

Initially, DPW had stated that the first payment under the new contract would not be issued until at least October 2012. At the request of local WIBs, however, payments for the first three months of the contract would be expedited with the first check available in early August.

While local WIBs are pleased with many of the programmatic changes overall and are generally supportive of performance-based contracts, there is insufficient time to make so many drastic changes by July 1, 2012 and deliver a high quality program. We suggest that implementation be delayed for at least six months to ensure that all the changes are in place and services will not be interrupted.

## ► Proposed Statewide Request for Proposal

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**Recommendation:** We urge that the existing public workforce system (local WIBs) be retained as partners in delivering workforce services to the welfare population.

After transitioning the WIBs to a brand-new, performance-based contract for one year, DPW intends to sever this partnership with the local workforce system and instead issue a statewide Request for Proposal for these very same services for the next fiscal year starting July 1, 2013. Such a move runs counter to state and national goals to move to integrate the welfare and workforce systems. Currently, a tremendous opportunity exists to develop a single workforce system that will serve all customers, resulting in savings to EARN by sharing facilities, services and staff, and the ability to leverage services from different funding sources to best assist the customer. Private contracting would potentially sever the EARN programs from the existing public community-based system, which has infrastructure in place to deliver these and other public employment and training services. Taking EARN away from the workforce system will also reduce support to the PA CareerLink® infrastructure, jeopardizing the future of these vital career centers.

At the same time, discussions are taking place at the cabinet level about integrating the EARN system with the PA CareerLink® system. Private contracting seems to run counter to the goal of integrating the two systems in Pennsylvania. Integration could result in greater efficiency and savings to the Commonwealth. In fact, national policy and other states are moving more in the direction of placing welfare-to-work programs with the WIBs.

A state Inter-Departmental Task Force is currently reviewing all state agencies with workforce responsibilities. The results of this review could be helpful to this effort. In addition enhancements to the state's Job matching system currently under development could benefit the welfare population as well if the systems would be integrated.

**Currently, about half of the EARN centers in Pennsylvania are already co-located with PA CareerLinks®. Where feasible, more centers should be co-located, services and staffing shared, and duplication of services eliminated.**

### **Benefits of Integration of EARN with PA CareerLink®**

1) **Co-location** – While physical co-location may not be possible in every local workforce area due to space size and leasing constrictions, locating the two together allows some sharing of “common areas,” which may include classrooms, meeting rooms, reception areas, etc.

- 2) **Access to more resources** – Integration would allow EARN customers to conveniently use the CareerLink® Resource Room with ready access to a whole range of information and materials, including a larger data base of employment opportunities.
- 3) **Sharing of workshops** – Particularly if EARN would become more flexible in service options, various informational workshops offered by the CareerLink® could be of benefit to EARN clients.
- 4) **Long-term benefits for customers** – Integration would bring Welfare recipients into the larger, more universal workforce development system, which they can use long after they are no longer a public assistance recipient.
- 5) **Team coordination** – Business Services could be coordinated so that employers have a single point of contact. Team meetings would enable business services staff and job developers from various partners to get a better picture of the larger labor market and to discuss job openings and customers.
- 6) **Access to more job interviews** – Employers could do comprehensive on-site recruitment at the PA CareerLink®, where EARN applicants could be included.
- 7) **Broader perspective for CareerLink® staff** – Staff training of all partners provides exposure to issues and ideas not ordinarily available to EARN staff.
- 8) **Sharing of staffing** – Opportunities to share staff and cut costs from all individual programs could be explored.
- 9) **Transportation economies of scale** – A larger customer base would enable scheduling and coordination of transportation.
- 10) **Better inclusion of welfare recipients** – EARN customers would feel more comfortable being in a less segregated environment, and the PA CareerLink® community of employees would have a broader perspective.

### ► Example: Local Integration in Lancaster County

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The PA CareerLink® Lancaster County's integration model includes EARN customers among many other groups, including dislocated and low-income workers, young people, ex-offenders, homeless people, and many others who have been at the margins of the workforce. This model is based on the assumption that there should be one, seamless delivery process that is used by all customers.

Key components include:

- Delivery of same information to all participants on: resume writing, interviewing, job searching with a criminal background
- Resume development
- Engagement with Business Services Team to seek out suitable placements
- Skills assessment (WorkKeys) and National Career Readiness Credential
- Foundation skills – math, reading GED, ESL
- Training that includes Individual Training Accounts as well as short-term, credential-based training
- Flexible job searching options that include intensive, small group and social media

- Joint responsibility of case managers and business services for placement and retention
- The same key metrics – placement and retention – for all
- Traditional EARN services wrap around these services, allowing for intensive and impactful job coaching
- Funds leveraged by PA CareerLink® partners, Workforce Investment Act and EARN to allow EARN staff to concentrate on customer needs
- EARN customers routinely graduate with career readiness credential, earn certificates in pre-employment training and are placed in family-sustaining jobs through a team effort that includes state, WIA and EARN staff

## ► Examples: Other States

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When Pennsylvania engaged local WIBs to run its welfare-to-work programs, the state was one of the first to do so. At the time, Pennsylvania was recognized as a forward-thinking state and a model for other states.

Other states successfully using local WIBs to run welfare-to-work programs include:

**Florida** – The Florida Agency for Workforce Innovation (AWI) is the agency that administers workforce programs under the policy direction of Workforce Florida, Inc. AWI is the fiscal entity for Workforce Florida, Inc., and executes performance-based contracts with the Regional Workforce Investment Boards. In addition to administering the workforce programs, AWI is the agency that administers the School Readiness programs in Florida, including the subsidized child care program.

**Texas** – “Choices” is Texas’ TANF Employment and Training Program that operates under a Work First service model. Program oversight for the TANF/Choices program in Texas rests with the Texas Workforce Commission’s Workforce Development Division and the local Workforce Development Boards (the Texas version of WIBs).

**Michigan** – Welfare clients are referred to the MWAs (Michigan Works! Agencies). The MWAs integrate their programs to keep them invisible to the public. Rather than offer items off the shelf, the service is seamless. Everything related to workforce is under the MWAs’ roof.

**Minnesota** - In all 87 Minnesota counties, WIBs are contracted to deliver the employment and training services under TANF.

**Ohio** has co-located workforce and welfare-to-work services.

**Tennessee** is now in the process of moving from a system run by four contractors to one that will be run by the state’s local WIBs.

