488.67
Statewide Activities (up to 15%) Sec. 134(a)(2)(B) (Per FSR of 06/30/12 less FSR of 06/30/11)		178,108.87
Statewide Allowable Activities Sec. 134(a)(3)	State Administration 5% Funds	0.00
	Contractor Administration 5% Funds	0.00
	Statewide Capacity Building	0.00
	Local Area Incentive Awards	0.00
	Other Expenditures	90,643.18
	Incumbent Worker Training	0.00
	Recaptured Funds	14,352.69
	Assessment/Case Management	73,113.00
ITAs for Dislocated Workers	0.00	
Total of All Federal Spending Listed Above		\$299,597.54

PY10 Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		0.00
Local Dislocated Workers		813,649.06
Local Youth		4,010,996.15
Local Administration		1,046,140.82
Rapid Response (up to 25%) Sec. 134(a)(2)(A)*		164,027.89
Statewide Activities (up to 15%) Sec. 134(a)(2)(B) (Per FSR of 06/30/12 less FSR of 06/30/11)		1,146,297.97
Statewide Allowable Activities Sec. 134(a)(3)	State Administration 5% Funds	746,776.72
	Contractor Administration 5% Funds	0.00
	Statewide Capacity Building	18,232.06
	Local Area Incentive Awards	70,317.31
	Other Expenditures**	(26,918.47)
	Incumbent Worker Training	0.00
	Recaptured Funds	0.00
	Assessment/Case Management	101,158.35
ITAs for Dislocated Workers		236,732.00
Total of All Federal Spending Listed Above		\$7,181,111.89

- * - \$14,535.26 of Rapid Response funds were spent for Incumbent Worker Training Projects (per USDOL approved waiver) not included elsewhere in the Annual Report.
- \$137,537.00 in Rapid Response funds were made available to one LWIA to provide additional assistance for serving dislocated workers.
- ** Prior year cost adjustment.

FY11 Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		4,805,929.14
Local Dislocated Workers		3,894,237.38
Local Youth		0.00
Local Administration		945,570.56
Rapid Response (up to 25%) Sec. 134(a)(2)(A)*		531,598.05
Statewide Activities (up to 15%) Sec. 134(a)(2)(B) (Per FSR of 06/30/12 less FSR of 06/30/11)		1,347,512.93
Statewide Allowable Activities Sec. 134(a)(3)	State Administration 5% Funds	455,891.21
	Contractor Administration 5% Funds**	217,745.03
	Statewide Capacity Building	20,949.49
	Local Area Incentive Awards	398,768.16
	Other Expenditures	4,345.94
	Incumbent Worker Training	93,071.38
	Recaptured Funds	0.00
	Assessment/Case Management	72,841.65
ITAs for Dislocated Workers		83,900.07
Total of All Federal Spending Listed Above		\$11,524,848.06

- * - \$332,463.00 of Rapid Response funds were made available to one LWIA to provide additional assistance for serving dislocated workers.
- \$116,535.26 of Rapid Response funds were spent for Incumbent Worker Training Projects (per USDOL approved waiver) not included elsewhere in the Annual Report.
- ** \$172,896.65 was spent on Incumbent Worker Training Projects (used Administrative funds for Program Costs)

PY11 Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		579,774.49
Local Dislocated Workers		2,332,893.20
Local Youth		4,546,689.10
Local Administration		403,917.19
Rapid Response (up to 25%) Sec. 134(a)(2)(A)*		0.00
Statewide Activities (up to 15%) Sec. 134(a)(2)(B) (Per FSR of 06/30/11 less FSR of 06/30/10)**		339,976.92
Statewide Allowable Activities Sec. 134(a)(3)	State Administration 5% Funds	80,532.92
	Contractor Administration 5% Funds***	259,444.00
	Statewide Capacity Building	0.00
	Local Area Incentive Awards	0.00
	Other Expenditures	0.00
	Incumbent Worker Training	0.00
	Pre Apprentice Program	0.00
	Assessment/Case Management	0.00
ITAs for Dislocated Workers		0.00
Total of All Federal Spending Listed Above		\$8,203,250.90

* No Rapid Response funds were retained as the State had sufficient carryover Rapid Response funds. The funds were allocated to the local workforce areas as part of their Dislocated Worker funds allocation.

** The current administration (in D.C.) and Congress only allowed the retention of 5% Administrative funds by the states. The 10% Governor's Set Aside funds were retained by the Employment and Training Administration for Workforce Innovation Grants.

*** 5% Administrative funds in the amount of \$259,444.00 (Pre Apprenticeship Program \$111,441.00, and Participant Assessment/Case Management \$148,003.00) were used for Program Costs.

FY12 Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		4,502,647.17
Local Dislocated Workers		2,452,635.46
Local Youth		0.00
Local Administration		152,737.68
Rapid Response (up to 25%) Sec. 134(a)(2)(A)*		0.00
Statewide Activities (up to 15%) Sec. 134(a)(2)(B) (Per FSR of 06/30/12 less FSR of 06/30/11)**		15,468.75
Statewide Allowable Activities Sec. 134(a)(3)	State Administration 5% Funds	0.00
	Contractor Administration 5% Funds***	15,468.75
	Statewide Capacity Building	0.00
	Local Area Incentive Awards	0.00
	Other Expenditures	0.00
	Incumbent Worker Training	0.00
	Recaptured Funds	0.00
	Assessment/Case Management	0.00
ITAs for Dislocated Workers		0.00
Total of All Federal Spending Listed Above		\$7,123,489.06

* No Rapid Response funds were retained as the State had sufficient carryover Rapid Response funds. The funds were allocated to the local workforce areas as part of their Dislocated Worker funds allocation.

** The current administration (in D.C.) and Congress only allowed the retention of 5% Administrative funds by the states. The 10% Governor's Set Aside program funds were allocated to the local workforce areas as part of their normal Adult, and Dislocated Worker fiscal year allocations.

*** 5% Administrative funds used for Program Costs for the Incumbent Worker Training Program.

Look Ahead

With some of the strongest training programs in the nation, Alabama stands to be better off than the rest of the country. Sectors likely to perform well in the coming year include science, technology, medicine and health services. As the economy continues to grow, high-tech manufacturing will play an increasingly important role in the recovery, hopefully putting more Americans back to work. However, it is clear that more Americans need to undergo specialized training to fill jobs.

As Alabama's strengths continue with growing tourism, exports, and manufacturing sectors, business optimism is up slightly and job growth is returning. Ongoing diversification of the state's economy into biotechnology, healthcare, aerospace, automotive, national defense, education, steel, shipbuilding, and other high-paying manufacturing and white-collar jobs also improve the state's economic fortitude.

Although the Great Recession may be over, the recovery for Alabama will be slow, taking at least two more years. With a growth rate projection of only 2.4 percent, the new hiring in transportation, healthcare, food services, and fabricated metals won't be enough to outpace the increased number of people beginning and resuming the job search; unemployment levels will remain close to the current 7.6 percent. Regardless of the slow economic recovery, Alabama remains a national leader in aligning workforce and economic development. Although Alabama continues to struggle with high unemployment rates, improvements in output and employment are being made and relief is anticipated to continue in PY12 and beyond.

The state's diverse industry base includes nationally and internationally recognized companies in the automotive, steel, maritime, and aviation/aerospace sectors. The leisure/hospitality and healthcare industry sectors are also experiencing growth. The addition of people and jobs is expected to continue in PY12 due to new openings and expansions of business.

Alabama's state and local area-level WIA program performance continues to exceed their earnings performance goals. A system of ten (10) regional workforce development councils, comprised of private sector employers, economic developers, and elected officials, were a factor in Alabama's continued economic success.

The IWTP, which is designed to help existing businesses avert layoffs, reduce turnover, and become more competitive by providing skills upgrade training for employees, is administered through the ADECA.

Funding received from three (3) federal grants statewide; On-The-Job-Training National Emergency Grant, State Energy Sector Partnership and Training Grant, and Gulf Oil Spill National Emergency Grant, will continue to assist more Alabamians return to work and to benefit businesses of all sizes into PY12.

These WIA-funded programs provide Alabama workers with educational and occupational skill acquisition opportunities necessary to achieve their individual career goals and provide employers with the highly-skilled labor pool they require to appropriately fuel Alabama's surging economic engine. A shared vision of where we are today, set against where we can be tomorrow, is the momentum driving Alabama's growing workforce development partnerships.

Attachments

Local Area WIA Planning Allocations.....A-1

Statewide Performance Incentive AnalysisB-1

Cost per Participant AnalysisC-1

**Local Area Planning Allocation
Program Year 2011
(July 1, 2011-June 30, 2012)**

		PY 2011 Allotment	FY 2012 Allotment	Full PY Allotment
SEC. 133(b)(2)(A) ADULT PROGRAMS		\$924,068	\$11,166,239	\$12,090,307
* Rescission adjusted from 1.503% to 0.189%		\$0	-\$21,104	-\$21,104
		\$924,068	\$11,145,135	\$12,069,203
a. GOVERNOR's SET ASIDES:	5%	\$46,203	\$557,256 *	\$603,459
Administration (5%)		\$46,203	\$557,256 *	\$603,459
Other WIA Activities (7%)		\$0	\$0 *	\$0
Incent/Cap. Bldng. (3%)		\$0	\$0 *	\$0
Local Area Grants (67%)		\$0	\$0 *	\$0
State-level (33%)		\$0	\$0 *	\$0
b. LOCAL AREA ADULT PROGRAMS	95%	\$877,865	\$10,587,879 *	\$11,465,744
AWIA		\$681,872	\$8,224,023 *	\$8,905,895
Jefferson		\$108,842	\$1,312,730 *	\$1,421,572
Mobile		\$87,151	\$1,051,126 *	\$1,138,277
SEC. 128(b)(2) YOUTH ALLOTMENT		\$12,455,574	\$0	\$12,455,574
a. GOVERNOR's SET ASIDES:	5%	\$622,778	\$0	\$622,778
Administration (5%)		\$622,778	\$0	\$622,778
Other WIA Activities (7%)		\$0	\$0	\$0
Incent/Cap. Bldng. (3%)		\$0	\$0	\$0
Local Area Grants (67%)		\$0	\$0	\$0
State-level (33%)		\$0	\$0	\$0
b. LOCAL AREA YOUTH PROGRAMS	95%	\$11,832,796	\$0	\$11,832,796
AWIA		\$9,247,655	\$0	\$9,247,655
Jefferson		\$1,429,562	\$0	\$1,429,562
Mobile		\$1,155,579	\$0	\$1,155,579

* Incorporates adjustment for 0.189% Rescission and recalculates allocations after clarification 5% Governor Reserve maximum.

Local Area Planning Allocation (cont.)
Program Year 2011
(July 1, 2011-June 30, 2012)

		PY 2011 Allotment	FY 2012 Allotment	Full PY Allotment
SEC. 133(b)(2)(B) DISLOCATED WORKERS		\$3,085,372	\$13,043,258	\$16,128,630
* Rescission adjusted from 1.503% to 0.189%		\$0	-\$24,652	-\$24,652
		\$3,085,372	\$13,018,606	\$16,103,978
a. RAPID RESPONSE PROGRAMS	0%	\$0	\$0	\$0
b. GOVERNOR's SET ASIDES:	5%	\$154,268	\$650,930	\$805,198
Administration (5%)		\$154,268	\$650,930 *	\$805,198
Other WIA Activities (7%)		\$0	\$0 *	\$0
Incent/Cap. Bldng. (3%)		\$0	\$0 *	\$0
Local Area Grants (67%)		\$0	\$0 *	\$0
State-level (33%)		\$0	\$0 *	\$0
c. LOCAL AREA D.W. PROGRAMS	95%	\$2,931,104	\$13,367,676 *	\$15,298,780
AWIA		\$2,260,682	\$9,538,856 *	\$11,799,538
Jefferson		\$434,684	\$1,834,133 *	\$2,268,817
Mobile		\$235,738	\$994,687 *	\$1,230,425
TOTAL PROGRAM YEAR 2010 ALLOTMENT		\$16,465,014	\$24,163,741	\$40,628,755
POOLED SET ASIDES				
RAPID RESPONSE PROGRAMS	0%	\$0	\$0	\$0
Administration (5%)		\$823,249	\$1,208,186	\$2,031,435
Other WIA Activities (7%)		\$0	\$0	\$0
Incentive Awards/Capacity Building (3%)		\$0	\$0	\$0
Local Area grants (67%)		\$0	\$0	\$0
AWIA		N/A	N/A	N/A
Jefferson		N/A	N/A	N/A
Mobile		N/A	N/A	N/A
State-level activities (33%)		\$0	\$0	\$0

* Incorporates adjustment for 0.189% Rescission and recalculates allocations after clarification 5% Governor Reserve maximum.

**Statewide Performance Incentive Analysis
July 1, 2011 – June 30, 2012**

MEASURES		NEGOTIATED GOAL	ACTUAL	NUMERATOR/ DENOMINATOR	INDEX (Actual/Goal)
ADULTS					
Entered Employment Rate	(10/01/10-09/30/11)	74.50%	64.80%	1,381 / 2,131	86.97%
Employment Retention Rate	(04/01/10-03/31/11)	83.00%	84.10%*	1,806 / 2,147	101.33%
Average Six Months Earnings	(04/01/10-03/31/11)	\$9,800	\$11,923*	\$21,532,233 / 1,806	121.66%
DISLOCATED WORKERS:					
Entered Employment Rate	(10/01/10-09/30/11)	80.50%	71.10%	1,357 / 1,908	88.32%
Employment Retention Rate	(04/01/10-03/31/11)	91.00%	88.80%	1,520 / 1,711	97.58%
Average Six Months Earnings	(04/01/10-03/31/11)	\$13,500	\$15,354*	\$23,338,523 / 1,520	113.73%
YOUTH COMMON MEASURES (14-21)					
Literacy and Numeracy Gains	(07/01/11-06/30/12)	35.00%	27.10%	183 / 675	77.43%
Placement in Employment or Education	(10/01/10-09/30/11)	57.00%	54.10%	428 / 791	94.91%
Attainment of Degree or Certificate	(10/01/10-09/30/11)	49.00%	48.40%	254 / 525	98.78%

* Exceeded Goal

Highlighted – Failed to Achieve 80% of Negotiated Goal

Cost per Participant Analysis
Program Year 2011
(July 1, 2011-June 30, 2012)

PY11 Expenditures by Fund*

Fund Source	PY11/FY12	PY10/FY11	PY09/FY10	TOTAL
Adult	\$5,082,422	\$4,805,929	\$0	\$9,888,351
Youth	\$4,785,529	\$4,707,886	\$0	\$9,493,415
Dislocated Worker	\$4,546,689	\$4,010,996	\$0	\$8,557,685
Total	\$14,414,640	\$13,524,811	\$0	\$27,939,451

Participant Cost Analysis

	Participants	Expenditures per Participant
Adult	5,152	\$1,919
Youth	3,089	\$3,073
Dislocated Worker	2,369	\$3,612
Overall	10,610	\$2,633

* Expenditures have been rounded to the nearest dollar.